AIDWATCH 2021

A GEOPOLITICAL COMMISSION: BUILDING PARTNERSHIPS OR PLAYING POLITICS?

CONCORD
European NGO confederation for relief and development

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CONCORD is the European Confederation of Relief and Development NGOs. Our member organisations represent more than 2,600 NGOs and are supported by millions of people across Europe.

We are the main interlocutor with the EU institutions on development policy. We are a member-led organisation, which means that the Confederation's strategic direction is determined by our members.

VISION
We envision a world in which people live free from poverty and exploitation. This must be achieved by a people-led transformative agenda based on social justice and gender equality, one that respects diversity and the limits of what our planet can sustain.

MISSION
We work together to ensure that EU policies promote sustainable economic, social and human development, that they address the root causes of poverty, and are based on human rights, gender equality, justice and democracy.

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ABOUT THE AIDWATCH REPORT

Since 2005, CONCORD's AidWatch report has monitored and made recommendations on the quantity and quality of aid provided by the EU and its Member States. With the AidWatch publications, CONCORD members want to hold EU leaders accountable for their commitments to dedicate 0.7% of their Gross National Income to development cooperation and to use this aid in a genuine and effective way. The AidWatch initiative carries out ongoing advocacy, research, media activities and campaigns on a wide range of aid-related issues throughout the year.

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EXECUTIVE SUMMARY

As the world continues to grapple with the global COVID-19 pandemic and deal with its fallout, achieving the Sustainable Development Goals of the 2030 Agenda has become even more challenging. If we are to succeed, the European Union (EU), as the world's largest donor of Official Development Assistance (ODA), has a crucial role to play.

The AidWatch 2021 Report provides a detailed analysis of the quantity and quality of EU ODA throughout 2020, assessing whether it is 'Enough', 'Employed correctly', 'Effective' and 'Equality-focused'. The report also contains an overview of the new Global Europe budget instrument, which will provide funding for EU ODA from 2021 to 2027. Also included is a series of country pages, with an analysis of ODA policy for each of the 25 EU Member States as well as the United Kingdom (UK) and the EU institutions.

ENOUGH?

The EU, despite retaining its position in 2020 as the world's biggest ODA donor bloc, is way off-track to meet its target of spending 0.7% GNI on ODA by 2030. In 2020, the EU's ODA represented 0.50% of its GNI, up from 0.42% in 2019. However, this increase must be seen in the context of an economy which is shrinking thanks to the COVID-19 pandemic, which automatically increased ODA as a percentage of GNI despite a significant decrease in real terms as a result of the loss of one of the biggest Member State donors, following the withdrawal of the UK from the EU on 1 February 2020.

EMPLOYED CORRECTLY?

Inflated aid as a proportion of total EU ODA has fallen for the fourth consecutive year, and now represents 13% of all reported ODA. Levels of inflated aid for most Member States are very low; CONCORD calculated that 14 recorded inflated aid at levels of 5% or less of their total ODA. But while inflated aid across the EU is decreasing, it is not doing so quickly enough. At current levels, if only genuine ODA is counted, the EU will not meet the target of spending 0.7% of GNI on ODA until 2038.

In July 2020, the DAC approved new rules for how it will record debt relief as ODA, sparking widespread concern that, through the increased use of loans, donor countries will be encouraged to rely more and more on inflated ODA.

EFFECTIVE?

This year, the AidWatch report takes a detailed look at the commitment to effectiveness in the Team Europe approach, which was created to provide a united EU response to the COVID-19 pandemic in partner countries, but which has evolved over the past year into a more comprehensive programme, encompassing a wider range of EU ODA initiatives. There are worrying signs that Team Europe is falling short when measured against all four of the Effectiveness Principles. Partner country ownership seems nominal at best, while all aspects of Team Europe lack transparency, and civil society has so far been largely shut out of the process. Unless all these issues are addressed urgently, Team Europe will fail to deliver on sustainable development commitments, and could actually hamper progress towards the SDGs.

EQUALITY-FOCUSED?

There have been only small shifts in the EU's delivery of equality-focused ODA, and they are nowhere near sufficient to curb the rising inequalities that have recently been further aggravated by the global pandemic. There are also worrying signs that donor governments' political objectives are limiting the amount of ODA being allocated to reduce inequalities. The way the EU prioritises security and migration policies seems to be causing ODA to be targeted away from LDCs, while ideological opposition to gender equality has prompted some Member States to act as spoilers as the EU has moved to strengthen its approach in this area. Finally, there is some evidence to suggest that ODA allocated to partner countries with repressive governments can inadvertently support efforts to create more closed societies and shrink the civic space.

GLOBAL EUROPE

The adoption of Global Europe, previously known as the Neighbourhood, Development and International Cooperation Instrument (NDICI), has been heralded by the EU as a step-change in the bloc's approach to ODA. The Commissioner for International Partnerships, Jutta Urpilainen, described it as "our most powerful tool to support a sustainable global recovery and promote comprehensive partnerships across the world that invest in democracy and human rights". Certainly, Global Europe introduces several welcome changes, including bringing more of the ODA under the Commission's responsibility into the EU Multiannual Financial Framework (MFF), thereby increasing its accountability through scrutiny by the European Parliament. However, CONCORD has a number of concerns about the new instrument, foremost of which is its potential to facilitate a further politicisation of ODA. This is a trend that emerged during the 2015 migration crisis and has accelerated with the establishment of the "geopolitical Commission" under President Ursula von der Leyen. As Commissioner Urpilainen said, "this instrument will consolidate a stronger Europe in the world, by aligning better our funding to our overall priorities". While ODA can indeed complement a range of policy objectives, it is vital that it is designed first and foremost to reduce poverty and inequalities in partner countries, as enshrined in the Treaty of Lisbon.

THE EU AND MEMBER STATES MUST DO BETTER

This year, as in every year previously, the EU as a whole has failed to meet almost all the development assistance targets it has set itself. After the setbacks of the pandemic, CONCORD calls on the EU institutions and the governments of the EU Member States urgently to address the shortfalls identified in this report, to make a renewed commitment to international cooperation and, in so doing, to build more just and inclusive societies and achieve the SDGs by 2030.

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INTRODUCTION

At the start of 2020, with only ten years left to implement the 2030 Agenda for Sustainable Development, the challenges ahead appeared vast. Now, over a year later, with the world still in the grip of a global pandemic, the vision of a peaceful and prosperous world where poverty has been reduced has receded still further. If we are to overcome the obstacles ahead, international cooperation will be paramount, and the European Union (EU), as the world's largest bloc providing Official Development Assistance (ODA), has a crucial role to play. How well it does so will be determined by its ability to navigate a rapidly shifting political environment and retain a sharp focus on achieving sustainable development.

Perhaps now, more than at any time in its history, the context in which the EU operates is changing, and the challenges it faces in developing coherent and effective sustainable development policies and programming are multiplying. Weak global governance, coupled with the rise of repressive politics throughout the world, and fragmentation between EU Member States' positions, are eroding consensus and preventing the bloc from acting together as one. Arguments about policy on migration, gender, climate, and relations with neighbouring states, as well as conflicting attitudes towards civil liberties, are all flashpoints for internal division within the EU and represent competing political priorities that can undermine the effectiveness and integrity of development assistance.

There has been a shift in the global geopolitical order, marked by an increasingly dominant China and greater rivalry between powers. The EU, along with the major Western governments, seems uncertain how to respond. At the start of her presidency, Ursula von der Leyen set out her aim of creating a "geopolitical" EU Commission, having previously spoken of her belief that "The world is calling for more Europe. The world needs more Europe."[1] This ambition to grow the EU's influence on the world stage could help the EU become a more engaged partner, but there is also a danger that a greater focus on realpolitik could push the sustainable development agenda off its intended transformational course.[2]

The pandemic has exacerbated many pre-existing harmful trends across the world, particularly in partner countries, which are seeing increased challenges to democracy, shrinking civic space and greater inequalities within and between countries. Now, just as the world needs stronger partnerships to tackle such global challenges, many richer governments are turning inwards, prioritising the immediate health and economic needs of their own citizens over helping those in poorer countries. 'Vaccine nationalism' is perhaps the clearest example of this trend, but it translates into all aspects of policy, including ODA.[3] Without a sustained and integrated global effort to combat both the virus and its wider socio-economic effects, we stand no chance of rebuilding a better world and achieving the SDGs by 2030.

Today the whole development landscape is in a state of flux. Even before COVID-19 hit, a number of actors (other than traditional ODA providers) had started to play key roles in international cooperation. Public resources, of which ODA forms a part, are today outpaced by increasing emphasis on (and an increasing reliance on) private flows. The European Commission no longer talks about development cooperation – but about the EU's international partnerships. This new paradigm, along with the concept of 'Team Europe', could be viewed as an attempt to build more equal relationships with partner countries and with civil society, which would be a positive step. How the European Commission will deliver on this intention, however, remains to be seen.

If the EU, with its Member States, is to fulfil its promise to build real, transformative partnerships, it must adopt a more systemic agenda.[4] It needs a renewed political commitment to build a more inclusive world and to reduce inequalities both between and within countries. Its approach must be coherent across all internal and international EU policies and actions to attain the highest standards of sustainability.

ODA is one of the most powerful tools for enabling both governments and civil society to support those left furthest behind. To achieve results for people and the planet, EU ODA needs, in CONCORD's view, to be:

- enough,
- employed correctly,
- effective, and
- equality-focused.

Since 2005, the AidWatch reports have monitored and made recommendations on the quantity and quality of the EU's ODA. This year, as in every year previously, the EU as a whole has failed to meet almost all the targets it has set itself. After the setbacks of the pandemic, CONCORD calls on the EU and the governments of the Member States urgently to address the shortfalls identified in this report, to make a renewed commitment to international cooperation and, in so doing, to build more just and inclusive societies and achieve the SDGs by 2030.

1 *Von der Leyen, U, Opening Statement in the European Parliament Plenary Session, 16 July 2019, https://ec.europa.eu/commission/presscorner/detail/en/speech_19_4230.*

2 *CONCORD, The EU: Co-creating meaningful partnerships or pouring old wine into a new bottle?, 2020.*

3 *CONCORD, Vaccines4all, 2021, https://concordeurope.org/resource/vaccines4all/.*

4 *CONCORD (2021), Towards a new EU-Africa Strategy. CONCORD's 10 points for building a real partnership, https://beta.concordeurope.org/wp-content/uploads/sites/3/2020/06/10-points-Concord-Recs-New-Africa-Strategy-disclaimer.pdf.*

PART ONE
Overview

1. QUANTITY AND QUALITY OF EU ODA IN 2020

ENOUGH ODA?

A year into the 'Decade of Action' to achieve the Sustainable Development Goals by 2030, and the world is significantly behind where it needs to be. Even before the COVID-19 pandemic struck, almost all donor countries were failing to hit ODA spending targets. The EU, despite retaining in 2020 its position as the world's biggest ODA donor bloc, is very far off-track to meet its target of spending 0.7% GNI on ODA by 2030.

In 2020, the EU's ODA represented 0.50% of its GNI, up from 0.42% in 2019.[5] However, this increase must be seen in the context of an economy that was shrinking thanks to the COVID-19 pandemic, which automatically increased ODA as a percentage of GNI – despite a significant decrease in real terms as a result of the loss of one of the biggest Member State donors, following the withdrawal of the United Kingdom (UK) from the EU on 1 February 2020. EU GNI shrank by 4.7% in 2020, causing an increase in the ODA/GNI ratio, while in real terms ODA fell from €75.4bn in 2019 (€58.1bn without the UK) to €63.9bn in 2020 – representing 46% of the total ODA provided by the DAC community.[6] However, it is important to note that if the UK's contribution to 2019 ODA figures is discounted, in 2020 the EU-27 actually increased their ODA spending by €5.8bn in real terms, which is encouraging. But as the economy recovers from the effects of the pandemic, GNI will increase once more, threatening the gains seen in 2020 in relation to the 0.7% commitment, unless there are greater increases in ODA spending by EU Member States in 2021 and beyond.

BOX 1 – MEMBER STATE ODA SPENDING[7]

Member States that met the 0.7% GNI spending target in 2020
Sweden: 1.13%
Luxembourg: 1.02%
Germany: 0.74%
Denmark: 0.73%

Member States that increased ODA spending by more than 5% in 2020
Malta: +35.2%
Hungary: +33.4%
France: +24.3%
Bulgaria: +19.8
Romania: +14.0%
Croatia: +13.6%
Sweden: +13.5%
Slovak Republic: +14.2%
Germany: +13.9%
Latvia: +12.7%

Member States that decreased ODA spending by more than 5% in 2020
Greece: -37.4%
Luxembourg: -10.8%
Czech Republic: -6.9%
Ireland: -5.8%
Lithuania: -5.5%

Table 1: The gap to the 0.7% ODA goal in 2020 – inflated vs genuine gap

	2019		2020	
Total EU-27 GNI	€13,965,350	as % of GNI	€12,869,504	as % of GNI
EU-27 ODA commitment (0.7% of GNI)	€97,757	0.70	€90,087	0.70
Total EU-27 ODA	€58,137	0.42	€63,930	0.50
Genuine aid	€48,731	0.35	€55,508	0.43
Portion of inflated aid	€9,406	0.07	€8,422	0.07
Aid gap to 0.7% (considering all reported aid)	€39,621	0.28	€26,156	0.20
Aid gap to 0.7% (considering only genuine aid)	€49,026	0.35	€34,578	0.27

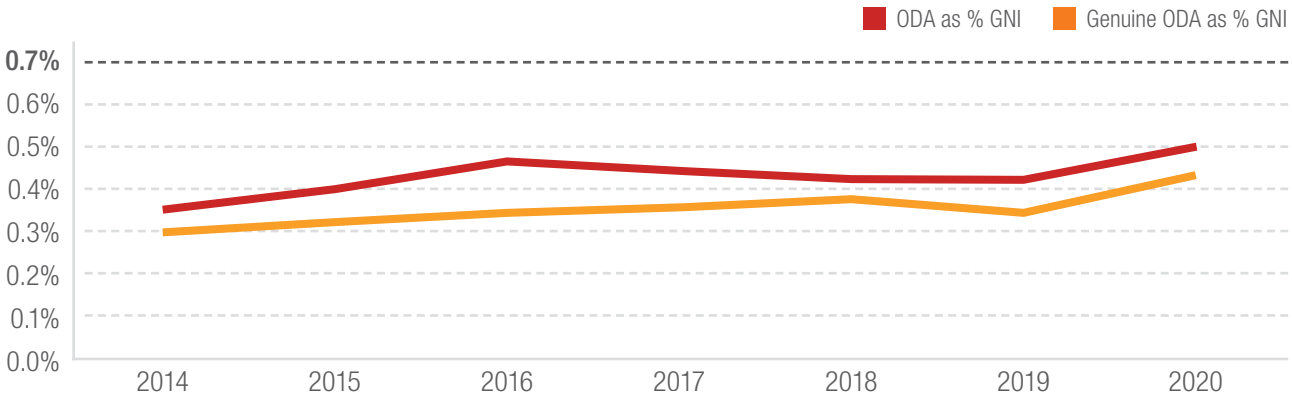
Note: For comparability, the United Kingdom (UK) has been removed from the 2019 figures. CONCORD calculations based on OECD DAC database, in 2019 constant prices.

5 *CONCORD calculations based on the OECD database, in 2019 constant prices.*

6 *This fall includes the removal of the UK from figures (i.e. comparing EU28 with EU27). In net disbursement, excluding the UK from 2019, the change is from €58.1 billion in 2019 to €66.2 billion in 2020.*

7 *CONCORD calculations based on the OECD database, in 2019 constant prices.*

Graph 1: ODA and genuine ODA as % of GNI, EU Member States



Note: For consistency with the latest data, the UK is not included in the above series. CONCORD calculations based on OECD DAC database, in 2019 constant prices.

PANDEMIC PUTS ODA BUDGETS UNDER PRESSURE

There has always been pressure on EU donor governments to prioritise domestic spending at the expense of development assistance. Cynical commentators tell voters that aid money is wasted on ineffectual projects and could be better spent fighting poverty at home.[8] With the fallout from the pandemic increasing hardship everywhere, calls to put the needs of domestic populations first have become louder still, and some governments are beginning to listen.

Five EU member states (Czech Rep, Greece, Ireland, Lithuania, Luxembourg) decreased ODA funding by over 5% from 2019 levels. Another worrisome example comes from the UK, which decreased its ODA substantially before leaving the EU in March of 2020. After Brexit, further cuts, from 0.7 to 0.5 per cent, were announced. The UK's Chancellor of the Exchequer commented: "During a domestic fiscal emergency, when we need to prioritise our limited resources on jobs and public services, sticking rigidly to spending 0.7% of our national income on overseas aid is difficult to justify to the British people."[9] This rationale for reneging on the 0.7% commitment deliberately ignores the fact that expressing the target as a percentage of GNI is specifically designed to allow for fluctuations in domestic economies – and demonstrates how egregious these cuts are. Other European non-EU members, such as Norway and Switzerland, demonstrated much stronger commitment to international cooperation and increased their ODA by almost a tenth each in 2020, to 1.11% and 0.48% of GNI respectively.[10]

Public opinion across Europe has actually remained in favour of the EU's stance on development assistance, even after the onset of the pandemic. The 2021 Eurobarometer survey showed that almost nine in ten respondents think it is important to partner with countries outside the EU to reduce poverty around the world (88%).[11] Despite mounting domestic pressure, several EU Member States have responded to the challenges of 2020, increasing their ODA spending in real terms. Germany, increasing its ODA by 14% from 2019 levels, has met the 0.7% GNI target for the first time since 2016. France, meanwhile, has passed a bill committing the government to striving to spend 0.7% of gross national income on official development assistance by 2025. However, critics have pointed out that this bill does not actually require the government to hit the target, but only to strive to do so,[12] and various civil society representatives have said that the final bill is likely to be less binding than originally suggested.

Rather than providing a rationale for reducing development assistance, the pandemic has increased the need for it. In over two decades, 2020 was the first year in which the global poverty rate increased, and it is forecast that over 140 million more people will be pushed into extreme poverty by the end of 2021.[13] This is a catastrophic outcome. The UN Secretary-General, António Guterres, has called for high-income countries to respond, saying, "Poverty is rising. Human development indicators are declining. We are careening off-track in achieving the Sustainable Development Goals ... We need a collective commitment to avoid a downward spiral."[14]

8 *Anders, M, Bad news: How does media coverage affect public attitudes toward aid? 9 March 2018, https://www.devex.com/news/bad-news-how-does-media-coverage-affect-public-attitudes-toward-aid-92258.*

9 *Sunak, R, Spending Review 2020 Speech, 25 November 2020, https://www.gov.uk/government/speeches/spending-review-2020-speech.*

10 *Even if, in the case of Switzerland, 0.48% ODA/GNI is far from the 0.7 commitment.*

11 *Kantar, Special Eurobarometer 512 Report: EU citizens and development cooperation, April 2021, https://europa.eu/eurobarometer/api/deliverable/download/file?deliverableId=75153.*

12 *Chadwick, V, France striving to hit 0.7% aid target by 2025, 26 February 2021 https://www.devex.com/news/france-striving-to-hit-0-7-aid-target-by-2025-99198.*

13 *Lakner, V, Yonzan, N, Gerzon Mahler, D, Andres Castaneda Aguilar, R, Wu, H, Updated estimates of the impact of COVID-19 on global poverty: Looking back at 2020 and the outlook for 2021, 11 January 2021, https://blogs.worldbank.org/opendata/updated-estimates-impact-covid-19-global-poverty-looking-back-2020-and-outlook-2021.*

14 *Guterres, A, Address to the UN General Assembly, 22 September 2020, https://www.un.org/sg/en/content/sg/statement/2020-09-22/secretary-generals-address-the-opening-of-the-general-debate-of-the-75th-session-of-the-general-assembly.*

Sadly, few Member States appear likely to meet ODA spending targets in the next few years. The governments of those countries that have reached the target mostly view aid as a way to enhance their influence on the international stage (e.g. the UK), or have demonstrated a long-term commitment to humanitarian and aid principles that the electorate broadly supports (e.g. Sweden and Denmark).[15] In the case of Sweden, successive governments have committed to high ODA spending. Possible contributing factors may be Sweden´s strong tradition of multilateral involvement, strong public support for international aid and a fairly solid consensus in parliament about the benefits of consistent development and foreign policies based on fundamental values, which unite their democratic political parties. That said, two opposition parties have recently been promoting cuts in ODA and a more Sweden-centred approach to international cooperation.

For most governments in the EU, ODA is not viewed as a political priority and public interest in the issue is low. ODA cuts therefore represent a seemingly easy way to make fiscal savings without risking voter support. Without greater public awareness of sustainable development emergencies, governments are unlikely to alter policy in the short to medium term. Civil society therefore has an important role to play, not just by continuing to lobby governments directly, but also by engaging proactively with the public.

RESOURCES FOR FIGHTING COVID-19

In March 2020, as the pandemic began to take hold globally, the prime minister of Ethiopia wrote: "Momentary victory by a rich country in controlling the virus at a national level … may give a sense of accomplishment. But we all know this is a stopgap. Only global victory can bring this pandemic to an end."[16] The EU recognised the importance of its role in this worldwide struggle early on, and swiftly mobilised ODA resources to tackle the pandemic globally. However, official sources differ about the amounts spent. The OECD reports that the EU institutions and Member States have spent approximately €12.4bn ODA on helping EU partner countries respond to the pandemic,[17] but the EU has consistently presented higher spending figures than this, often citing "over €40bn in support for partner countries".[18] Official EU reporting has been very unclear about how much of its COVID-19 response package represents entirely new funding and what portion is reallocated from pre-existing ODA budgets that had been earmarked for other projects. This raises questions about long-agreed development priorities in partner countries being defunded to pay for COVID-19 response activities.

Despite the EU's allocation of some additional funds to its pandemic response, this has been inadequate to meet the scale of the challenge. To put funding levels into context, total ODA in 2020 from members of the DAC globally was US$161.2 billion, which is just 1% of the amount that high-income countries have spent on domestic economic stimulus measures in response to the pandemic.[19] Announcing the ODA figures for 2020, Ángel Gurría, Secretary-General of the OECD, underlined the urgent need to increase funding levels, saying, "The 60-year trendline shows the political will exists to maintain ODA. Now we need to leverage this to make the kind of investments that will produce a truly global recovery … This is precisely the moment to scale up ODA levels to match these demands."[20]

CONCORD strongly believes that the 0.7% ODA/GNI target remains an important yardstick by which to judge EU Member States' contributions towards international development goals, but assessing the quantity of ODA alone is not enough to make sure that the EU is contributing effectively to sustainable development objectives. As the pandemic and its consequences have shown, increasing flows of concessional financing in general – and not just ODA – are key to achieving sustainable development goals. Beyond this, EU donors must ensure the quality of their interventions and allow civil society to play their vital scrutiny role that helps keep donors accountable. The next three sections of this report focus on how to make EU ODA more impactful, ensure no one is left behind, and achieve the systemic changes needed to reduce inequalities between and within countries.

> **"Rather than providing a rationale for reducing development assistance, the pandemic has increased the need for it. In over two decades, 2020 was the first year in which the global poverty rate increased, and it is forecast that over 140 million more people will be pushed into extreme poverty by the end of 2021."**

15 *It is important to acknowledge the role that civil society played in all these countries, putting pressure on their national government to keep them accountable for their ODA commitments.*

16 *Ahmed, A, If Covid-19 is not beaten in Africa it will return to haunt us all, 25 March 2020, https://www.ft.com/content/c12a09c8-6db6-11ea-89df-41bea055720b.*

17 *European Commission, Questions and Answers: Preliminary Figures on 2020 Official Development Assistance, 13 April 2021, https://ec.europa.eu/commission/presscorner/detail/en/qanda_21_1704.*

18 *European Commission, EU global response to COVID-19, January 2021, https://ec.europa.eu/international-partnerships/topics/eu-global-response-covid-19_en; European Commission, Team Europe external response to COVID-19, January 2021, https://ec.europa.eu/international-partnerships/system/files/20210101-team-europe-response-to-covid-infographic_en.pdf.*

19 *Eurodad, Just 1% of rich countries' spending on Covid went to overseas aid, 13 April 2021, https://www.eurodad.org/just_1_of_rich_countries_spending_on_covid_went_to_overseas_aid.*

20 *Gurria, A, 2020 Official Development Assistance Levels and Trends Release, 13 April 2021, https://www.oecd.org/about/secretary-general/oecd-sg-remarks-to-launch-the-2020-oda-levels-and-trends-13-april-2021.htm.*

EMPLOYING ODA CORRECTLY?

CONCORD's methodology[21] for analysing aid reveals that 'inflated aid' as a proportion of total EU ODA has fallen for the fourth consecutive year and now represents 13% of all reported ODA. Levels of inflated aid for most Member States are very low, with 14 reporting inflated aid at levels of 5% or less of their total ODA. But while inflated aid across the EU is decreasing, it is not doing so quickly enough. At current levels, if only genuine ODA is counted, the EU will not meet the 0.7% GNI target until 2038.[22] CONCORD urges all Member State governments to put in place concrete plans to achieve spending targets by the 2030 deadline.

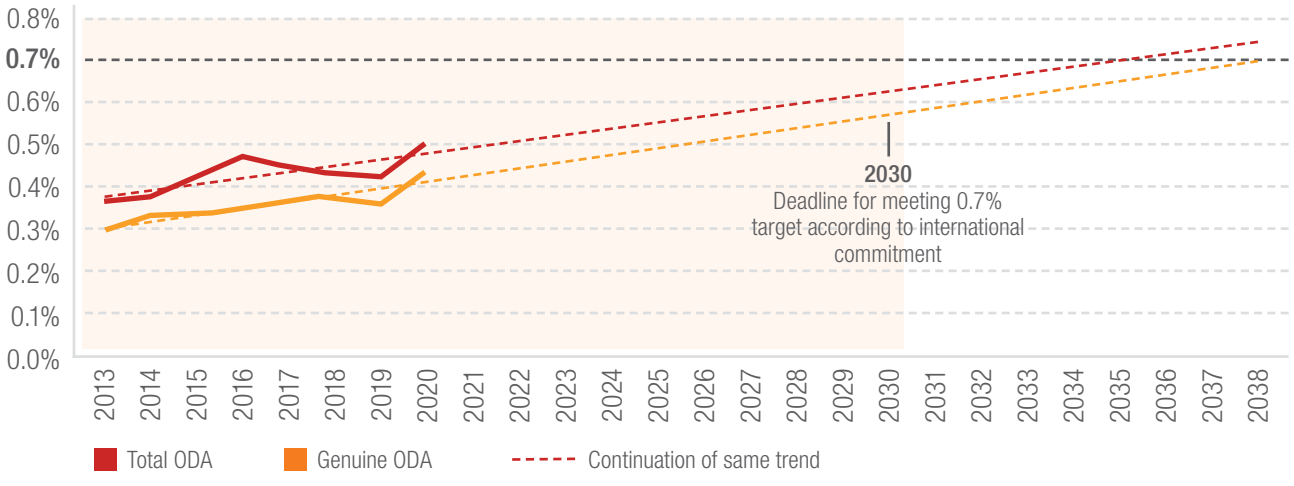
Six EU Member States (Slovenia, Slovakia, Malta, France, Portugal and Germany) have inflated aid levels representing over 15% of their total ODA. Malta is the largest statistical outlier, with inflated aid at 74% of total ODA. This is due to significant spending (€36.66m) on sustaining refugees inside Malta, compared with a low level of spending on ODA generally. More significant are the cases of France and Germany, two of the EU's leading donors, whose inflated aid levels are at 19% and 17% respectively of their total ODA. Germany reported reaching the 0.7% GNI spending target in 2020, and France has committed to trying to reach this target by 2025 – but if their aid spending continues to be inflated at current levels, their contribution to sustainable development goals in partner countries will be severely limited. Both countries report high levels of inflated aid across refugee costs, high imputed student costs, interest received and tied aid, while France is alone in the EU in reporting a significant amount of debt relief (€247m) in its overall ODA figures.

SHIFTING THE GOALPOSTS – NEW RULES ON DEBT RELIEF DRIVE ODA INFLATION

In July 2020, the DAC approved new rules for how it will record debt relief as ODA, sparking widespread concern that donor countries will be encouraged to rely more and more on inflated ODA through the increased use of loans. The main change is to how debt relief on ODA-eligible loans will be counted. The DAC argued that this was necessitated by the 2018 change to measuring ODA loans on a grant-equivalent basis. For ODA loans, the rules essentially state that donors should record the grant equivalent of the amount cancelled.

However, there are concerns[23] that this double-counts the donor effort involved in lending, something acknowledged in a previous DAC background paper.[24] Previously, loans were measured on a flow basis: disbursement counted as ODA, and repayments counted as negative ODA. Fully repaid loans eventually netted to zero, so the eventual ODA scored on loans was (roughly) equal to the losses on those loans. Now, the 'grant element' of loans is recorded: this is essentially an estimate of what those losses will be. For riskier lending categories, the lender expects to lose more capital, and so more ODA is recorded (i.e. the grant element of loans is higher, controlled by the discount rate). But this means that counting additional ODA when debt cancellation occurs is

Graph 2: Estimated timescale for keeping the 0.7% promise: genuine vs inflated EU ODA



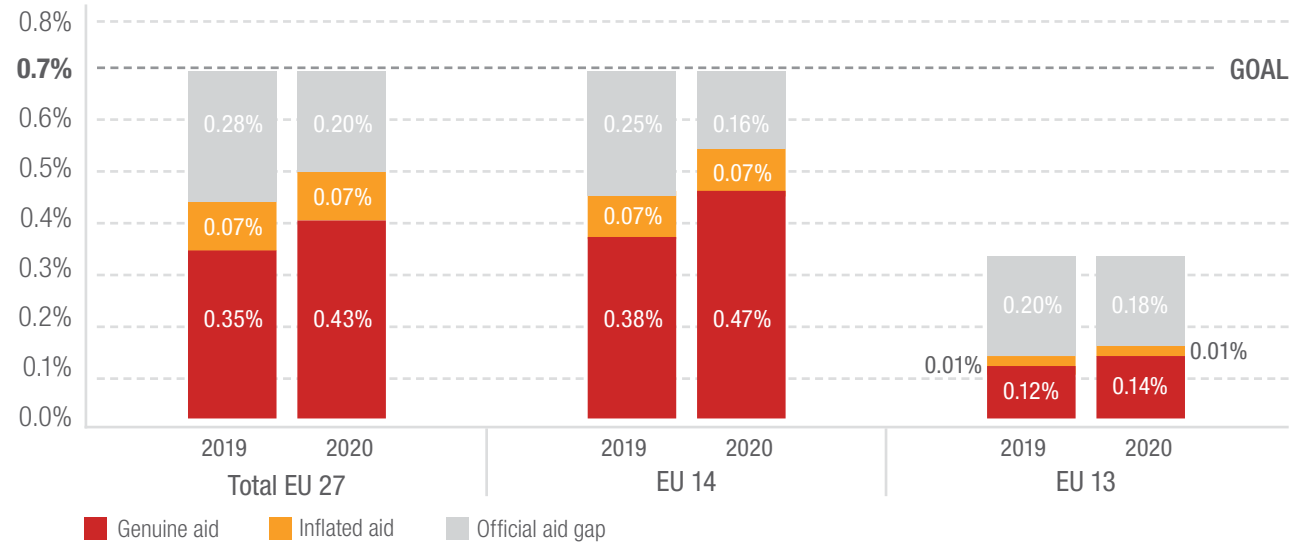
21 *Details of CONCORD's methodology for analysing ODA and calculate inflated aid can be found in Annex 1 - Methodology.*

22 *We recognise that ODA budgets do not follow a linear pattern year-on-year, and can decrease as well as increase. So while we can identify overall trends over long periods of time, any predictions of when ODA targets will be reached are of limited usefulness.*

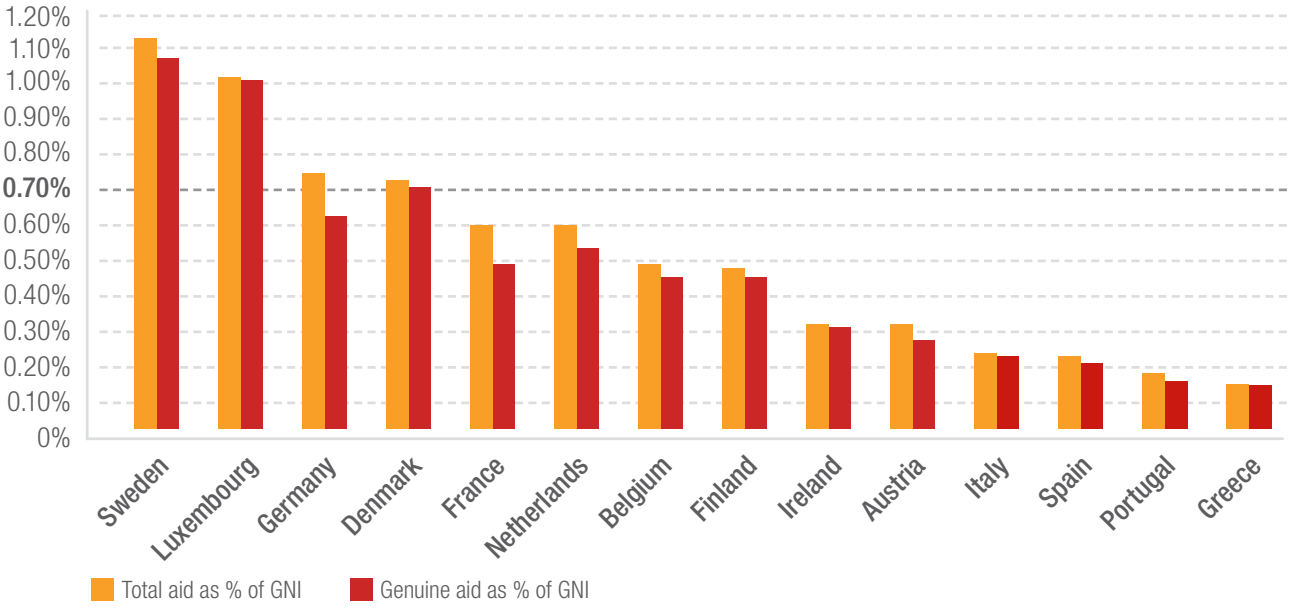
23 *See for example: Reigler, H, New rules on reporting debt relief as aid lack credibility and signal a decline in the OECD's statistical culture, November 2020, https://www.globaleverantwortung.at/kommentar-der-anderen-hedwig-riegler-zu-den-neuen-regeln-fuer-die-oda-anrechnungen-der-oecd-new-rules-on-reporting-debt-relief-as-aid-lack-credibility-and-signal-a-decline-in-the-oecds-statistical-culture. Ritchie, E, New Rules on Debt Relief: A poor measure of donor effort, 7 October 2020, https://www.cgdev.org/publication/new-dac-rules-debt-relief-poor-measure-donor-effort.*

24 *OECD, The treatment of loan concessionality in DAC statistics, 16 December 2020, https://www.oecd.org/dac/financing-sustainable- development/DAC%20HLM2014%20Background%20paper%20The%20treatment%20of%20loan%20concessionality%20in%20DAC%20statistics.pdf.*

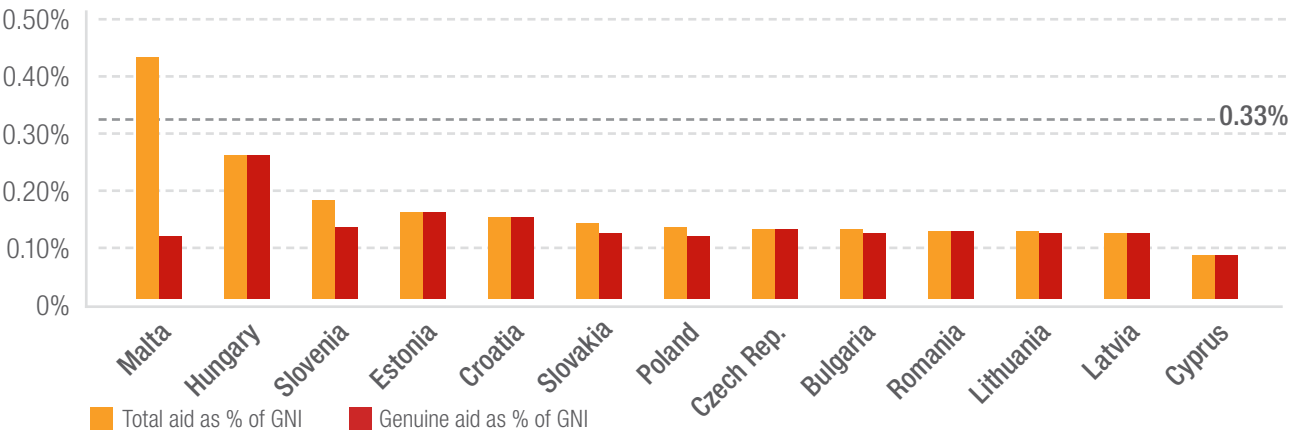
Graph 3: Inflated vs genuine ODA as a % of GNI



Graph 4: Genuine vs total ODA as a % of GNI, EU-14



Graph 5: Genuine vs total ODA as a % of GNI, EU-13



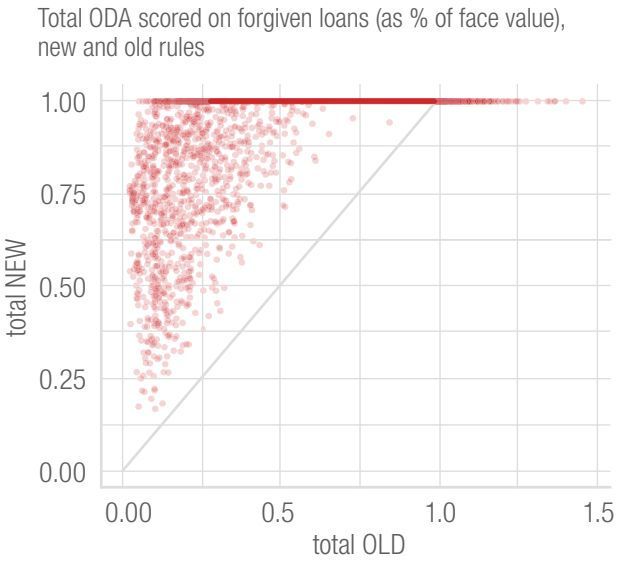
adding actual losses to an estimate of those same losses. This was previously acknowledged by the DAC, but is nevertheless now allowed by the new rules. Moreover, the discount rates used to measure the grant element of loans are considered already higher than warranted by the risk of lending, further inflating ODA.[25]

To compare the likely impact of the new rules on ODA figures relative to the old rules, in the reporting of debt relief on ODA loans, the chart below simulates thousands of debt relief scenarios based on the average terms reported in the Creditor Reporting System (CRS) database, and shows how much ODA would be recorded under old and new rules, as a percentage of the face value of the loan. Points on the 45-degree line are cases where, over the course of the cancelled loan, total recorded ODA would be the same under both the new and old rules. The points on the left are those where higher ODA is recorded under new rules. In the vast majority of cases, the new rules record substantially more ODA than the old rules for the same loans, suggesting that the new rules on debt relief – in conjunction with the grant-equivalent measurement system – will further inflate ODA (notwithstanding a 'safeguard' introduced by the DAC: that the total value of ODA recorded on a loan must never exceed the face value).

