

# UKRO Annual Conference

## External cooperation programmes

Androulla Kaminara

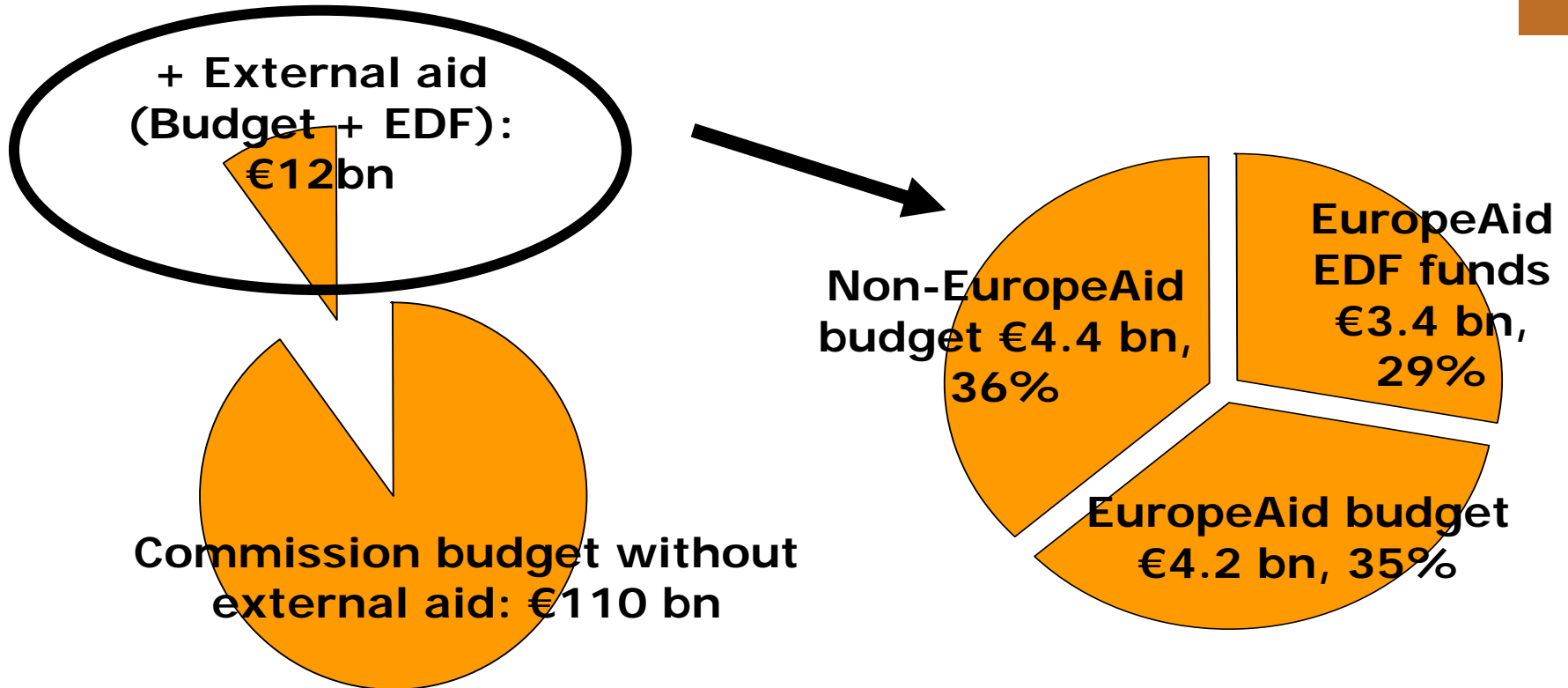
*Director*

*Quality of Operations*

*DG EuropeAid*



# Commission and external aid budget 2006



EuropeAid implements development aid. This excludes pre-accession aid, humanitarian aid, and CFSP (political actions)

# The 'external aid context'

## Policies, instruments

- **2000 UN Millennium Development Goals**, fixing poverty reduction objectives for 2015
- **2005 OECD Paris Declaration**, 60 recipients and 50 donors on aid effectiveness
- **2005 European Consensus**, the EU development policy, tying both Member States and Commission
- **2007 9 new** EC external aid **instruments**
- **2008 new** European Development Fund for ACP (10th EDF)

