



EU Development policy



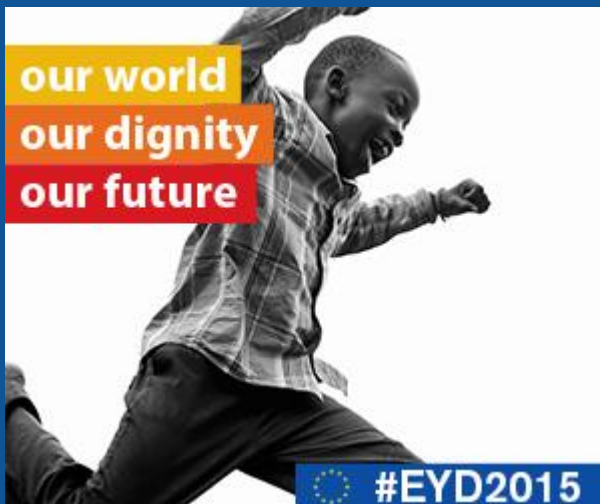
Franco CONZATO
4 October 2015
Pavillon Européenne
EXPO 2015, Milan

Table of Contents

- I – Why development cooperation policy?**
- II – Who are we?**
- III – International commitments**
- IV – How do we deliver aid?**
- V – Current and future challenges**

1

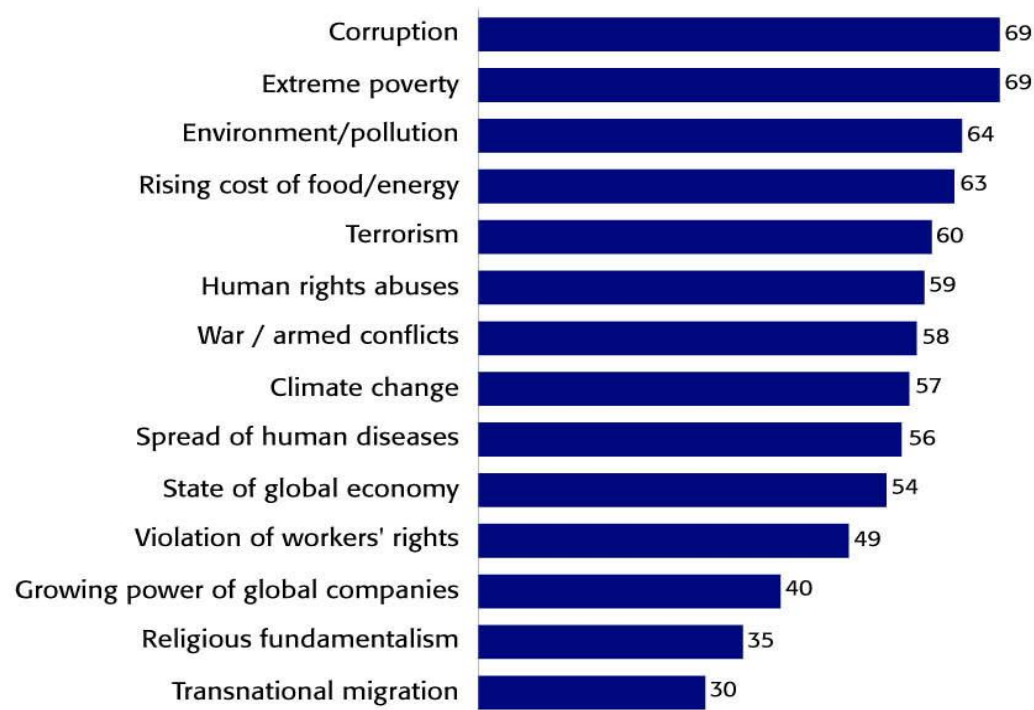
Why a development cooperation policy?



2011 Most serious problems in the world

Seriousness of Global Problems

"Very Serious," Average of 23 Countries, 2011



Public opinion

83%

of Europeans believe
development aid is
important

2/3

think that tackling
poverty in
developing countries
should be one of the
main priorities of the
EU

61%

believe that Europe
should increase aid

Cooperation beneficial to all parties



Aid stimulates inclusive growth in developing countries and boosts trade with Europe



Issues that affect us all can be tackled in advance and save money



The EU has an added value: acting as one makes financial sense and can save money



Goal 1: Halve extreme poverty and hunger



Goal 2: Achieve universal primary education



Goal 3: Promote gender equality and empower women



Goal 4: Reduce child mortality



Goal 5: Improve maternal health



Goal 6: Combat HIV/AIDS, malaria and other diseases



Goal 7: Ensure Environmental Sustainability



Goal 8: Global Partnership for Development

EU contribution to the MDGs (1-4)



46.5 MILLION
PEOPLE ASSISTED
THROUGH SOCIAL
TRANSFERS FOR
FOOD SECURITY



13.7 MILLION
NEW PUPILS ENROLLED
IN PRIMARY EDUCATION



300,000
NEW FEMALE
STUDENTS ENROLLED
IN SECONDARY
EDUCATION



18.3 MILLION
CHILDREN UNDER ONE YEAR
OF AGE IMMUNISED
AGAINST MEASLES



2



Who are we?