The new rules could encourage donors to use loans rather than grant modalities, and to reschedule rather than cancel debt, while still hitting ODA spending targets. In addition, the new rules have failed to solve the problems that were associated with the previous regulations, which had generated years of controversy.[26] Cancelling debts on loans originally disbursed to fund non-development-related initiatives, such as arms procurement,[27] can still be counted towards ODA, creating a risk of displacing legitimate development projects. Continued incoherence on this issue risks undermining the reputation of the DAC and could reduce confidence in ODA more broadly, potentially giving licence to donors to define ODA as they see fit.

Of EU Member States, France and Germany are expected to get the most significant boost to their reported ODA from the adoption of the new rules, and these two countries were indeed among the most vocal in calling for the change.[28] Both countries already record an unusually high share of their ODA as loans rather than grants (21.3% for Germany and 46.1% for France in 2019), on which they accrued interest at a rate of 1.94% and 2.27% respectively.[29] France is currently being predicted to meet (or very nearly meet) the 0.7% GNI ODA target in 2021 as a direct result of the rule changes, on paper making it the most generous donor in the G7.[30] There is a real concern that other countries could follow suit and increase the use of loans rather than grant-based modalities, with serious consequences for development assistance across the EU and the world.

Graph 6: Total ODA scored on forgiven loans (as % of face value), new and old rules



25 *Ritchie, E, "Mismeasuring ODA – How risky actually are aid loans", 5 November 2020, https://www.cgdev.org/publication/mismeasuring-oda-how-risky-actually-are-aid-loans-0.*

26 *Sundsbo, O, Exporting goods or exporting debts? Export Credit Agencies and the roots of developing country debt. Eurodad, December 2011.*

27 *Jubilee Debt Campaign, Vince Cable's department demanding payment for arms sales to Mubarak, 30 October 2011, https://jubileedebt.org.uk/press-release/vince-cables-department-demanding-payment-arms-sales-mubarak.*

28 *Fox, B, EU among group pushing for relaxation of debt relief rules, 26 June 2020, https://www.euractiv.com/section/development-policy/news/eu-among-group-pushing-for-relaxation-of-debt-relief-rules/.*

29 *Accrued interest calculated as the ratio of the total interest received on ODA loans during 2019 (excluding forgiven interest) to the stock of outstanding loans at the end of 2019 (CRS data).*

30 *Rogerson, A, and Ritchie, E, ODA in Turmoil: Why Aid Definitions and Targets Will Come Under Pressure in the Pandemic Age, and What Might Be Done About It, December 2020, https://www.cgdev.org/sites/default/files/PP198-Ritchie-Rogerson-ODA-Turmoil.pdf.*

EFFECTIVE ODA?

Alongside the launch of Global Europe (the EU's new budget instrument for international cooperation), the adoption of the Team Europe approach represents the most high-profile shift of 2020 in how the EU plans, delivers and, crucially, brands its ODA. Created to provide a united EU response to the COVID-19 pandemic in partner countries, Team Europe has evolved over the past year into a more comprehensive programme, encompassing a wider range of EU ODA initiatives.

The European Commission has described Team Europe as an effort to "further improve the coherence and coordination of efforts, notably at partner country level".[31] Coordination mechanisms to prevent the fragmentation and duplication of effort between donors are welcome, but it is hard, from an external perspective, to grasp how Team Europe represents an improvement on pre-existing arrangements for joint programming. Instead, the heavy promotion of the Team Europe brand appears more consistent with the 'geopolitical' Commission's efforts to raise the EU's profile and increase its global influence. Indeed, Laurent Sarazin, DG INTPA's Head of Unit for Effective Development Policy and Team Europe, confirmed that the latter does play an important role in showcasing the EU's unique contribution as a development partner, saying: "One of the objectives of Team Europe is to show partner countries that the way the EU does development cooperation is more effective and brings more lasting impact than other models."[32] It will, however, be crucial for the EU's future credibility as a sustainable development partner to demonstrate how Team Europe actually delivers results for marginalised people in partner countries. This section will provide an initial analysis of what is known about the Team Europe approach so far.

Our analysis is structured around the Development Effectiveness Principles. It is important to note that Team Europe is very new, and the first Team Europe Initiatives (TEIs)[33] remain in the early stages of design and agreement rather than delivery. Consequently, most of this analysis is based on a review of Team Europe's governing documents and interviews with EU officials, civil society representatives and other relevant stakeholders, together with questionnaire responses provided by CONCORD's National Platforms across Member States. The Commission itself recognises that Team Europe is still a fledgling initiative and there is much yet to do in terms of agreeing objectives, devising ways of working and improving effectiveness. As Laurent Sarazin, DG INTPA, put it, "We are still building the ship while we are sailing it!"

STAKEHOLDERS' FIRST REACTIONS TO THE LAUNCH OF TEAM EUROPE

Team Europe seems to have landed relatively well inside the EU, with Member States responding "enthusiastically, even beyond [the Commission's] hopes".[34] As well as the major donors, such as France and Germany, that are directly funding large numbers of TEIs, smaller donors, such as Hungary, view Team Europe as a chance to get more involved in planning EU ODA. A spokesperson for the Hungarian Ministry of Foreign Affairs said in a statement, "Hungary urges the Team Europe approach to be an inclusive process allowing smaller Member States to play an equal role in the implementation of the NDICI." However, despite strong declarations of support for the overall approach, some Member States remain unclear on how they will be actively involved in Team Europe, or what it means in practice. The Belgian government, for example, while ostensibly involved in Team Europe and willing to identify opportunities for joint programming with other EU donors, is not currently mobilising additional funding for TEIs. Although joint programming is a main plank of the Team Europe approach,[35] it is worth noting that the overwhelming majority of TEIs have been developed with the involvement of just a handful of EU Member States (Germany, France, the Netherlands and Spain being most heavily invested) – which puts a question mark over how representative Team Europe is of the bloc as a whole.

EU partner countries and CSOs are more sceptical about the need to rebrand EU aid and would rather see more focus on increasing ODA spending, and on impact. Paul Okumu, Head of Secretariat at the Africa Platform, described Team Europe as "a desperate EU attempt to recapture the [African] continent from [the influence of] China … There are already several EU initiatives that were all intended to do the same things that Team Europe is being set up to do. If you take a look at the many attempts that Europe has made to engage [with Africa], under either the OECD DAC or just on its own, you see a clear pattern. There is nothing new that Team Europe is going to do that the current [EU development assistance] structure is not able to do."[36] There is a wider perception that Team Europe represents a reaction to other geopolitical challenges facing the EU, including Brexit and growing rivalries with state actors such as Russia and China. Adrian Chikowore, Policy Analyst on International Public Finance (IPF) in the Africa-focused lobbying organisation AFRODAD, describes Team Europe as "an initiative trying to demonstrate the EU's unity, a show of strength in the face of emerging economic powerhouses, particularly China".[37]

31 *European Union, Working Better Together as Team Europe through joint programming and joint implementation, January 2021, https://europa.eu/capacity4dev/working-better-together.*

32 *Sarazin, L, Interview with CONCORD, 10 June 2021.*

33 *European Union, Working Better Together as Team Europe, January 2021, https://europa.eu/capacity4dev/wbt-team-europe.*

34 *Sarazin, L, Interview with CONCORD, 10 June 2021.*

35 *The European Commission affirms that Team Europe is not about ending bilateral aid but is intended to be the mechanism that coordinates the bilateral aid delivered by all EU Member States.*

36 *Okumu, P, CONCORD focus group with Africa-based CSO representatives, 7 June 2021.*

37 *Chikowore, A, CONCORD focus group with Africa-based CSO representatives, 7 June 2021.*

Table 2: EU member state participation in TEIs[38]

EU Member State	Number of TEIs
Germany	73
France	70
Netherlands	52
Spain	52
Belgium	29
Italy	29
Sweden	28
Finland	18
Ireland	15
Denmark	12
Luxembourg	10
Portugal	10
Hungary	9
Austria	5
Estonia	4
Czech Republic	4
Malta	3
Poland	2
Latvia	1
Lithuania	1
Slovak Republic	1

Beyond Africa, possible partnerships with Team Europe are viewed more positively: in South-East Asia, in particular, the EU is often seen as a more reliable and less coercive donor than either the United States or China. Mark Moreno Pascual, Global Coordinator of the Reality of Aid Network, said: "Civil society generally sees the EU as an alternative to US funding, providing ODA with less conditionality, more transparency and accountability and a greater focus on results."[39] However, given that less than half as many TEIs are currently being planned there, Team Europe currently has a lower profile in Asia than it does in many African countries.

Some of the negative reactions from civil society may be due to the EU's failure to engage meaningfully on Team Europe with CSOs. This lack of engagement is reflected in the almost total lack of consultation on TEI programming and the extremely limited funding Team Europe has disbursed to local NGOs and CSOs in partner countries through the EU's Global Response to COVID-19 – even though these organisations have been key actors at the frontline of the pandemic, working with the most marginalised people and communities, in vital sectors such as health and education.

EFFECTIVENESS OF THE TEAM EUROPE APPROACH

The EU has committed to the following four principles under the Busan Partnership for Effective Development Cooperation: (i) focus on results; (ii) ownership of development priorities by partner countries; (iii) transparency and mutual accountability; and (iv) inclusive partnerships. CONCORD has conducted an initial analysis of the Team Europe approach against each of these principles, qualitatively assessing the level of commitment to each and assigning a rating of red (low level of commitment: urgent improvement required), amber (medium commitment: some adjustments to the approach needed) or green (strong commitment). As Team Europe is still in the early stages of its planning cycle, our analysis is largely limited to an assessment of intention. In future editions of this report we expect to be able to provide a more comprehensive readout based on the delivery and impact of TEIs.

FOCUS ON RESULTS – AMBER

Ostensibly, Team Europe is focused on "improving effectiveness and impact through greater coordination and coherence, by applying the development effectiveness principles and by delivering development cooperation as one part of the overall internal and external action to promote the implementation of the 2030 Agenda".[40]

Better collaboration between EU donors could indeed yield more positive outcomes for partner countries, by encouraging more coordination, better pooling of financial resources and increased knowledge sharing. However, mechanisms for joint programming did already exist, and were promoted strongly in the 2017 European Consensus on Development.[41] The Council's Conclusions on Team Europe, from April 2021, open with the statement that "The Team Europe approach contributes to demonstrating EU global leadership, responsibility and solidarity,"[42] prioritising this ahead of any commitments to bring about systemic changes for sustainable

38 *European Commission, Team Europe Initiatives infographics (1st batch – country-level TEIs), Team Europe Initiatives infographics (2nd batch – country-level TEIs), July 2021, https://europa.eu/capacity4dev/joint-programming/documents/team-europe-initiatives-infographics-1st-batch-country-level-teis, https://europa.eu/capacity4dev/joint-programming/documents/team-europe-initiatives-infographics-2nd-batch-country-level-teis. A third batch of TEIs is due to be approved towards the end of September/early October 2021, so these figures may change. The 6 EU Member States not part of any TEIs (for now) are: Bulgaria, Croatia, Cyprus, Greece, Romania, Slovenia.*

39 *Moreno Pascual, M, Interview with CONCORD, 11 June 2021.*

40 *European Union, Working Better Together as Team Europe through joint programming and joint implementation, January 2021, https://europa.eu/capacity4dev/working-better-together.*

41 *Council of the European Union, Outcome of Proceedings: European Consensus on Development, 19 May 2017, https://www.consilium.europa.eu/media/24011/european-consensus-for-development-st09459en17.pdf.*

42 *Council of the European Union, Outcome of Proceedings: Team Europe – Council Conclusions, 23 April 2021, https://data.consilium.europa.eu/doc/document/ST-7894-2021-INIT/en/pdf.*

development in partner countries. The Council goes on to "[call] upon all members of Team Europe to increase the visibility of their joint engagement as Team Europe in a strategic manner", which lends further credence to the argument that Team Europe is intended first and foremost as a communications initiative.

The communications benefits of Team Europe should not be seen as more important than delivering effective results for sustainable development. It is felt in many partner countries that, although EU ODA is vital to achieving sustainable development goals, EU donors are primarily motivated by their own self-interest, which undermines effectiveness. Paul Okumu, of the Africa Platform, gave a clear example of this: "Despite Team Europe's commitment to [supplying] vaccines to Africa as part of its COVAX COVID response package, it is the same EU that is bitterly fighting any attempt by developing countries to access the patents necessary [for developing] vaccines independently."

OWNERSHIP OF DEVELOPMENT PRIORITIES BY PARTNER COUNTRIES – AMBER

The European Commission's guidance for Team Europe shows a strong commitment to the principle of partner-country ownership, explicitly stating that "Partner country engagement, appropriation and ownership are essential ... Joint programming should be led by the partner country's development strategy and aligned to the partner country's sustainable development priorities."[43] With limited public information currently available, it is difficult to verify how many TEIs have been aligned with partners' national development strategies, but DG INTPA has issued instructions that EU Delegations (EUDs) are responsible for ensuring that this is done.[44] Nevertheless, there will clearly be questions about the inclusiveness of an initiative that is structured around the EU's own five priorities for external action – rather than shared ones. As discussed in reference to the principle of inclusive partnerships, consultation with CSOs in partner countries has generally been limited, further calling into question the ownership of TEIs.

TRANSPARENCY AND MUTUAL ACCOUNTABILITY – RED

So far, there has been limited publicly available information about the remit, governance and funding of Team Europe and about the planning process for TEIs. The European Commission has said that the design, financing and implementation of TEIs are open to all members of Team Europe, who are invited to make the best possible use of European expertise and resources. How this works in practice is unclear, as the TEIs have so far been developed behind closed doors, allowing no opportunity for public scrutiny. Certainly, CSOs have not systematically been consulted on how Team Europe works as a whole. In the cases of some particular TEIs, EUDs have involved CSOs at the pre-programming stage – but often without making them aware that that was the moment for them to contribute to the overall development of the TEI programme more widely. CSOs have largely been denied the opportunity to comment until after political decisions about the location and objectives of initiatives have been made.[45] This has prevented important stakeholders within Member States from giving their input on what may turn out to be a significant shift in how their government plans and delivers ODA.

As Team Europe matures and its purview extends beyond the immediate pandemic response, it must adopt more participatory and inclusive planning and evaluation approaches and become more transparent in its reporting, in line with the standards of the OECD Creditor Reporting System, the International Aid Transparency Initiative (IATI), the EU Aid Explorer, and the five working principles of the human rights-based approach (HRBA), which include meaningful and inclusive participation by the people concerned and access to decision making.

The European Commission has committed to improving transparency around Team Europe and has begun to update the joint programming tracker, aiming to provide easily accessible, up-to-date information on the TEIs. The existing joint programming tracker does provide information about the EU Member States' and the European Commission's joint ODA initiatives, but it can be difficult to access detailed information on particular initiatives in partner countries. Moreover, accessing information on decisions already taken is only a small part of transparency and accountability. It is therefore important for the updated tracker to be more user-friendly and more accessible to local CSOs. In the recommendations section, a number of more specific requirements are set out in this regard.

The Commission is also developing, together with the Estonian Ministry of Foreign Affairs, a second online tool, the Team Europe Partnership Portal. This is intended to allow all stakeholders, including Member State and partner country governments and civil society, to access up-to-date information about sustainable development needs in partner countries and to coordinate the development of new TEIs.[46] If such a tool can be successfully developed it could set a new standard for transparency and inclusiveness in the joint planning of ODA.

INCLUSIVE PARTNERSHIPS – AMBER

Globally, we are seeing a shift away from traditional development cooperation towards international partnerships that aim to "build more equal relationships" between donors and partner countries. At the EU level this was reflected, in January 2021, in the changing of the name of the European Commission's DG International Cooperation and Development (DEVCO) to DG International Partnerships (INTPA). The

43 *https://europa.eu/capacity4dev/working-better-together.*

44 *Sarazin, L, Interview with CONCORD, 10 June 2021.*

45 *Mias, C, CONCORD Webinar, 27 May 2021.*

46 *Sarazin, L, Interview with CONCORD, 10 June 2021.*

emphasis placed on partnerships in the Commission's guidance for Team Europe suggests at least some commitment to this new approach. So far, unfortunately, it is not clear that this has been carried over into the design and implementation of TEIs.

Consulting with the relevant stakeholders, including civil society, in partner countries is important to ensure that projects respond to the needs of different groups and maximise impact. Civil society should engage widely, consulting and working with organisations representing local communities in rural and urban areas, indigenous people, people with disabilities, women and youth. However, an early analysis of the TEIs so far agreed shows that there is considerable room for improvement.[47] Moreover, although civil society is sporadically being included in the implementation of TEIs, CSOs have not been engaged systemically or meaningfully in the TEI planning process, which has taken place privately between EU institutions, Member States and the EU financial institutions. The European Commission recognises the need to do better in this area, commenting that engagement with civil society "risks becoming rather ad hoc, while experience has shown that an effective dialogue needs to be more structured and regular".[48]

Some EU Delegations already do engage well with civil society: in preparing the first TEIs to be developed in Côte d'Ivoire, for example, the EUD held consultations with national and local CSO networks. This allowed civil society to submit some recommendations, ensuring local priorities were taken into account in the project design.[49] Despite positive examples such as this, however, the European Commission generally relies on the Policy Forum on Development (PFD)[50] as its principal mechanism for engaging with civil society and local authorities including from partner countries. The PFD organises a series of structured dialogues, which could be a useful way for donors to engage with CSOs and local authorities – but up until now it has been used largely to communicate information in one direction only, rather than to carry out meaningful consultation and promote truly inclusive partnerships.

OVERALL EFFECTIVENESS OF TEAM EUROPE – AMBER / RED

Only through an assessment of the delivery and impact of the TEIs can we really judge the effectiveness of the Team Europe approach, but there are currently worrying signs that it is falling short when measured against all four of the Effectiveness Principles. Partner-country ownership seems nominal at best, while all aspects of Team Europe lack transparency, and civil society has so far been largely shut out of the process. Unless all these issues are addressed urgently, Team Europe will fail to deliver sustainable development and could actually hamper progress towards the SDGs.

> **"It will, however, be crucial for the EU's future credibility as a sustainable development partner to demonstrate how Team Europe actually delivers results for marginalised people in partner countries."**

47 *Sarazin, L, CONCORD Webinar, 27 May 2021.*

48 *European Union, Working Better Together as Team Europe through joint programming and joint implementation, January 2021, https://europa.eu/capacity4dev/working-better-together.*

49 *EU Delegation in Ivory Coast, Échanges avec les représentants d'organisations non gouvernementales internationales actives en Côte d'Ivoire pour la Programmation 2021-2027, 12 February 2021.*

50 *European Union, Welcome to Policy Forum on Development, Consulted on 14 July 2021, https://europa.eu/capacity4dev/policy-forum-development.*

EQUALITY-FOCUSED ODA?

Reducing inequalities is one of the most critical challenges facing the world today and is a key objective of the EU's ODA. It is crucial to achieving the SDGs, as well as being an SDG in its own right.[51] However, there is very little comprehensive data available to analyse how successful EU ODA has been in reducing inequalities between richer and poorer countries or within a given partner country. To make a meaningful assessment, CONCORD takes into consideration the following four of the OECD DAC's equality-related measures:

- EU ODA to least developed countries (LDCs);
- EU ODA aimed at supporting gender equality;
- EU ODA financing to support CSOs;
- EU ODA to help partner countries mobilise domestic resources.

There have been only small shifts across these criteria in 2019 (the latest data available), and any gains have been strictly limited – nowhere near sufficient to curb the rising inequalities that have since been further aggravated by the global pandemic. We will explore these issues below.

EU ODA TO LEAST DEVELOPED COUNTRIES

In 2010, the EU, together with its Member States, committed to spending at least 0.15-0.20% of their GNI on ODA to the least developed countries (LDCs) by 2030. In 2019, EU ODA to LDCs was only €13.9bn (0.10% of GNI),[52] a decrease of €6bn in real terms since 2018 and a fall of 0.025% of GNI.[53] Individually, only three Member States (Luxembourg, Sweden and Denmark) reached the target.

It is clear that not enough EU ODA is being deployed where it is most needed. In 2019, out of the world's 46 LDCs, only Afghanistan and Ethiopia were among the top ten recipients of EU collective ODA.[54] The recipient of the largest amount of EU ODA in 2019 was Turkey, which received €2.06bn (€0.42bn more than the recipient of the next largest amount, Syria), despite being classified as an 'upper-middle-income country'.[55]

In January 2022 the Fifth UN Conference on the Least Developed Countries is scheduled to take place, as the previous plan for LDCs, the Istanbul Programme of Action (IPoA), expires. The conference is intended to "undertake a comprehensive appraisal of the implementation of the IPoA, mobilise additional international support measures and action in favour of LDCs, and agree on a renewed partnership between LDCs and their international cooperation partners to overcome structural challenges, eradicate poverty, achieve internationally agreed sustainable development goals and enable graduation from the LDC category".[56] This is likely to be the final opportunity to adjust the global approach to sustainable development in LDCs before the 2030 SDG deadline, and the EU, being the biggest bloc of donors, has an important part to play in shaping the agenda.

Table 3: The gap to the target of 0.15-0.20% ODA/GNI to LDCs

Total EU	2018		2019	
Total EU-27 GNI	ODA in €m	ODA as % of EU-27 GNI	ODA in €m	ODA as % of EU-27 GNI
Total EU-27 GNI	€13,013,432		€13,965,350	
ODA commitment (0.15% of GNI)	€19,520	0.15	€20,948	0.15
ODA commitment (0.2% of GNI)	€26,027	0.2	€27,931	0.2
Total ODA to LDCs	€13,834	0.11	€13,859	0.10
Aid gap to 0.15%	€5,686	0.04	€7,089	0.05
Aid gap to 0.2%	€12,192	0.09	€14,072	0.10

Note: To be consistent with other tables in this report, the UK is not included. CONCORD calculations based on OECD DAC database, in 2019 constant prices.

51 *United Nations Department of Economic and Social Affairs, SDG Goal 10, https://sdgs.un.org/goals/goal10.*

52 *European Commission, Questions and Answers: Preliminary Figures on 2020 Official Development Assistance, 13 April 2021, https://ec.europa.eu/commission/presscorner/detail/en/qanda_21_1704.*

53 *European Commission, The European Union remains world's leading donor of Official Development Assistance with €75.2 billion in 2019, 16 April 2020 https://ec.europa.eu/commission/presscorner/detail/en/IP_20_674.*

54 *EU Aid Explorer (2021), https://euaidexplorer.ec.europa.eu/content/explore/recipients_en, consulted on 3/6/21. According to the EU Aid Explorer, in 2019 the top ten recipient countries of EU ODA were (in order): Turkey, Syria, India, Afghanistan, Egypt, Morocco, China, Ethiopia, Tunisia and Jordan.*

55 *OECD, DAC List of ODA Recipients – Effective for reporting on 2020 flows, 2020, https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DAC-List-of-ODA-Recipients-for-reporting-2020-flows.pdf.*

56 *United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, The Fifth United Nations Conference on the Least Developed Countries (LDC5), consulted on 9 July 2021, https://www.un.org/ohrlls/content/fifth-united-nations-conference-least-developed-countries-ldc5.*

EU ODA AIMED AT SUPPORTING GENDER EQUALITY

A person's gender is perhaps "the most persistent predictor of poverty and powerlessness"[57] and gender inequalities are a powerful driver of all other inequalities. Reducing gender inequality is therefore a key factor in reducing poverty and the most important consideration when ensuring that no one is left behind. This is a huge challenge. Over the past year, COVID-19 has deepened gender inequalities, hitting women and girls hardest.[58] As explained by UN Women, "Across every sphere, from health to the economy, security to social protection, the impacts of COVID-19 are exacerbated for women and girls..."[59] Of course, a wide range of other factors, such as race, social class, sexuality, disability and immigrant status also intersect with gender, increasing inequalities still further for huge numbers of women and girls. Now more than ever, EU ODA must focus on increasing gender equality to build a post-pandemic world that is not only fairer, but also more resilient to future crises. Unless these inequalities are addressed, women's ability to contribute to the recovery process will be impaired and will negatively impact everyone's future. The EU recognises the key role played by gender equality in achieving the Sustainable Development Goals, as underlined by the High Representative of the Union for Foreign Affairs and Security Policy, Josep Borrell, when he said, "The participation and leadership of women and girls is essential for democracy, justice, peace, security, prosperity and a greener planet."[60]

Despite the value the EU places on gender equality, in 2019 only 5.56% of EU ODA had this as its principal objective (down from 5.61% in 2018) and only 48% had gender equality as either the principal or a significant objective. Closer analysis of individual ODA initiatives suggests that many of those that do include gender as a significant objective do not achieve a meaningful impact. A 2020 Oxfam report on the effectiveness of gender equality projects, including EU-funded initiatives, found that "Only about 20 per cent of the projects examined identified or addressed unintended negative consequences, potentially putting women and girls at increased risk of experiencing gender-based violence, increasing gender gaps, or had many other unintended consequences. Women's participation and leadership were also seldom addressed, and gender-disaggregated data and gender equality objectives and indicators were only found in about 50 per cent of the projects examined. On average, only 39 per cent of the components identified as being necessary for gender equality projects were included".[61] The European Commission and EU Member States must ensure that project designers do not just pay lip service to gender equality principles, but that they are mainstreamed throughout the vast majority of ODA. Nevertheless, as the new gender equality plan for EU foreign policy, titled Gender Action Plan III (GAP III),[62] acknowledges, gender mainstreaming throughout EU ODA requires a gender-transformative approach, to create meaningful changes that will lead towards gender equality. [63]

The positions of certain Member States on gender issues – notably Poland and Hungary, which have recently instituted policies designed to restrict the rights of women and LGBTQ people in their own countries – are becoming increasingly dangerous. In 2020, both of these countries, along with Bulgaria, fiercely opposed some elements of the new GAP III. Polish State Secretary for Development Cooperation, Paweł Jabłoński, said: "The Treaty of the European Union very clearly refers not to gender equality but to equality between women and men… We see no need to redefine that and we do not appreciate attempts to do so. We should follow legal norms instead of inventing new ones."[64]

The EU has long embraced the term gender equality. Its definition of gender is broad, and encompasses a range of identities, not just a binary male-female split. It is crucial that the EU continues to support this broad interpretation of gender to ensure that minority groups are protected from discrimination. By preventing the European Council from adopting Council Conclusions, Poland, Hungary and Bulgaria threaten the EU's legitimacy as a global leader on gender issues, which in turn is likely to translate into weakened efforts to address inequalities affecting women and girls, in all their diversity, in partner countries.[65]

The EU frames GAP III as "an ambitious agenda for gender equality and women's empowerment in EU external action"[66] and it sets out a clear plan to tackle the root causes of gender inequalities. While GAP II has been a good example which

57 *Oxfam Canada, Why Women's Rights, consulted on 9 July 2021, https://www.oxfam.ca/who-we-are/about-oxfam/why-womens-rights/.*

58 *CONCORD, Responding to COVID-19: Forging a path to an equitable future, https://concordeurope.org/2020/05/08/forging-a-path-to-an-equitable-future/, 2020.*

59 *UN Women, Policy Brief: The Impact of COVID-19 on Women, 9 April 2020, https://www.unwomen.org/en/digital-library/publications/2020/04/policy-brief-the-impact-of-covid-19-on-women.*

60 *European Commission, Gender Action Plan – putting women's and girls' rights at the heart of the global recovery for a gender-equal world, 25 November 2020, https://ec.europa.eu/commission/presscorner/detail/en/IP_20_2184.*

61 *Grabowski, A, and Essick, P, Are They Really Gender Projects? An examination of donors' gender-mainstreamed and gender-equality focused projects to assess the quality of gender-marked projects, February 2020, https://policy-practice.oxfam.org/resources/are-they-really-gender-equality-projects-an-examination-of-donors-gender-mainst-620945/.*

62 *European Commission, Gender Action Plan – putting women's and girls' rights at the heart of the global recovery for a gender-equal world, 25 November 2020, https://ec.europa.eu/commission/presscorner/detail/en/IP_20_2184.*

63 *The gender-transformative approach detailed in the GAP III is defined there as follows: "An approach is gender transformative when it aims to shift gender-power relations, for a positive change of the paradigm(s) that produce discriminations and inequalities".*

64 *Von Der Burchard, H, EU's foreign policy gender plan faces resistance from Poland and Hungary, 25 November 2020, https://www.politico.eu/article/eus-gender-equality-push-for-external-relations-faces-trouble-from-the-inside/.*

65 *CONCORD, Op-ed: Can the EU assert its leadership and truly deliver on gender equality in 2021 (and beyond)? 23 February 2021, https://concordeurope.org/2021/02/23/op-ed-can-the-eu-assert-its-leadership-and-truly-deliver-on-gender-equality-in-2021-and-beyond/.*

66 *European Commission, Gender Action Plan III, 25 November 2020, https://ec.europa.eu/international-partnerships/system/files/join-2020-17-final_en.pdf.*

shows the positive potential of including gender equality in EU programming and policy dialogues, GAP III now needs to secure further achievements. If it is to succeed, the EU and Member States need to ensure that the appropriate funding is made available for implementation. Much of this funding is allocated at the Member State embassy and EU Delegation level, and so will require a strong commitment from individual Member States. However, in the EU GAP III two targets are set: 85% of new programmes should aim to have gender as a significant and principal objective and 5% as principal objective. These two targets relate to the share of new programmes, and thus have nothing to do with funding or share of EU ODA. To ensure appropriate resourcing, it is important that the EU should adopt specific gender funding targets. Now that GAPIII has already been adopted, such funding targets can only be anchored in the next GAP. For the future EU GAP, CONCORD suggests a spending target of 85% of EU ODA to be earmarked for gender as principal and significant objective and 20% of EU ODA to be earmarked for projects directly addressing the root causes of gender inequalities and having gender equality as a principal objective.

When properly funded, EU ODA can be highly successful in reducing gender inequality, as illustrated in the case of Mozambique, which rose 24 places in the World Economic Forum's Global Gender Gap Index[67] in 2020. Successful projects here included the joint EU-UN Spotlight Initiative to end violence and harmful practices against women and girls, which:

- improved the legislative framework in Mozambique, with four laws protecting women and girls passed in late 2019;
- strengthened the capacities of service providers, including 'integrated assistance centre' staff and workers in the health, police and justice sectors, with a focus on essential services for victims of violence; and
- mentored over 32,940 adolescent girls on their sexual and reproductive health and rights (SRHR), child marriage, self-esteem and life skills.[69]

EU ODA FINANCING TO SUPPORT CSOs

Civil society plays a vital role in ensuring ODA remains focused on reducing inequalities and represents the full spectrum of a country's population. CSOs have the "capacity to reach out to, empower, represent and defend marginalised and socially excluded groups, and trigger social innovation".[70] Only by working with CSOs can ODA projects reach those people in society who are most in need, and truly leave no one behind.

Over recent years, meaningful engagement with civil society has become more difficult, owing to increasing repression in many developing countries and the erosion of civil liberties. In its 2020 report Freedom House, the human rights watchdog, noted "that 2019 was the 14th consecutive year of decline in global freedom".[71] This negative trend has been further accelerated by the pandemic, with political leaders "rolling out well-rehearsed routines of repression. States took on broad emergency powers and at least some clearly used the pandemic as a pretext to introduce rights restrictions that will last long after the crisis has passed".[72] CIVICUS, a global alliance for civil society, assessed that in 2020, 87.3% of people around the world lived in countries with an obstructed, repressed or closed civic space – a marked increase from the 82.4% who did so in 2019.[73]

Table 4: EU ODA to CSOs in 2019[68]

	Donor CSO – earmarked	International CSO – earmarked	Recipient CSO – earmarked	Donor CSO – core	International CSO – core	Recipient CSO – core
Cash amount	€3,875.8m	€1,470.9m	€617.3m	€1,123.2m	€264.7m	€134.7m
Percentage of all ODA disbursed to CSOs	51.8%	19.6%	8.2%	15.0%	3.5%	1.8%

Note: These figures include ODA from EU institutions. The UK is not included.