# EU and Commission aid implementation

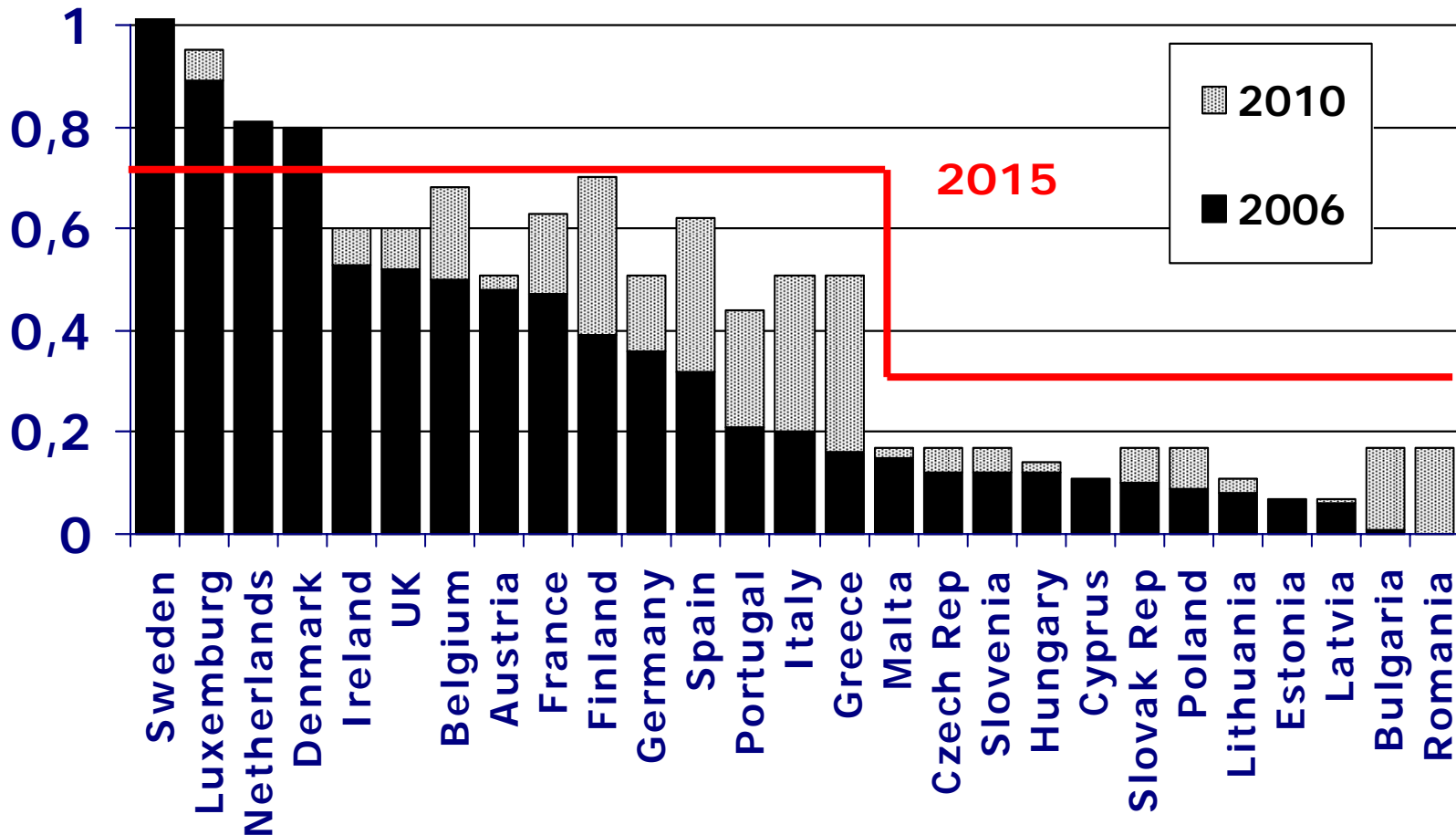
## EU the largest donor in the world

- 27 + 1 donors together responsible for **52% of all development aid** (2005: €43 billion)
- USA provides 24%

## Commission on its own:

- Second largest donor of humanitarian aid
- **Fifth largest donor** of development aid (after USA, Japan, France and UK)
- Present in more than **150 countries**

# ODA percentage of Gross National Income, actual 2006, forecast 2010, objective 2015



Source: European Commission, COM (2007) 164 of April 2007 (final draft)