The Lisbon Treaty - Art. 208

Eradicate poverty

"Union development cooperation policy shall have as its primary objective the reduction and, in the long term, the eradication of poverty."

Achieve policy coherence

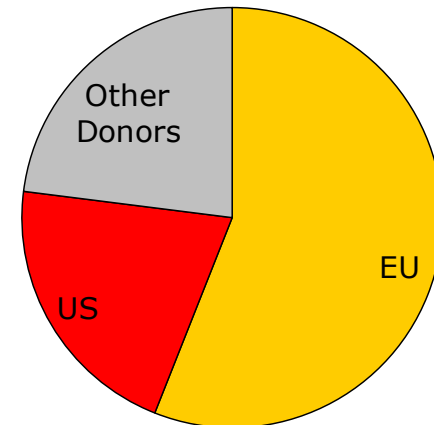
"The Union shall take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries."

EU the largest donor in the world

- **28 Member States and the Commission together responsible for more than 52% of all development aid (ODA 2013: €56.5 billion)**
- **By comparison: USA provides around 25%**

Commission on its own in 2013:

- **second largest donor of humanitarian aid**
- **second largest donor of development aid**



The external action commissioners



Federica Mogherini
High Representative
/ Vice President EC



Neven Mimica
International
Cooperation and
Development



Johannes Hahn
Neighbourhood and
Enlargement
Negotiations



Christos Stylianides
Humanitarian aid
and crisis
management



Cecilia Malmström
Trade



Federica Mogherini

- High Representative for foreign affairs & security policy
Vice-President of the COM
- Coherent & effective action on the world stage
- Chairs the Council of Foreign Ministers
- Supported by the EEAS



Linda McAvan

- Chair of the EP Development Committee
- Decision on and scrutiny of budget for EU aid spending
- Law making framing EU development aid

DG DEVCO - EuropeAid Tasks

- Responsible for defining **development policy**
- Responsible for **implementing** external aid programmes cross the world
- Responsible for **translating policies into practical aid actions** and for developing new ways of aid delivery
- Responsible for the **steps of aid delivery**: programming (together with EEAS), identification, feasibility, financial decisions and controls, tendering, contracting, monitoring and evaluation

3



Policy Objectives

Agenda for change



Human rights

Objective #1
Genuine, political and
democratic reforms, and
good governance



Democracy



Civil society



Rule of law

Agenda for change

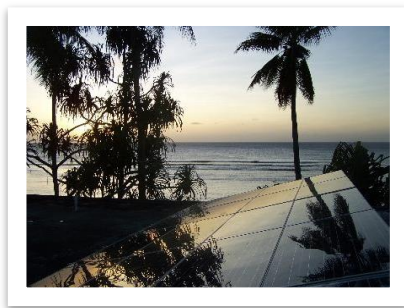
Objective #2 Stimulating inclusive and sustainable growth for human development



**Social protection,
health education
and jobs**



**Sustainable
agriculture**



Sustainable energy



**The business environment,
regional integration and
world markets**



Agenda for change

Work in areas where we can have the most impact

Better joint working with other Member States

Simplify programming process

Maximum of three sectors per country

Innovative financial instruments: blending loans and grants

Private sector as a partner for development

Coherent EU policies

<https://www.youtube.com/watch?v=6lqz8xW4fLA>
http://ec.europa.eu/europeaid/news/agenda_for_change_en.htm

Beyond 2015 – A Decent Life for All

Building blocks for a post-2015 framework:

- 1. Basic living standards for all*
- 2. Promoting “drivers” of inclusive, sustainable growth*
- 3. More sustainable management of natural resources*
- 4. Equality, equity and justice*
- 5. Tackling insecurity and state fragility*