67 *World Economic Forum, Global Gender Gap Report 2021, 30 March 2021 https://www.weforum.org/reports/global-gender-gap-report-2021/in-full/gggr2-benchmarking-gender-gaps-findings-from-the-global-gender-gap-index-2021#1-2-global-results.*

68 *CONCORD calculations based on the OECD database, in 2019 constant prices.*

69 *United Nations Development Group, Mozambique Spotlight Country Programme – Factsheet, Consulted on 9 July 2021, http://mptf.undp.org/factsheet/project/00111642.*

70 *European Commission, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – The roots of democracy and sustainable development: Europe's engagement with Civil Society in external relations, 12 September 2012, https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0492:FIN:EN:PDF.*

71 *Repucci, S, Freedom in the World 2020: A Leaderless Struggle for Democracy, 2020, https://freedomhouse.org/report/freedom-world/2020/leaderless-struggle-democracy*

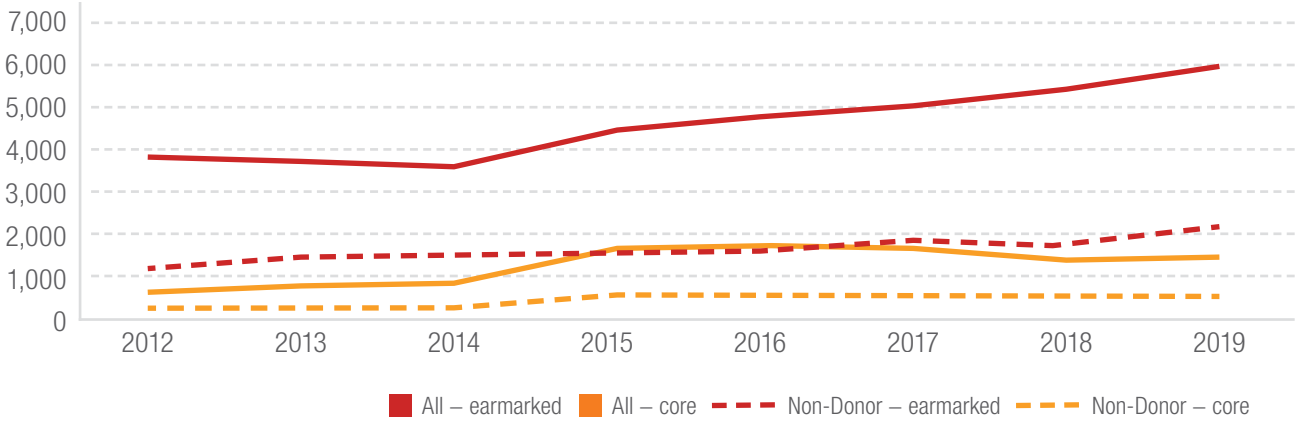
72 *Civicus, 2021 State of Civil Society Report, May 2021, https://civicus.org/state-of-civil-society-report-2021/wp-content/uploads/2021/05/CIVICUS-State-of-Civil-Society-Report-ENG-OVERVIEW.pdf*

73 *Civicus, Civic Space on a Downward Spiral, consulted on 9 July 2021, https://findings2020.monitor.civicus.org/downward-spiral.html*

Overall, in 2019 the EU disbursed a total of €7.5bn to or through CSOs, representing 12.9% of all bilateral EU ODA (from either Member States or EU institutions). This is slightly up on CSO funding in 2018 (12.0%),[74] but it does not represent an adequate response to the shrinking civic space, nor does it reflect the vital role that CSOs play in development and international cooperation. In fact, only 1.8% of all EU ODA to CSOs is core funding to organisations in partner countries, to those groups that are in most desperate need of support. The EU and Member States should address this as a matter of urgency. Moreover, adequate EU financial support to CSOs must come with a structured and meaningful policy dialogue between EUDs, civil society, the private sector and partner governments. The EU must actively support and promote an inclusive and independent civil society, and must highlight the importance of freedom of association, assembly and expression as human rights. In addition, it should structure financial support for CSOs as development actors in their own right, and should invest in civil society leadership. The vast majority of EU ODA disbursed to CSOs comes in earmarked funds, which must be spent on specific projects initiated by the donor. Only 20.3% is core funding,[75] which comes with political recognition by donors, provides resources that allow flexibility in terms of policy priorities and activities, and strengthens CSOs' organisational capacity – something that is particularly important for defending civic space.

In addition to supporting CSOs directly, the EU must consider the role that ODA delivered through budget support can play in sustaining repressive governments, and must ensure that it does not inadvertently contribute to a hostile environment for civil society. For example, since President Duterte took office in the Philippines in 2016 his administration has conducted a sustained campaign of terror, with the security forces carrying out thousands of extrajudicial killings of left-wing political activists, environmental activists, community leaders, indigenous peoples' leaders, journalists, lawyers, and others.[76] In this same period, the EU has been one of the Philippines' most notable development partners, disbursing ODA worth millions of euros. Mark Moreno Pascual, from the Reality of Aid Network, called on the EU to review its ODA policy towards repressive regimes and ensure it is aligned with human rights principles. In his words, "ODA should not be allowed to be misused to aid repression. If this cannot be guaranteed, the EU should consider alternative mechanisms to budget support, such as the GSP+,[77] to achieve sustainable development objectives."[78] In those countries where civil society is under pressure, the EU should support CSOs directly wherever possible, capitalising on existing mechanisms, such as the European Instrument for Democracy and Human Rights,[79] or ProtectDefenders.eu,[80] which provide support for individuals and CSOs under direct threat in partner countries. Equally importantly, the EU should provide long-term, flexible, context-appropriate support for democratic processes and CSOs in partner countries.

Graph 7: EU ODA to CSOs (per type), constant 2019 €m



Note: For consistency with latest data, the UK is not included.

74 *CONCORD calculations based on the OECD database, in 2019 constant prices.*

75 *OECD, "What the literature says about civil society and Development Assistance Committee members", in Development Assistance Committee Members and Civil Society, September 2020, https://www.oecd-ilibrary.org/docserver/51eb6df1-en.pdf?expires=1628672080&id=id&accname=guest&checksum=FED540EB5CB08BC9F118CBC994424B7C*

76 *Human Rights Watch, World Report 2021, 2021, https://www.hrw.org/world-report/2021/country-chapters/philippines.*

77 *The GSP+ is the EU's special incentive arrangement for sustainable development and good governance which cuts import duties to 0% for vulnerable low- and lower-middle-income countries that implement 27 international conventions relating to human rights, labour rights, the protection of the environment and good governance.*

78 *Moreno Pascual, M, Interview with CONCORD, 11 June 2021.*

79 *ESCR-net, European Commission on Democracy and Human Rights Small Grants, Consulted on 9 July 2021 https://www.escr-net.org/resources/european-commission-democracy-and-human-rights-small-grants.*

80 *ProtectDefenders.eu, Organisation website, Consulted on 9 July 2021, https://protectdefenders.eu/.*

EU ODA TO HELP PARTNER COUNTRIES MOBILISE DOMESTIC RESOURCES

Domestic resource mobilisation (DRM) is key to securing long-term sustainable democratic financing and enabling countries to reach the Sustainable Development Goals. DRM efforts are largely focused on reforming tax systems within partner countries, to provide governments with sustainable revenues so that they can provide quality public services and ensure human development, among other things. It has proven difficult to evaluate the effectiveness of ODA in mobilising domestic resources, however, largely because initiatives often focus on technical assistance to build capacity and promote knowledge sharing, which can be hard to measure. What is clear is that in many partner countries tax revenues are generally stagnant or falling.[81] General government revenue as a percentage of gross domestic product (GDP) in middle-income and low-income countries did not increase between 2010 and 2020.[82] So clearly, more needs to be done to mobilise domestic resources effectively.

Although measuring the success of individual DRM initiatives can be difficult, particularly in the short term, there is substantial evidence to show that long-term commitment by international donors can have a transformative impact on partner countries. In Rwanda, for example, in the more than 25 years since the 1994 conflict, multiple donors, including EU Member States, have supported a wide range of tax reform projects. Cumulatively, this work helped achieve a roughly 50% rise in tax revenues as a share of GDP between 2001 and 2013. This in turn increased the resources available for development, allowing the Rwandan government to increase its spending on health from 3.2% GDP to 6.5% between 2008 and 2013.[83] In choosing health, the government has contributed to raising people's standard of living and well-being and supported plenty of other human development factors (eg. education, longevity, etc.).

The EU and Member States have so far allocated very little ODA for DRM, with only Luxembourg reporting over 0.5% of its total bilateral ODA for this purpose.[84] The majority of Member States do not spend even 0.1% of bilateral ODA on supporting DRM. It is unclear whether these figures are artificially low because of underreporting when following a relatively new DAC code (it was only set up in 2014), but given the lack of success with DRM thus far, CONCORD recommends significantly increasing ODA allocations in this area. Many EU countries have signed up to the Addis Tax Initiative, and have thus pledged to double their DRM work between 2015 and 2020. While this is welcome, it is equally important to ensure that tax reforms support progressive taxation, to ensure that DRM does not inadvertently increase inequalities in partner countries.

Current global tax rules are unfair, and the EU with its Member States have a responsibility both to help change these rules and to reverse their own practices, so that partner governments can collect the taxes that should be paid to them, rather than losing revenue through tax avoidance. Beyond initiatives in individual partner countries, CONCORD strongly supports efforts to set a global minimum corporate tax rate and although richer countries have to do much more, it recent efforts in this area which have seen 130 countries and jurisdictions sign up to a minimum rate.[85] It is important that so many countries have come together to update rules that have prevailed for more than a century, but the reform deal contains a number of shortcomings. There is a risk that it will exacerbate the existing inequalities built into our international tax system: the agreed rate stands at a mere 15%, which is far too low, so the deal could serve to normalise tax rates at a level associated with tax havens. Finally, the mechanism for redistributing extra tax revenue favours rich countries.[86] So, while we do see some limited progress, huge loopholes remain, and countries must do far better.

> **Reducing inequalities is one of the most critical challenges facing the world today and is a key objective of the EU's ODA. It is crucial to achieving the SDGs, as well as being an SDG in its own right.**

81 *OECD, Revenue Statistics in Africa 2020, 2020, https://www.oecd.org/tax/tax-policy/brochure-revenue-statistics-africa.pdf.*

82 *Independent Evaluation Group, Approach Paper: World Bank Group Support for Domestic Revenue Mobilization, 17 March 2021, https://ieg.worldbankgroup.org/sites/default/files/Data/ap_domesticrevenue.pdf.*

83 *OECD, Examples of Successful DRM Reforms and the Role of International Co-operation – Discussion Paper, July 2015, pp. 23-26, https://www.oecd.org/ctp/tax-global/examples-of-successful-DRM-reforms-and-the-role-of-international-co-operation.pdf.*

84 *CONCORD calculations based on the OECD database, in 2019 constant prices.*

85 *OECD, 130 countries and jurisdictions join bold new framework for international tax reform, 1 July 2021, https://www.oecd.org/tax/beps/130-countries-and-jurisdictions-join-bold-new-framework-for-international-tax-reform.htm.*

86 *Fortune, 'Far too low': Tax justice campaigners push back against the G7's 15% minimum tax-rate pact, June 2021, https://fortune.com/2021/06/07/global-minimum-corporate-tax-rate-g7-15-percent-pact/amp/*

RECOMMENDATIONS

The EU (including its Member States) must improve the quantity and quality of ODA to reaffirm its role as an important stakeholder in global sustainable development and to ensure progress is made towards achieving the SDGs by 2030.

ENOUGH ODA

1. The European Commission and the EU Member States should comply with the international commitment to spend 0.7% of the EU's combined GNI on ODA – a commitment which the pandemic and its social and economic consequences on human development have made even more urgent.

2. The European Commission and EU Member States should not make savings by cutting ODA, as spending on ODA in real terms must keep pace with expanding post-pandemic economies.

EMPLOYING ODA CORRECTLY

3. The European Commission and EU Member States should focus ODA resources on supporting partner regions and countries to achieve the SDGs. In-donor refugee costs, tied aid, in-donor international student costs, interest repayments and debt relief should not be reported as ODA.

4. The European Commission and EU Member States should not encourage the use of loans rather than grant modalities while developing their plans to achieve ODA spending targets.

5. The European Commission and EU Member States should promote initiatives, practices and policies, internationally and at the DAC level, that set clear criteria to prevent reporting as ODA any activities that fund non-development-related initiatives, such as arms procurement. Policy Coherence for Sustainable Development and 'do no harm' principles should underpin all ODA-related initiatives, practices and policies.

6. Since in 2023 the DAC will review the agreement on the new debt relief rules, the European Commission and the EU Member States should support an external review of the 'ODA modernisation process', with a focus on the DAC grant equivalent methodology and the discount rates.

EFFECTIVE ODA

Focus on results

7. The European Commission should ensure that Team Europe retains a focus on effective results for people in partner countries and the planet. A focus on effective results would be a distinguishing mark compared with existing joint coordination and programming mechanisms. To do this, the European Commission should take a transformative approach that prioritises systemic changes for sustainable development in partner countries.

Ownership of development priorities by partner countries

8. The European Commission and EU Member States should align TEIs closely and clearly with a partner country's own SDG strategy (as opposed to the EU's own five priorities).

Inclusive partnerships

9. The European Commission and EU Member States should ensure that CSOs and partner governments are fully consulted on/involved in TEIs (and in any joint programming and implementation actions) at the selection, design, implementation, and monitoring and evaluation stages.

Transparency and mutual accountability

10. To improve transparency and accountability in Team Europe work, the European Commission should launch the proposed TEI online tracker, with the following information and functionality:

    10.1 A breakdown of the contributions from the European Commission, EU Member States and European financial institutions to each TEI; the modalities for implementing that TEI, including opportunities for CSOs; the lead for each TEI (whether MS, EC or European financial institutions); from which budget the TEI's financing comes (Global Europe thematic programmes, geographic – country, regional – programmes); the results/impact (preferably using a common MEAL framework).

    10.2 Each EU Delegation should have the hyperlink to the TEI tracker on its webpage, which should give the contact details of the EUD staff responsible for specific TEIs. EUDs should organise informative sessions for local CSOs, with training on how to access/use the TEI online tracker.

EQUALITY-FOCUSED ODA

11. The European Commission and EU Member States should improve the tracking of ODA spending to reduce inequalities between and within partner countries.

EU ODA to Least Developed Countries

12. The European Commission and EU Member States should scale up spending to comply fully with the target of 0.15% ODA/GNI to LDCs in the short term, and progress rapidly towards the 0.20% ODA/GNI commitment to LDCs by 2030.

13. Ahead of the Fifth UN Conference on the LDCs, the EU should shape the agenda in pursuit of the following goals:

13.1 In view of the greater needs caused by the multiple crises of COVID-19, climate change and growing inequalities, the adoption of a new commitment by all ODA providers to set a new target: to provide at least 0.35 % of GNI for ODA to LDCs or provide at least 50% of net ODA to LDCs by 2025;[87]

13.2 The adoption, in line with the Global Europe commitment that essential public services should remain a government responsibility, of a non-privatisation principle for the exclusion of the health, education and social protection sectors from private-sector investment leveraged through blended finance and guarantees in LDCs;

13.3 The prioritisation of budget support and grants over non-grant modalities in the delivery of ODA to LDCs; and

13.4 A promise that increased blending in development will not come at the expense of concessional resources provided for LDCs.

EU ODA for gender equality

14. The European Commission and the EU Member States should adopt the target of dedicating 85% of EU ODA to gender as a principal and significant objective, and reach the target of earmarking 20% of EU ODA for projects directly addressing the root causes of gender inequalities and having gender equality as a principal objective.

15. The European Commission and the EU Member States should take a gender-transformative approach to international cooperation. In particular, they should pay attention to intersectionality, thereby prioritising the furthest behind, and should mainstream gender equality in projects.

16. The European Commission and EU Member States should conduct ex ante project assessments to check for potential negative consequences and should ensure women and girls' organisation are meaningfully consulted.

EU ODA to civil society

17. The European Commission and EU Member States should recognise the threat to civil society posed by partner governments' measures taken in the context of the pandemic, and should support CSOs facing state repression.

18. The European Commission and EU Member States should incorporate CSOs into the planning and delivery of ODA wherever possible, working with them in their capacity both as agents of change in their own right and as service providers capable of delivering transformative projects.

19. The European Commission and EU Member States should increase the long-term, flexible, programme-based or core funding provided for CSOs in EU partner countries.

EU ODA for domestic resource mobilisation

20. The European Commission and EU Member States should meet all the DRM commitments they made in the Addis Tax Initiative, which connect DRM with social equality reforms, state budget transparency and stakeholder accountability.

21. The European Commission and EU Member States should ensure that DRM initiatives support progressive gender- and climate-just actions and public services.

22. To improve transparency and accountability, the European Commission and EU Member States should improve the reporting of DRM actions as measured against DAC codes.

87 *United Nations (2021), Doha Programme of Action for Least Developed Countries Introduction -- 'From Istanbul Priorities to Doha Commitments', https://www.un.org/ldc5/sites/www.un.org.ldc5/files/final_draft_outcome_document_july_7_ok.pdf.*

GLOBAL EUROPE - A NEW EU BUDGET FOR 2021 TO 2027

The adoption of Global Europe, previously known as the Neighbourhood, Development and International Cooperation Instrument (NDICI), has been heralded by the EU as a step-change in the bloc's approach to ODA. Commissioner for International Partnerships Jutta Urpilainen described it as "our most powerful tool to support a sustainable global recovery and promote comprehensive partnerships across the world that invest in democracy and human rights".[88] Certainly, Global Europe introduces several welcome changes, including by bringing more of the ODA under the Commission's responsibility into the EU Multiannual Financial Framework (MFF), which will increase its accountability through scrutiny by the European Parliament. That notwithstanding, CONCORD has a number of concerns about the new instrument, foremost among which is its potential to facilitate the further politicisation of ODA. This is a trend that emerged during the 2015 migration crisis (the first section of this chapter looks at some trends from the 2014-2020 period, which overlaps with the previous EU MFF) and has accelerated with the establishment of the 'geopolitical Commission' under President Ursula von der Leyen. As Commissioner Urpilainen said, "this instrument will consolidate a stronger Europe in the world, by aligning better our funding to our overall priorities."[89] While ODA can indeed complement a range of policy objectives, it is vital that it is designed first and foremost to reduce poverty and inequalities in partner countries, a goal enshrined in the Treaty of Lisbon.[90]

TRENDS IN EU ODA DURING THE EU'S 2014-2020 BUDGETARY CYCLE

HOW POLITICS HAVE COMPROMISED EU ODA

As we have discussed throughout this report, competing political objectives are increasingly compromising the integrity of EU ODA, undermining the EU's values and risking damage to the bloc's reputation as a reliable international cooperation donor. During the EU's 2014-20 budget period, the clearest example of this was when EU migration policies caused ODA to be diverted from its core purpose of reducing poverty and instrumentalised to stop refugees and migrants from arriving in Europe. The three ways in which migration politics have impacted on ODA are:

- by inflating ODA – spending ODA in Member States to host refugees;
- by diverting ODA – investing ODA in partner countries to stop migration; and
- by making ODA conditional – agreements pushing control-and-return policies.

Inflating ODA. Over the course of the 2014-20 budget period, €49.4 billion (around 13%)[91] of reported ODA was spent within Member States to host refugees, contributing nothing to sustainable development objectives in partner countries.

Diverting ODA to stem migration. The diversion of ODA to stop migration is a particularly repugnant misuse of funds which does not merely take money away from sustainable development objectives, but actually uses that money to finance activities that increase the level of hardship experienced by migrants. This is true both at the EU level and the Member States level; as the Big Wall investigation reveals, Italy attempted to stem migration from Africa between 2015 and 2020, disbursing over €1.3bn of public funds (which include EU funds too) for interventions that resulted in hundreds of thousands of people being placed in detention, mostly in Libya, with little regard for their human rights.[92] Professor of International Law Omer Shatz has submitted to the International Criminal Court "evidence implicating European Union and Member States' officials and agents in Crimes Against Humanity, committed as part of a premeditated policy to stem migration flows from Africa via the Central Mediterranean route, from 2014 to date".[93] The dossier submitted to the court claims direct links between EU policies and funding and the drowning of tens of thousands of migrants, and alleges complicity in the subsequent crimes of deportation, murder, imprisonment, enslavement, torture, rape, persecution and other inhuman acts that took place in Libyan detention camps and torture houses. While no charges have been brought in relation to this case, it is clear that large quantities of funds reported as EU ODA were allocated specifically for limiting migration from Africa to the EU – an indefensible misuse of development assistance.

88 *European Commission, European Commission welcomes the endorsement of the new €79.5 billion NDICI-Global Europe instrument to support EU's external action, 19 March 2021, https://ec.europa.eu/commission/presscorner/detail/en/ip_21_1267.*

89 *European Commission, European Commission welcomes the endorsement of the new €79.5 billion NDICI-Global Europe instrument to support EU's external action, 19 March 2021, https://ec.europa.eu/commission/presscorner/detail/en/ip_21_1267.*

90 *Official Journal of the European Union, Treaty of Lisbon, 17 December 2007, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:C:2007:306:FULL&from=EN.*

91 *The figures use for this sum were 2019 constant prices, not including the UK.*

92 *ActionAid, The Big Wall, consulted on 9 July 2021, https://thebigwall.org/en/.*

93 *Shatz, O, EU Migration Policies in the Central Mediterranean and Libya (2014-2019), 2019, https://www.academia.edu/39389018/EU_Migraiton_Policies_in_the_Mediterranean_and_Libya_2014_2019.*

Making ODA conditional. In the period 2014-2020, the EU pursued some policy and practices which helped make EU ODA more conditional. For example, in November 2020 the European Parliament approved an opinion report that specifically supports the EU in refusing ODA to partner countries that do not comply with EU migration policy requirements – a position the Council has been pushing for a number of years. Although this report had little impact on how EU ODA was spent in 2014-2020, the move runs contrary to the Parliament's previously stated position against aid being made conditional and reflects a worrying hardening of the EU's stance, which CONCORD urges the EU to reconsider as Global Europe is implemented.[94]

SECURITISATION

There are other areas where EU policies have influenced the bloc's approach to international cooperation, notably security. In recent years the EU has displayed a growing tendency towards interventionism in its external action policy. This is borne out by the establishment in the 2021-27 MFF of two mechanisms: the European Defence Fund,[95] for the development and acquisition of new weapons and technology for the military in Member States and partner countries, and the European Peace Facility,[96] which allows the EU to build the military capacity of partner countries through training and the supply of weapons. This trend towards greater involvement in security issues has affected where and how ODA is delivered, linking development assistance objectives to the EU's security agenda. Indeed, during the 2014-20 budget period, spending on conflict, peace and security grew faster than any other form of ODA.[97] Moreover, spending has frequently been focused on countries that pose a greater perceived security threat to the EU and its citizens, rather than on those with the greatest development needs, putting Morocco, Turkey, Pakistan and Egypt in the top 10 of EU aid recipients.[98]

As the EU seeks to exert greater geopolitical power around the world, CONCORD is concerned that security objectives will continue to impact negatively on ODA, and it calls for a renewed commitment to the 2030 Agenda for Sustainable Development to ensure that a focus on reducing poverty and inequalities is what guides the EU's international cooperation, not national security priorities.

GRANTS VS LOANS

Between 2014 and 2019 (the most recent data), there was an overall decrease (from 21.1% to 16.5%) in the proportion of EU ODA that was disbursed in the form of loans. CONCORD welcomes this reduction, as we believe that grant-based instruments represent the most effective form of ODA and avoid increasing the debt burden on partner countries. However, some of the biggest Member State donors, including France and Germany, still rely too heavily on loans, as observed in the 'Employing ODA Correctly' section of this report (pages 13-15).

GLOBAL EUROPE INSTRUMENT: AN OVERVIEW OF THE FINAL DEAL

Global Europe is a single financial instrument that replaces the ten separate instruments used for funding the EU's ODA from 2014 to the end of 2020. Crucially, while Global Europe is primarily focused on ODA (93% of the budget), there is a significant allowance (7%) for non-ODA spending. It is therefore vital that all EU external actions under Global Europe are guided by the principles of Policy Coherence for Sustainable Development and the 'do no harm' principle. This will ensure that the EU's non-DAC-eligible spending does not undermine the positive work that the EU carries out globally in the field of international partnerships and sustainable development.

Global Europe is now fully integrated into the 2021-27 MFF. This should increase transparency and accountability as the European Parliament now has oversight of how funds are spent and will be involved in setting ODA policy goals. Civil society will thus have more opportunities to engage, through the Parliament, thereby increasing citizens' scrutiny of EU ODA spending. It is important to note, however, that provision has been made for a €9.5bn funding 'cushion', which represents over 10% of the instrument and can be allocated at the Commission's discretion to respond to unforeseen crisis situations, without any parliamentary approval.

Because Global Europe is a single instrument, and the 'cushion' has been introduced, greater flexibility will be allowed. While this brings clear advantages in terms of responding to the changing needs of partner countries, it could also result in less predictability for funding, as it will make it easier to re-allocate funding in response to EU political needs rather than the changing needs of a partner country, thereby potentially increasing the chance of politically motivated interference in ODA. Previously, under the EDF, partner – notably African, Caribbean and Pacific – countries were obliged to agree officially to the implementation of ODA programmes, which guaranteed them a degree of ownership. Under Global Europe, however, this is no longer the case, which means it will potentially be easier for the EU to design programming in line with its own objectives rather than putting the needs of partner countries first.

94 *CONCORD, Denying aid on the basis of EU migration objectives is wrong, 27 November 2020, https://concordeurope.org/2020/11/27/denying-aid-on-the-basis-of-eu-migration-objectives-is-wrong/.*

95 *European Defence Agency, European Defence Fund, consulted on 9 July 2021, https://eda.europa.eu/what-we-do/EU-defence-initiatives/european-defence-fund-(edf).*

96 *Council of the European Union, EU Sets Up the European Peace Facility, 22 March 2021, https://www.consilium.europa.eu/en/press/press-releases/2021/03/22/eu-sets-up-the-european-peace-facility/.*

97 *CONCORD, AidWatch 2018, Security Aid, 15 February 2018, https://concordeurope.org/2018/02/15/security-aid-aidwatch-paper/.*

98 *CONCORD, AidWatch 2018, Security Aid, 15 February 2018, https://concordeurope.org/2018/02/15/security-aid-aidwatch-paper/.*

The combining of all external action programming under one instrument is also expected to improve coordination, reduce the duplication of activities and generally improve both efficiency and coherence between pillars and priorities. Similarly, a uniform framework for the governance of programmes will allow results to be compared directly, making it easier to identify what works and what does not.

FUNDING ALLOCATION

Global Europe has a budget ceiling of €79.5bn, split into the following four separate components:

- geographical component (€60.38bn);
- thematic component (€6.36bn);
- rapid response component (€3.18bn); and
- flexibility cushion for responses to emerging crisis situations (€9.53bn)

Geographical component. The geographical component accounts for the overwhelming majority (76%) of the Global Europe budget and is designed to focus on strengthening cooperation with partner countries in different regions of the world: the European Neighbourhood (€19.32bn); Asia and the Pacific (€8.48bn); the Americas and the Caribbean (€3.39bn) and sub-Saharan Africa (€29.18bn). The heavy focus on sub-Saharan Africa reflects the importance the Commission places on the region, in part justified by the fact that it remains the poorest in the world. Of the 20 economies with the highest poverty rates, 18 are in sub-Saharan Africa.[99] At the same time, the EU is competing for global influence with China, which has been investing more and more heavily in Africa over the past two decades, giving the EU a strong geopolitical incentive to focus spending on the continent. As the Commission stated in March 2020, at the start of the negotiations for a new EU-Africa partnership, "Africa's potential attracts increased interest from many players on the world scene … [which] means that Europe, with the EU and its Member States working together in unison, must adapt the way it engages with Africa."[100] It is vital that geopolitical goals in Africa do not supersede sustainable development objectives when it comes to planning how to spend this important portion of the Global Europe budget. In contrast to the increasing commitment to Africa, there has been a significant reduction – of 17.04% – from the 2014-20 budget cycle in funding for Latin America and the Caribbean, and Asia and the Pacific.

This use of a regional lens when deciding to allocate such a large portion of the total budget increases the power of EU Delegations in partner countries, empowering them to make more decisions about how funding is spent and to become more involved in programme design. The funding allocation to geographic programmes strengthens a trend observed for years now: the geographisation of EU ODA. This decentralisation of planning must be based on policy and political dialogue with the EU partner country (or regional organisation), and also with other stakeholders, such as civil society. Currently, many EUDs struggle to engage effectively with a range of issues, such as gender equality or crucial stakeholders, including civil society, partly owing to a lack of staff capacity and also because focal points lack sufficient power to influence decision-making, particularly when there is insufficient buy-in from senior personnel.[101] Consequently, it is important for EUD officials to have the capacity to involve all relevant actors in the design of programmes, to recruit appropriate experts and to adopt a more robust approach to stakeholder engagement in partner countries.

To ensure that a geographised approach delivers more effective ODA, programming must reach beyond capital cities and into rural areas where sustainable development challenges are most acute. Historically, this has been hard to achieve, owing both to partner governments' preference for high-profile projects that focus on major population centres and to a lack of understanding in EU delegations, which do not generally have strong networks extending outside the capital city.

Thematic component. The thematic component is designed to finance programming that is linked to specific themes from the UN Sustainable Development Goals and that cannot be funded from the geographic programme, especially where an issue extends beyond country and regional borders. These themes are human rights and democracy; civil society organisations; stability and peace; and global challenges. However, the budget allocation of just 8% to thematic programming is grossly insufficient, and represents a reduction of 29.72% from the 2014-20 budget cycle. At a time when the world is facing such serious collective challenges, particularly those associated with climate change and the impacts of COVID-19, there is a real need for more, not less, international cooperation, and funding to support it.

Rapid response component. The rapid response component provides a reserve for managing existing crises, for the prevention of conflict and for peace-building efforts. It is a crucial new mechanism that allows funds to be programmed, in the medium term, in response to crises that can be explicitly linked to humanitarian programmes. This humanitarian-development-peace 'nexus' approach is an EU policy commitment that has long struggled to find appropriate implementation mechanisms. While the envelope is small, it could represent an important part of the EU response in an increasingly uncertain environment which is likely to be shaped by more, rather than fewer, crises, ranging from the climate emergency to a rise in the number of armed conflicts.

Flexibility cushion. The flexibility cushion gives the Commission a considerable reserve (12% of the budget) that can be allocated without parliamentary approval, to respond to emerging crises, but also to boost funding when

99 *World Bank Group, Poverty and Shared Prosperity 2020: Reversals of Fortune, 2020, https://openknowledge.worldbank.org/bitstream/handle/10986/34496/9781464816024.pdf.*

100 *European Commission, Joint Communication To The European Parliament And The Council: Towards A Comprehensive Strategy With Africa, 9 March 2020, https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52020JC0004&from=FR.*

101 *Teevan, C, Shiferaw, L, & Di Ciommo, M, Taking the Gender Agenda Forward in EU Programming, April 2021, https://ecdpm.org/wp-content/uploads/Taking-Gender-Agenda-Forward-EU-Programming-ECDPM-Discussion-Paper-297-2021.pdf.*

it is urgently needed for programmes under the geographical or thematic component of the Global Europe instrument. For the EU to be able to respond quickly when needed is important, but CONCORD is concerned that the cushion gives the Commission too much power to allocate huge sums with limited predictability, transparency and accountability. Furthermore, while the flexibility cushion does represent a useful reserve, it is important that the EU does not hold onto the money over the seven-year budget term, 'just in case', but instead releases it to fund urgent projects, particularly in support of post-COVID recovery.

Spending targets. Global Europe aligns with a number of the EU's international commitments: setting a spending target of at least 20% on human development, including health, education, social protection, food and nutrition; 30% on climate objectives (in line with the Paris Agreement); a 0.2% ODA/GNI target for spending on LDCs; and 93% of the NDICI budget must qualify as ODA in line with DAC standards. Global Europe also contains the EU GAP III gender target of earmarking 85% of new programmes for gender equality as a principal or significant objective. As explained in the section 'EU ODA aimed at supporting gender equality', this is not a financial target but refers to the share of new programmes.[102] These targets are all welcome inclusions, but the EU has so far failed to set out how Global Europe will aim to ensure that the overarching 0.7% GNI/ODA spending target is met – a fundamental commitment, which the EU as a whole and the majority of Member States have consistently failed to meet.

Global Europe also includes a spending allocation of 10% on "actions to address the root causes of irregular migration and forced displacement when they directly target specific challenges related to migration and forced displacement". CONCORD was against setting a migration spending target in Global Europe, not because migration is not an important theme in development, but because of the way it has been framed by the EU – policies aimed at curbing migration rather than reducing inequalities and poverty, and promoting human rights. As civil society, collectively, we have already indicated a positive way forward for the implementation of such a spending target.[103]

PRIVATE-SECTOR FINANCING

The EU plans to increase further the amount of money available to tackle sustainable development challenges, by leveraging private capital to complement direct international cooperation grants disbursed under Global Europe. The mechanism for doing this is called the European Fund for Sustainable Development Plus (EFSD+), and it is backed by a €53.4 billion External Action Guarantee.

The use of blended finance to supplement traditional ODA is increasing, but it is not yet clear whether this approach delivers effective results. It is therefore of concern to see such a heavy reliance on what is still an unproven modality. Furthermore, there is a risk that subsidising private investment without clearly demonstrating how it contributes to sustainable development goals could distort the market in partner countries and lend power to corporate actors in countries where the democratic space is under threat.[104] Finally, private companies may come under pressure to make investment decisions based on commercial factors, potentially at the expense of the needs of partner countries and without appropriate reference to partner governments or civil society, thus reducing country ownership.[105]

102 See the section 'EU ODA aimed at supporting gender equality' on page 21-22.

103 See: CONCORD, Setting the highest standards for Global Europe implementation, 6 May 2021, https://concordeurope.org/2021/05/06/setting-the-highest-standards-for-global-europe-implementation/.

104 CONCORD, The European Fund for Sustainable Development plus (EFSD+) in the MFF2021-2027: Ten areas to consider in the NDICI Regulation, September 2018, https://concordeurope.org/wp-content/uploads/2019/02/CONCORDEurodad_10pointsEFSD.pdf.

105 CONCORD, A call to safeguard public services and sustainable businesses in Least Developed Countries, 27 May 2021, https://concordeurope.org/2021/05/27/a-call-to-safeguard-public-services-and-sustainable-businesses-in-least-developed-countries/.

RECOMMENDATIONS

CONCORD calls on the EU to avoid further compromising the integrity of ODA in how it implements Global Europe over the next seven years, by:

1. **Ensuring that the implementation of Global Europe is based on the development effectiveness principles.** Therefore:

   1.1 The European Commission should ensure that any flexibility in the EU's financial instruments should adhere to sustainable development and humanitarian objectives and principles, in particular those in the Global Partnership for Effective Development Co-operation (2012, Busan agreement). Flexibility and the use of unallocated funding cannot mean the abandonment of the EU's obligations and commitments to fix ODA eligibility to sustainable development principles.

   1.2 The European Commission and EU presidencies should outline a clear strategy for achieving the EU's collective ODA commitment of 0.7% ODA/GNI. And that strategy must include full expenditure of the allocation for Global Europe under this MFF.