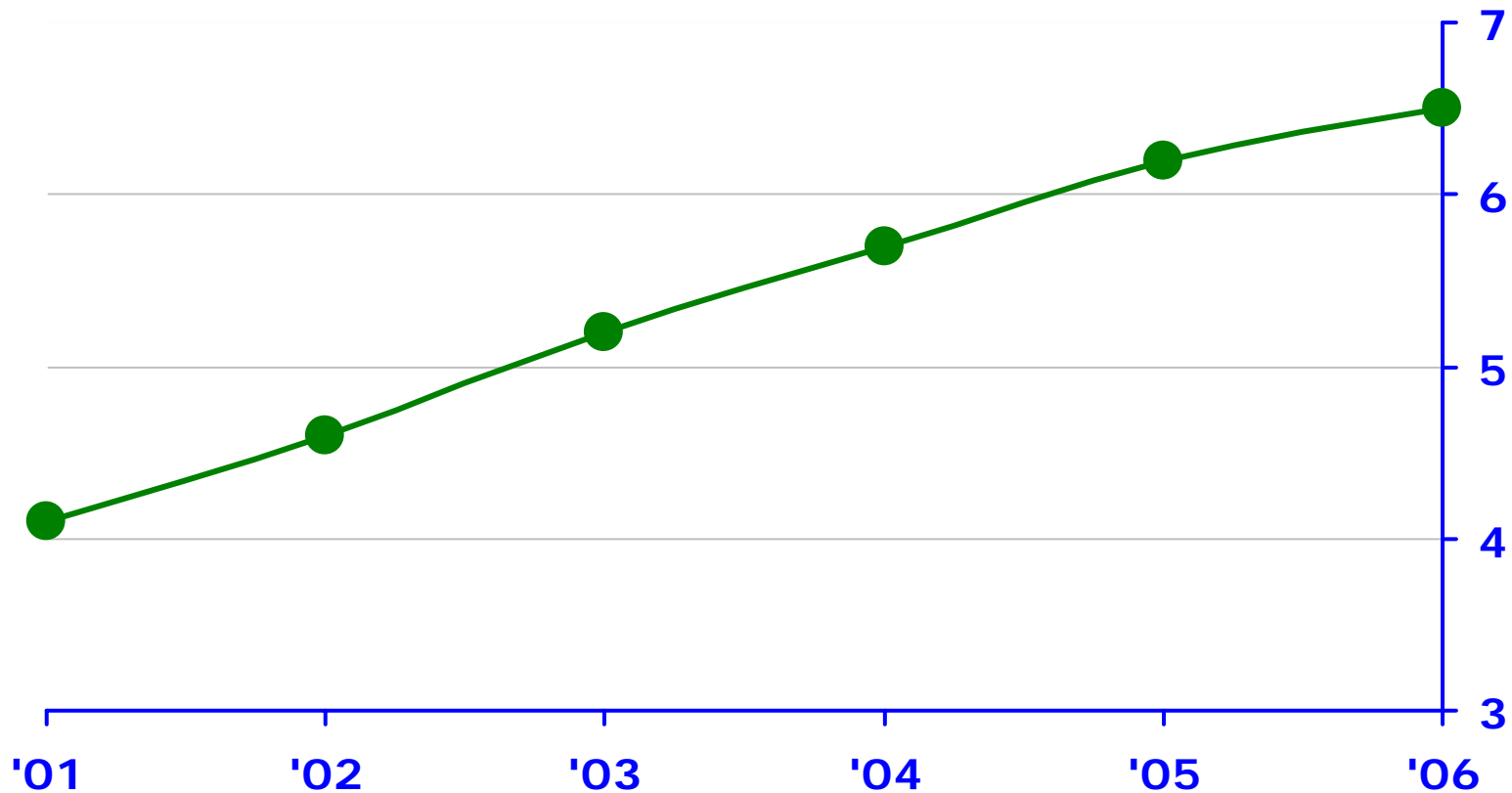


# Towards delivering more aid



**Paid out in 2006: € 6.5 billion**

**Record year for project implementation**



EuropeAid spending, not including in pre-accession, Balkans, humanitarian aid, etc

## Delivering more aid (1)

### 2005-2006, payments per region, million euros

	2005	2006
• NIS, including Caucasus, Central Asia	430	<b>450</b>
• Latin America	380	<b>340</b>
• Asia	680	<b>740</b>
• Mediterranean, Middle East	1,120	<b>1,240</b>
• Africa, Caribbean, Pacific	2,680	<b>2,930</b>
• Thematic programmes	940	<b>800</b>
<b>TOTAL</b>	<b>6,230</b>	<b>6,500</b>