1 NO POVERTY



2 NO HUNGER



3 GOOD HEALTH



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



7 CLEAN ENERGY



8 GOOD JOBS AND ECONOMIC GROWTH



9 INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION



13 PROTECT THE PLANET



14 LIFE BELOW WATER



15 LIFE ON LAND



16 PEACE AND JUSTICE



17 PARTNERSHIPS FOR THE GOALS



THE GLOBAL GOALS
For Sustainable Development

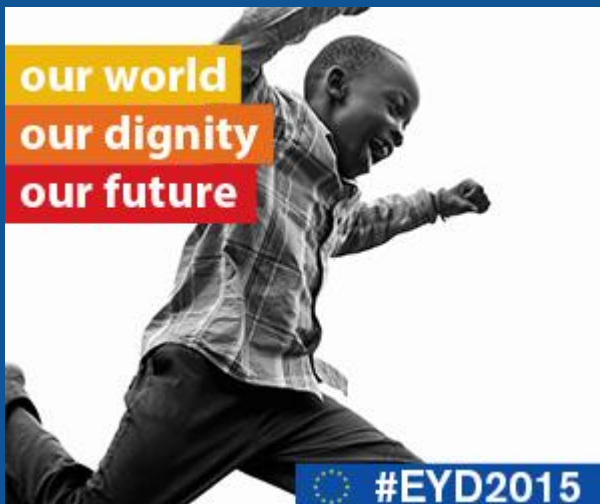


European

Table 1: Means to Implement the Post-2015 Agenda

Sources		Global Level	National Level
Financial	Traditional Sources	<ul style="list-style-type: none"> • Official development assistance • Debt relief • FDI 	<ul style="list-style-type: none"> • Domestic revenues • Public-private partnership
	Innovative Sources	<ul style="list-style-type: none"> • Combating illicit financial flows and tax evasion • Foreign exchange transaction fees • Global carbon tax • Tobacco levy 	<ul style="list-style-type: none"> • Blended finance involving international sources
Non-Financial	Systemic	<ul style="list-style-type: none"> • Trade in goods - export access and capacity (including Aid-for-Trade) • Trade in services - overseas remittances • Climate negotiations and outcome • International tax agenda and illicit financial flows • Global financial architecture and economic stability • Transfer of technology and intellectual property rights regime • Regional partnerships 	
	Others	<ul style="list-style-type: none"> • Global dialogue frameworks and agreements • Global data compiling and monitoring • South-South cooperation 	<ul style="list-style-type: none"> • Internal dialogue with CSOs, private sector & other stakeholders • National governance (including crime and corruption), capabilities and institutions, land titles, business climate