   1.3 The European Commission, given that EU ODA to some regions (Latin America and the Caribbean, Asia and the Pacific) will decrease under the current MFF, should make particular efforts to ensure that its EU ODA reaches those left further behind here – rural areas, marginalised communities, women and girls' organisations, etc.

2. **Placing policy coherence for sustainable development at the heart of EU cooperation with partner countries – including for Global Europe implementation that is not counted as ODA.**

3. **Strengthening the transparency and scrutiny of Global Europe programmes and projects.** Therefore:

   3.1 The EU institutions should ensure that Global Europe programmes are subject to thorough oversight, and the scrutiny of external funding mechanisms in EU partner countries must ensure that programmes conform to the OECD-DAC eligibility criteria for ODA. The European Commission and other EU donors should ensure that the OECD DAC purpose codes are used, to ensure appropriate monitoring by peers and civil society.

   3.2 Since the Global Europe regulation brings EU ODA spending firmly under the scrutiny of the European Parliament, the European Parliament should organise regular sessions with the latter to report on EC ODA spending, and should actively involve CSOs that work on these issues in these sessions.

   3.3 The European Parliament, together with the Council of the EU, should closely monitor whether the European Commission is on track to reach its spending targets on gender, human development and climate, and whether human rights are respected in all Global Europe activities.

4. **Upholding multilateral and partnership commitments in all Global Europe actions.** Therefore:

   4.1 Given that the EU is duty-bound to uphold its commitments to human rights, aid effectiveness and coherence, prior to the implementation of all EU ODA programmes and projects the European Commission should conduct a robust, ex-ante due diligence and do-no-harm analysis in order to prevent the risk of human rights violations. Any EU programmes that involve human rights abuses must be suspended, the abuses condemned and investigated, and the perpetrators prosecuted.

   4.2 The EU institutions, in particular the Commission, should design their sustainable development policies and their political commitment so as to build fair and meaningful partnerships to meet international commitments, including local and democratic ownership under the 2030 Agenda and the Busan Agreement. Such policies and commitments must be guided by the 'do no harm' and the 'leave no one behind' principles (both enshrined in the 2017 European Consensus on Development),[106] must aim to increase equality between and within countries and must meet the EU's commitment to poverty reduction, as enshrined in Article 208 TEU.

106 European Union, The new European Consensus on Development, 'Our world, our dignity, our future', 2017, https://ec.europa.eu/international-partnerships/system/files/european-consensus-on-development-final-20170626_en.pdf.

PART TWO
Country pages

EU INSTITUTIONS

"Team Europe has significantly increased its contribution of Official Development Assistance compared to last year. This is crucial at a time when so many people in our partner countries face significant health, economic and social challenges linked to the COVID-19 crisis. The latest figures show that 10 years ahead of the due date to deliver on our commitment to provide 0.7% of our collective GNI as ODA, we are more determined than ever to achieve this target."

– European Commissioner for International Partnerships, Jutta Urpilainen, April 2021

MAIN CHANGES IN 2020

In 2020, the EU institutions increased their total ODA by 29.8% in real terms, raising it to €17.7bn. This made them, collectively, the third-biggest global donor, and the second among EU actors, after Germany. The increase is mainly due to the mobilisation of (partly additional) funds for the EU Global Response to COVID-19. Both tied aid and interest repayments decreased in 2020, raising the EU institutions' genuine ODA from 92% to 94%.

Throughout 2020, the overwhelming focus on the immediate response to COVID-19, through the new 'Team Europe' approach, dominated the EU's development agenda.[107] The EU institutions, however, are still underperforming in terms of the quantity and quality of ODA they deliver. In 2021 and beyond, the Commission therefore needs to step up to ensure that no one is left behind: this requires a renewed commitment to the fundamental principles of sustainable development and a single-minded focus on the reduction of poverty and inequalities in partner countries.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

Although the EU Member States politically endorsed the NDICI-Global Europe in December 2020, the European Parliament did not officially adopt the new instrument until June 2021.[108] The NDICI-Global Europe programming process is, however, still going to develop and approve the Multiannual Indicative Programmes (MIPs) for each EU partner country and region by the end of 2021.

In January 2021, the European Commission's Directorate for Cooperation and Development (DG DEVCO) was officially renamed the 'Directorate General for International Partnerships' (DG INTPA), reflecting what Commissioner Urpilainen described as a "change in paradigm towards equal partnerships". Heralded as a move away from traditionally unequal donor-recipient dynamics, it is yet to be seen whether this change proves to be anything more than cosmetic. There are worrying indications from the internal restructuring of DG INTPA that key areas, fundamental to creating equal partnerships, are now being given less importance. For example, none of the new directorates has been given a title that includes promoting human rights, democracy and the rule of law, while the units responsible for engaging with civil society and local authorities have been merged, potentially limiting their effectiveness. The first real test of DG INTPA's approach will be the new EU-AU summit, which is due to take place in the first half of 2022, having been delayed since last year – a summit which will adopt a common declaration that should be taken forward by both sides. This represents an opportunity for the EU to 'walk the walk' on partnerships, but African leaders and civil society representatives have already expressed doubts that the strategy will demonstrate a genuine attempt to build a more equal relationship between the two continents.

107 An assessment of this new approach is available on pages 16-19.

108 An analysis of Global Europe can be found on pages 28-30 of this report.

CASE STUDY BOX

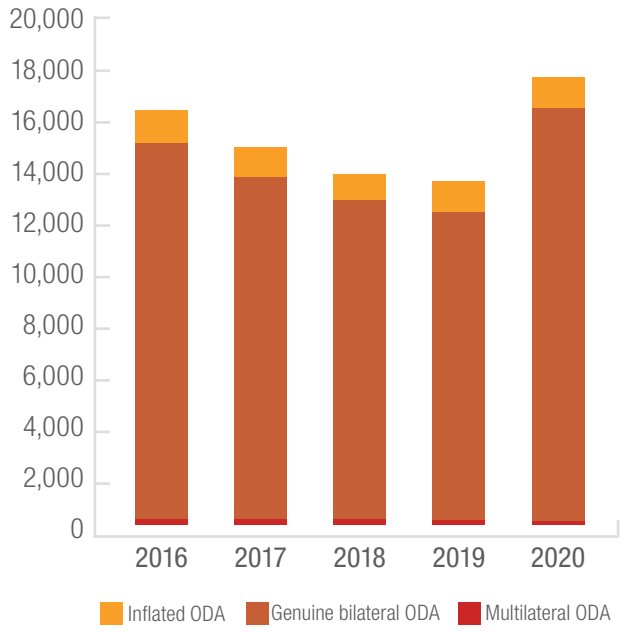
In February 2021 the EU institutions announced a doubling of their contribution to COVAX, the global initiative to increase access to COVID-19 vaccines. The European Commission gave a grant of €300m, along with €200m in guarantees by EFSD+, backing a loan by the European Investment Bank.[109]

Beyond this impressive mobilisation of resources, other EU policy decisions relating to vaccine distribution have in fact hampered COVAX's ability to achieve its objectives. Even as the EU provided COVAX with funds to pay for vaccines, it was purchasing excessive quantities of vaccines for distribution within EU countries, thereby limiting how many were available for COVAX to buy.[110] This incoherence raises some doubts about whether larger EU contributions to COVAX achieve a real impact, or if there are more effective, systemic policy options the EU could promote to increase its partner countries' access to vaccines – such as agreeing to a WTO TRIPS waiver, supporting manufacturing capacity in partner countries and supporting vaccine delivery in-country.[111] Also, the EU now overtly works to ensure that future vaccine distribution will also support wider EU geopolitical objectives[112] – creating the risk that vaccines may be channelled to strategically important countries rather than to where they are most needed, undermining an equality-focused distribution.

RECOMMENDATIONS TO THE EU INSTITUTIONS

- In its annual work plan the European Commission should outline clear schemes to increase ODA in the 2021-27 period to meet the 0.7% ODA/GNI target and allocate 0.15-0.2% ODA/GNI to LDCs, while promoting more inclusive and resilient societies to ensure that no one is left behind after the COVID-19 crisis.
- The EU institutions should not dilute the effectiveness of their ODA by using NDICI-Global Europe funding to pursue non-sustainable development policy interests, and should instead ensure that ODA contributes to the reduction of poverty and inequalities in partner countries.
- The European Commission should work to establish a genuinely equal partnership with Africa, one that guarantees partner countries both the policy space in which to achieve the SDGs and an equal voice in shaping development financing.

EU INSTITUTIONS – GENUINE AND INFLATED ODA
(€ million, constant 2019)



109 EU Commission, EU doubles contribution to COVAX to €1 billion to ensure safe and effective vaccines for low- and middle-income countries, 19 February 2021, https://ec.europa.eu/international-partnerships/news/eu-doubles-contribution-covax-eu1-billion-ensure-safe-and-effective-vaccines-low-and-middle_es.

110 Guarascio, F, and Chalmers, J, How a WHO push for global vaccines needled Europe, 21 April 2021, https://www.reuters.com/world/china/how-who-push-global-vaccines-needled-europe-2021-04-21/.

111 Civil society, #Vaccines4All: Open letter to EU Leaders, EU & UK Heads of State and Government from Civil Society, July 2021, https://drive.google.com/file/d/1jK4xbxM9d80Qxu-cmiiTPhn4JkkU07SA/view.

112 Josep Borrell (2021), (Post)-pandemic geopolitics: together in a world apart, https://www.friendsofeurope.org/insights/post-pandemic-geopolitics-together-in-a-world-apart/, Friend of Europe, 19 July 2021.

ODA TO LDCS (€ million, constant 2019)*

LDC	Other	LDCs	Total Bilateral	ODA to LDCS, % of bilateral
2016	11,917	4,136	16,053	25.8
2017	10,425	4,156	14,611	28.5
2018	9,896	3,798	13,694	27.7
2019	9,708	3,615	13,322	27.1

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
18.54	0.12	0.11	0.001
12.92	0.09	0.09	0.000
14.99	0.11	0.11	0.026
12.00	0.09	0.09	0.009

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	17,765.07	12,842.14	4,922.93	27.71
2017	16,988.77	12,461.93	4,526.85	26.65
2018	16,068.70	12,151.57	3,917.13	24.38
2019	15,828.88	12,820.95	3,007.93	19.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	16,464.07	16,464.07	0.00	11,998.50	4,170.75	294.82	25.33	1.79
2017	15,703.22	15,703.22	0.00	10,608.70	4,715.30	379.22	30.03	2.41
2018	14,929.99	11,012.86	3,917.13	5,533.77	4,995.13	483.96	45.36	4.39
2019	14,605.33	11,597.41	3,007.93	6,178.68	4,929.50	489.23	42.51	4.22

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International. CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International. CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	1,4112.12	1,138.74	419.46	373.09	5.76	0.15	3.72	12.09	11.90	0.06	0.06
2017	12,870.02	1,007.86	352.04	340.57	6.51	0.88	2.72	11.71	11.46	0.07	0.07
2018	12,016.94	1,002.07	303.89	354.02	13.63	0.00	3.24	12.25	11.99	0.12	0.12
2019	11,540.75	1,047.01	384.87	337.97	11.00	0.00	0.71	13.37	13.06	0.09	0.09

** For EU institutions, ODA is percentage of bilateral aid and does not include a multilateral share*

AUSTRIA*

0.26% GENUINE AID/GNI

0.29% TOTAL AID/GNI

> ***"The aim of Austrian Development Cooperation is to alleviate hunger and poverty and create prospects for people in their respective regions. By making a lasting improvement to living conditions we are making an important contribution to creating a future for the people on the ground and minimising their reasons for fleeing."***
>
> *– Minister for Foreign Affairs, Alexander Schallenberg (on 15 December 2020)*[1]

MAIN CHANGES IN 2020

With the new government programme (January 2020), the newly elected coalition made some of its promised improvements to Austria's development cooperation. The Foreign Disaster Relief Fund was expanded from €15 million in 2019 to €50m in 2020, and it was announced that by 2025 it would be further increased to €60m. The bilateral funds for the Austrian Development Agency were also augmented, by €12m, and now represent 10% of total ODA. Still, these additional funds marked no real change in the ODA quota, as Austria spent 0.29% of GNI on ODA in 2020 – only a marginal increase from 0.28% in 2019. Austria is still far from reaching the target of 0.7% ODA/GNI. In 2020, 60% of its ODA (€646 million) was allocated to multilateral cooperation, while 40% (€481 million) was spent on bilateral cooperation.

The poorest countries, including those in Africa, which needed additional funds for fighting the COVID-19 pandemic and its social and economic consequences, generally saw their funding minimally increased, or even cut. A marginal 4% of total ODA (€43 million) was allocated to LDCs, representing a drop from 5% in 2019: we consider that this should be reversed in the future.

According to official OECD DAC statistics, Austria reported only €25 million on COVID-19 pandemic relief, although the government announced increased spending in 2021 on vaccine programmes for third countries.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

Austria can be commended for tripling its humanitarian aid funds in 2020 and its plan to allocate a further €2.5m to the Austrian Foreign Disaster Relief Fund in 2021. The government showed further commitment by nominating a special representative for humanitarian aid, and it is developing a humanitarian strategy. The funds for the Austrian Development Agency will also be increased, by around €11m in both 2021 and 2022.

CASE STUDY BOX: THE FIRST VOLUNTARY NATIONAL REVIEW OF THE 2030 AGENDA

In 2020, Austria presented the UN with its first Voluntary National Review (VNR) of the implementation of the 2030 Agenda. We commend the multi-stakeholder approach, especially the participation by civil society, in developing and presenting the report. The VNR indicated that Austria had made some progress in its implementation, although many SDGs still need more attention at national level. Following the VNR process, the government gave some political commitments on the 2030 agenda implementation: stakeholders would be included (academia, the private sector and civil society); the VNR would be discussed in parliament; and a new inter-ministerial steering group would be established for implementing the SDGs. Still more needs to be done to reach the SDGs and to ensuring no one is left behind in the future.

RECOMMENDATIONS TO THE AUSTRIAN GOVERNMENT

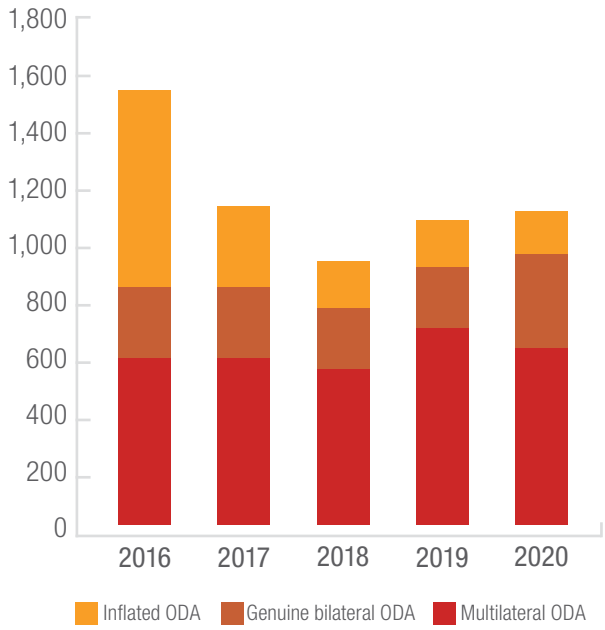
- **Allocate additional bilateral funding for COVID-19 pandemic relief, for strengthening health systems and services and for allocating vaccines to the worst-affected countries in the Global South.**
- **Implement the OECD DAC Peer Review recommendations and introduce an overall strategy for Austria's development cooperation, a step-by-step plan for achieving the 0.7% ODA/GNI target and a strategy for policy coherence for sustainable development.**

** ODA amounts featured in this section for Austria have been directly sourced by national platforms from the official OECD sources reported by the national ministries of foreign affairs.*

1 *https://www.bmeia.gv.at/en/the-ministry/press/news/2020/12/exceptional-year-2020-austria-helps-meet-global-challenges/.*

- Increase bilateral funding for the poorest and most marginalised people, mainly in LDCs and sub-Saharan Africa, to eradicate poverty, reduce social and economic inequalities, strengthen gender equality and support civil society organisations in partner countries.
- Continue the efforts to implement the 2030 Agenda in Austria, including by introducing SDG budgeting and checks to ensure the SDGs are properly addressed in new national laws.
- Ensure the predictable financing and planning of bilateral ODA for long- and short-term relief. Specifically, address long- and short-term plannability and protracted crises in humanitarian assistance.

AUSTRIA – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	221.06	0.06	14.16
2017	265.92	0.07	23.33
2018	259.29	0.07	27.18
2019	278.83	0.07	25.44

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.021	0.002	0.001
2017	0.000	0.000	0.000
2018	0.253	0.064	0.026
2019	0.100	0.025	0.009

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	947.42	941.81	5.61	0.59
2017	550.77	538.16	12.61	2.29
2018	401.94	388.37	13.57	3.38
2019	405.06	393.30	11.76	2.90

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	227.56	205.09	22.46	118.32	81.02	5.75	39.51	2.80
2017	255.46	231.65	23.81	132.40	90.86	8.39	39.22	3.62
2018	205.28	195.06	10.22	104.26	81.06	9.74	41.56	4.99
2019	229.10	222.15	6.95	101.92	101.01	19.21	45.47	8.65

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	897.09	35.98	4.57	2.67	0.43	0.63	0.00	4.70	2.84	0.11	0.07
2017	481.06	40.32	19.64	4.70	0.60	0.62	0.00	12.05	5.78	0.22	0.11
2018	347.35	29.15	13.60	3.59	0.32	0.58	0.00	11.97	4.95	0.23	0.09
2019	338.34	41.02	11.94	3.93	0.66	0.61	0.00	14.67	5.31	0.32	0.12

BELGIUM

0.44% GENUINE AID/GNI

0.48% TOTAL AID/GNI

> *"In these times of uncertainty, international cooperation is surely the only way forward."*
>
> *– Meryame Kitir, Belgian Minister for Development Cooperation*

MAIN CHANGES IN 2020

Belgium can be commended for increasing its official development assistance (ODA) in 2020, both in real terms and as a percentage of GNI.[1] Belgian ODA rose from €1.97bn in 2019 to €2.01bn in 2020, an increase from 0.42% to 0.48% GNI. The increase in ODA as a percentage of GNI must be put into perspective, however, as it follows a 10% drop in GNI itself. Belgian ODA is still less than the European average.

Fortunately, since October 2020 the new government has officially committed itself to implementing a binding growth trajectory starting in 2021, to bring ODA to 0.7% of GNI by 2030. The new minister for development cooperation has also confirmed that ODA will be concentrated in LDCs and fragile states, with a particular emphasis on social protection and decent work. New trends have been identified in the areas of migration, agriculture and support for the private sector. Regarding agriculture, the new minister for development cooperation has clearly stated her willingness to support the transition to sustainable food systems by respecting agro-ecological practices, focusing on small-scale agriculture. To support the private sector, important criteria have been reiterated, such as access to social protection, respect for decent work, environmental and fiscal standards, and the need to exclude investment in the privatisation of public services such as education and health care. The new vision pays special attention to micro- and small enterprises, including smallholder farmers. Some private-sector support instruments introduced under the previous minister have not been renewed, while others are still merely encouraged. So a clarification of the private-sector support strategy seems necessary, to make it more coherent with the vision of the new minister.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

Despite the government's commitment to a binding growth trajectory for ODA, it seems that unfortunately the increase in Belgian ODA is not here to stay. According to recent budget projections, it is already expected to decrease in 2021, dropping to 0.41% of GNI. The new focus areas identified by the minister for development cooperation are expected to lead to positive action, hopefully through clarified strategies for agriculture or support for the private sector, to avoid schizophrenic implementation measures mixing the new and the old visions.

CASE STUDY BOX: MIGRATION: A NEW VISION

The new minister for development cooperation can be commended for clearly stating that "Development cooperation is not subordinated to the migration agenda".[2] More recently, a draft strategic note on the relationship between migration and development has been prepared by the foreign affairs ministry, stating "When migration is safe, orderly and regular, resulting from a free, conscious and considered choice, it is both a development strategy and a development result." This promotes a positive approach to mobility and recognises the contribution of migrants to sustainable development.

The vision enshrined in the strategic note also largely avoids major risks, including the diversion of development resources away from the most marginalised people and/or towards restrictive migration management projects, and also the migration conditionality of development cooperation. For example, the note clearly states that the countries where Belgian cooperation is active "receive official development assistance according to their level of human development and regardless of the origin of migratory movements". While Belgium can already be commended for this, the implementation of the strategic note in practice will determine whether these risks have indeed been averted. It remains to be seen whether it will help make legal migration channels truly accessible, encompassing the diversity of migration profiles.

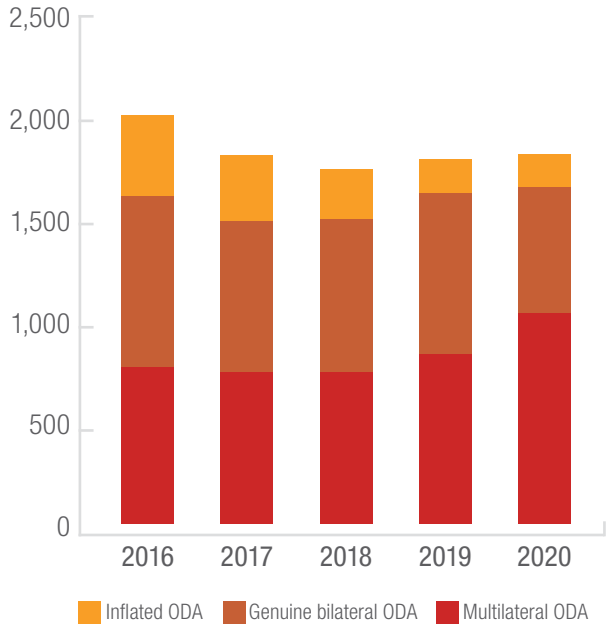
1 *OECD, COVID-19 spending helped to lift foreign aid to an all-time high in 2020, 13 April 2021, https://www.oecd.org/dac/financing-sustainable-development/development-finance-data/ODA-2020-detailed-summary.pdf.*

2 *https://diplomatie.belgium.be/sites/default/files/downloads/2020_kitir-beleidsnota-note_de_politique_2021_kitir.pdf p 14.*

RECOMMENDATIONS TO THE BELGIAN GOVERNMENT

- Increase the funding for development cooperation in the 2022 federal budget.
- Adopt a new law enshrining the binding growth trajectory, starting in 2021, so that Belgian ODA reaches 0.7% of GNI by 2030.
- Clarify the strategy on support for the private sector and adapt private-sector financing instruments by giving priority to the local private sector, which creates decent jobs and respects social and environmental standards.
- Review the 2017 Agriculture and Food Security strategic note, to enshrine the new vision of the minister for development cooperation, prioritising sustainable food systems with agroecology as their driving force. By 2023, double the share of agricultural projects that support agroecology.
- Promote Belgium's new vision for ODA and migration in the EU and international fora.
- Respect Belgium's commitment to allocate 50% of bilateral ODA to LDCs. Respect the international commitment to allocate at least 0.15% of GNI to LDCs.

BELGIUM – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	621.98	0.14	28.08
2017	583.47	0.13	29.19
2018	614.52	0.14	32.04
2019	664.63	0.14	33.70

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	1.06	0.08	0.05
2017	1.43	0.12	0.07
2018	1.93	0.18	0.10
2019	1.50	0.15	0.08

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	1,418.22	1,402.66	15.56	1.10
2017	1,213.00	1,195.12	17.88	1.47
2018	1,103.59	1,084.31	19.28	1.75
2019	1,026.34	1,008.84	17.50	1.70

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	926.67	926.58	0.09	381.14	520.42	25.02	56.17	2.70
2017	795.21	795.21	0.00	280.86	487.81	26.54	61.34	3.34
2018	780.69	710.65	70.04	275.24	409.00	26.41	57.55	3.72
2019	766.88	694.80	72.08	194.78	472.23	27.79	67.97	4.00

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	1,107.81	58.43	23.70	2.45	175.80	4.26	0.00	19.28	11.95	13.12	8.13
2017	930.82	56.28	25.91	0.26	161.27	4.10	0.09	21.03	12.40	14.04	8.28
2018	843.92	58.60	16.62	1.16	162.56	8.39	0.00	22.66	12.89	15.67	8.91
2019	771.02	38.55	17.54	2.03	177.23	8.70	0.09	24.05	12.38	18.32	9.43

BULGARIA

0.12% GENUINE AID/GNI

0.13% TOTAL AID/GNI

"Bulgarian development assistance successfully complements our sharing in the common instruments for EU external action in order to assist neighbouring countries and regions, as well as developing countries, and to provide humanitarian aid."

– Ekaterina Zaharieva, Deputy Prime Minister and Minister for Foreign Affairs of the Republic of Bulgaria (excerpts from the introduction to the Mid-term Programme for Development Assistance and Humanitarian Aid of the Republic of Bulgaria 2020-2024)

MAIN CHANGES IN 2020

In January 2021, the Council of Ministers adopted the new Mid-term Programme for Development Assistance and Humanitarian Aid 2020-2024. This builds upon and enriches the geographical and sectoral priorities of Bulgaria's ODA and broadens the range of participants. New priority countries from sub-Saharan Africa have been added. The Programme acknowledges the need to prioritise activities relating to the effects of the pandemic. It also establishes a new Programme for Global Education and Awareness Raising (GEAR) to fund global education projects that raise awareness of development cooperation, sustainable development and the SDGs, human rights, tolerance, a culture of peace, and media literacy.

For the COVID response Bulgaria has provided over €1m for health care to support the most marginalised people in the Western Balkans, the Eastern Partnership countries, Syria, Iraq, Yemen and Afghanistan.

In 2020, Bulgaria's ODA increased to 0.13% of GNI, with €62m reported as multilateral aid and almost €8m as bilateral aid.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

In June 2021, a roadmap (2021-2023) for Bulgaria's accession to the OECD was adopted by the Council of Ministers. Within the framework of the roadmap, the Ministry of Foreign Affairs will continue to cooperate closely with OECD DAC to improve Bulgarian development assistance, to make it more effective and to update the regulatory framework for development cooperation. In addition, it is envisaged that by the end of 2021 the process of creating Bulgaria's first law on development cooperation will be restarted.

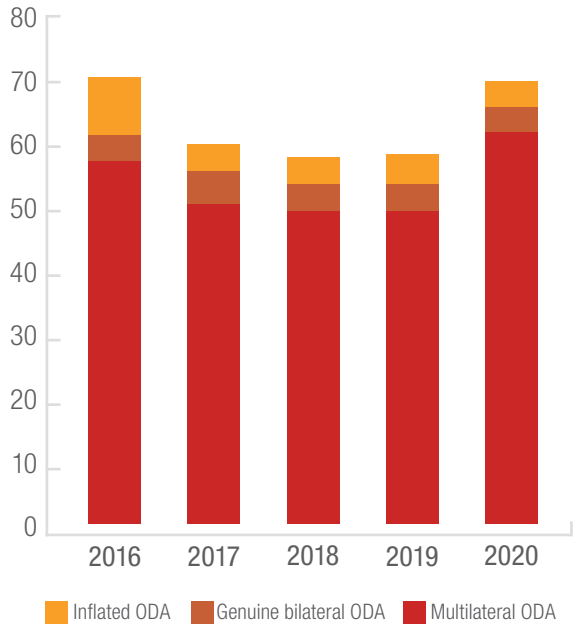
CASE STUDY BOX: THE SECOND CHANCE EDUCATION PROGRAMME IN GEORGIA

The Government of Bulgaria has financed a project called 'Including the most vulnerable out-of-school children and adolescents in access to quality education in Georgia.' This project supports Georgia's Second Chance Education Programme which provides catch-up and accelerated learning programmes for out-of-school children and those at risk of dropping out. Almost 100 teachers in 15 pilot schools and six day-care centres are being trained to deliver an adapted curriculum. Following a recent decision by Ministry of Education, Science, Culture and Sport, this programme has been connected to the ongoing 'New School Model', a national initiative, and from 2021 almost 450 new coaches and teachers will be trained in a new programme to roll it out to 450 more schools.

RECOMMENDATIONS TO THE BULGARIAN GOVERNMENT

- The government should further accelerate the process of developing a new law on development cooperation and should include a broad representation of stakeholders in the drafting process.
- The new law on development cooperation should provide for the creation of a new Agency for Development Cooperation which will distribute bilateral ODA.
- Specific regulations should be introduced to improve the involvement of CSOs in development cooperation programmes.
- The share of bilateral aid should be increased, to increase the total ODA as a percentage of GNI.
- A communication campaign should be run to highlight the mutual benefits of participation in development cooperation for both donors and beneficiaries.

BULGARIA – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	15.74	0.03	22.31
2017	10.77	0.02	17.92
2018	10.51	0.02	18.11
2019	12.25	0.02	20.97

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0	0	0
2017	0	0	0
2018	0	0	0
2019	0	0	0

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	12.73	12.73	0.00	0.00
2017	9.54	9.54	0.00	0.00
2018	8.26	8.26	0.00	0.00
2019	7.88	7.88	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	3.90	0.00	3.90	0.00	0.00	0.00	0.00	0.00
2017	5.48	0.00	5.48	0.00	0.00	0.00	0.00	0.00
2018	8.26	0.00	8.26	0.00	0.00	0.00	0.00	0.00
2019	4.04	0.00	4.04	0.00	0.00	0.00	0.00	0.00

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	12.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2017	9.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2018	8.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2019	7.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

CROATIA

0.15% GENUINE AID/GNI

0.15% TOTAL AID/GNI

> ***"It is crucial to strengthen partnerships with countries of origin, transit and destination, and to encourage their stronger engagement in addressing the challenges of migration. For Croatia, the key is to focus on EU neighbourhood countries in the Western Balkans, Middle East and Africa, but also on countries like Afghanistan, Pakistan and Bangladesh."***
>
> *– Gordan Grlić Radman, 15 March 2021, informal video conference of EU Ministries of Foreign Affairs, on migration*

MAIN CHANGES IN 2020

Croatia increased its ODA as a percentage of GNI from 0.12% to 0.15% during 2020 – a step forward in reaching the 0.33% target by 2030. Croatia is aiming to diversify its development cooperation toolbox, moving away from inter-institutional ODA towards technical assistance and other non-financial forms of support that encourage knowledge sharing. In its response to the COVID-19 pandemic, Croatia has supported its neighbouring countries in strengthening their health systems by providing medical supplies and financial contributions. Croatia has also contributed to the UN system, in particular the WHO, to accelerate the development of COVID-19 vaccines.

In 2020, the Croatian MFA announced a grant programme for funding CSO projects in development cooperation, which is a positive step in its partnership with civil society and a reflection of CROSOL's recommendations in the AidWatch 2020 Report. This new tool aims to strengthen the cooperation between government and civil society, as well as improving Croatian CSOs' capacity for participation in development cooperation projects. Because of the COVID-19 pandemic, however, the launch of the grant scheme was postponed until 2021.

The Croatian MFA's report on ODA in 2019 was adopted by parliament in December 2020.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

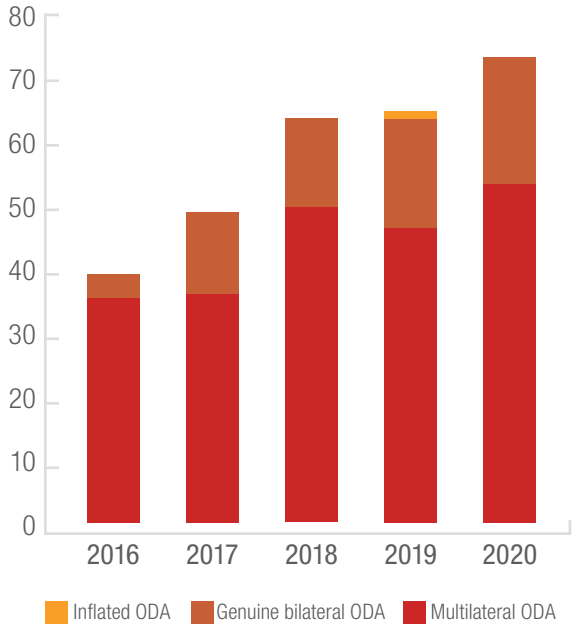
The key document for development cooperation policy, the National Strategy for Development Cooperation of the Republic of Croatia, expires in 2021, so presumably most of the government's efforts will be aimed at creating a new strategy – which provides an opportunity to reassess its policy priorities and expand the scope of its activities. The new strategy should strive to focus more on previously neglected issues, such as gender equality, sustainable development, stronger cooperation with civil society and building partnerships with LDCs.

The CSO grant programme is due to start being implemented during 2021, and should be a help with building stronger cooperation between the government and civil society.

RECOMMENDATIONS TO THE CROATIAN GOVERNMENT

- Step up efforts to increase aid, honour Croatia's commitments to ODA financing and develop and adopt a concrete timetable for reaching ODA targets.
- Improve reporting and increase transparency on Croatia's ODA spending.
- Continue improving its partnerships with CSOs.
- Expand the policy priorities in its upcoming National Strategy for Development Cooperation from 2021 and beyond, focusing more on gender equality, sustainable development and partnerships with LDCs.

CROATIA – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	10.63	0.02	26.86
2017	9.99	0.02	20.30
2018	14.41	0.03	22.39
2019	5.40	0.01	8.33

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.00	0.00	0.00
2017	0.00	0.00	0.00
2018	0.00	0.00	0.00
2019	0.00	0.00	0.00

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	3.38	3.38	0.00	0.00
2017	12.94	12.94	0.00	0.00
2018	13.60	13.60	0.00	0.00
2019	18.19	18.19	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	3.10	0.00	3.10	0.00	0.00	0.00	0.00	0.00
2017	12.94	0.00	12.94	0.00	0.00	0.00	0.00	0.00
2018	13.44	0.00	13.44	0.00	0.00	0.00	0.00	0.00
2019	14.24	0.00	14.24	0.00	0.00	0.00	0.00	0.00

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	3.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2017	12.50	0.00	0.00	0.44	0.00	0.00	0.00	3.40	0.89	0.00	0.00
2018	13.14	0.00	0.10	0.35	0.00	0.00	0.00	3.33	0.70	0.00	0.00
2019	17.98	0.00	0.00	0.21	0.00	0.00	0.00	1.17	0.33	0.00	0.00

CZECH REPUBLIC

0.13% GENUINE AID/GNI

0.13% TOTAL AID/GNI

> ***"Our aid has multiple purposes. It is meaningful both morally and pragmatically... If people do not have any prospect of providing for their families in the place where they live and struggle, then they naturally look elsewhere for better chances in life. The aim of our aid is thus to guarantee people conditions that mean they do not have to leave their homes."***
>
> *– Tomáš Petříček, then Minister for Foreign Affairs, 19 March 2021*

MAIN CHANGES IN 2020

In 2020, Czechia disbursed €257m in ODA, down 6.9% from 2019. Figures for 2019, however, were inflated by some €2.2m in debt relief for Serbia and Montenegro. ODA as a share of GNI remained at 0.13%, where it has lingered since 2018.

The concentration of decision-making power within the Ministry of Foreign Affairs (MFA) was completed, while the capabilities of the Czech Development Agency (CZDA), responsible for implementing a significant portion of bilateral development cooperation, remained very basic. With the appointment of a new CZDA director, however, personnel and operations within the agency have begun to be stabilised. The trend of ODA cuts has continued in 2021, with the bilateral ODA budget down by 14% and humanitarian aid by 43%.