## Delivering more aid (2)

### 2005-2006, payments per sector, million euros

	2005	COM	2006	COM
• Social infra. & services	2,120	2,550	<b>2,630</b>	3,260
• Economic infra. & services	880	910	<b>910</b>	1,020
• Production sectors	540	570	<b>500</b>	530
• Multi-sector, cross-cutting	410	550	<b>430</b>	550
• Commodity aid, budget sup.	1,070	1,120	<b>910</b>	950
• Emergency assistance	700	1,260	<b>560</b>	1,140
• Other	420	540	<b>560</b>	600
<b>TOTAL</b>	<b>6140</b>	<b>7500</b>	<b>6500</b>	<b>8050</b>

## Delivering more aid (3)

2005-2006, focus on **social infrastructure and services**, million euros

	2005	2006
• Education	360	<b>480</b>
• Health	300	<b>470</b>
Reproductive issues	110	<b>90</b>
• Water supply, sanitation	210	<b>310</b>
• Government, civil society	830	<b>880</b>
• Other social infrastructure	320	<b>410</b>
<b>TOTAL</b>	<b>2,120</b>	<b>2,630</b>

# 2

## Towards delivering better aid



## Better aid: more relevant more effective (1)

### Democracy, stability and governance e.g.:

- **Election support**: Congo, Haiti, West Bank and Gaza, Bolivia...
- Support to **Aceh** peace agreement
- Help other countries against avian influenza
- Long-term support **Chernobyl**
- ACP **Peace Facility**
- Support to the **African Union** and to the **Andean** Community

## Better aid: more relevant more effective (2)

### Rehabilitation, sustainable development e.g.:

- 100% contracted on **tsunami** reconstruction pledges
- 80% of all **Afghanistan** commitments spent
- **Iraq** reconstruction, **Lebanon** recovery efforts
- MDG health: € 260m spent per year on fight against **AIDS, malaria** and **tuberculosis**
- **Water** and **Energy** Facilities

## Better aid: the new instruments (1)

### **Simplified, harmonised, more democratic**

- **10 instruments** replace more than 35
- **Updated on EU commitments:** MDGs, untying of aid, alignment
- **More flexible:** less restrictions on types of actions or beneficiaries
- **Financing:** fewer restrictions: budget support, twinning, debt relief, co-financing
- **More involvement European Parliament:** democratic scrutiny

## Better aid: the new instruments (2)

### Average annual commitments 2007-2013

1. Pre-accession, 7 countries	1600 m€
2. Neighbourhood, 17 countries	1600 m€
3. DCI, 48 countries	1400 m€
4. DCI sugar, 18 ACP countries	180 m€
5. DCI thematic	800 m€
6. Human rights	160 m€
7. Stability	290 m€
8. Nuclear safety	75 m€
• 10 <sup>th</sup> EDF, 78 countries / OCTs	3700 m€
• + instrument for industrialised countries	

## Better aid: the new instruments (3)

### Procedures to access these funds

1. "**Geographised**" funds (EDF, DCI etc)
    - activities defined in country or regional programmes; through contacts with EC delegations or EuropeAid headquarters for centrally managed projects
  2. « **Thematic funds** » (EIDHR, Investing in people...)
    - through calls for proposals
- <http://ec.europa.eu/europeaid/cgi/frame12.pl>

# Better aid: Erasmus Mundus

## A scholarship scheme allowing both

- exchanges between European universities holding an Erasmus Charter and partner country universities (Min. 70% of scholarships for third country students/ academic staff)
- mobility to EU universities of students with nationality of each concerned country

## • Geographical Coverage

- one specific window per region integrating national and/or regional priorities

## • Types of scholarships covered

- Undergraduate, Master, Doctorate, Post doctorate scholarship, Academic staff fellowship for teaching training or research

## Better aid: Erasmus Mundus (2)

### Budget (2006-2011) – million euros

• Balkans	32
• Latin America	75.6
• South Africa	5
• Asia	122
• Central Asia	17.6
• Middle East (Iran, Iraq, Yemen)	12
• Neighbourhood	116
<b>TOTAL</b>	<b>380.2</b>
• ACP (not confirmed yet)	30

## Better aid: Tempus IV

### Cooperation for higher education

- the external policy dimension, in line with development principles and objectives
- an external projection of internal European education policy

### Improvements

- the predictability of funding
- the ownership by partner countries and the impact on the reform agenda