4

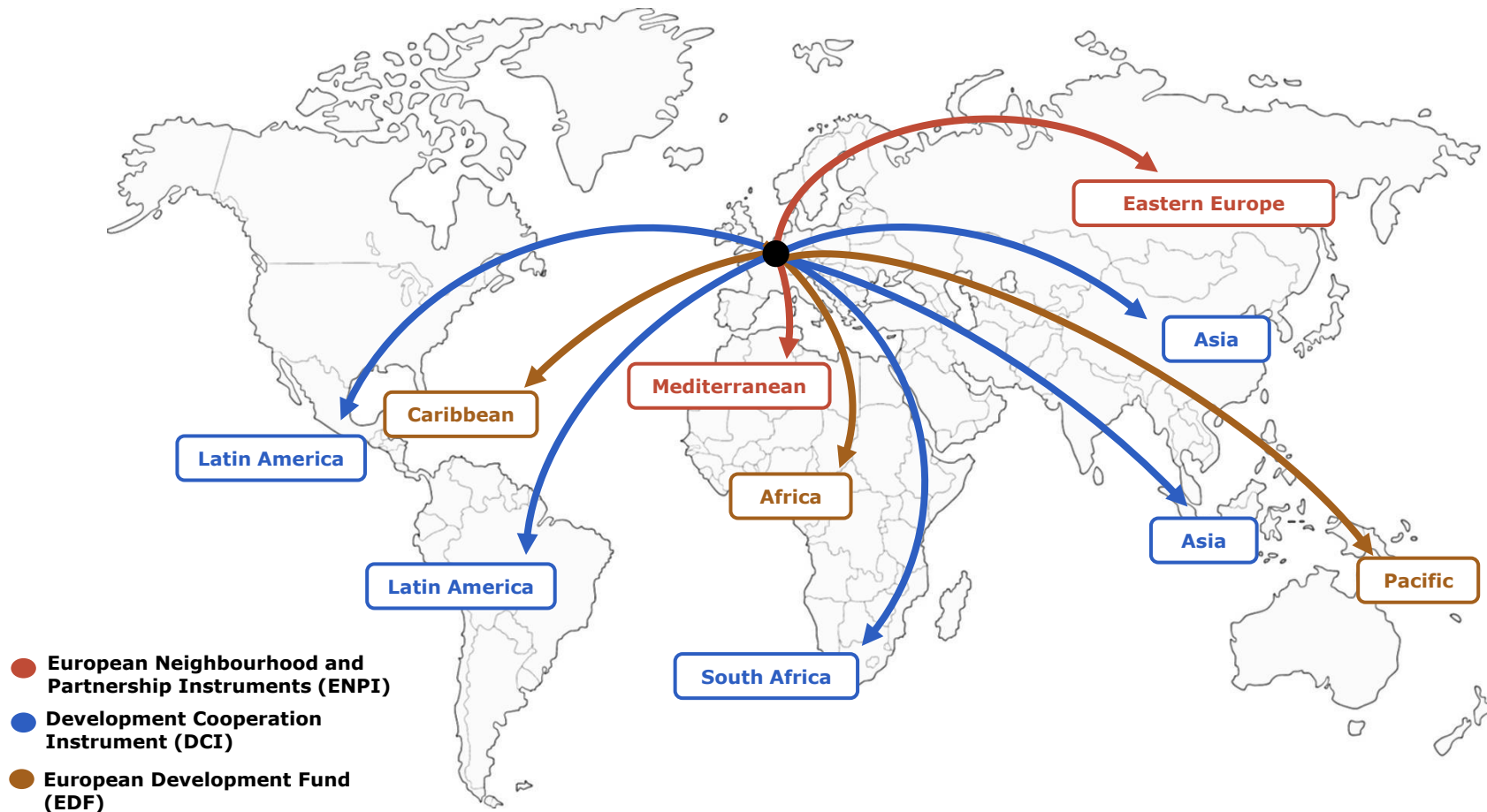


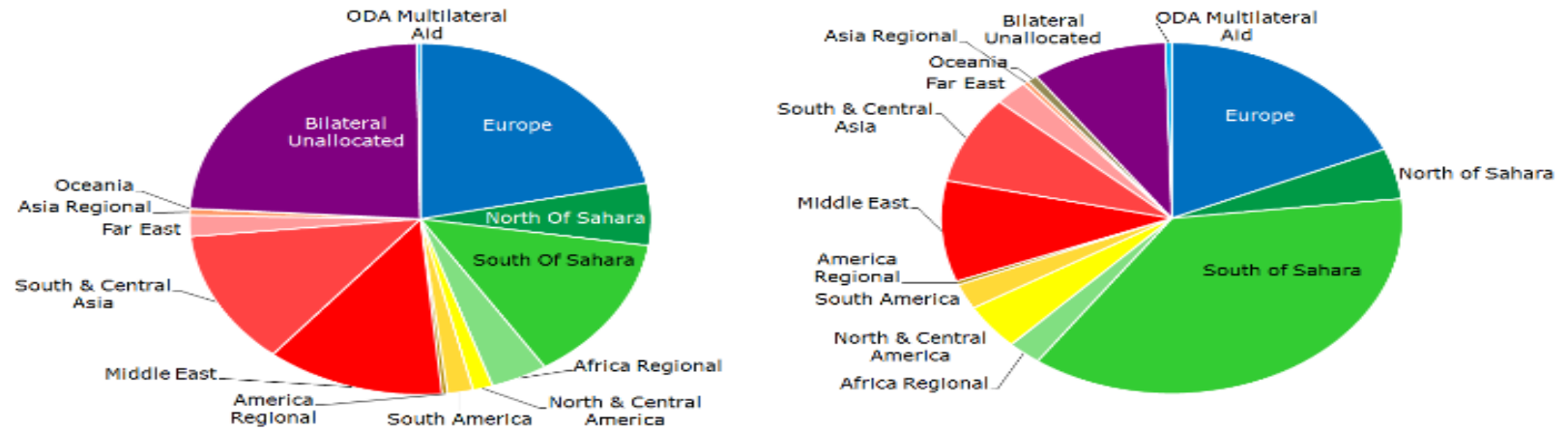
How do we deliver aid?

MFF - Adoption of the new External Financing Instruments (2014-2020)

- New External Financing Instruments (ENI, IPA, DCI, EIDHR, IcSP, PI, CIR) adopted by EP and Council in December 2013
- 16.1% lower than proposed initially by the Commission in 2011
- EFIs under the Budget represents 6.1% of total MFF (10% if EDF is included)
- Consequently new global funding (2014-2020) merely remains at the level of the former MFF (2007-2013)

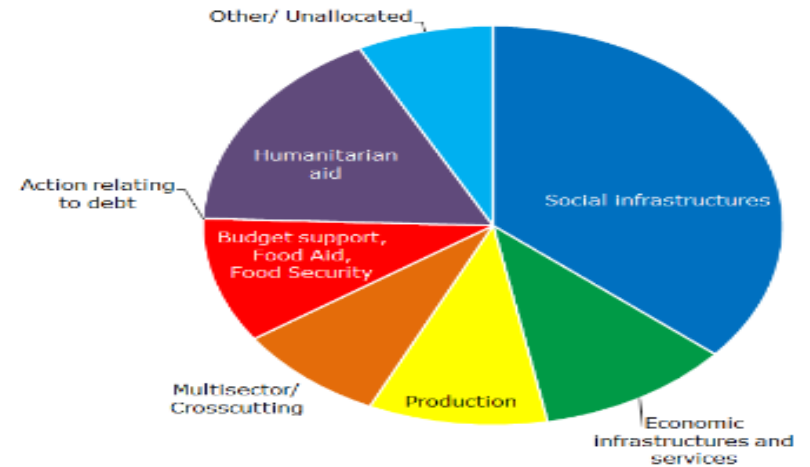
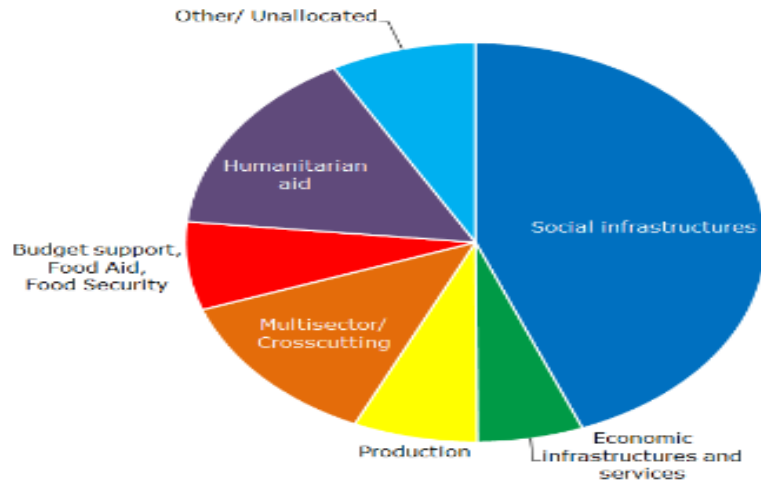
Geographical coverage