The MFA's efforts to kick-start the use of so-called 'new instruments' to engage national private-sector actors in development cooperation continued throughout 2020. This mainly involved the wider use of tied financial donations, after the pilot phase in 2019 (those from 2020 were formally labelled a humanitarian response to the COVID-19 pandemic), and a development cooperation guarantee instrument (which after two years of existence has failed to provide a single guarantee).

Very few of the recommendations made in the AidWatch 2020 Report were actually implemented, apart from improvements to the operational capabilities of CZDA.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

Projected ODA budgets show that the Czech Republic is not on track to reach 0.33% of GNI by 2030. Also, bilateral ODA, which accounted for only a quarter of ODA in 2020, is decreasing: a trend that will persist, as parliament's cuts to the bilateral development cooperation and humanitarian aid budgets for 2021 set a new baseline, with the government planning similarly reduced levels of financing for the next three years. Meanwhile, the risk remains that future parliamentary trade-offs will shrink bilateral ODA even further.

ODA policy will probably continue to be compromised by other political agendas, such as export diplomacy, and there is pressure from the prime minister and parliament for ODA to be economically justifiable.

The MFA will continue to be engaged in developing Team Europe Initiatives (TEIs), as indicated by its invitation to Czech implementers, including NGOs, to suggest how they might contribute to future TEIs.

The projections for funding so-called trilateral cooperation (co-financing of projects funded by other donors), which was very positively evaluated in 2019 by a Czech consultancy (selected by the MFA in an open bid process), keeps stagnating. Also, resources for CSOs' capacity building have declined, and a cut in resources for global education is expected; these negative trends could have severe consequences for these sectors.

CASE STUDY BOX:

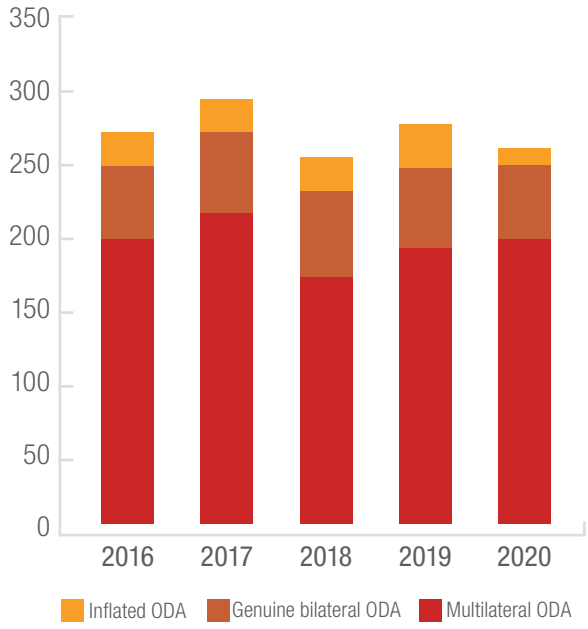
In several Czech bilateral ODA projects, a range of Czech and partner-country actors have worked together effectively to deliver a positive impact.

- A consortium led by Czech Caritas has supported local farmers in Zambia by connecting them with manufacturers and customers, thereby improving supply chains and access to markets. Czech start-up Big Terra used its own mobile app to provide weather forecasts for local farmers, while local company Lima Links gave them information about market prices using another low-tech mobile app, and a Czech-Zambian firm, Breeding Impuls Zambia, provided training.
- Czech NGO People in Need (PIN) has provided access to drinking water for local communities in Ethiopia, digging or repairing over 600 wells over a 20-year period. The wells are monitored using software developed by Czech IT firm Hrdlička, in cooperation with PIN, enabling effective maintenance.

RECOMMENDATIONS TO CZECH GOVERNMENT

- Increase ODA budgets from 2022 onwards (in particular, bilateral ODA).
- Intensify the focus on development effectiveness and impact in partner countries, and strengthen systematic monitoring and evaluation in line with the Leave No One Behind (LNOB) principles.
- Ensure expertise and capacity are adequate to enable the Czech Development Agency and the entire Czech ODA system to operate effectively.
- Increase the allocation of financial resources for global development education, in particular to raise the (low) awareness of Czech citizens of the role of development cooperation, especially in the post-pandemic context.

CZECH REPUBLIC – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	57.04	0.03	21.07
2017	58.54	0.03	19.97
2018	57.96	0.03	22.76
2019	63.10	0.03	22.84

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.00	0.00	0.00
2017	0.00	0.00	0.00
2018	0.00	0.00	0.00
2019	0.00	0.00	0.00

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	74.24	74.24	0.00	0.00
2017	77.62	77.62	0.00	0.00
2018	83.53	83.53	0.00	0.00
2019	85.62	85.62	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	49.49	29.84	19.65	24.89	4.42	0.52	14.82	1.75
2017	52.18	36.00	16.18	10.16	22.55	3.29	62.63	9.15
2018	57.71	40.11	17.60	28.00	10.39	1.71	25.91	4.27
2019	55.94	55.94	0.00	33.99	20.72	1.23	37.04	2.20

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	56.18	14.67	0.88	1.71	0.01	0.79	0.00	24.34	6.67	1.08	0.30
2017	60.72	14.48	0.53	1.11	0.06	0.73	0.00	21.77	5.77	1.02	0.27
2018	64.32	14.31	2.54	1.70	0.00	0.64	0.02	22.99	7.54	0.79	0.26
2019	74.14	7.31	3.34	0.11	0.01	0.71	0.00	13.41	4.16	0.85	0.26

DENMARK

0.71% GENUINE AID/GNI

0.73% TOTAL AID/GNI

"The new Danish development cooperation strategy is based on human rights and UN conventions, the international framework and the muscle needed to steer the whole world."

– Flemming Møller Mortensen, Minister for Development Cooperation, 24 June 2021

MAIN CHANGES IN 2020

2020 was dominated by COVID-19, but it was also a period of preparation for 2021, which was predicted to be a year of change for Danish development cooperation. Although Denmark did not provide additional ODA for COVID-19 relief, around DKK 1bn was reallocated to pandemic response activities in the spring of 2020, including funding for CSOs.

The Danish social democratic government had a small reshuffle, which meant a new minister for development cooperation, Flemming Møller Mortensen, in the autumn of 2020. This will not have any major consequences for the government's development cooperation priorities, which remain migration and climate. A look at the two annual finance bills since the government took office shows that these priorities have been reflected in the spending on ODA.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

Denmark launched a new development cooperation and humanitarian strategy in the summer of 2021. It was negotiated between the government and parliament, where it gained broad support. The strategy includes an agreement that Danish ODA will stay, at a minimum, at 0.7% of GNI.

The strategy makes human rights and democracy the foundation for Danish development cooperation, and has two main themes: climate, nature and the environment, and fragility and migration. The strategy states that Denmark has the option of imposing conditionality based on partner countries' willingness to take their own citizens home.

This strategy will set the course for Danish aid during the four-year period of the strategy, 2021-2025.

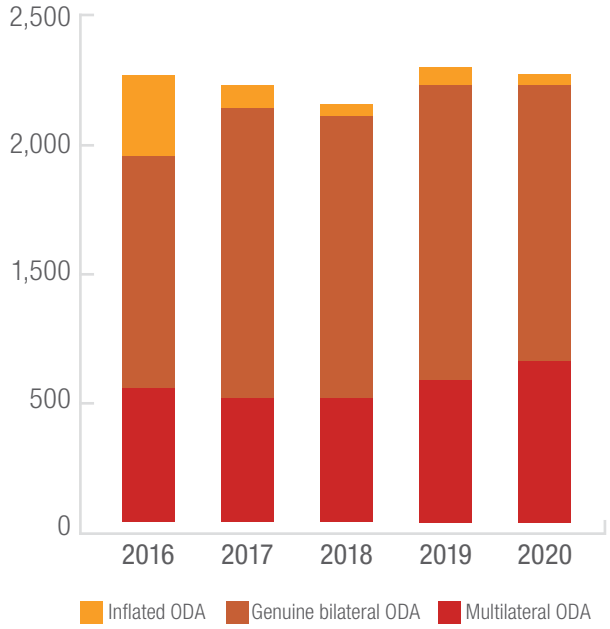
CASE STUDY BOX: CIVIL SOCIETY AND MFA WORKING TOGETHER ON CIVIC SPACE

In 2019, the joint two-day international conference 'Claiming Civic Space Together' was held by Global Focus and Denmark's Ministry of Foreign Affairs (MFA). The conference ended with a common vision of how to protect and enhance civic space globally and with recommendations for civil society, the MFA and the private sector. This was the start of a strong collaboration which has turned Denmark into a leading force on civic space on the world stage. Denmark has taken political stands against governments restricting the space for civil society engagements, has led civic space work at the UN Human Rights Council, has spearheaded campaigns for unmuting civil society at the UN level, and has provided funding for the 'Claim Your Space' rapid response mechanism, which financially supports civil society and human rights defenders who are at risk. The strong cooperation between civil society and the MFA in building this policy area together has led to dialogue and a sense of ownership, thereby amplifying Denmark's work on civic space.

RECOMMENDATIONS TO THE DANISH GOVERNMENT

- Do not impose conditionality on ODA based on the return of migrants.
- Increase spending through and to civil society to 25% of ODA, to make Denmark a champion of civic space.
- Ensure that Danish ODA is based on local needs and emphasises inclusion and local ownership.
- Make climate finance additional to ODA flows and targets.

DENMARK – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	619.07	0.21	27.92
2017	649.80	0.22	29.83
2018	582.64	0.20	27.98
2019	700.05	0.22	30.84

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	4.74	0.31	0.21
2017	4.16	0.27	0.19
2018	5.99	0.41	0.29
2019	5.97	0.38	0.26

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	1,670.75	1,620.36	50.39	3.02
2017	1,598.08	1,562.89	35.20	2.20
2018	1,497.35	1,497.35	0.00	0.00
2019	1,623.37	1,623.37	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	1,137.82	1,028.81	109.01	558.92	436.32	33.56	42.41	3.26
2017	1,349.32	1,252.64	96.68	771.73	390.76	90.15	31.19	7.20
2018	1,302.77	1,259.35	43.42	718.18	446.71	94.46	35.47	7.50
2019	1,440.46	1,404.12	36.34	783.19	520.84	100.09	37.09	7.13

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	1,197.29	93.31	17.54	56.11	171.59	11.40	0.17	22.63	15.79	11.84	8.26
2017	1,143.06	148.02	11.73	60.60	153.27	14.15	0.40	25.35	17.82	10.96	7.70
2018	1,072.77	292.19	11.69	44.58	17.00	12.96	1.11	26.13	18.23	2.14	1.49
2019	1,131.97	336.12	26.07	55.30	5.53	14.06	0.95	27.90	19.30	1.31	0.91

ESTONIA

0.16% GENUINE AID/GNI

0.16% TOTAL AID/GNI

> ***"Development cooperation must be interlinked with other policies to tackle poverty and human misery in the global arena successfully, especially now that COVID-19 has exacerbated the existing crisis. We believe that they also need to be combined with policies to increase gender equality or to avert climate change, an urgent challenge to humankind. To make life prosperous, secure and environmentally sustainable, we need to combine development cooperation funds with the resources for other government policies, like stopping global warming. That is why I, and the Estonian Foreign Ministry as a whole, remain focused to accomplish our ongoing development cooperation projects and initiate new ones in a spirit of synergy."***
>
> *– Eva-Maria Liimets, Minister for Foreign Affairs, Tallinn, July 2021*

MAIN CHANGES IN 2020

There were some significant policy developments in 2020, some driven by the global pandemic, others being previously planned reforms. The Ministry of Foreign Affairs (MFA) started several major initiatives, such as developing a standardised impact assessment system for development projects, drafting a pilot Africa strategy (published in early 2021), initiating a change in development legislation and committing to establishing a new foundation, Estonia's Development Cooperation Centre. In response to the global pandemic, a more impact-based approach to ODA programming was adopted in 2020.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

Thanks to ongoing reforms in development policy, rapid changes are anticipated from the second half of 2021. In July 2021, Estonia's International Centre for Development Cooperation was established, marking the start of a new era in the country's approach to development cooperation. Taking over an administrative role from the MFA, the new Development Centre will become the coordinator and funder of Estonia's development cooperation. Owing to the newness of the centre, however, it is expected that a period of adjustment will be required before it begins to operate with full effectiveness.

In addition to the founding of the Development Centre, development legislation will be amended in 2021. Administrative changes will be made, and a new structure for funding and partnerships is being introduced. In 2022 the MFA will start multi-year strategic financing for CSOs, moving on from strictly project-based funding. This will give partners more flexibility and financial security and will have a greater impact for beneficiaries in partner countries. Additionally, the MFA will introduce a new civil society capacity-building framework, to ensure the sustainability of Estonia's development cooperation and allow more CSOs to engage in development activities.

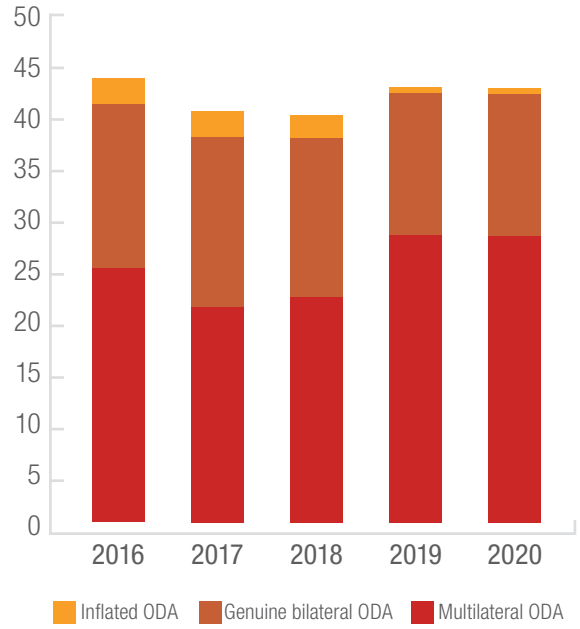
CASE STUDY BOX:

A good example of policy making and inter-sectoral cooperation in Estonian development cooperation was designing COVID-response policies in mid-2020. After the initial step of freezing or postponing all development plans, the MFA initiated a continuous cross-sectoral dialogue to determine the best ways to support partner countries. Through numerous multilateral meetings and policy documents, we were able to work out appropriate COVID-related measures together and design new funding calls that would best address the needs of our partner countries.

RECOMMENDATIONS TO THE ESTONIAN GOVERNMENT

- Commit to increasing ODA budgets rapidly in order to reach the set goal of 0.33% ODA/GNI by 2030.
- Further develop the impact assessment system across all thematic priorities.
- Develop an inter-ministerial joint programme for development cooperation by adopting a policy coherence for sustainable development approach in all foreign and development policies.
- Ensure the surge of business diplomacy in development cooperation is compatible with policy coherence and sustainable development goals.

ESTONIA – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	6.99	0.03	15.81
2017	7.43	0.03	18.20
2018	7.51	0.03	18.55
2019	8.24	0.03	19.03

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.00	0.00	0.00
2017	0.00	0.00	0.00
2018	0.00	0.00	0.00
2019	0.00	0.00	0.00

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	18.94	18.94	0.00	0.00
2017	19.30	19.30	0.00	0.00
2018	18.01	18.01	0.00	0.00
2019	15.08	15.08	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	14.92	2.14	12.78	1.29	0.17	0.67	8.12	31.28
2017	13.43	1.69	11.74	0.90	0.13	0.66	7.60	39.29
2018	14.23	1.53	12.69	0.21	0.41	0.91	26.74	59.25
2019	11.90	1.34	10.55	0.48	0.27	0.60	19.78	44.61

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	14.60	3.11	0.66	0.09	0.05	0.43	0.00	22.90	9.81	2.57	1.10
2017	14.21	3.68	0.74	0.03	0.39	0.21	0.00	26.27	12.40	3.15	1.49
2018	12.42	4.64	0.45	0.04	0.29	0.17	0.00	31.02	13.79	2.55	1.14
2019	10.08	3.71	0.66	0.04	0.40	0.17	0.00	33.07	11.49	3.76	1.31

FINLAND

0.44% GENUINE AID/GNI

0.47% TOTAL AID/GNI

"[Development policy] principles that are valid across parliamentary terms ensure that the direction taken in development policy remains clear – this offers us the best opportunities to make it work as effectively as possible."

– Ville Skinnari, Minister for Development Cooperation and Foreign Trade

MAIN CHANGES IN 2020

Finland made history in 2019 when Sanna Marin was appointed Prime Minister, making her the world's youngest female state leader, and leader of the Finnish government coalition where all five parties are chaired by women. Advancing gender equality continued as the leading theme of Finnish development cooperation.

During its Presidency of the Council of the EU in the second half of 2019, Finland set out four priorities: common values and the rule of law as cornerstones of the EU, a competitive and socially inclusive EU, the EU as a global climate leader, and protecting the security of citizens comprehensively. In December, the council adopted conclusions on the implementation of the UN's 2030 Agenda.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

In May 2021, the new Report on Development Cooperation was published. Finland's development cooperation policy did not undergo drastic changes, but the report strengthens the long-term approach and sets out the principles, values and goals of Finland's development cooperation. The report establishes the priorities for Finland's development cooperation, which are very close to the previous ones, with just minor changes: the rights of women and girls; good quality training and education; a sustainable economy and decent work; democratic societies and climate change; biodiversity and the sustainable use of natural resources.

Up until 2021, Finland's ODA increased year on year, in line with the government's ambition to reach the 0.7% GNI/ODA target by 2030. Unfortunately, in the spring of 2021 the government decided to cut Finland's development cooperation aid by €35 million, starting in 2023. ODA spending is now predicted to fall to 0.47% GNI in 2023 and to stay at that level in the following years. There is currently no roadmap for reversing this trend and achieving the 0.7% GNI/ODA target by 2030, even though the target was once again reaffirmed in the new Report on Development Cooperation.

Finland aims to attain the target of 0.2% of GNI spent on ODA to LDCs as soon as possible.

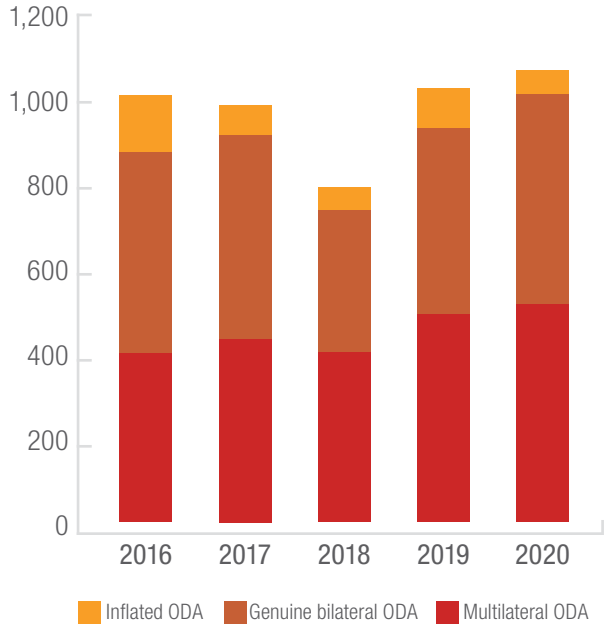
CASE STUDY BOX:

The new Report on Development Policy strengthens the long-term approach and coherence in Finnish development cooperation. The report was negotiated with a parliamentary monitoring group representing all parliamentary parties, even though the right-wing Finns Party walked away from discussions. Until now, every government has produced its own reports on development policy without reference to opposition parties. In future it is expected that cross-party consensus will be sought, to ensure greater continuity in development policy when administrations change.

RECOMMENDATIONS TO THE FINNISH GOVERNMENT

- Prepare a clear timeline with specific milestones for reaching the 0.7% ODA of GNI target by 2030.
- Channel a minimum of 15% of all ODA to civil society organizations, to strengthen democratic governance systems, protect the shrinking civic space and reach out to the most marginalised communities.
- Define specific climate funding criteria and qualitative/quantitative objectives, and channel income from the emissions trading scheme to development and climate financing.
- Continue increasing the transparency of private-sector ODA instruments, using clearly defined mechanisms for reporting aid efficiency, and qualitative indicators.

FINLAND – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	298.95	0.13	29.55
2017	303.20	0.13	30.62
2018	246.66	0.11	30.64
2019	339.23	0.14	33.04

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	2.86	0.47	0.28
2017	1.03	0.19	0.10
2018	1.50	0.39	0.19
2019	2.12	0.39	0.21

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	609.93	588.65	21.28	3.49
2017	555.78	520.68	35.10	6.32
2018	404.47	361.24	43.23	10.69
2019	539.96	490.56	49.40	9.15

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	436.15	435.01	1.14	212.34	199.27	23.40	45.81	5.38
2017	438.31	435.69	2.63	175.59	228.24	31.86	52.39	7.31
2018	312.35	312.04	0.31	143.03	146.04	22.97	46.80	7.36
2019	408.94	408.72	0.22	213.99	171.07	23.67	41.85	5.79

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	497.81	83.31	9.17	2.48	10.79	6.00	0.00	18.33	11.05	2.75	1.66
2017	436.13	79.51	8.00	2.07	11.52	7.05	1.96	20.16	11.12	3.76	2.07
2018	290.21	72.49	5.79	1.69	8.09	8.26	2.73	25.45	12.31	4.90	2.37
2019	429.75	80.15	6.40	1.05	8.88	7.03	4.17	20.03	10.49	3.74	1.96

FRANCE

0.48% GENUINE AID/GNI

0.60% TOTAL AID/GNI

> ***"The policy of solidarity in development and in the fight against global inequalities is a fully-fledged pillar of our foreign policy. In a world of interdependence, helping others means helping ourselves [...] and all countries and all civil societies have a role to play. It is our responsibility because these challenges involve the future: the future of our country, the future of new generations and the future of the planet we share. It is not only a matter of doing more, but also of doing better, and doing it with our partners in the South."***
>
> *– Jean-Yves Le Drian, French Minister for Foreign Affairs, 11 May 2020, in Parliament*

MAIN CHANGES IN 2020

On 16 December 2020, during a week dedicated to international solidarity and humanitarian action, the government finally presented its Orientation and Planning for Solidarity, Development and the Fight Against Global Inequalities bill to the Council of Ministers. After several months of inaction the government has now resumed work on this new law, which will set out the new legal, budgetary and strategic framework for French policy on international cooperation and ODA.

In drafting the new law, the French government is demonstrating a real will to modernise its development work – a process the COVID-19 pandemic has forced it to accelerate. French ODA jumped by 24.3% between 2019 and 2020, and President Emmanuel Macron's commitment to reach 0.55% of GNI by 2022 should be fulfilled in 2021.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

The finalisation of the Orientation and Planning for Solidarity, Development and the Fight Against Global Inequalities bill in 2021 should establish a strong commitment by France to ODA goals, the achievement of the 2030 Agenda, respect for human rights and the Paris Agreement. Parliamentarians are examining the possibility of extending the trajectory of the amounts allocated to ODA mission credits beyond 2023 and strengthening the commitment to reach 0.7% by 2025.

In addition, the law should help improve the implementation of development policy. It sets clear targets that allow for a rebalancing between loans and grants; for targeting LDCs; for including a gender dimension in funding volumes; and for increasing the share of ODA for CSOs – all of which should improve the quality of France's aid.

At the same time, policy coherence, transparency and CSO involvement in ODA all need to be revised in order to improve France's contribution to achieving the SDGs.

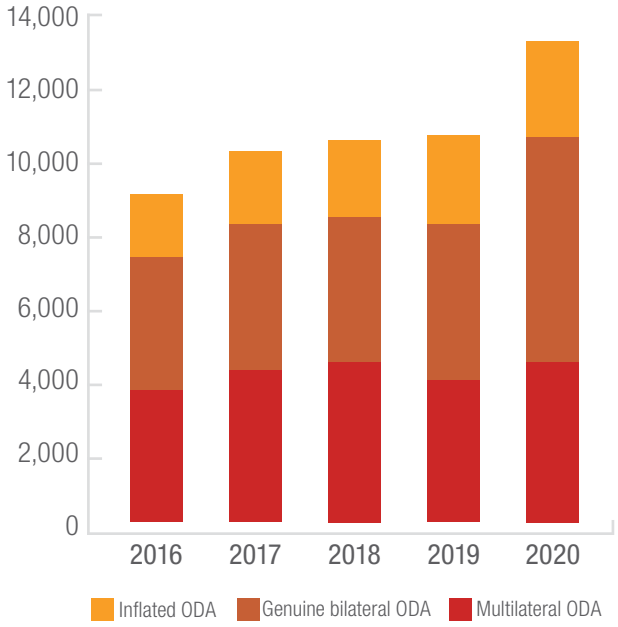
CASE STUDY BOX:

An independent evaluation commission is planned under the Orientation and Planning for Solidarity, Development and the Fight Against Global Inequalities bill. The commission will have a mandate to evaluate the effectiveness, efficiency and impact of ODA strategies, projects and programmes, thereby improving public transparency and accountability.

RECOMMENDATIONS TO THE FRENCH GOVERNMENT

- Increase the ODA budget to reach, at long last, the 0.7% GNI/ODA target.
- Guarantee an ambitious Financial Transaction Tax for international solidarity and climate by increasing its rate from 0.3% to 0.5% and allocating 100% of the revenue from this tax to ODA.
- Improve the transparency and accountability of French ODA.
- Measure and publish the impacts of ODA on the ultimate beneficiaries (to ensure policy coherence and compliance with the SDGs).

FRANCE – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	1,883.78	0.08	20.82
2017	2,383.29	0.10	23.36
2018	2,771.46	0.12	26.53
2019	2,720.53	0.11	25.41

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	147.80	2.79	1.63
2017	0.09	0.00	0.00
2018	0.11	0.00	0.00
2019	11.08	0.17	0.10

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	6,983.45	3,848.21	3,135.23	44.90
2017	7,783.37	3,908.92	3,874.44	49.78
2018	7,763.26	3,803.80	3,959.46	51.00
2019	8,629.47	4,650.21	3,979.25	46.11

ODA (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	5,115.32	3,875.26	1240.06	2,883.49	952.30	39.48	24.57	1.02
2017	5,173.25	4,312.55	860.70	3,378.05	834.34	100.17	19.35	2.32
2018	5,433.75	5,417.10	16.65	4,297.07	867.26	252.77	16.01	4.67
2019	5,822.83	5,777.93	44.90	4,282.51	1,308.44	186.98	22.65	3.24

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	5,126.17	130.06	35.07	1.59	1.55	10.71	0.13	3.38	1.98	0.23	0.14
2017	5,764.57	141.88	1.82	0.99	23.58	52.88	0.05	3.70	2.17	1.28	0.75
2018	5,733.50	213.84	30.44	6.05	1.20	12.43	0.02	4.40	2.53	0.23	0.13
2019	6,250.79	284.91	70.15	28.43	1.42	13.75	0.23	6.00	3.73	0.23	0.14

GERMANY

0.62% GENUINE AID/GNI

0.74% TOTAL AID/GNI

> *"The pandemic is a wake-up call to everyone – to the international community – to support the world's most vulnerable people much more than has been done so far."*
>
> *– Dr Gerd Müller, Federal Minister for Economic Cooperation and Development*

MAIN CHANGES IN 2020

In 2020, Germany's ODA contributions increased thanks to significant additional spending (€1.5bn) in response to the COVID-19 pandemic. Furthermore, in 2020 Germany contributed around €500m to the World Health Organization for tackling the pandemic. Shrinking GNI was also partly the reason Germany's ODA figure reached a historic high of 0.74% of GNI.

At the same time, however, the 'BMZ 2030' reform agenda of the Federal Ministry for Economic Cooperation and Development (BMZ) reduced the number of Germany's partner countries, thereby accentuating the geographical focus of German ODA on Africa and the Middle East. The reform process also meant that several Least Developed Countries (LDCs) were dropped from the list of partner countries. Despite promising to spend between 0.15% and 0.2% of GNI on LDCs (in line with the UN target), in 2019 Germany's contribution stood at just 0.11%.

German development cooperation was subjected to the OECD's DAC Peer Review in 2020. Key recommendations from this included the need for greater policy coherence and the development of a strategic vision for German development cooperation.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

The COVID-19 pandemic continues to be the single most influential factor shaping German development cooperation in 2021. The government has pledged €1.5bn for the Access to COVID-19 Tools (ACT) Accelerator, resulting in a further increase of ODA contributions.

In June 2021 the German parliament passed a mandatory human rights due diligence law which forces large companies to identify, document and counteract the risks of human rights violations and environmental destruction by direct and indirect suppliers. The law will take effect in 2023, and is likely to influence the debate around due diligence legislation at the EU level over the next few years.

On 26 September 2021 a new parliament will be elected in Germany, probably leading to a new governing coalition. As a result, shifts in Germany's policy priorities are expected in 2022 and beyond. Faced with declining tax revenues, the government will probably seek to reduce government spending, including ODA. This could constrain efforts to recover from the pandemic and achieve the SDGs.

CASE STUDY BOX: HUMAN RIGHTS IN SUPPLY CHAINS

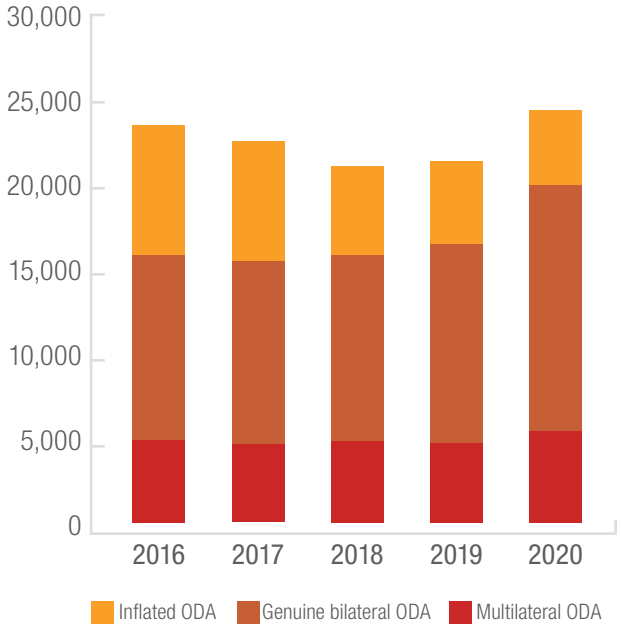
In June 2021 the Bundestag passed the Supply Chain Act – a new law that, for the first time, attempts to regulate human rights and social and environmental standards in commercial supply chains. While this is a positive step, the law still has many weaknesses, as it explicitly excludes civil liability and does not apply to all companies.

There have also been some promising developments in supply chain regulation at the EU level. In March 2021 the European Parliament adopted the Legislative Report on Human Rights and Environmental Due Diligence of Businesses, and recommended the introduction of an EU-wide supply chain law which would go far beyond the German legislation, as it includes provisions on civil liability and would apply to a wider range of companies. Businesses, however, are lobbying to water down and delay the EU legislation, and strong civil society action will be required to help push it through.

RECOMMENDATIONS TO THE GERMAN GOVERNMENT

- Focus development policies and strategies on the SDGs, on the principles of leaving no one behind and preventing further climate change.
- Maintain ODA spending at the 2021 level in order to support the recovery from the pandemic and work towards achieving the SDGs.
- Ensure that climate finance is new and additional to existing ODA spending, and double climate finance from €4bn euro in 2020 to €8bn annually by 2025.

GERMANY – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	3,409.96	0.10	14.30
2017	3,772.18	0.11	16.48
2018	4,022.75	0.12	19.08
2019	3,888.31	0.11	18.04

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	33.24	0.18	0.14
2017	33.18	0.18	0.14
2018	35.95	0.22	0.17
2019	46.34	0.28	0.22

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	20,937.73	16,126.05	4,811.69	22.98
2017	20,731.62	16,472.24	4,259.38	20.55
2018	18,417.23	13,995.09	4,422.14	24.01
2019	19,012.91	14,955.28	4,057.63	21.34

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	12,982.39	12,304.49	677.90	6,994.47	5,156.22	153.80	41.91	1.25
2017	13,226.89	13,151.73	75.16	7,698.07	5,286.58	167.09	40.20	1.27
2018	13,077.59	12,992.07	85.52	7,142.44	5,643.03	206.60	43.43	1.59
2019	13,576.84	13,481.80	95.04	7,236.53	5,951.46	293.82	44.14	2.18

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	17,664.57	396.84	129.53	6.83	716.64	15.46	0.00	6.68	5.31	3.87	3.07
2017	16,777.85	429.47	208.58	10.43	693.60	19.58	0.00	7.51	5.95	3.93	3.12
2018	14,658.42	382.85	180.74	9.31	719.68	30.02	0.00	8.28	6.27	4.69	3.56
2019	15,043.36	456.76	240.45	15.51	747.18	25.35	2.60	9.00	6.90	4.69	3.60

HUNGARY

0.26% GENUINE AID/GNI

0.27% TOTAL AID/GNI

[On the current situation in Afghanistan] "We need to send assistance there, not bring trouble here"

Prime Minister Viktor Orbán, Kossuth Rádió, 23 August 2021

MAIN CHANGES IN 2020

In 2020, the recent trend of steep increases in Hungarian ODA spending has continued. During the last three years the ODA/GNI ratio has almost tripled, expanding from 0.11% in 2017 to 0.27% in 2020. In real terms, the 2020 ODA budget of USD 411m represents a 36% increase from 2019, the largest among EU member states that year. Since 2010, Hungary's ODA has grown by 260%. This remarkable trend surpasses the target of the country's 2020-2025 development cooperation strategy (and the recommendation of Hungarian CSOs), which was to reach an ODA/GNI ratio of 0.25% by 2025. Multilateral ODA has grown by almost 40%, and bilateral ODA has increased by 25%.

Although this overall increase in ODA, and in particular its bilateral component, is welcomed, many questions remain about how this growing development contribution is spent. Inflated aid is a significant issue, and the biggest component of Hungarian ODA remains scholarships, which account for up to a quarter of the overall ODA and more than half of the bilateral ODA figures.

Hungarian policy/decision-making and implementation structures remain blurry. There is a humanitarian agency within the government, but it is not officially responsible for Hungary's development cooperation portfolio even though no separate agency for development cooperation exists. CSOs are seriously concerned that the current fragmented arrangement, in which separate government institutions (with considerably different outlooks, goals, priorities and budgets) are responsible for humanitarian and development actions, may be significantly undermining development effectiveness. In this context, it is all the more important to put in place action plans that build on the broader national strategy and provide details of concrete interventions designed to achieve Hungary's development objectives.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

Of the EU members that joined after 2004, Hungary, with its recent trend of steadily growing ODA, is close to becoming the second to fulfil its commitment of achieving the 0.33% ODA/GNI ratio.

Quantity aside, Hungary needs to step up its efforts to improve development effectiveness. NGOs expect the government to introduce a new monitoring and evaluation framework, in line with the new national development strategy. Findings and conclusions from independent monitoring and evaluation would provide in-depth information about the effectiveness of Hungarian ODA that is currently lacking.

CSOs acknowledge the trend of more visible government communication on development cooperation, but call for more radical steps to increase both transparency and genuine social dialogue in the future.