## Better aid: Tempus IV (2)

### Budget (2007-2011) – million euros

• Latin America	85
• Central Asia	20
• Neighbourhood	116
<b>TOTAL</b>	<b>221</b>

## Better aid: general budget support

**20% of aid: making recipient countries responsible: first general evaluation**

- **Positive** effect on aid effectiveness, coherence
- Strengthens public finance management and
- Reinforces macro-economic stability
  
- **But** Need to link to long term strategies MDGs
- Vulnerable to political risks
- Predictability is to be ensured
- Risk to overload with too many objectives

## Better aid: quality assurance

**We need to ensure quality at entry point**

**Successes:** from 2006 onwards all new projects & programmes are quality checked at identification & formulation phases to build coherence & ease implementation

**...and monitor implementation regularly**

a **Result-Oriented Monitoring** system is in place to check implementation against planned objectives (after 6 month, mid-term, ex-post)

## Better aid: result indicators

Don't we need to report back on results?

**New:** standard result indicators are being introduced in all new projects & programmes (pilot phase)

- to enhance **accountability** to citizens and Parliament
- to obtain a **quantified general overview** of the effects of aid in a given sector, country or region
- to **appraise trends** over a given period of time

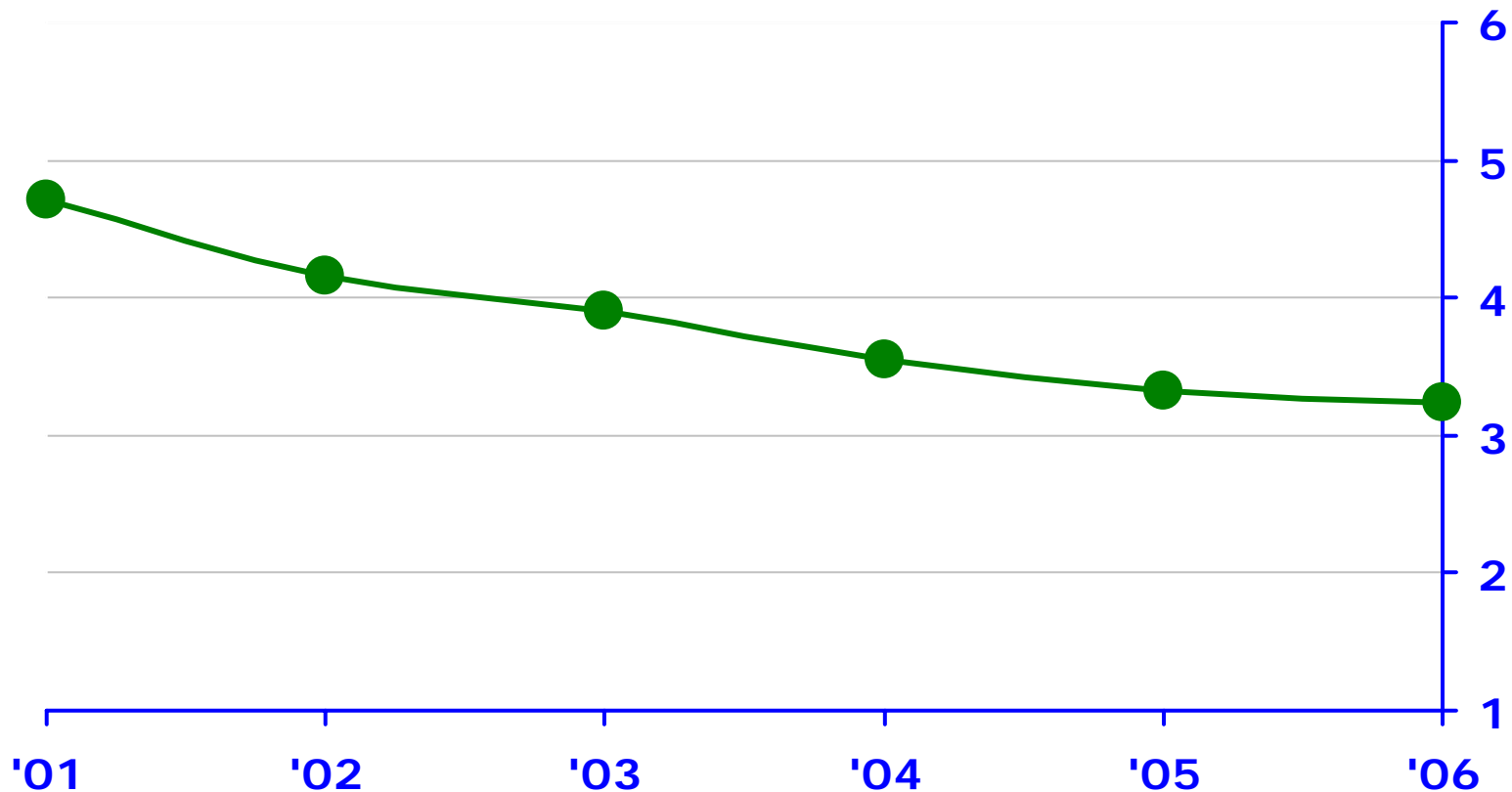
# 3

## Towards delivering aid faster

## Average project duration

Speeding up implementation

2006: 3.2 years, down from 3.3 in 2005

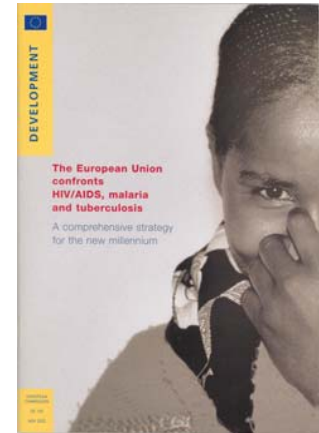
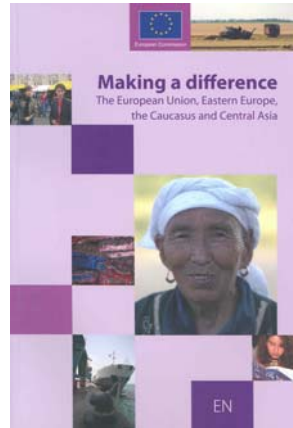


## Delivering aid faster (1)

### Temporary International Mechanism (TIM)

- **Palestine**: suspension of aid January 2006 to Hamas-led government. Quartet request to EU to set up alternative mechanism
- **TIM**: Direct delivery of assistance coordinated by EC from June 2006 onwards
- Paid in 2006: **€88 million** in allowances to civil servants, **€24 million** to vulnerable Palestinians