	Commitments			Disbursements		
	Total	EuropeAid	Non EuropeAid	Total	EuropeAid	Non EuropeAid
Europe	1,942	494	1,448	1,888	594	1,293
North of Sahara	511	469	43	474	440	34
South of Sahara	1,209	733	476	3,728	3,004	724
Africa Regional	358	243	115	240	234	6
North & Central America	125	95	30	430	379	51
South America	160	147	13	238	216	23
America Regional	33	33		36	36	
Middle East	1,120	744	376	946	496	450
South & Central Asia	1,108	795	313	824	563	261
Far East	173	173		237	187	50
Asia Regional	51	51		40	40	
Oceania	4	3	2	73	71	3
Bilateral Unallocated	2,129	1,752	377	972	733	238
ODA Multilateral Aid	22	17	5	45	41	4
Total ODA	8,946	5,749	3,197	10,171	7,034	3,137

Fig. 8.1



	Commitments			Disbursements		
	Total	EuropeAid	Non EuropeAid	Total	EuropeAid	Non EuropeAid
Social infrastructures and Services	3,937	2,525	1,412	3,676	2,860	816
Economic infrastructures and Services	529	373	156	1,103	907	196
Production	619	508	111	1,016	838	179
Multisector/Crosscutting	1,135	949	186	856	651	205
Budget support, food aid, food security	638	615	23	1,034	1,004	30
Action relating to debt				1	1	
Humanitarian aid	1,363	216	1,147	1,710	217	1,493
Other/Unallocated	726	563	162	774	556	218
Total ODA	8,946	5,749	3,197	10,171	7,034	3,137

Main innovations

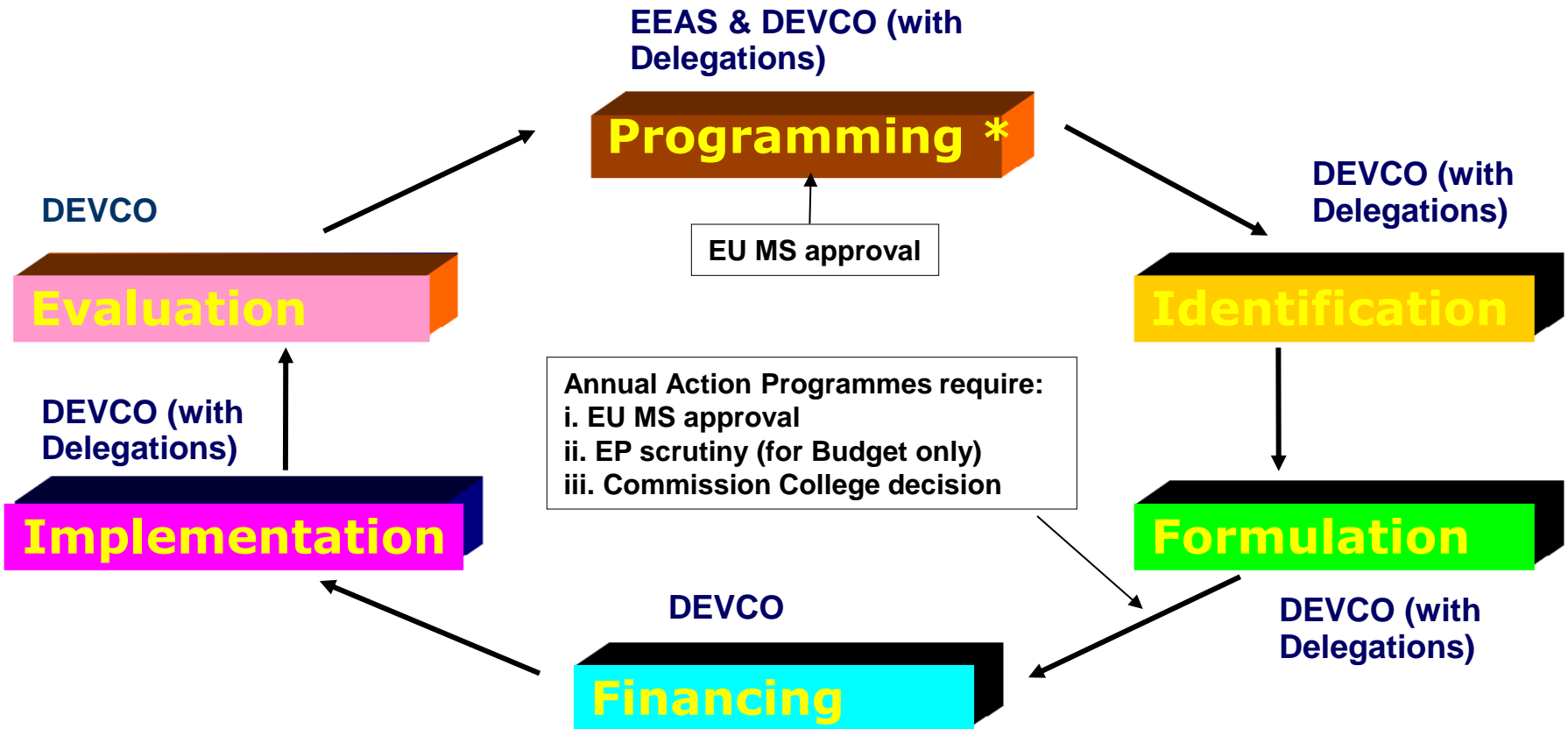
- **Differentiated approach** reflecting needs, capacities & performance of partner countries, & target EU aid where it can have most impact:
- Greater **sectoral concentration** at country level: 3 sectors
- Improved **EU coordination** through joint EU & Member States framework document & enhanced possibilities for **joint programming**
- Particular attention to **crisis/post crisis situations and fragile States.**
- **Simplification and flexibility of programming**