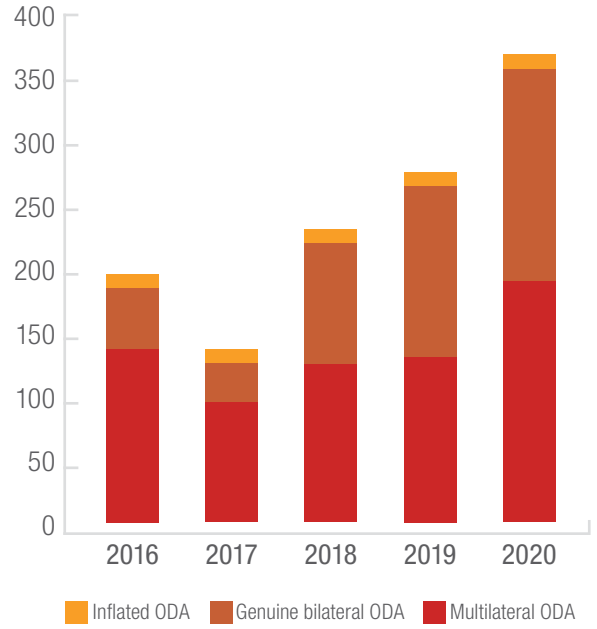
CASE STUDY BOX:

Hungary does not report loans as ODA, and although tied aid credit mechanisms are a popular form of assistance, from 2019 to 2020 they have decreased in nominal value and in their share in ODA. This is a trend that CSOs would like to see continued in future, until all tied forms of assistance are completely eliminated.

RECOMMENDATIONS TO THE HUNGARIAN GOVERNMENT

- To reach its objectives, and to react to new challenges like the COVID-19 pandemic, the new development cooperation strategy should be translated into concrete action plans.
- Development cooperation deserves funds comparable to those provided for humanitarian assistance, and a separate development cooperation agency should be set up within government.
- The government should urgently put the new monitoring and evaluation system in place, and start communicating its findings.
- As implementers of development and humanitarian actions, and as partners in social dialogue, NGOs should be involved more.
- Transparency around development cooperation should be further enhanced.

HUNGARY – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	35.95	0.03	18.07
2017	24.70	0.02	18.05
2018	56.27	0.05	23.91
2019	52.45	0.04	18.82

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.01	0.02	0.01
2017	0.02	0.06	0.02
2018	0.02	0.02	0.01
2019	0.03	0.02	0.01

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	54.74	54.74	0.00	0.00
2017	36.24	36.24	0.00	0.00
2018	106.63	106.63	0.00	0.00
2019	141.64	141.64	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	43.47	0.00	43.47	0.00	0.00	0.00		
2017	32.19	0.00	32.19	0.00	0.00	0.00		
2018	103.61	2.64	100.97	0.00	2.64	0.00	100.00	0.00
2019	140.50	140.50	0.00	68.84	71.62	0.04	50.98	0.03

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	54.63	0.00	0.00	0.00	0.00	0.11	0.00	0.21	0.06	0.21	0.06
2017	36.00	0.00	0.02	0.12	0.00	0.10	0.00	0.68	0.18	0.29	0.08
2018	100.21	2.15	2.52	0.74	0.00	1.00	0.00	6.02	2.73	0.94	0.43
2019	65.41	73.60	0.11	1.37	0.13	1.01	0.00	53.63	27.35	0.81	0.41

IRELAND

0.30% GENUINE AID/GNI

0.31% TOTAL AID/GNI

"Ireland is recognised as a principled and high-performing provider of official development assistance (ODA). The delivery of Irish ODA follows international best practice approaches and is guided by principles for development effectiveness."

– Colm Brophy, Minister of State for Overseas Development Aid and Diaspora, 2 June 2021.[1]

MAIN CHANGES IN 2019

Following a general election in February 2020, a coalition government formed in June and its programme for government promised to put in place "a floor to ensure that the aid budget does not fall below the level of recent years in cash terms" and to make progress towards 0.7%.

Responding to the COVID-19 pandemic became a priority, and while no additional funding was provided, Ireland redirected over €140 million to the global COVID-19 response,[2] including by quadrupling its financial contribution to the WHO and supporting Gavi and the Global Fund, as well as working with EU partners on the COVAX initiative.[3] The government was also receptive to NGOs' request for flexibility to allow them maintain their grant funding in the face of the pandemic.

Significantly, Ireland also succeeded in its election bid to join the United Nations Security Council for the 2021-2022 term. It took its seat in January 2021, setting out three key priorities: build peace, strengthen conflict prevention and ensure accountability.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

In October 2020, the government announced a cash increase of €30 million in the ODA allocation for 2021, bringing the total to €868 million. This is likely to result in a small percentage increase on the previous year to 0.32% GNI (estimate). While this is welcomed, given the COVID environment, the trajectory is far below what is required to get to 0.7% by 2030. Nor is Ireland meeting the second commitment: to allocate between 0.15% and 0.2% of GNI to LDCs.[4] Ireland was at 0.12% in 2019.

CASE STUDY BOX:

The adverse impact of human activity and climate change on one of Uganda's most popular natural amenities provided the impetus for an innovative conservation project that has created over 500 'green enterprises' in the country's south-west. Tree planting, terracing, check dams and other measures have been introduced along the steep mountain slopes that fringe one of Uganda's most popular visitor attractions, situated close to the UNESCO World Heritage-listed Bwindi Impenetrable Forest. Forty-year-old Jackson Mugathara has worked with funding from Ireland through Irish development agency Self Help Africa, and is now a leading green entrepreneur. He has planted passion-fruit trees and beans on the small hillside farm where he also keeps 17 beehives, which provide him with his main source of income. "The changing climate has made life more difficult, but we're adapting," he says.

RECOMMENDATIONS TO THE IRISH GOVERNMENT

- **Increase official development assistance to ensure Ireland keeps pace with global needs now and in the post-COVID environment. An increase of ODA in the budget for 2022 is therefore essential to set Ireland on a pathway to achieving 0.5% by 2025, and onwards to 0.7% by 2030.**
- **Ensure additional and targeted financing for climate change mitigation and adaptation to support Least-Developed Countries (LDCs) and Small Island Developing States (SIDS).**
- **Use Ireland's voice at the UN Security Council, at the EU and in other international fora to champion human rights defenders and the role being played by civil society.**
- **Advocate to ensure that the global community produces enough vaccine doses for everyone,**

1 https://www.oireachtas.ie/en/debates/question/2021-06-02/123/ (June 2021).

2 https://www.kildarestreet.com/committees/?id=2020-11-12a.508&s=%22team+europe%22#g510.

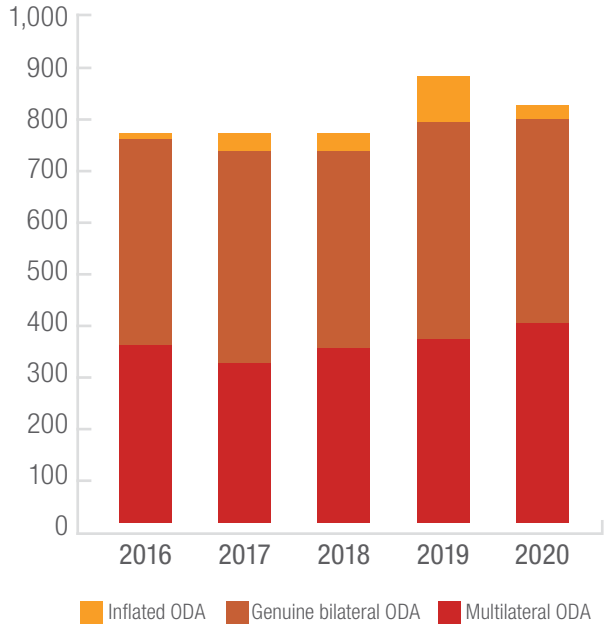
3 https://www.dfa.ie/news-and-media/press-releases/press-release-archive/2020/december/minister-simon-coveney-participates-in-un-general-assembly-special-session-on-covid-19.php.

4 Addis Ababa Agenda for Action p. 6, UNDESA.

everywhere. EU member states in particular must ensure that COVID-19 vaccines are produced as widely as possible, through the sharing of technical knowledge and know-how, free from patents.

- Strengthen Ireland's global leadership on Zero Hunger. Ireland needs to play a leading role ahead of the UN Food Systems and Nutrition for Growth Summit in September.

IRELAND – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	335.59	0.14	43.93
2017	335.47	0.14	44.11
2018	318.96	0.13	41.36
2019	330.56	0.12	38.02

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.00	0.00	0.00
2017	0.41	0.09	0.05
2018	0.39	0.09	0.05
2019	0.60	0.12	0.07

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	406.42	406.42	0.00	0.00
2017	447.09	447.09	0.00	0.00
2018	437.80	437.80	0.00	0.00
2019	507.61	507.61	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	372.63	354.79	17.84	56.94	251.65	46.20	70.93	13.02
2017	377.50	360.78	16.72	46.69	255.30	58.80	70.76	16.30
2018	359.02	358.40	0.62	79.81	252.51	26.07	70.46	7.27
2019	391.92	375.91	16.00	75.76	247.04	53.12	65.72	14.13

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	233.12	25.28	31.51	11.57	83.28	15.75	5.92	42.64	22.69	25.82	13.74
2017	276.12	25.66	25.35	13.16	89.43	15.95	1.43	38.24	22.48	23.89	14.04
2018	272.85	26.06	25.32	13.26	82.14	16.92	1.24	37.67	21.39	22.91	13.01
2019	323.79	31.08	31.65	16.31	86.22	16.93	1.63	36.21	21.14	20.64	12.05

ITALY*

0.22% GENUINE AID/GNI

0.23% TOTAL AID/GNI

> ***"Italy is committed to reaching 0.7% ODA/GNI by 2030 … As we are not in a position to fill the gap within a short time, we are committed to a steady change of course, not only for solidarity reasons but also to strengthen Italy's role at the global level."***
>
> *– Marina Sereni, Deputy Minister for Foreign Affairs, in* l'Avvenire *newspaper, 1 April 2021*

MAIN CHANGES IN 2020

In 2020, Italy was one of the first countries to be severely hit by the COVID-19 pandemic and to implement a nation-wide lockdown. Under these difficult conditions, the dialogue process continued between the Ministry of Foreign Affairs, the Italian Agency for Development Cooperation and national development CSOs. This was consistent with the sectoral legislation, Law 125/2014, and the findings from the 2019 DAC Peer Review,[1] which acknowledges Italy's support for multi-stakeholder approaches. This made it possible, despite the challenges of the pandemic, to discuss several policies that were then officially adopted, including guidelines on Italy's role in the global response to COVID-19, sectoral frameworks and the new policies on CSOs' access to public funds, which paved the way for a new funding round in December 2020.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

Mario Draghi became prime minister in February 2021, and the new cabinet confirmed the same leadership in both the Ministry of Foreign Affairs and Development Cooperation and the Italian Agency for Development Cooperation. This gave a continuity that has helped facilitate multi-stakeholder dialogue and participation.

ODA levels remain a major challenge. The standing ask from the Italian CSO community is to increase Italy's development funding significantly. The Budget Law for 2021/2023 will not achieve the desired results: the aid levels endorsed in the parliament are inflated by the numbers submitted by the Ministry of the Interior for in-country refugee costs, which are in reality much lower according to OECD DAC. We cannot expect Italy's aid performance to improve over the next few years, as official commitments are stagnating. One bright spot is Prime Minister Draghi's announcement of "300 million [euros] more for poor countries for vaccines and 200 [million] more for climate and health in poor countries",[2] which is a great improvement on the USD 98m that Italy spent on ODA for COVID-19 in 2020.[3]

CASE STUDY BOX: AN INCLUSIVE RESPONSE TO COVID 19

At the start of the pandemic, the Italian Agency for Development Cooperation and the three national networks of national development CSOs – AOI, CINI and Link 2007 – began to review together its impacts on project activities, to try and avoid major disruptions. Issues assessed ranged from the impacts of the pandemic in partner countries to the safety of development workers, and budget implications. As a result of this dialogue, ad hoc policies were endorsed, including a four-month no-cost extension[4] and emergency resources to cover the cash components that NGOs were no longer able to match. This COVID-19 Fund provided €13m for supporting some 200 NGO projects.[5]

** ODA amounts featured on the top right and in the tables in this section for Italy are built on the OECD cash flow basis; figures in the main text are built on the OECD grant equivalent basis.*

1 https://www.oecd.org/italy/oecd-development-co-operation-peer-reviews-italy-2019-b1874a7a-en.htm.

2 May 2021, https://www.governo.it/it/articolo/lintervento-di-apertura-del-presidente-draghi-al-global-health-summit/16920.

3 See OECD DAC early data for 2020, April 2021.

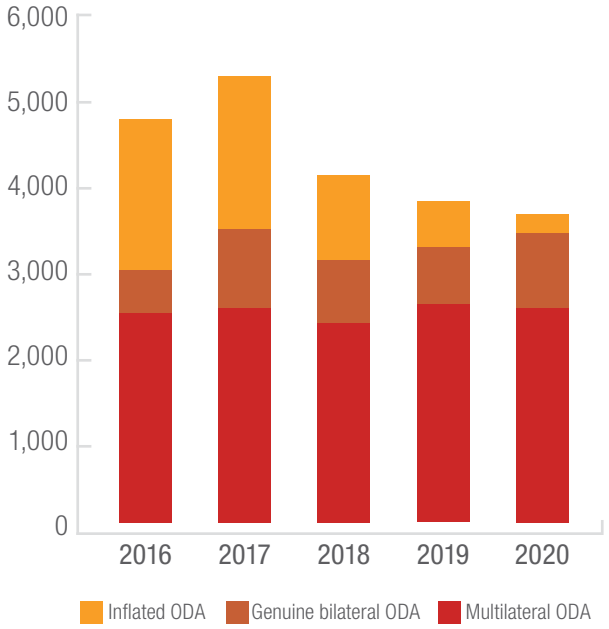
4 27 March 2020, https://www.aics.gov.it/news/2020/57469/.

5 https://www.aics.gov.it/2020/58865/.

RECOMMENDATIONS TO THE ITALIAN GOVERNMENT

- Increase ODA levels towards the internationally agreed commitments by endorsing a credible timeline to raise aid volumes from the current 0.22% to at least 0.30% by 2024; to avoid endorsing unrealistic projections, members of parliament should seek clarification on officially declared refugee costs.
- Further implement multi-stakeholder approaches to development cooperation to bring more non-executive actors into decision making; fully implement the relevant provisions on transparency and participation introduced in the sectoral legislation, Law 125/2014.
- Secure the comprehensive and inclusive implementation of the most recent DAC recommendations on enabling CSOs.
- Implement the 2019 effectiveness plan and complement it with a whole-country effectiveness framework.

ITALY – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	868.81	0.05	18.20
2017	1,046.60	0.06	19.93
2018	1,013.66	0.06	24.56
2019	1,081.78	0.06	28.43

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.17	0.01	0.00
2017	0.25	0.01	0.00
2018	0.48	0.03	0.01
2019	0.31	0.03	0.01

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	2,337.53	2,270.38	67.15	2.87
2017	2,875.40	2,609.44	265.95	9.25
2018	1,819.68	1,748.09	71.59	3.93
2019	1,310.68	1,206.42	104.26	7.95

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	618.06	534.30	83.75	321.80	197.37	15.13	36.94	2.83
2017	1,031.62	743.46	288.16	365.11	352.23	26.13	47.38	3.51
2018	850.73	634.91	215.82	273.23	308.98	52.69	48.67	8.30
2019	832.18	686.32	145.86	338.20	291.30	56.82	42.44	8.28

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	2,089.88	32.17	6.74	0.05	128.84	12.97	0.01	7.96	3.79	6.25	2.97
2017	2,472.42	69.29	9.69	0.02	32.83	6.57	77.61	7.35	3.73	4.38	2.23
2018	1,505.69	91.70	13.17	0.34	30.73	6.72	83.75	13.07	5.49	7.00	2.94
2019	970.18	81.18	9.53	0.02	29.42	6.50	84.82	18.43	5.56	10.52	3.17

LATVIA

0.12% GENUINE AID/GNI

0.12% TOTAL AID/GNI

"Our interests [of Latvia] require us not to be indifferent to our country and the wider world. Our Latvian interests require support for human rights, democracy and the rule of law both at home and in the world."

– Edgars Rinkēvičs, Minister for Foreign Affairs, at the annual Foreign Policy Debate in the Latvian Parliament (Saeima), 28 January 2021

MAIN CHANGES IN 2020

The Ministry of Foreign Affairs continued drafting new guidelines for the 2021-2027 development cooperation policy, focusing on new issues such as expanding the partner regions for bilateral aid, defining priority SDGs and emphasising the role of the private sector more.

The strengthening of the institutional framework for development cooperation policy implementation is underway – EU accreditation of the national development agency will increase the competitiveness of Latvian-led projects. Also, the introduction of three-year budget planning should improve the quality of development cooperation projects in the future.

Active cooperation with the OECD has started and workshops and recommendations have been delivered, in particular on role of the private sector in 2020.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

The road to Latvia's candidacy for the UN Security Council in 2025 could play an important role, raising the profile of the country's development cooperation policy and increasing funding levels.

There will be a greater focus on action in priority cross-cutting areas such as climate change, human rights, digitisation and gender equality.

The private sector will become more involved in development cooperation, so there is still a strong need to make a clear distinction between national development cooperation and export policies.

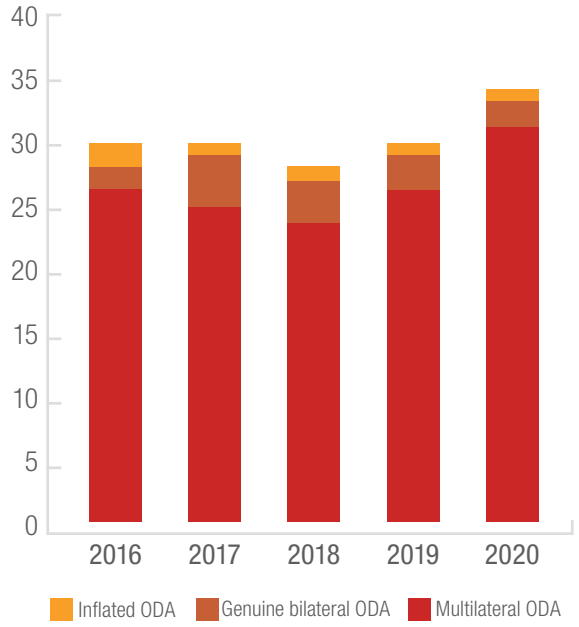
CASE STUDY BOX: CRISIS IN BELARUS

The Latvian government was one of the first to react to the crisis in Belarus. Rehabilitation programmes were implemented for civil society activists, journalists, and victims of government violence, ensuring their safe movement out of the country on humanitarian visas. In addition, significant funding was invested in civil society organisations in Belarus, for legal assistance, the documentation of torture and community mobilisation.

RECOMMENDATIONS TO THE LATVIAN GOVERNMENT

- 50% of open calls under bilateral aid must still be reserved for CSOs, as this is the main financing source for smaller local CSOs involved in development cooperation and building local resilience.
- Specific support for Belarus must be continued, as the flexibility of bilateral aid ensures effectiveness.
- The humanitarian aid system must be defined in more detail, as various global political, social and environmental crises require increasingly urgent responses.
- An increase in bilateral ODA should be combined with an overall review of projects, including an impact assessment, and an improvement of the financing system, ensuring equal and open access to all.

LATVIA – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	5.57	0.02	18.40
2017	5.67	0.02	18.96
2018	5.57	0.02	19.65
2019	6.01	0.02	19.57

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.00	0.00	0.00
2017	0.00	0.00	0.00
2018	0.00	0.00	0.00
2019	0.00	0.00	0.00

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	3.40	3.40	0.00	0.00
2017	4.24	4.24	0.00	0.00
2018	4.05	4.05	0.00	0.00
2019	3.99	3.99	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	1.37	1.37	0.00	1.33	0.00	0.04	0.00	2.93
2017	3.65	3.65	0.00	3.57	0.05	0.04	1.25	1.16
2018	2.81	1.19	1.63	0.60	0.54	0.04	45.76	3.70
2019	2.67	0.75	1.92	0.37	0.34	0.04	44.76	5.18

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	3.31	0.00	0.02	0.00	0.00	0.08	0.00	2.75	0.31	2.26	0.25
2017	4.07	0.11	0.00	0.00	0.00	0.07	0.00	4.13	0.59	1.62	0.23
2018	3.89	0.07	0.00	0.00	0.00	0.09	0.00	3.79	0.54	2.11	0.30
2019	3.82	0.07	0.00	0.00	0.00	0.10	0.00	4.14	0.54	2.43	0.31

LITHUANIA

0.12% GENUINE AID/GNI

0.12% TOTAL AID/GNI

> ***"Another major challenge ahead is to keep the European Union's attention on the Eastern Partnership. We cannot allow one-off failures or frustrations to obscure the efforts made in Ukraine, Moldova and the South Caucasus. Lithuania has an exceptional, I would say a historic, role here."***[1]
>
> *– Gitanas Nausėda,*
> *the President of the Republic of Lithuania*

MAIN CHANGES IN 2020

Lithuania's development cooperation policy reflects the national priorities of its foreign policy by focusing on the Eastern Partnership countries, in particular Moldova, Georgia and Ukraine. In response to the political developments in Belarus in September 2020, the Lithuanian government approved a plan to help the people of its neighbouring country. Lithuania's support for democracy and human rights has caused tension with the Belarussian authorities.

In 2020, Lithuania's ODA constituted about €63m (0.12% GNI), up from €60.4m in 2019. Lithuania is committed to increasing ODA to 0.33% of GNI by 2030. However, Lithuania's bilateral assistance is in decline, amounting to only €10.44 million in 2020.

The key mechanism for implementing ODA is the Development Cooperation and Democracy Promotion Programme of the MFA. In 2020, the pandemic and the deteriorating political situation in Belarus negatively affected the implementation of projects.

Gender equality and the empowerment of women and girls in its partner countries are ongoing objectives of Lithuanian development cooperation. In 2020, eight gender equality projects were implemented in five countries.

The MFA admits declining public support for aid to developing countries: at the end of 2019, only 27% of Lithuanians believed that this should be a priority for the country's government. In 2020, Lithuanian NGOs implemented four development education and information projects.

As a follow-up to discussions on changes in the legal framework for development cooperation, the MFA drafted the provisions for a Fund for Development Cooperation and Humanitarian Aid and submitted them for approval to the National Development Cooperation Commission. The chairman would be appointed by the minister for foreign affairs. Administration of the Fund would be handed over to the Central Project Management Agency, and the Fund's council would include one representative of NGOs, appointed by the National NGO Council.

At EU level, during the negotiations on the new NDICI Lithuania initiated an agreement in principle, which will include essential provisions on compliance with nuclear safety standards in partner countries.

As an observer since 2013, Lithuania has further intensified its involvement in the OECD DAC.

During the negotiations on the Cotonou provisions and the EU's relations with the African, Caribbean and Pacific (ACP) countries, Lithuania has consistently advocated that the new agreement should establish procedures for the smooth return and readmission of ACP nationals.

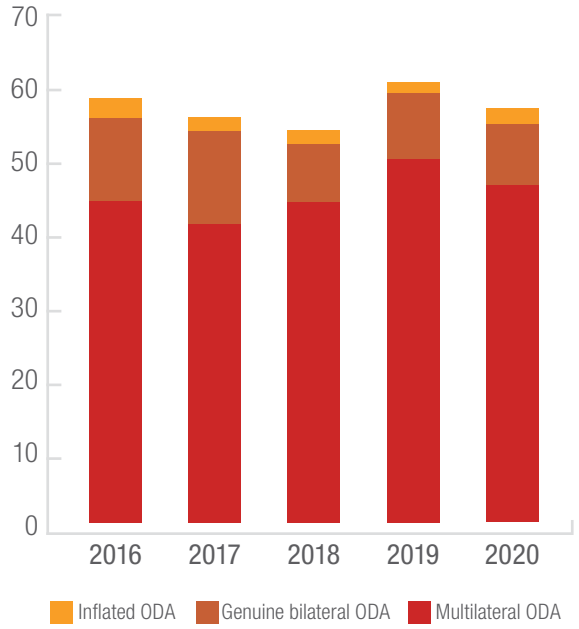
In 2020, Lithuanian public administration bodies were instructed to implement 13 new projects under the EU Twinning Programme. Since 2004, Lithuanian authorities have already participated in 119 twinning projects.

1 https://www.lrp.lt/en/activities/state-of-the-nation-address/-2021/35945.

RECOMMENDATIONS TO THE LITHUANIAN GOVERNMENT

- Boost the competence of the National Development Cooperation Commission and ensure a balance with the activities and competences of the Fund for Development Cooperation and Humanitarian Aid.
- Draft a meaningful national project for engaging in development cooperation activities with African countries.
- Report scholarships in Lithuania separately from aid flows.
- Publish an annual report on the implementation of the Development Cooperation and Democracy Promotion Programme, including information from other public entities and NGOs.
- In partnership with the Ministry of Education, develop a meaningful national development and global education strategy and raise the level of its funding to 2% of aid flows.

LITHUANIA – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	12.52	0.03	21.56
2017	8.56	0.02	15.42
2018	8.83	0.02	16.47
2019	9.43	0.02	15.60

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.00	0.00	0.00
2017	0.00	0.00	0.00
2018	0.00	0.00	0.00
2019	0.00	0.00	0.00

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	14.09	14.09	0.00	0.00
2017	14.31	14.31	0.00	0.00
2018	9.96	9.96	0.00	0.00
2019	10.73	10.73	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	8.50	7.28	1.22	7.01	0.22	0.05	3.02	0.70
2017	8.51	4.60	3.92	4.52	0.03	0.04	0.71	0.94
2018	6.57	3.64	2.93	1.47	2.02	0.15	55.43	4.14
2019	6.26	3.37	2.89	1.07	2.05	0.25	60.94	7.40

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	13.37	0.44	0.06	0.19	0.00	0.03	0.00	5.14	1.25	0.20	0.05
2017	13.85	0.19	0.16	0.07	0.00	0.03	0.00	3.21	0.83	0.20	0.05
2018	9.39	0.21	0.05	0.30	0.00	0.01	0.00	5.75	1.07	0.11	0.02
2019	9.95	0.21	0.11	0.32	0.00	0.14	0.00	7.26	1.29	1.33	0.24

LUXEMBOURG

1.02% GENUINE AID/GNI

1.02% TOTAL AID/GNI

"The indebtedness of developing countries is an important topic, now more than ever. After this crisis, debt will be at its highest level for the last 50 years … We are advocating for debt relief at EU level, especially for our African neighbours. Luxembourg's development aid policy is grant-based, so as not to indebt our partner countries further."

– Franz Fayot, Minister for Development Cooperation and Humanitarian Affairs, in a statement to Parliament on development cooperation policy, 20 October 2020

MAIN CHANGES IN 2020

The Luxembourgish government honoured its commitment to dedicate at least 1% of its GNI to ODA. Luxembourgish ODA reached 1.02% of GNI in 2020, and amounted to approximately €376m.

The ODA for 2020 is around 10.8 % lower than the previous year. This was due to a decrease in bilateral grants because COVID-19 prevented many projects from being implemented. However, the budget dedicated to NGOs and multilateral agencies increased slightly.

Luxembourg redirected some development cooperation funds that could not be spent as planned to support the COVID-19 response, mobilising €2-3m for each of its partner countries. Luxembourg NGOs were given the opportunity to restructure their projects and provide funds for their partners to help them fight the pandemic and its consequences.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

As agreed in the current coalition agreement, Luxembourg will maintain its target of allocating 1% of GNI to ODA. ODA in the form of grants will be prioritised, while using cooperation as a catalyst for the mobilisation of additional resources. Luxembourg will continue not to count funds mobilised for international climate finance or for the reception of refugees towards ODA figures.

In the future, Luxembourg will continue to promote innovative mechanisms for financing development, notably through guarantees and risk mitigation instruments and social impact investment funds, in partnership with multilateral development banks and the private sector. A new strategy on inclusive and innovative finance and private-sector development is being prepared.

CASE STUDY BOX: BILATERAL COOPERATION WITH EL SALVADOR

Given El Salvador's economic and social progress since the 1990s, it was decided to continue diversifying relations beyond development aid. The new approach is characterised by support for civil society, triangular aid and budget assistance for the National Development, Protection and Social Inclusion Plan (the Social Plan) in conjunction with El Salvador's social policy:

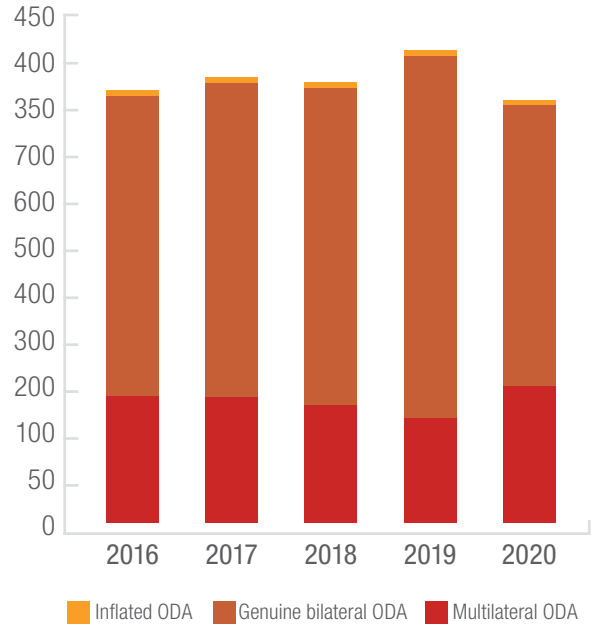
- Support for the social policy of the Government of El Salvador is provided through a financial contribution to the Common Fund for Programmatic Support (FOCAP).
- Support for civil society is provided through the fondo concursable administered by the Government of El Salvador, which recognises NGOs as strategic partners in the design and implementation of public policies. Luxembourg also supports tax transparency and anti-corruption efforts through direct funding to a local CSO.
- South-South and Triangular Cooperation: Luxembourg supports this cooperation model by funding projects in which El Salvador acts as a beneficiary or as a provider of aid and expertise for other Latin American countries.

RECOMMENDATIONS TO THE LUXEMBOURGISH GOVERNMENT

- Continue to devote at least 1% of GDP to development cooperation while reflecting with development cooperation actors on the effectiveness of projects and programmes.
- Champion a grant-based, not loan-based, funding approach to development among international institutions and EU member states.
- Develop mechanisms to ensure better participation by local CSOs and Luxembourgish NGOs in the negotiations for the Indicative Cooperation Programmes with partner countries.
- Make the amount of ODA provided to support the private sector visible, and design a strategy for private-sector engagement with clear definitions, and safeguards to protect development goals, human rights and the environment.

LUXEMBOURG – GENUINE AND INFLATED ODA

(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	161.93	0.42	41.97
2017	171.01	0.43	43.18
2018	183.88	0.46	46.76
2019	191.48	0.47	45.45

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.82	0.30	0.21
2017	2.45	0.86	0.62
2018	1.23	0.43	0.31
2019	2.00	0.62	0.47

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	272.14	272.14	0.00	0.00
2017	286.09	286.09	0.00	0.00
2018	292.03	292.03	0.00	0.00
2019	327.68	327.68	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	251.60	251.60	0.00	167.34	58.96	25.30	23.44	10.05
2017	264.02	264.02	0.00	189.70	61.02	13.29	23.11	5.03
2018	271.44	271.44	0.00	186.54	74.34	10.55	27.39	3.89
2019	305.48	122.02	183.46	22.97	77.90	21.14	63.84	17.33

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	189.89	50.81	1.91	0.51	14.12	13.92	0.01	29.98	21.07	10.35	7.27
2017	203.60	52.36	1.78	2.54	11.69	11.58	0.26	28.26	20.26	8.29	5.94
2018	205.08	54.30	8.81	2.37	11.96	2.14	0.68	28.13	20.41	5.18	3.76
2019	238.87	56.89	9.49	2.75	10.74	3.88	0.70	26.12	20.05	4.74	3.64

MALTA

0.12% GENUINE AID/GNI

0.44% TOTAL AID/GNI

"COVID-19 has hampered some of the SDGs' progress, and meaningful progress in achieving the Sustainable Development Goals should be considered more urgent than ever before."

– Evarist Bartolo, Minister for Foreign and European Affiars, speech at the UN High-level Political Forum, July 2020

MAIN CHANGES IN 2020

Malta is reporting 0.44% of ODA/GNI for 2022, an increase from the 0.30% reported in 2019. In real terms, this is a year-on-year increase of €14.48 million (€51 million for 2020). While this is the fourth consecutive year with a notable increase on the previous year, AidWatch Malta is concerned about the fact that reporting standards have fallen. The ODA report for 2019 published by the ministry includes less detail than the previous ones, which hampers attempts to analyse the Government's performance.

The annual call for CSO projects was not issued for 2020, following a failed attempt in late 2019 to link CSO projects to trade promotion in Ghana and Ethiopia. The cabinet change in January 2020 brought in a new minister for foreign affairs, while the trade promotion portfolio was reallocated to the economy ministry. The global pandemic absorbed much of the ministry's attention, but it is unfortunate that CSO proposals to support long-standing partner beneficiaries in facing the challenge of COVID-19 were totally disregarded.

In late 2020 the ministry issued a call for three 'pre-defined projects' in Ethiopia and Ghana, for which beneficiaries and activities had been identified and defined beforehand by the ministry itself. This meant that Maltese CSOs were effectively restricted to a service provision role, and were deprived of both ownership and the right of initiative.

Regrettably, none of the recommendations from last year's report were taken into consideration.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

On its website the Ministry of Foreign and European Affairs published a revised 'Implementation Plan' in the first half of 2021, setting out the priorities and aims of Malta's ODA, in generic terms. No detail is given, however, on how the government intends to deliver its ODA.

Government dialogue with civil society has deteriorated. Not only did the Maltese government refrain from collaborating with civil society in supporting community organisations in partner countries, to alleviate the impact of the pandemic on the most at-risk people: it has also retreated completely from consultation and communication with the development cooperation community.

CASE STUDY BOX:

The signing of a memorandum of understanding in September 2020 between the Ministry of Foreign and European Affairs and the Islands and Small States Institute of the University of Malta is a best-practice example of collaboration between government and academia that can bring about a more focused ODA programme, drawing on the breadth of expertise in Malta. Under the agreement, the ministry will fund scholarships for students from Small Island Developing States (SIDS) eligible for ODA. The ministry also appointed a thematic Ambassador for Islands and Small States, who will lead efforts to promote the interests of small states (mainly islands) in the international arena.

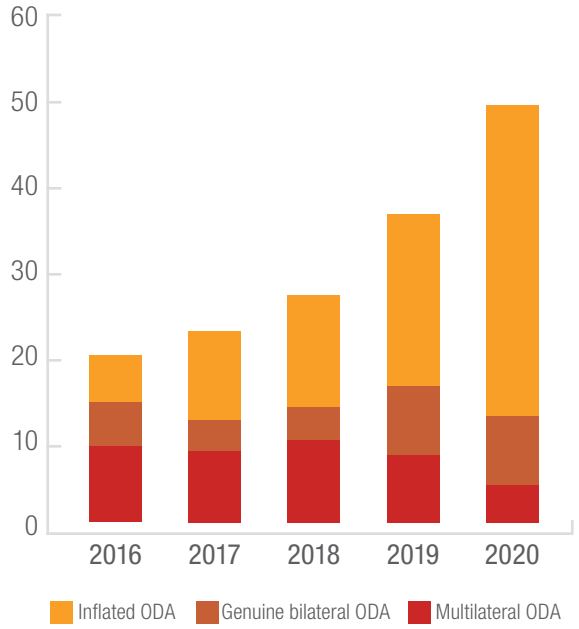
RECOMMENDATIONS TO THE MALTESE GOVERNMENT

- Increase the amount of genuine aid to meet the objectives set at EU level, and make refugee costs additional to the ODA spending targets.
- Increase the transparency of ODA reporting through an in-depth, comprehensive report on Malta's overall ODA spending.
- Improve aid effectiveness by ensuring predictability and multi-annual programming for the funds allocated to high-quality poverty eradication projects

proposed by Maltese CSOs, by raising awareness of the development impact of Maltese CSOs, and by introducing a co-financing mechanism for larger grants (EC-funded development education and awareness-raising projects).