# 4 Outlook 2007 and beyond



# Outlook 2007 and beyond (1)

## The main process challenges

- **Manage more funds** with the same number of staff (all EU donors)
- **Align** strategies and practicalities with recipients
- More **flexibility** between donors: Paris commitments, multi-donor trust funds, co-financing, etc
- EC: harmonisation of instruments completed, now continue day-to-day **simplification**

## Outlook 2007 and beyond (2)

### The main output challenges

- Continue developing **relevant and efficient aid**: Palestine, tsunami, facilities, trade-related
- Work towards **Millennium Development Goals**: 2015 is approaching.
- Work on improving aid modalities: public finance management in country and **budget support** mechanisms
- Intervene in « new » sectors/topics: migration, climate change, energy



# 5 Involvement in research

# Research Project managed by EuropeAid 2000 - 2006

<b>Regions of intervention</b>	<b>Budget (€million)</b>
1. ACP countries & South Africa	106,8
2. Latin America	24,9
3. Asia	45,9
4. Mediterrenian	9,9
5. Eastern Europe	45,8
6. Food Security	85,4
<b>Total</b>	<b>318,7</b>

# Research Project managed by EuropeAid 2000 - 2006

<b>Sectors of intervention</b>	<b>Budget (€million)</b>
1. Agriculture	159,7
2. Technological research & development	65,7
3. Educational Research	48,4
4. Fisheries	15,9
5. Support scientific institutions	15,1
5. Medical	12,0
6. Environmental research	1,9
<b>Total</b>	<b>318,7</b>

# Research Project managed by EuropeAid 2000 - 2006

## Examples

- 1. Centre Africain de Recherches sur bananiers et plantain**  
2 million € (2004-2007); five beneficiary countries; in cooperation with CIRAD (France) and Belgium
- 2. *Implementation and Coordination of Agricultural Research and Training in the SADC Region***  
3.7m€ and 14 countries involved

# Sectors of common interest for reinforced cooperation in research

## Potential to work together

- Cooperation in support of scientific institutions
  - *Partnership with institutions in developing countries*
  - *TEMPUS*
  - *ERASMUS MUNDUS*
- Better use of water and sanitation
- Renewable energies
- Good governance



**Thank You for your attention**