Main innovations – Financial Annex and overall benchmarks

- Overall intention to contribute to 20% EU budget to low carbon and climate resilience society

- Aiming at **20% to basic social services**, with a focus on health and education, and secondary education. Declaration on need for flexibility due to ownership of partner countries.

The project cycle



* Strategic documents: Country/Regional Strategy Papers, Indicative Programmes

Aid delivery methods

Projects

A series of activities aimed at bringing about clearly specified objectives within a defined timeframe and a defined budget.

Sector policy support

Programmes which support the partner government's programme for a specific sector (health, education, transport, etc.). Implemented through sector budget support (SBS), pooled funding or project approach.

General budget support

Large money transfer to the national treasury of a partner country in support of a national development policy. Use of country procedures.



Sustainable energy



Health sector budget support



General budget support

5

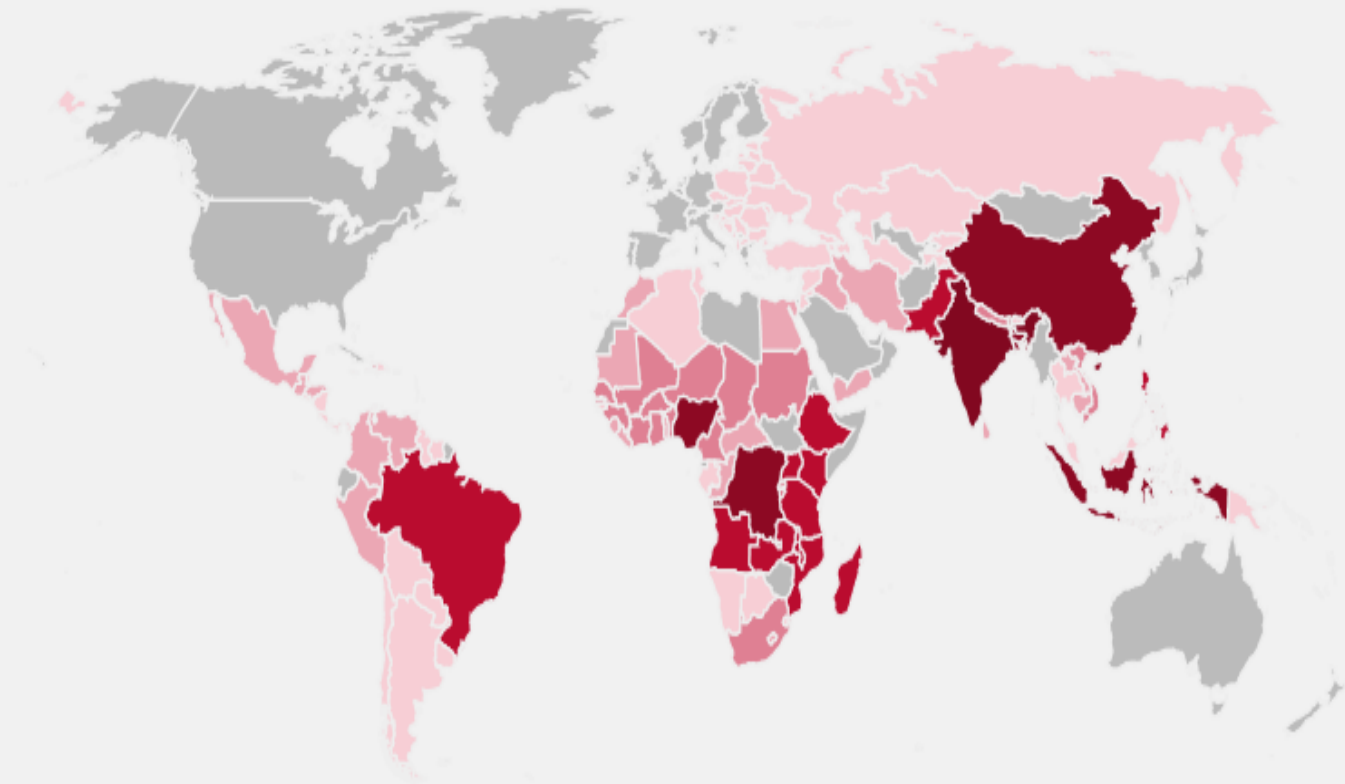


Current and future challenges

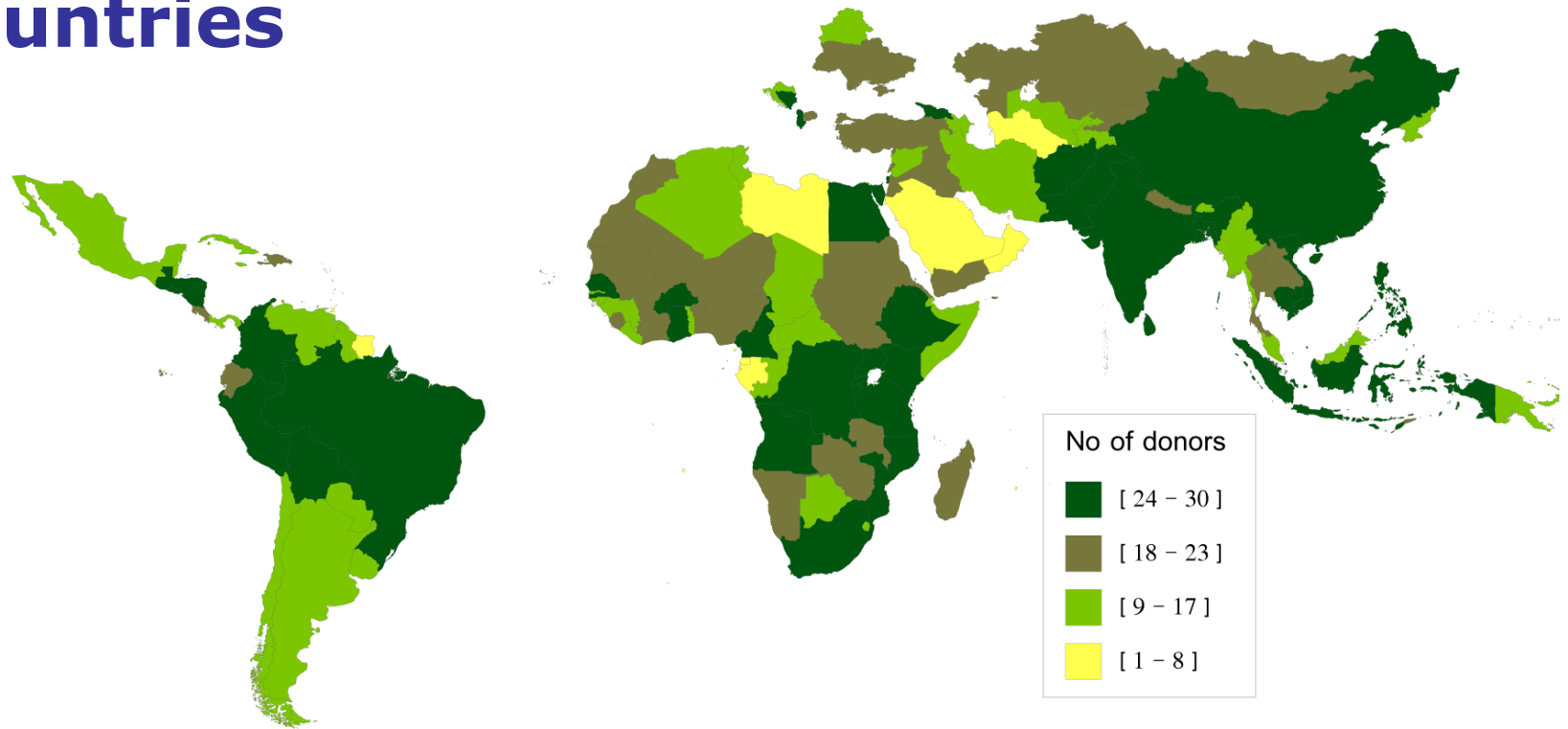


Global poorest 20%

In 2011 1.4 billion people were in the global poorest 20% and best available data suggest they had daily incomes of \$1.48 or less (includes everyone on less than \$1.25-a-day).



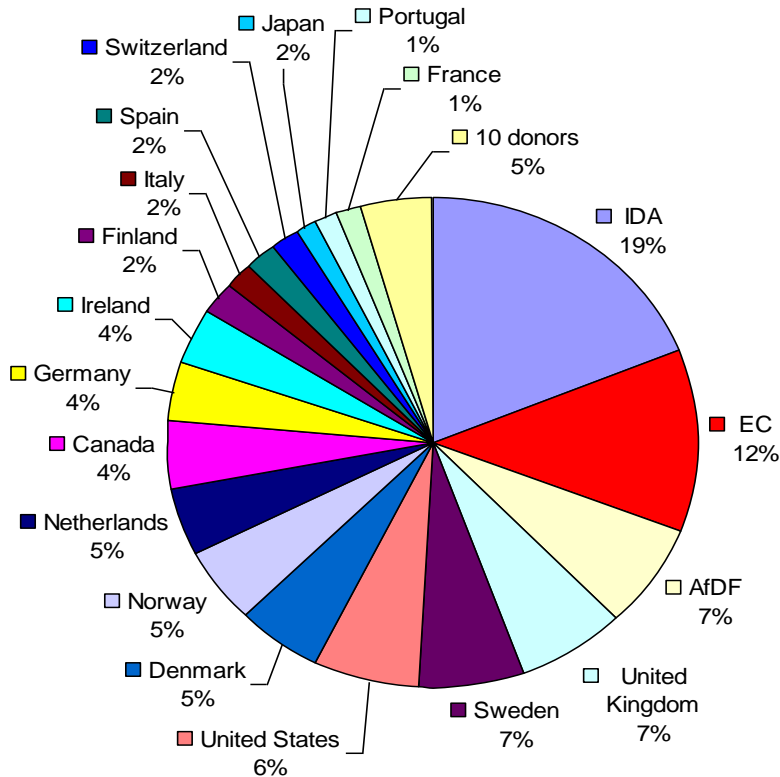
Challenges at international level: too many donors in too many countries