- Support civil society organisations in increasing their capacity to implement and monitor projects that are fully focused on the LNOB principles.
- Engage with Maltese civil society and development experts in an assessment of the Maltese ODA programme and policy, evaluating, inter alia, their geographical and thematic focus as well as their effectiveness.

MALTA – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	1.01	0.01	5.02
2017	3.26	0.03	14.15
2018	2.19	0.02	8.08
2019	1.21	0.01	3.29

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.00	0.00	0.00
2017	0.00	0.00	0.00
2018	0.00	0.00	0.00
2019	0.00	0.00	0.00

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	10.37	10.37	0.00	0.00
2017	13.91	13.91	0.00	0.00
2018	16.87	16.87	0.00	0.00
2019	28.76	28.76	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	4.24	0.00	4.24	0.00	0.00	0.00	0.00	0.00
2017	2.68	0.00	2.68	0.00	0.00	0.00	0.00	0.00
2018	3.55	0.00	3.55	0.00	0.00	0.00	0.00	0.00
2019	8.24	0.00	8.24	0.00	0.00	0.00	0.00	0.00

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	10.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2017	13.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2018	16.82	0.00	0.00	0.00	0.00	0.05	0.00	0.29	0.18	0.29	0.18
2019	28.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

THE NETHERLANDS

0.53% GENUINE AID/GNI

0.59% TOTAL AID/GNI

> ***"We know it will be a colossal task to rebuild economies, to get a recovery going in order to repair the massive damage done to communities and businesses. Naturally, this is a shared task: not only within the Netherlands, and at a European level, but also internationally. This is an opportunity we must seize, to restore the right priorities and criteria and ensure an inclusive, sustainable, resilient economic recovery."***
>
> *– Sigrid Kaag, Minister for Foreign Trade and Development Cooperation, Parliamentary Debate on the role of the Netherlands in the global COVID-19 response, 15 June 2020*

MAIN CHANGES IN 2020

In 2020, Dutch ODA was 0.59%, thanks to a yearly cut of €1.4bn introduced by a former government in 2013.

After the pandemic had started, the Advisory Council on International Affairs advised the Dutch parliament to provide €1bn to support the international COVID response and to safeguard the ODA budget from the consequences of an economic decline.[1] In response, the Dutch government announced they would make €150m available for a COVID response, plus €350m to compensate for the GNI/ODA-associated cuts in 2020 and 2021. It is expected that €350m will not be sufficient to cover the cuts. An extra €456m is to be added across ODA budgets in future years.

In 2019, progress with the SDGs was reviewed under the Integrated Assessment Framework, which is used to assess the effects of new policies and legislation and is supposed to increase policy coherence for development. A review by Partos and its members, however, shows that the effects are not always assessed in a transparent manner.[2]

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

Early in 2021, Power of Voices and the SDG5 Fund were introduced as new policy frameworks for strengthening civil society in developing countries. They have already led to new partnerships with CSOs in the field of advocacy and influence.

Before the elections in March 2021, key political parties signed a *stembusakkoord*,[3] agreeing to strive to reach the 0.7% ODA target.

While a new government is not yet in place, the previous one continues without implementing significant new policies. The Netherlands are making a stronger economic recovery than expected, however, so the gaps in (future) budgets, created by the budget shift of 2020, may be filled in 2021.

CASE STUDY BOX: POWER OF VOICES FRAMEWORK

At the start of 2021, a new policy framework for strengthening civil society in developing countries was put in place. Within this Power of Voices framework, new strategic partnerships between Dutch and local CSOs were established in thematic fields ranging from climate adaptation to WASH, sustainable supply chains, freedom of expression and religion and LGBTI inclusion. In supporting these partnerships, the government recognises the importance of advocacy and civic space in sustainable and inclusive development.

1 https://www.adviesraadinternationalevraagstukken.nl/documenten/publicaties/2020/05/11/nederland-en-de-wereldwijde-aanpak-van-covid-19.

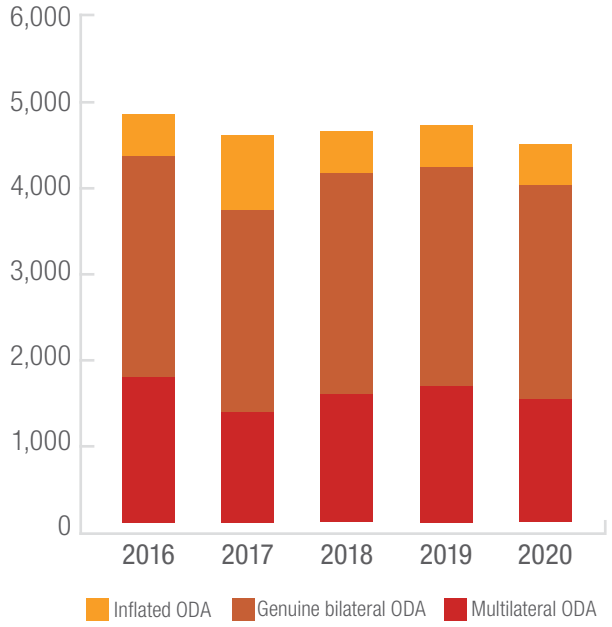
2 https://www.partos.nl/nieuws/resultaten-onderzoek-sdg-toets/.

3 https://www.oxfamnovib.nl/nieuws/stembusakkoord-voor-ontwikkelingssamenwerking-terug-naar-07.

RECOMMENDATIONS TO THE DUTCH GOVERNMENT

- Make the Netherlands an international champion in the fight against shrinking civic space.
- Present a practical step-by-step plan to return to meeting the 0.7% aid target.
- Do not use future ODA to cover current gaps in the budget. Instead make extra money available from the general government budget.
- Make sure that neither Dutch nor EU aid is used for border control.
- Introduce a ceiling for covering asylum costs from the ODA budget.
- Ensure that trade-related activities are in line with inclusive, sustainable development.

NETHERLANDS – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	1,122.49	0.15	23.12
2017	991.99	0.13	21.53
2018	1,134.05	0.15	24.40
2019	1,127.83	0.14	23.86

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	1.36	0.04	0.03
2017	3.47	0.11	0.08
2018	3.90	0.13	0.08
2019	5.19	0.17	0.11

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	3,261.70	3,261.70	0.00	0.00
2017	3,380.43	3,380.43	0.00	0.00
2018	3,171.59	3,171.59	0.00	0.00
2019	3,073.19	3,073.19	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	2,519.18	2,519.18	0.00	1,148.25	984.32	386.62	39.07	15.35
2017	2,158.41	2,158.41	0.00	904.82	882.25	371.35	40.87	17.20
2018	2,396.55	2,396.55	0.00	860.79	1,167.10	368.66	48.70	15.38
2019	2,293.18	2,293.18	0.00	655.51	1,261.38	376.30	55.01	16.41

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	2,229.13	537.31	149.29	65.23	7.50	73.16	25.04	27.78	17.66	3.42	2.18
2017	2,447.58	518.19	153.45	70.97	19.15	61.90	11.75	25.45	18.13	2.83	2.01
2018	2,244.96	536.76	155.47	83.92	12.56	58.46	6.99	27.56	18.38	2.52	1.68
2019	2,219.25	533.87	150.14	80.32	12.75	58.38	4.88	27.47	17.78	2.48	1.61

POLAND

0.12% GENUINE AID/GNI

0.14% TOTAL AID/GNI

"Development cooperation is one of the most essential instruments for building an international position and a positive image of our country. It is also an opportunity for development, not only for those who receive assistance but also for those who provide it."

Paweł Jablonski, Undersecretary of State for Economic and Development Cooperation, Africa and the Middle East in Ministry of Foreign Affairs

MAIN CHANGES IN 2020

Since 2019, there has been no change in Poland's level of ODA, which remained at 0.14% of GNI, with 74% of the PLN 3.13bn going through multilateral channels. Poland's top ten bilateral ODA recipients remained largely unchanged, with Ukraine and Belarus still at the top of the list.

The government failed to implement most of the recommendations made in the AidWatch 2020 report, although it did include several recommendations from the 2017 OECD DAC peer review in Poland's development cooperation strategy for 2021-30. The DAC recommended setting a clear quantitative goal for ODA; untying aid to LDCs; and referring to Agenda 2030 in the strategy.

The MFA has also committed to producing a multiannual strategy for global education, and country strategies for two to three crucial partners.

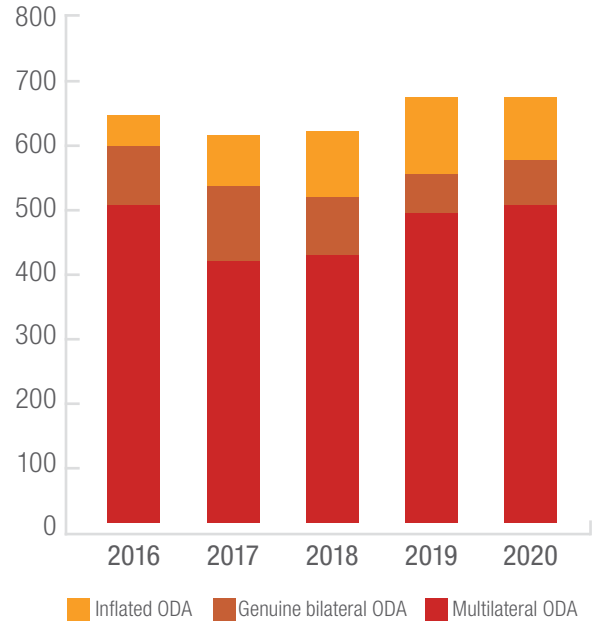
TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

In January 2021 the Polish government adopted a new multiannual development cooperation programme (2021-2030). While the programme reiterates the commitment to spending 0.33% GNI on ODA, and outlines thematic/geographical strategies to be developed, setting up a development agency (and national development bank) is being regarded as a long-term goal. This step is connected to the need to increase funds for ODA, especially bilateral ODA. However, political support for these objectives may be limited, with development cooperation remaining low on the political agenda.

RECOMMENDATIONS TO THE POLISH GOVERNMENT

- The Polish government should present an operational plan for increasing the level of ODA to 0.33% of GNI by 2030.
- Multiannual thematic/geographical strategies (global education, priority countries) should be prepared in an inclusive manner, with an openness to broad discussions with all interested stakeholders, including CSOs in partner countries and in Poland.
- The Polish parliament should become more involved in monitoring the implementation of development cooperation policies and – through its Foreign Affairs Committee – should be involved in monitoring the current development cooperation strategy.

POLAND – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	178.07	0.04	27.19
2017	91.97	0.02	14.85
2018	185.24	0.04	29.68
2019	100.06	0.02	14.72

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.00	0.00	0.00
2017	0.00	0.00	0.00
2018	0.00	0.00	0.00
2019	0.00	0.00	0.00

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	172.38	95.96	76.43	44.33
2017	226.24	213.86	12.39	5.48
2018	217.69	139.30	78.39	36.01
2019	209.09	179.11	29.98	14.34

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	141.26	141.26	0.00	137.60	2.45	1.21	1.73	0.86
2017	151.80	151.80	0.00	148.40	2.09	1.32	1.38	0.87
2018	140.26	140.26	0.00	137.53	2.22	0.51	1.58	0.37
2019	88.13	88.13	0.00	82.08	5.27	0.78	5.98	0.89

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	133.04	13.44	0.00	0.03	0.00	0.65	0.00	9.59	2.16	0.44	0.10
2017	180.40	21.04	1.01	0.00	0.00	0.00	0.00	10.89	3.56	0.00	0.00
2018	173.36	21.39	0.28	0.05	0.00	0.64	0.00	11.42	3.58	0.33	0.10
2019	169.03	15.51	0.62	0.00	0.00	0.45	0.00	8.94	2.44	0.24	0.07

PORTUGAL*

0.13% GENUINE AID/GNI

0.18% TOTAL AID/GNI

> **"Prioritising human development is also geopolitical."**
>
> *– Francisco André, State Secretary for Foreign Affairs and Cooperation at the DEVE Committee (European Parliament) on 21 January 2021*

MAIN CHANGES IN 2020

In 2020 Portugal's ODA increased only slightly, by just 4.1%. Even though the outbreak of the pandemic made this an exceptional period, ODA-eligible actions stagnated at 0.18% GNI. With less than a decade left, the overall ODA levels are far lower than what is needed to meet Portugal's ODA spending commitments by 2030. Despite continued pressure from civil society, the Portuguese government has still not put forward any plan for reversing the situation.

As has been mentioned in previous years, Portugal seems focused on closely integrating its development policies within the framework of its broader foreign policy goals. The programme of the Portuguese Presidency of the EU Council, presented in late 2020, explicitly acknowledged this by stating that Portugal would work to "encourage a European model of development cooperation that is more strategic and better aligned with the Union's external policy priorities". Although this is not new, the instrumentalisation of development policies to fulfil economic purposes has been increasingly evident.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

For Portuguese development policy 2021 is an extremely important year, as the DAC/OECD Peer Review will be followed by the drafting of the new 2021-2030 Portuguese Cooperation Strategy, which is expected to clarify Portugal's goals and to renew commitments that in recent years have been neglected.

The hope is that 2021 will finally be the year in which the slight increase in ODA levels, after successive drops, will be strengthened and consolidated. Bearing in mind the importance of global solidarity in tackling the ongoing crisis, civil society hopes that the state budget (on which preliminary discussions have already started) will be an ambitious tool, allocating sufficient funding to meet Portugal's commitments.

CASE STUDY BOX:

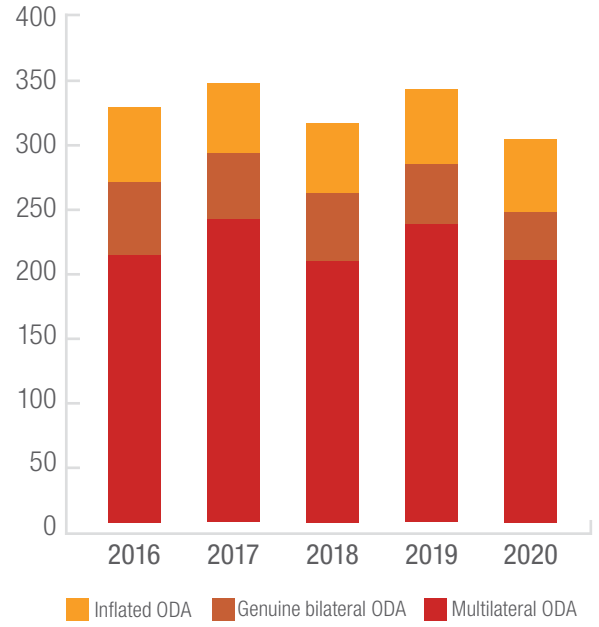
In response to the impacts of the pandemic, Portugal chose human development as one of the priorities for the Council Presidency between January and June 2021. For civil society, this very positive step opened the door to important discussions about the future of the EU's global approach; even if it does stem from a geopolitical vision of development cooperation, there is certainly room to give EU policies a more human dimension. The Portuguese Platform hopes that, in the national context, this will result in development policies moving closer to adopting a more genuine human development approach that is not used to pursue other types of goals.

RECOMMENDATIONS TO THE PORTUGUESE GOVERNMENT

- **Portugal must consolidate the slight increase in ODA levels registered in 2020 and must schedule a steady increase in the funds channelled annually until the 0.7% commitment is met.**
- **The definition of the new Portuguese Cooperation Strategy must be ambitious, able to unequivocally renew Portugal's international commitments and be based on an inclusive process of co-construction that involves all stakeholders from different sectors and partner countries, including civil society.**
- **The new Portuguese Cooperation Strategy must be approved by the parliament, and it must contain an Action Plan that outlines a clear roadmap for its implementation and establishes the mechanisms for monitoring and evaluating results.**
- **Portugal must take advantage of the opportunity for clarification offered by the drafting of the new Strategy to bring its cooperation policy closer to the basic principles of sustainable development and people's needs, preventing it from being instrumentalised by priorities such as supporting Portugal's own economic growth.**

** ODA amounts featured in this section for Portugal have been directly sourced by the National Platform from the Portuguese Ministry of Foreign Affairs.*

PORTUGAL – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	96.34	0.05	29.19
2017	116.32	0.06	33.50
2018	113.70	0.06	35.88
2019	106.65	0.05	31.28

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.00	0.00	0.00
2017	0.00	0.00	0.00
2018	0.00	0.00	0.00
2019	0.00	0.00	0.00

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	167.43	121.99	45.45	27.14
2017	151.97	127.54	24.43	16.07
2018	153.26	131.96	21.31	13.90
2019	158.68	155.07	3.61	2.27

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	125.21	125.21	0.00	91.77	32.27	1.17	25.77	0.93
2017	105.74	105.74	0.00	73.54	30.58	1.62	28.92	1.53
2018	102.81	102.81	0.00	72.90	28.33	1.57	27.56	1.53
2019	95.83	95.83	0.00	62.14	31.94	1.75	33.33	1.82

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	106.69	9.38	0.00	3.84	0.02	0.10	0.00	11.11	4.04	0.10	0.03
2017	92.92	7.69	0.07	3.64	0.02	0.12	0.00	11.04	3.32	0.13	0.04
2018	97.18	6.58	0.13	3.86	0.01	0.04	0.00	9.86	3.35	0.05	0.02
2019	92.29	8.81	0.18	3.60	0.02	0.17	0.00	12.15	3.75	0.18	0.05

ROMANIA

0.12% GENUINE AID/GNI

0.13% TOTAL AID/GNI

> ***"Romania recognizes the role of civil society in identifying the needs of partner states and their particular development features, as well as in promoting the various goals of education, namely, to ensure peace, eradicate poverty and support sustainable development."***
>
> *– 2020-2023 Multiannual Strategic Programme for International Cooperation and Humanitarian Assistance*

MAIN CHANGES IN 2020

In 2020 Romania's total ODA amounted to €267 million, equivalent to 0.13% of GNI, increasing from 0.10% in 2019. Multilateral ODA remained the most significant part (76.7%) of the total ODA budget. Romania's bilateral support for LDCs rose from €0.57 million in 2019 to €2.1 million in 2020.

Romania has actively supported the Team Europe approach, regularly reporting to the EU on the activities it has implemented in response to COVID-19.

Reacting to the short- and long-term consequences of the COVID-19 pandemic, in November 2020 the Romanian government adopted the Multiannual Strategic Programme for International Cooperation and Humanitarian Assistance. In accordance with Romania's global strategic objective of helping to eradicate extreme poverty, the key areas promoted in ODA activities are: crisis management, response to natural disasters and adaptation to climate change, strengthening health and education systems, social development, water security, peace and security, post-conflict reconstruction, good governance and the rule of law.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

Although in 2020 and 2021 RoAid organised several calls for proposals addressed to civil society, the latter's role is still marginal and the funding it receives inconsistent. Civil society was not consulted on either the 2020-2023 Multiannual Strategic Programme for International Cooperation and Humanitarian Assistance or the Annual Action Plan for ODA.

The Romanian MFA will continue to be engaged in developing Team Europe Initiatives (TEIs), moving from emergency aid to concentrating more on strengthening the health systems in partner countries.

We are seeing ongoing difficulties in meeting the 0.33% ODA/GNI target by 2030. Despite a slight increase in 2020, meeting the target will require more efforts over the coming years.

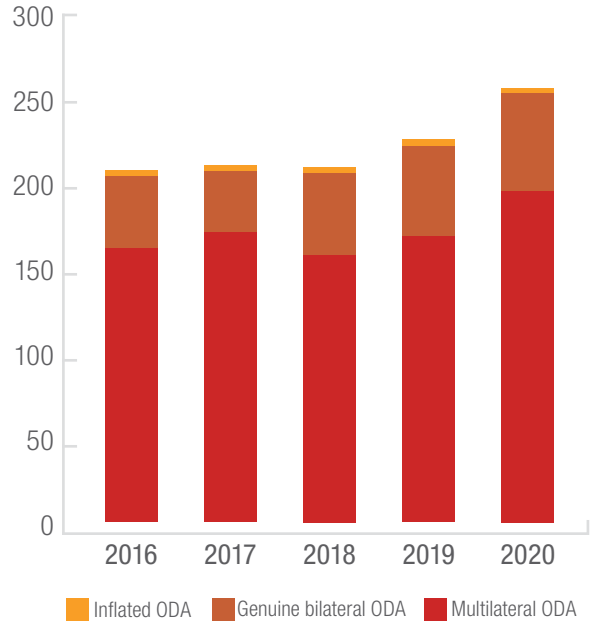
CASE STUDY BOX: COVID-19 RESPONSE

Although the MFA's ODA budget for 2020 had already been adopted by the time the pandemic hit, Romania mobilised additional funding to support developing countries facing extraordinary circumstances. The MFA first reoriented funds from existing 2020 development cooperation projects, and then it more than tripled the ministry's ODA budget to €3.1m by the end of 2020, up from €1m in 2019. In this context, in accordance with Team Europe and the UN's Global Humanitarian Plan, more than 70% of the projects carried out and contributions provided by the Romanian Agency for International Development Cooperation (RoAid) were redirected to fight the consequences of the COVID-19 pandemic in partner countries.

RECOMMENDATIONS TO THE ROMANIAN GOVERNMENT

- Increase ODA budgets from 2022 onwards (in particular, bilateral ODA).
- Continue, and reinforce, the measures aimed at developing the capacity of civil society through appropriate and constant funding, as well as by involving CSOs in all consultation mechanisms and at all institutional levels.
- Allocate appropriate funding to reach the 0.20% LDC ODA target. LDCs are the countries most vulnerable to the health-related and socio-economic consequences of the pandemic. Support for LDCs is crucial in order to prevent humanitarian crises caused by food shortages and collapsing health systems.
- Increase the focus on development effectiveness and impact in partner countries, and step up systematic monitoring and evaluation in line with the Leave No One Behind principle.

ROMANIA – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	38.07	0.02	18.25
2017	39.79	0.02	18.86
2018	39.36	0.02	18.80
2019	44.05	0.02	19.40

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.00	0.00	0.00
2017	0.00	0.00	0.00
2018	0.00	0.00	0.00
2019	0.00	0.00	0.00

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	44.28	44.28	0.00	0.00
2017	37.42	37.42	0.00	0.00
2018	49.86	49.86	0.00	0.00
2019	57.65	57.65	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	43.43	28.70	14.73	1.55	27.10	0.04	94.45	0.15
2017	36.58	36.55	0.03	6.40	30.15	0.00	82.49	0.01
2018	48.55	47.96	0.59	47.70	0.19	0.07	0.39	0.15
2019	56.28	56.28	0.00	56.11	0.16	0.00	0.29	0.00

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	44.16	0.00	0.00	0.00	0.00	0.12	0.00	0.26	0.06	0.26	0.06
2017	37.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2018	49.83	0.00	0.00	0.03	0.00	0.00	0.00	0.06	0.01	0.00	0.00
2019	57.51	0.00	0.15	0.00	0.00	0.00	0.00	0.25	0.06	0.00	0.00

SLOVAKIA

0.12% GENUINE AID/GNI

0.14% TOTAL AID/GNI

> *"Development cooperation is a core business of the Ministry of Foreign Affairs, and if it has not been, then it should become so."*
>
> *– Ingrid Brockova, State Secretary, at a meeting with civil society, April 2020.*

MAIN CHANGES IN 2020

In 2020, Slovakia contributed €118m to ODA (0.14% of GNI). The increase from 0.11% in 2019 was mainly caused by a disproportionately large amount of inflated aid (€17.4m, or 15% of total ODA).

The COVID-19 pandemic and decisions taken by the government and the foreign ministry led to most of the systemic plans (for processes, strategic documents, capacity and funding) being postponed or cancelled.

The call for proposals under the framework partnership agreement was cancelled, and other calls were issued in a way that reduced predictability and transparency.

Slovakia redirected €10m as a response to COVID-19. This was not new money and, needless to say, it will be missed elsewhere. Overall, COVID-19 made Slovak ODA more instrumentalised and exposed shortfalls in its capacity.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

If the development cooperation budget continues to increase at the same rate as in the past 10 years, Slovakia will not meet its international commitment of 0.33% of GNI until 2130. There is no plan for increasing ODA for 2021 and beyond.

Thanks to the pandemic, further delays are expected to affect various strategic processes and goals such as the adoption of the humanitarian strategy, the national strategy for global education, the implementation of framework partnership agreements, and the deployment of new development diplomats.

CASE STUDY BOX:

The Slovak Agency for International Development Cooperation emerged successful from the EU pillar assessment and can now administer EU grants. The creation of new partnerships with the EU or international organisations can, if carefully selected and properly implemented, act as an important stimulus to the Slovak system not only financially, but also in the transfer of knowledge and innovation.

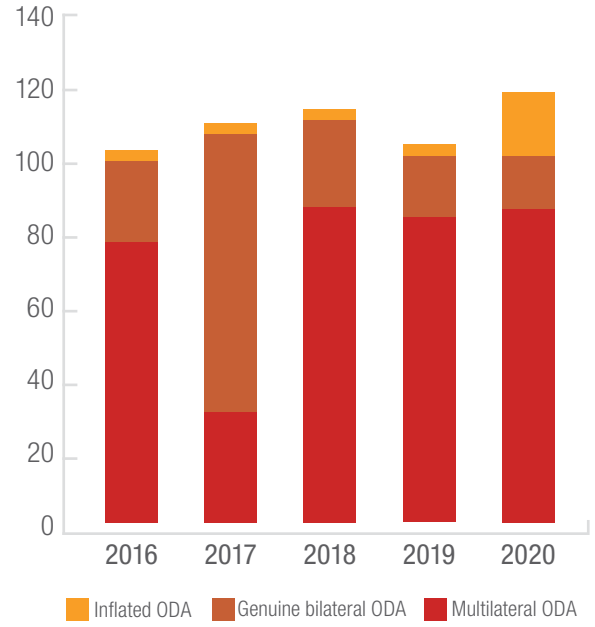
The COVID-19 humanitarian call for proposals was processed within 10 days, compared to the usual time of 60-90 days. This may be an important proof of concept to be considered during the revision of the humanitarian strategy, and may help improve the project cycle of humanitarian aid.

RECOMMENDATIONS TO THE SLOVAK GOVERNMENT

- Create a realistic and binding plan for increasing the budget of the Slovak Republic for development cooperation, in order to fulfil its international commitment to reach 0.33% GNI by 2030.
- Fundamentally rethink its internal redistribution of the total budget for ODA, with an emphasis on the revision of bilateral aid.
- Promote a systematic, long-term focus on a smaller number of partner countries and sectors in order to increases effectiveness. Focus on a people-centred approach, and on leaving no one behind.
- Build the monitoring and evaluation system, form strategic partnerships with selected partner countries and international organisations, and develop its national capacity over the long term.
- To prepare a realistic and ambitious strategic focus, identify Slovakia's comparative advantage, develop a humanitarian aid strategy, a strategy for partnership with the private sector, a multilateral development cooperation strategy and a national strategy for global education, and design a government scholarship programme.

- Create a road map that would break down the commitments of the Slovak Republic arising from the Government Manifesto and the recommendations of the DAC-OECD peer review into an operational plan: one with milestones, and a timeline, with an emphasis on transparency, predictability, effectiveness and participation by civil society.
- To improve the predictability and flexibility of funding, strengthen the partnerships with civil society and introduce framework partnership agreements/ strategic partnerships, and increase the ownership of and funding for global/development education.

SLOVAKIA – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	17.00	0.02	16.52
2017	16.67	0.02	15.16
2018	17.29	0.02	15.22
2019	18.56	0.02	17.95

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.04	0.18	0.04
2017	0.08	0.25	0.07
2018	0.02	0.07	0.02
2019	0.00	0.02	0.00

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	24.97	24.97	0.00	0.00
2017	32.70	32.70	0.00	0.00
2018	26.69	26.69	0.00	0.00
2019	19.23	19.23	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	21.55	20.84	0.72	13.18	7.40	0.26	35.50	1.25
2017	28.65	27.43	1.23	15.92	11.34	0.17	41.33	0.61
2018	23.97	23.97	0.00	11.69	12.28	0.01	51.22	0.03
2019	16.39	16.39	0.00	10.50	5.68	0.21	34.67	1.29

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	18.88	5.21	0.00	0.20	0.14	0.20	0.34	24.41	5.92	2.72	0.66
2017	26.08	4.26	1.10	0.28	0.01	0.94	0.01	20.17	5.99	2.93	0.87
2018	23.59	2.87	0.07	0.02	0.00	0.13	0.00	11.58	2.72	0.48	0.11
2019	14.59	2.85	1.39	0.18	0.00	0.21	0.00	24.12	4.48	1.10	0.20

SLOVENIA

0.14% GENUINE AID/GNI

0.17% TOTAL AID/GNI

"Addressing the root causes of migration and establishing comprehensive, mutually beneficial partnerships with third countries is crucial."

– Dr Anže Logar, Minister for Foreign Affairs, 15 March 2021 for the Delo *newspaper*

MAIN CHANGES IN 2020

Slovenia's ODA remained static in 2020, at €76 million (preliminary figure), representing 0.17% of Slovenian GNI. Multilateral aid increased to two thirds of Slovenia's ODA in 2020, contrary to civil society's longstanding recommendation to increase bilateral ODA to at least half of total ODA, and signalling an end to a three-year positive trend of decreasing multilateral ODA. Imputed student costs and scholarships increased again, to 55% of bilateral ODA, at the same time cutting the scholarships share to less than 4% of total imputed student costs and scholarships, which is a stark contrast to almost 10% in 2019.

In October 2020 the MFA submitted two draft guidelines, concerning gender equality and environmental protection, to civil society, for consultation. In a joint response, NGOs reiterated the importance of withholding public funding from all projects and programmes that failed environmental and gender-equality impact assessments.

Unfortunately, the Slovenian government has failed to respond to the recommendations from last year's AidWatch report.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

The Slovenian government has yet to confirm its ODA commitments for 2021 and beyond. A draft action plan for the gradual growth of ODA up to 2030 has not been adopted, nor has it been revised since the advent of COVID-19. The pre-pandemic draft projects only 0.26% ODA/GNI by 2030 and includes significant quantities of inflated ODA.

In the first half of 2021 the MFA published its first-ever call for strategic partnerships. As the current rules limit the size of implementer consortia to four organisations, civil society calls on the MFA to retain smaller humanitarian aid project grants to preserve the diversity of the sector.

In the second half of 2021, Slovenia assumed the presidency of the EU Council for its second term. In development cooperation, the main Slovenian priority will be water, with gender equality as the cross-cutting priority, and green transition and human development as the two main pillars.

CASE STUDY BOX:

To strengthen and coordinate collaboration with NGOs, the Guidelines on Cooperation between the Slovenian MFA, NGOs and the Network of NGOs in the field of International Development Cooperation and Humanitarian Aid[1] were developed in 2013. Although these guidelines represented best practice at the time, they should now be updated to reflect current trends and challenges and to strengthen inclusive partnerships further. Similar guidelines should also be developed for other development cooperation actors.

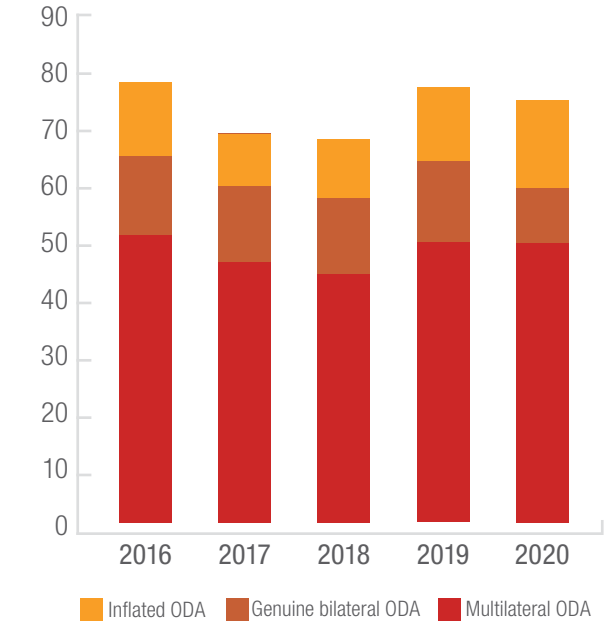
RECOMMENDATIONS TO THE SLOVENIAN GOVERNMENT

- **Slovenia must scale up its ODA, to meet agreed targets but also to tackle the COVID-19 challenge by increasing ODA to the 0.33% target and the 0.2% target for LDCs; it must extend bilateral ODA until it is at least half of total ODA; and it must strengthen its financial support for NGOs.**
- **Responding to increasing imputed student costs, Slovenia must develop mechanisms for monitoring foreign students' input to their countries' development.**
- **Establish a permanent policy coherence assessment mechanism for sustainable development – one that is open, inclusive and participatory in line with the 2030 Agenda.**
- **The MFA should re-establish support for small NGO programmes in the field of advocacy, capacity-building, awareness-raising and Global Citizenship Education that significantly help to strengthen public support for development and humanitarian policies. The MFA should reconsider and provide support for its national NGDO platform to strengthen the NGDO sector at the national level.**

1 *https://www.gov.si/assets/ministrstva/MZZ/Dokumenti/multilaterala/razvojno-sodelovanje/e97207a3df/Smernice_za_sodelovanje_z_NVO-na-podrocju-MRS.pdf.*

- To ensure the mainstreaming approach to the two thematic priorities, the MFA should adopt guidelines for the inclusion of gender equality and environmental protection into the International Development Cooperation and Humanitarian Aid Strategy of the Republic of Slovenia. Furthermore, to ensure full compliance with standards and principles, it should develop guidelines for private-sector involvement in international development cooperation and humanitarian aid.

SLOVENIA – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	12.65	0.03	16.04
2017	13.17	0.03	18.88
2018	8.80	0.02	12.82
2019	9.48	0.02	12.09

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.03	0.13	0.04
2017	0.00	0.00	0.00
2018	0.01	0.02	0.01
2019	0.05	0.17	0.06

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	27.05	27.05	0.00	0.00
2017	22.94	22.94	0.00	0.00
2018	24.06	24.06	0.00	0.00
2019	27.77	27.77	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	10.25	5.49	4.76	4.42	0.79	0.28	14.45	5.03
2017	10.40	4.39	6.02	2.81	1.30	0.27	29.69	6.27
2018	10.15	5.51	4.64	2.74	2.39	0.37	43.48	6.77
2019	11.26	6.96	4.29	3.87	2.50	0.60	35.88	8.56

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	25.22	1.17	0.14	0.00	0.36	0.14	0.00	6.72	2.30	1.84	0.63
2017	21.05	1.25	0.13	0.00	0.36	0.14	0.00	8.23	2.70	2.17	0.71
2018	22.26	1.32	0.14	0.00	0.27	0.07	0.00	7.51	2.63	1.44	0.51
2019	25.54	1.68	0.20	0.00	0.26	0.08	0.00	8.02	2.84	1.22	0.43

SPAIN

0.20% GENUINE AID/GNI

0.22% TOTAL AID/GNI

"We can't continue to nourish a fake concept of progress that means more poverty and injustice for millions of human beings"

– Pedro Sánchez, Prime Minister of Spain, at the UN General Assembly, 2020

MAIN CHANGES IN 2020

In 2020, ODA dropped slightly, from €2.4bn to €2.3bn. This still represented an increase, however – from 0.19% to 0.22% GNI – as the pandemic caused the economy to shrink considerably. DAC policy markers show a decline in terms of gender and environmental and human rights. On the positive side, multilateral aid increased to record levels, reaching €1.7bn; humanitarian aid and ODA channelled through development NGOs increased by 46.9% and 14% respectively; and the Spanish Agency for International Development Cooperation (AECID) improved, rising in the International Aid Transparency Initiative (IATI) ranking from the 'poor' category to 'fair'.