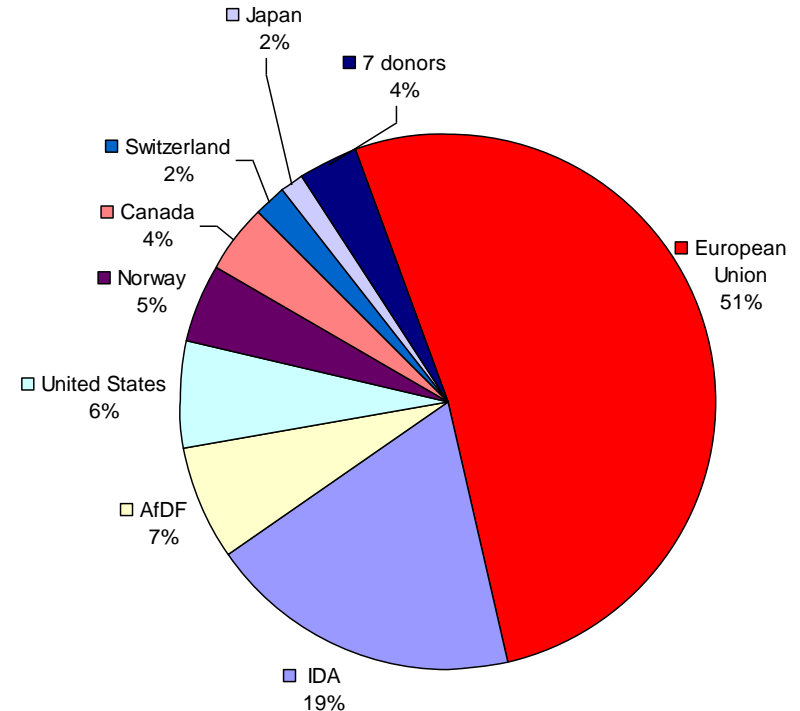
Source: OECD DAC - Towards Better Division of Labour:
Concentration and Fragmentation of Aid, December 2007

... if EU worked as one:

Aid Fragmentation in Mozambique- 2008



**Aid Fragmentation in Mozambique- 2008
EU MS together**



Joint programming in practice

Joint Programming is:

- *The EU and Member States programming aid jointly*
- *Based on response to partner countries' national development plans*
- *Synchronised with national development plans*
- *A rational division of labour*

Joint programming will take place in 40 to 50 partner countries and account for 60 to 70% of EU bilateral aid between 2014 and 2020

Main priorities

- Implement the Agenda for Change through the **Multiannual Framework 2014-2020**
- Beyond the MDGs: a **post-2015 Framework** (development and sustainability)
- **Redefinition of development cooperation** beyond development aid
- Aid delivery through **different channels** (blending/trust fund)
- A stronger **result orientation**
- Hot spot **Neighbourhood Policy**
- A **Comprehensive approach** to external conflict and crises
- The future of the **ACP-EU Relationship post 2020**

Useful Links

<http://ec.europa.eu/europeaid>

EuropeAid

<http://www.eeas.europa.eu>

EEAS

<http://www.dev-practitioners.eu>

(Public Network)

<http://www.concordeurope.org>

(Confederation NGOs)

<http://www.odi.org.uk>

(Think Tanks)

<http://die-gdi.de>

<http://www.ideas4development.org>

(Blog)

<https://europa.eu/eyd2015>

(EYD)



EuropeAid Basic Literature

Annual Report 2014

http://ec.europa.eu/europeaid/multimedia/publications/publications/annual-reports/2014_en.htm

MDGs

http://ec.europa.eu/europeaid/what/millennium-development-goals/index_en.htm

Agenda for Change

http://ec.europa.eu/europeaid/news/agenda_for_change_en.htm

Decision EYD 2015

http://ec.europa.eu/europeaid/news/documents/eyd_2015-swd_en.pdf



Annual
report
2013
on the European Union's
development and external
assistance policies and their
implementation in 2012



EU Contribution
to the Millennium
Development Goals

Key results from
European Commission
programmes



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our world
our dignity
our future



2015
European Year
for Development

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- *Get updates, share info, contribute your ideas! Join the group: capacity4dev.ec.europa.eu/eyd2015/*
 - *Involve your networks! Remote the EYD2015 with your networks and stakeholders and encourage them to take part*
 - *Keep in touch with us on the internet, Twitter and Facebook*
- ✓ europa.eu/eyd2015
 - ✓ [#EYD2015](https://twitter.com/EYD2015)
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EuropeAid and EYD websites:
http://ec.europa.eu/europeaid/index_en.htm
<https://europa.eu/eyd2015>