At the end of 2020 the government approved the 2021 national budget, which raised genuine ODA by 10%. In addition, Spain has committed €1.7bn to the global pandemic response and has promised to donate 22.5m vaccines by the end of 2021. Finally, at the 2021 High-level Political Forum on Sustainable Development the government presented an overarching sustainable development strategy that commits Spain to achieving 0.7% ODA/GNI by 2030. However, a lack of policy coherence is undermining the ODA programme. Spain is failing to fulfil its commitments under the Paris Agreement, is selling weapons in conflict areas, and is inactive on human rights and environmental protection issues.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

At the end of 2021 the government will need to approve the 2022 national budget with a focus on recovery plans and on an ecological and digital transition. Civil society is concerned about the environmental impact and inclusiveness of the projects proposed by big companies. It calls for greater transparency, and for SMEs and the NGO sector to be included in the recovery plans.

ODA levels have stagnated and the reform of development cooperation has been delayed because the heads of the Ministry of Foreign Affairs and Cooperation changed in July 2021. In June 2021, a parliamentary committee approved a report proposing a hundred measures to reform the cooperation system. La Coordinadora is advocating for a comprehensive and ambitious reform that sets up an effective, integrated and coherent system for responding to sustainable development and human rights challenges.

Before the end of 2020, the moment of truth will arrive with the national budget approval and the reform debate in parliament. The government needs to salvage cooperation policy to be credible. ODA efforts are expected to increase due to the drop in GDP and the contribution to the IMF. There is also concern about ODA's non-genuine increase and its accounting, remembering that in 2019 Spain increased ODA by 9% with the new methodology.

CASE STUDY BOX: SUSTAINABLE DEVELOPMENT COUNCIL

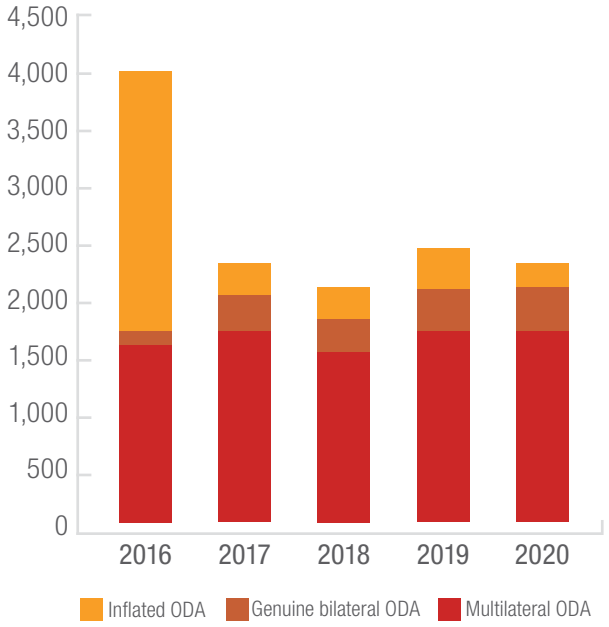
In September 2020, the Spanish government launched the Sustainable Development Council (SDC) – a consultative forum made up of government representatives and civil society, including unions, the private sector, academics and NGOs. In June 2021, following consultation with the SDC, the government adopted a Strategy on Sustainable Development. The strategy focuses on development cooperation in particular and outlines a future PCSD mechanism. While issues still surround the implementation budget and the political architecture, the strategy does represent an important milestone.

RECOMMENDATIONS TO THE SPANISH GOVERNMENT

- **Design and launch an ambitious reform that includes the institutional system and steps up its dialogue with all stakeholders. Ensure that fighting poverty and inequalities, the feminist agenda, human rights, climate and sustainability are key objectives.**
- **Deliver a roadmap for achieving the 0.5% ODA/GNI target in 2023 – as a step towards the 0.7% goal – prioritising instruments that reinforce effectiveness.**
- **Ensure that fighting poverty and inequalities and upholding human rights remain the primary focus of both public and private financing for development cooperation, and that this funding is aligned with the development effectiveness agenda.**

- The new CSO strategic framework must take into account the diverse roles of civil society, increase support for CSOs in the Global South, and alleviate excessive bureaucracy.
- Make progress on the policy coherence for sustainable development mechanism within the 2030 Agenda framework by taking practical steps. They must take into consideration systemic challenges such as solutions to the global debt crisis, human rights compliance by businesses, gender equality, global action for climate justice, support for civic space and democracy and stronger social and environmental requirements in trade agreements.

SPAIN – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	469.05	0.04	11.67
2017	474.78	0.04	20.52
2018	580.80	0.05	27.52
2019	503.49	0.04	20.81

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.11	0.00	0.00
2017	0.10	0.02	0.00
2018	0.16	0.03	0.01
2019	0.21	0.03	0.01

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	2,716.67	2,638.00	78.67	2.90
2017	981.71	951.85	29.86	3.04
2018	892.48	875.13	17.35	1.94
2019	965.20	937.77	27.43	2.84

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	491.08	491.08	0.00	251.33	150.31	89.45	30.61	18.21
2017	547.40	547.40	0.00	281.34	171.89	94.16	31.40	17.20
2018	538.55	537.28	1.27	250.87	161.03	125.37	29.97	23.33
2019	556.82	556.82	0.00	287.23	133.74	135.85	24.02	24.40

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	2,149.87	288.70	7.78	-27.91	0.97	0.10	0.00	11.14	6.71	0.04	0.03
2017	167.46	427.34	10.74	11.66	0.67	0.03	0.00	72.90	19.47	0.11	0.03
2018	91.18	453.42	10.86	20.22	0.25	0.38	0.00	84.18	22.99	0.11	0.03
2019	180.59	511.91	11.23	12.03	0.90	0.02	0.00	74.80	22.16	0.13	0.04

SWEDEN

1.10% GENUINE AID/GNI

1.13% TOTAL AID/GNI

"An open, democratic, sustainable and gender-equal world is in Sweden´s interests, both national and international."

– Per Olsson Fridh, Minister for International Development Cooperation, February 2021[1]

MAIN CHANGES IN 2020

The year started with quite negative and inward-looking discussions on development cooperation, both in parliament and in the national media. The pandemic further polarised positions on international aid. Several political parties looked to strengthen international aid for people affected by the crisis. The Moderates and the Sweden Democrats, by contrast, proposed reducing aid by 30% and 50% respectively.

In 2020, Sweden´s ODA reached record figures in both absolute and relative terms (1.13% of GNI). This figure is higher than projected, however, because of €600m allocated to support the Green Climate Fund through a credit which, under DAC loan reporting rules, is reported in full as ODA in 2020 but which in fact covers multiple Swedish budget years. During the pandemic, fewer asylum seekers were able to arrive in Sweden, reducing in-donor refugee costs, so a budget of €60m was transferred to activities in partner countries.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

In early 2021, a new minister for international development cooperation was appointed; he started work with a statement of support for COVAX, the Covid-19 vaccine initiative. It is not yet clear how vaccine costs will affect Sweden´s ODA, but experts and civil society have called for donations of vaccine doses to COVAX, in addition to the existing aid budget.

Conflicts have worsened in several major partner countries in 2021. Democracy continues to be a strong focus for Sweden, and several cooperation strategies received additional human rights funding to combat the increased repression of civil liberties during the pandemic. The government has announced a stronger focus on sexual and reproductive health and rights and on violence against women and girls. For the environment and climate, it has launched a biodiversity initiative to strengthen development cooperation for the conservation and protection of biodiversity and ecosystems.

CASE STUDY BOX:

Over a five-year period, Sweden tripled its total climate finance.[2] Among EU members, Sweden stands out for the level of its total contribution and for its even balance between support for mitigation and adaptation. Sweden is a major contributor to the UN Green Climate Fund and one of few consistent contributors to other climate funds such as the Adaptation Fund and the Least Developed Countries Fund. It is also positive that all climate finance has been provided as grants, not loans.[3] Sweden consistently provides 1% of GNI in ODA. Its climate finance (0.15% of GNI) is included in the ODA budget and is not additional.

RECOMMENDATIONS TO THE SWEDISH GOVERNMENT

- **Continue to meet the target of 1% ODA/GNI and promote a lively, fact-based public debate on global development and development cooperation.**
- **In the coming update of Sweden´s strategy for civil society, strengthen long-term, trust-based partnerships and dialogue adapted to their context. Ensure a solid analysis of the multiple roles played by democratic participation and civil society in achieving just, sustainable societies, and a focus on results based on the priorities of local actors for change.**
- **Continue and strengthen Sweden´s support for the Financing for Development Agenda, especially on development cooperation, tax justice and debt relief. Achieve all the targets of the Addis Tax Initiative, and support partner countries in striving for better accountability, gender justice and equality in the mobilisation and distribution of their public resources.**

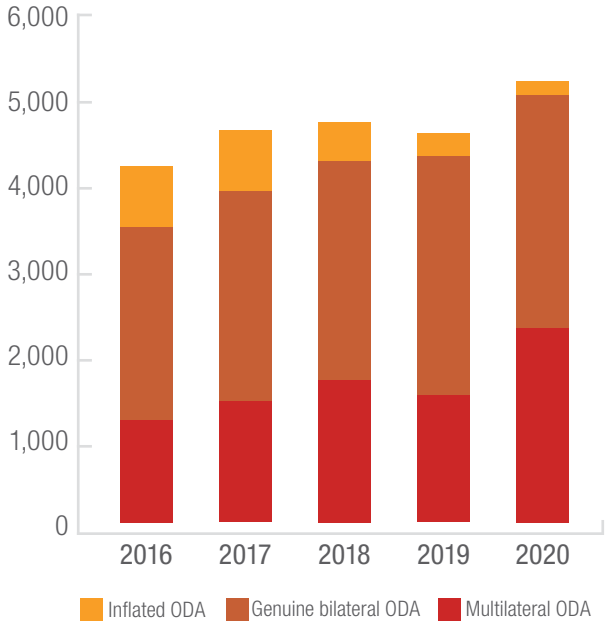
1 https://www.dagen.se/debatt/2021/02/15/bistandsministern-rika-lander-behover-ta-storre-globalt-ansvar/.

2 https://www.regeringen.se/pressmeddelanden/2020/10/sverige-bidrar-allt-mer-till-klimatatgarder-i-utvecklingslander/.

3 Act Alliance EU, Setting the Standard: Climate finance from EU and EFTA Member States, 2021, https://actalliance.eu/wp-content/uploads/2021/01/ACT-Alliance_EU_SettingTheStandard.pdf

- Support the global fight against COVID-19 further by donating all surplus vaccine doses from the Swedish EU quota: through COVAX, and in addition to the budget for international aid.

SWEDEN – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	1,233.44	0.27	28.70
2017	1,426.84	0.31	30.43
2018	1,522.10	0.34	31.73
2019	1,556.11	0.32	33.47

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	4.81	0.16	0.11
2017	4.76	0.15	0.10
2018	10.82	0.35	0.23
2019	11.68	0.38	0.25

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	3,135.43	3,094.38	41.05	1.31
2017	3,288.50	3,249.05	39.45	1.20
2018	3,161.15	3,105.94	55.21	1.75
2019	3,163.87	3,107.18	56.68	1.79

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	2,204.23	2,094.91	109.32	326.80	1,407.75	360.36	67.20	17.20
2017	2,399.70	2,342.72	56.98	322.74	1,570.27	449.71	67.03	19.20
2018	2,544.95	2,483.54	61.41	361.47	1,623.33	498.74	65.36	20.08
2019	2,720.80	2,720.80	0.00	411.31	1,830.15	479.33	67.27	17.62

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	2,265.35	248.28	280.74	32.67	34.56	138.47	30.48	25.24	17.81	6.71	4.74
2017	2,373.42	214.84	422.83	34.77	44.55	104.48	31.48	26.44	18.19	5.59	3.85
2018	2,193.39	228.20	439.10	37.56	30.59	104.25	35.09	28.51	18.23	5.54	3.54
2019	2,114.49	262.63	494.64	55.81	30.43	106.39	33.91	31.75	21.16	5.51	3.67

UNITED KINGDOM*

0.69% GENUINE AID/GNI

0.70% TOTAL AID/GNI

> ***"This is exactly the moment when we must mobilise every one of our national assets, including our aid budget and expertise, to safeguard British interests and values overseas."***
>
> *– Prime Minister Boris Johnson, speaking on the merger of the Department for International Development and the Foreign & Commonwealth Office*

MAIN CHANGES IN 2020

2020 saw significant and deep-cutting changes to UK aid infrastructure and practice, which continued the existing trend of aligning UK development with the country's own national interests. First, in June the prime minister announced the merger of the foreign and development ministries, a decision explicitly grounded in the desire to align the UK's diplomatic, security and development interests more closely.

The shrinking of GNI thanks to COVID led to a £1bn package of cuts across the sector, with very little communication about where these fell. Then in November, the government announced its intention to reduce the percentage of ODA from 0.7% to 0.5% GNI, a cut of approximately £4.5 billion. This decision has been widely opposed by the development sector and parliamentarians.

ODA spending in 2020 saw a prioritisation of resources for health in response to the COVID-19 pandemic. The UK was the fifth-largest donor to the global COVID-19 emergency, committing $462 million to meet humanitarian needs globally. The UK also prioritised resourcing and increasing climate finance through its ODA budget, part of its broader ambition of leadership ahead of COP26.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

The UK's decision to reduce aid spending to 0.5% will dominate ODA in 2021 and beyond. The cut will severely impact the outcomes of the UK's funded activity and will have potentially far-reaching consequences for its reputation in partner countries. It remains to be seen how soon (or whether) the UK will return to 0.7%, but rebuilding the portfolio to the standards prevailing before the cut will take significant time and resources.

The international development strategy will give a clearer sense of direction for UK ODA. We will continue to see an alignment of development with diplomacy objectives, but we hope this does not lead to the conversion of ODA into a tool for the UK's own interests.

CASE STUDY BOX:

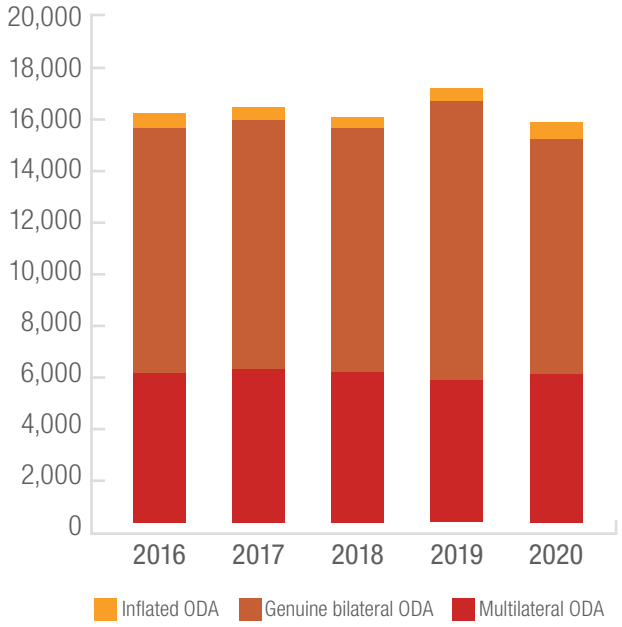
In 2020, the UK continued its strong trend of spending most of its ODA through grants rather than loans, with less than 5% of ODA being delivered through loans. This focus on grants is a long-term UK policy. With grants as the default, loans are used only when there is a reason why this mechanism is most suited for the objective of a particular project. We welcome the continued commitment to this approach, recognising that it is an effective use of ODA which delivers for the world's most marginalised people.

RECOMMENDATIONS TO THE UK GOVERNMENT

- **Re-establish the legal commitment to 0.7% GNI/ODA, in line with the International Development Act, as soon as possible. Where cuts are made, communicate them early and transparently and focus them where they will cause the least harm.**
- **Continue to focus on poverty reduction in all decision making and implementation of all ODA, pursuing an inclusive approach that targets resources where they are needed most and that aligns with the SDGs, the aid effectiveness principles, the commitment to leave no one behind and other key international agreements.**
- **Incorporate the expertise and best practice of the former Department for International Development into the new joint department to ensure that development objectives and approaches continue to be at the centre of both decision making and practice.**
- **Make sure that all UK ODA is transparent and that all departments spending ODA meet the commitments on aid transparency.**

** ODA amounts featured in this section for the United Kingdom have been directly sourced by national platforms from the official OECD sources reported by the national ministries of foreign affairs.*

UNITED KINGDOM – GENUINE AND INFLATED ODA
(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	5,162.53	0.22	31.42
2017	5,468.33	0.23	32.91
2018	5,309.69	0.23	32.96
2019	5,165.81	0.21	29.88

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	27.26	0.26	0.17
2017	33.95	0.33	0.20
2018	29.97	0.29	0.19
2019	38.48	0.33	0.22

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	10,619.02	10,609.07	9.95	0.09
2017	10,519.59	10,483.10	36.49	0.35
2018	10,339.77	10,318.32	21.45	0.21
2019	11,892.28	11,822.75	69.53	0.58

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	9,429.40	9,429.40	0.00	4,634.27	4,247.19	547.93	45.04	5.81
2017	9,416.48	9,416.48	0.00	4,369.85	4,574.90	471.74	48.58	5.01
2018	9,176.68	8,953.19	223.49	3,569.21	4,928.18	455.79	55.04	5.09
2019	10,470.32	9,955.72	514.60	3,657.46	5,705.21	593.06	57.31	5.96

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor.CSO-Earmarked	International.CSO-Earmarked	Recipient.CSO-Earmarked	Donor.CSO-Core	International.CSO-Core	Recipient.CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	8,727.20	649.20	552.13	180.09	222.87	138.90	10.70	16.73	10.68	3.55	2.27
2017	8,400.86	772.87	581.08	225.48	305.28	110.15	8.19	19.25	12.05	4.07	2.55
2018	8,586.61	463.62	577.21	167.01	250.34	130.18	11.61	15.71	9.93	3.85	2.43
2019	9,994.26	538.61	582.66	148.40	262.25	124.41	23.94	14.41	9.72	3.52	2.37

ANNEX 1 - METHODOLOGY

1. HOW THE COMPONENTS OF INFLATED AID ARE CALCULATED

Under the OECD DAC's official definition of aid, donors can report a number of financial flows that, in CONCORD's opinion, do not genuinely contribute to the objectives of development or international cooperation. To give a more accurate picture of donors' efforts to reduce poverty and inequalities, the AidWatch methodology discounts the following items from net ODA flows:

- the imputed cost of hosting international students in the donor country;
- the first-year costs of receiving refugees in the donor country;
- interest repayments on concessional loans, which should instead be considered a 'negative' budget item;
- debt relief and future interest on cancelled debts;
- the additional cost of tied aid, in this report estimated at 15% of partially tied aid and 30% of all tied aid.

The rationale for discounting these items is based on two criteria: an assessment of whether or not they contribute to sustainable development, based on the aid effectiveness principles, and whether or not they represent a genuine transfer of resources to developing countries. Measuring aid inflation in relation to total aid budgets, however, tends to minimise the real extent of the problem. The level of inflation is best perceived as a share of the bilateral aid budget, because it is only possible to estimate it in relation to the expenses incurred directly by donors. Consequently, 'genuine aid' is the sum of all multilateral aid and 'genuine bilateral aid' (meaning bilateral ODA disbursements, in this report in constant 2019 prices, minus the already-mentioned inflated aid items).

IMPUTED STUDENT COSTS

Imputed student costs include the costs of tuition less any fees paid by the students, and are calculated as a percentage of public expenditure on higher education, weighted by the number of foreign students.[113] In theory, only the cases in which foreign affairs ministries or aid agencies are involved should be counted towards student costs, but the methodology for estimating these costs is not well defined by the OECD.[114] Reporting practices also seem to differ by country, especially when it comes to the level of involvement of aid authorities and the types of costs that are eligible. As data on imputed student costs in 2020 was not widely available at the time of writing, the figures used in this report are based on projections calculated using the official data available from 2016 to 2019. For more details on how the projections were calculated, see the 'Quantitative data' section of this Annex. However, some donor agencies responded to a questionnaire requesting this data, and the figures obtained are used where possible.

REFUGEE COSTS

According to OECD DAC rules, resources spent on supporting refugees arriving in the donor country are eligible as ODA for the first 12 months of their stay. Eligible expenditure includes payments for refugees' transport to the host country, temporary sustenance (food, shelter and training) and some of the costs of resettlement.[115] In CONCORD's view, while it is vital for countries to support refugees arriving at their borders, labelling this kind of spending as ODA is misleading, as it provides no resources for developing countries and is not linked to the core purpose of ODA – which is to promote the economic development and welfare of developing countries.[116] In addition, donors show considerable differences in their reporting practices. To obtain the genuine aid figure, therefore, in-donor refugee costs must be removed from net ODA flows.

New reporting standards for in-donor refugee costs were clarified by the DAC at the High-Level Meeting in October 2017.[117] The reporting directives reinstate the eligibility rule of covering only the first 12 months of stay; they also clarify eligible categories of refugees and cost items. However, the outcome of this review process did not address CSOs' demand for donors to phase out entirely the reporting of in-donor refugee costs as ODA.

113 The DAC CRS line used in this report for student costs is I.A.5.2.

114 OECD DAC Statistical Reporting Directives – purpose and structure, 2010, DCD/DAC(2010)40/REV1.

115 The DAC CSR line used in this report for in-donor refugee costs is I.A.8.2.

116 CSOs with the support of CONCORD Europe, CSO recommendations on the clarification of DAC reporting rules for ODA to in-donor refugee costs, 2017, www.oecd.org/dac/CSO_recommendations_to_the_DAC_on_IDRC_May 2017.pdf

117 OECD, DAC High Level Communiqué: 31 October 2017, 2017, www.oecd.org/dac/DAC-HLM-2017-Communique.pdf

DEBT RELIEF AND FUTURE INTEREST ON CANCELLED DEBTS

When donors cancel or reschedule bilateral debts, the amount cancelled can be reported as aid in the year in which the debt is restructured.[118] The cancellation of unpayable debts is important, but it should not be counted as aid. In the first place, in their cancellation donors can count both the principal and future interest, and since many of the debts are long-term, counting future interest can inflate the figure significantly. Secondly, the relationship between the debt and sustainable development objectives is often unclear.

TIED AID[119]

Making aid conditional on the purchase of goods and services from one donor country, or a restricted set of countries, reduces its sustainable development impact. Firstly, this is because it increases the cost of purchasing goods and services (by between 15% and 30%), undermining affordability for poor countries.[120] It acts as an expensive subsidy for donor-country industries. And secondly, because it may actually increase the net resource flow from developing to donor countries. By preventing developing countries from procuring local goods and services, it undermines local job creation and economic development. To reflect the financial impact of tying, the CONCORD AidWatch methodology discounts 30% of the flows that are recorded as fully tied and 15% of the flows that are partially tied. As data on tied aid in 2020 was not available at the time of writing, the figures used in this report are based on projections calculated using the official data available from 2016 to 2019. For more details on how the projections were calculated, see the 'Quantitative data' section of this Annex.

INTEREST PAYMENTS ON CONCESSIONAL LOANS

When donors estimate their net ODA, they discount the repayment of the principal by recipient governments, but not interest payments, which are counted as aid.[121] CONCORD AidWatch counts these interest payments as inflated aid. Since 2018, loans have been reported to the OECD DAC in a different way.[122] These changes were made after it was noted that France, Germany and the European Investment Bank had extended over US$2.5 billion (€1.8 billion) in 'concessional' loans to developing countries at interest rates above their own borrowing costs.[123] As data for 2020 on interest repayments was not available at the time of writing, the figures used in this report are based on projections calculated using the official data available from 2016 to 2019. For more details on how the projections were calculated, see the 'Quantitative data' section of this Annex.

2. RESEARCH SOURCES QUALITATIVE FINDINGS

The main source for the qualitative findings in the report was a review of CONCORD's position papers, desk-based research drawing on both official and non-official analysis and interviews with the European Commission and CSO representatives from sub-Saharan Africa and the Philippines. Other sources include the European Commission, the OECD and the Global Partnership for Effective Development Co-operation, and consultant-led focus group discussions involving CONCORD's member organisations – both national platforms and international networks. This was complemented by input from the CONCORD AidWatch team.

The main source for the country examples in the report was a standardised questionnaire survey, conducted by the authors among all of CONCORD´s 28 national platforms at the start of the report drafting period. The national platforms themselves drafted the country pages. In the case of the EU institutions, the country page was drafted by the authors and the main sources used were official European Commission documents, the EU Aid Explorer website and the OECD DAC Creditor Reporting System (CRS).[124]

The main sources of information about the Team Europe approach were the European Union's guidance document, Working Better Together as Team Europe through joint programming and joint implementation,[125] and the Council of Europe's 2021 Council Conclusions on Team Europe.[126] Other sources included interviews with EU officials, civil society representatives and other relevant stakeholders, as well as

118 The DAC CRS line used in this report for debt relief is I.A.6.

119 The DAC CRS line used in this report for tied aid is DAC7b.

120 Overseas Development Institute, Thematic Study: The Developmental Effectiveness of Untied Aid: Evaluation of the Implementation of the Paris Declaration and of the 2001 DAC Recommendation on Untying ODA to the LDCs, 2006, www.oecd.org/derec/dacnetwork/41538129.pdf

121 The DAC CRS line used in this report for repayments of interest on concessional loans and future interest on cancelled debts is DAC2a.

122 In 2016, OECD DAC donors agreed on a set of principles to reflect better their efforts around the use of private-sector instruments (PSIs), namely the use of the grant-equivalent method. But they did not agree on implementation rules for how to report PSI in ODA. This led to a temporary solution whereby donors can choose whether they want to use an 'institution' or 'instrument' approach when reporting 2018 PSI flows. This provisional arrangement will be in place until final rules are settled. It means that any contributions to development finance institutions (DFIs) or other vehicles for PSI operations can be counted as ODA at 'face value' (on a cash-flow basis). If these institutions are also active in countries that are not eligible for ODA, the OECD will estimate the share of ODA-eligible activities. This approach is problematic as there is no assessment of whether DFI activities contribute to stated ODA objectives or not. The instrument-based approach counts all loans and equities provided for private-sector entities on a cash-flow basis, and could foster more transparency at project level by also disclosing the level of concessions granted in disbursements.

123 Financial Times, OECD is ignoring its definition of overseas aid, 2013, www.ft.com/content/b3d73884-a056-11e2-88b6-00144feabdc0.

124 For the EU Aid Explorer see: https://euaidexplorer.ec.europa.eu.

125 European Union, Working Better Together as Team Europe through joint programming and joint implementation, January 2021, https://europa.eu/capacity4dev/working-better-together.

126 Council of the European Union, Outcome of Proceedings: Team Europe – Council Conclusions, 23 April 2021, https://data.consilium.europa.eu/doc/document/ST-7894-2021-INIT/en/pdf.

the questionnaire responses provided by CONCORD's national platforms across Member States.

QUANTITATIVE DATA

The report relies on the OECD CRS dataset,[127] including preliminary OECD DAC CRS data for 2020. This data has been complemented by updated figures provided by CONCORD's national platforms. In some cases, data provided by the European Commission and Eurostat has been used (for example, as the DAC publishes only the imputed multilateral share for DAC Members, it is not possible to obtain the percentage of ODA/GNI allocated to LDCs directly from DAC table). Data for 2019 was also compiled using the OECD CRS dataset, now confirmed, and which might differ slightly from preliminary data used in last year's edition.

In 2018 the OECD DAC changed its reporting practice, moving from calculating ODA spending on a cash basis to a grant-equivalent basis. In this report, CONCORD analyses recorded ODA against the flow basis method, both to facilitate our comparison of ODA figures with previous years and because of the controversies surrounding the OECD DAC grant-equivalent methodology. Except where indicated otherwise, all figures in Part One are given in euros and expressed in 2019 constant prices, as is the case for all the figures obtained from a primary source. The use of constant prices partly explains the difference between these and official preliminary figures, in addition to some updated information already included in the report. All figures in Part Two are expressed in current prices unless noted otherwise.

Since data for 2020 on imputed student costs, tied aid and interest repayments was not published by the OECD, or was in general not accessible to the national platforms at the time of writing, some projections are based on official data from 2014 to 2019. Several methods of projecting the 2020 values were attempted (including linear regression, the Holt-Winters method, and combinations of these), but when modelling past data, by far the most accurate method was simply to assume that data was unchanged relative to the previous year. When data is missing for 2020, therefore, we impute the data from 2019. Inevitably, however, the published data will deviate slightly from the numbers assumed in this report. For imputed student costs, most countries that spend heavily on this category have provided data.[128]

To project the estimated timescale for keeping the 0.7% promise, based on both total and genuine ODA, a simple linear trend was estimated. This is not intended as a forecast of likely future values of ODA, but rather as an illustration of the path ODA will take if it continues along current trends. In addition, the quantitative analysis of ODA provided for LDCs relies on EU-compiled data from 2008 to 2019, reported by Eurostat. Eurostat reports ODA to LDCs only as a percentage of GNI, so these are converted to constant 2019 EUR figures using current GNI data and deflators reported using OECD DAC table 1.

GENDER FOCUS

The gender markers were introduced by the DAC as a tool for tracking aid activities that target gender equality as a policy objective.[129] Aid projects are given a score of 0, 1, or 2, indicating no gender objective, a significant gender objective, or that gender equality is the principal objective.

The gender markers are applicable only to 'bilateral allocable' ODA, which excludes categories such as donors' administrative costs and debt relief, which by their nature cannot be assigned a gender focus. The full list of aid types included in bilateral allocable ODA are (CRS aid type codes in brackets): sector budget support (A02), core support for NGOs (B01), support for specific funds managed by international organisations (B03), pooled funding (B04), projects (C01), donor-country personnel (D01), other technical assistance (D02), and scholarships in a donor country (E01). The reporting on the gender markers by projects is incomplete, and projects have been screened for a gender objective. To calculate the percentage of ODA that has a gender objective, we calculate ODA that has a principal or significant gender objective as a percentage of all ODA that has been screened. This may overstate the actual gender focus, if projects that have not been screened are less likely to have a gender focus.

SUPPORT FOR CSOS

Support for CSOs is identified in the CRS dataset by the following parent channel codes: 21000 (international CSO), 22000 (donor-country-based CSO), and 23000 (developing-country NGO). The CRS variable "bi_multi" is then used to identify whether this support is core (if this variable takes a value of either 3 or 7) or earmarked (all other values). See the DAC-CRS code book for full details.[130] To calculate ODA to CSOs as a percentage of total ODA, we calculate total aid to CSOs from both Member States and EU institutions as a percentage of total ODA from EU Member States.

DOMESTIC RESOURCE MOBILISATION

ODA for domestic resource mobilisation has been measured using the code introduced for this purpose by the DAC in 2014: 15114. Other purpose codes are also relevant (15116, 15155, and 15156), but reporting on these codes is voluntary, and so far no EU Member State or EU institution has done so.

127 *OECD Statistics, https://stats.oecd.org.*

128 *The survey response from Poland indicated the commitment for imputed student costs for 2021, but not data for 2020. We have therefore interpolated by averaging the values from 2019 and 2021.*

129 *OECD DAC, "Handbook on the OECD-DAC Gender Equality Policy Marker", December 2016, https://www.oecd.org/dac/gender-development/Handbook-OECD-DAC-Gender-Equality-Policy-Marker.pdf.*

130 *OECD Statistics, "DAC and CRS Code lists", n.d. https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/dacandcrscodelists.htm/.*

ANNEX 2 - TABLES

TABLE 1: EU14 – 2019 AND 2020 GENUINE AND TOTAL ODA AS A PERCENTAGE OF GNI (IN 2019 CONSTANT PRICES)

	Total aid as % of GNI in 2020	Genuine aid as % of GNI in 2020	Total aid as % of GNI in 2019	Genuine aid as % of GNI in 2019
Sweden	1.13	1.10	0.96	0.91
Luxembourg	1.02	1.02	1.03	1.03
Germany	0.74	0.62	0.61	0.48
Denmark	0.73	0.71	0.71	0.69
France	0.60	0.48	0.43	0.34
Netherlands	0.59	0.53	0.59	0.53
Belgium	0.48	0.44	0.42	0.38
Finland	0.47	0.44	0.42	0.39
Ireland	0.31	0.30	0.32	0.29
Austria	0.29	0.26	0.28	0.24
Italy	0.23	0.22	0.21	0.19
Spain	0.22	0.20	0.19	0.17
Portugal	0.16	0.13	0.16	0.13
Greece	0.13	0.13	0.18	0.11

TABLE 2: EU13 – 2019 AND 2020 GENUINE AND TOTAL ODA AS A PERCENTAGE OF GNI (IN 2019 CONSTANT PRICES)

	Total aid as % of GNI in 2020	Genuine aid as % of GNI in 2020	Total aid as % of GNI in 2019	Genuine aid as % of GNI in 2019
Malta	0.44	0.12	0.30	0.14
Hungary	0.27	0.26	0.21	0.21
Slovenia	0.17	0.14	0.17	0.14
Estonia	0.16	0.16	0.16	0.16
Croatia	0.15	0.15	0.12	0.12
Slovak Republic	0.14	0.12	0.11	0.11
Poland	0.14	0.12	0.14	0.11
Czech Republic	0.13	0.13	0.13	0.12
Bulgaria	0.13	0.12	0.10	0.09
Romania	0.13	0.12	0.10	0.10
Lithuania	0.12	0.12	0.13	0.12
Latvia	0.12	0.12	0.10	0.10
Cyprus	0.08	0.08	0.09	0.09

TABLE 3: EU 2020 INFLATED AND GENUINE AID (IN 2019 CONSTANT PRICES)

	TOTAL AID, FLOW BASIS		BILATERAL AID		INFLATED AID		GENUINE AID		
	€m	%GNI	€m	% total aid	€m	% total aid	€m	% total aid	% GNI
Austria	1127	0.29	481	42.7	155	14	972	86	0.26
Belgium	2,005	0.48	872	43.5	170	8	1,835	92	0.44
Bulgaria	70	0.13	8	11.0	4	6	66	94	0.12
Croatia	74	0.15	20	27.4	0	0	74	100	0.15
Cyprus	18	0.08	3	18.4	0	0	18	100	0.08
Czech Republic	257	0.13	61	23.8	9	4	248	96	0.13
Denmark	2,243	0.73	1,438	64.1	64	3	2,180	97	0.71
Estonia	43	0.16	14	32.2	1	1	43	99	0.16
Finland	1,073	0.47	543	50.6	50	5	1,023	95	0.44
France	13,310	0.60	8,789	66.0	2,576	19	10,734	81	0.48
Germany	24,549	0.74	19,076	77.7	4,072	17	20,478	83	0.62
Greece	206	0.13	4	1.9	4	2	202	98	0.13
Hungary	372	0.27	180	48.5	5	1	367	99	0.26
Ireland	819	0.31	429	52.4	21	3	798	97	0.30
Italy	3,702	0.23	1,087	29.4	212	6	3,491	94	0.22
Latvia	35	0.12	3	8.8	1	3	34	97	0.12
Lithuania	57	0.12	10	17.8	2	3	56	97	0.12
Luxembourg	376	1.02	254	67.6	1	0	375	100	1.02
Malta	50	0.44	45	90.1	36	74	13	26	0.12
Netherlands	4,513	0.59	3,015	66.8	491	11	4,022	89	0.53
Poland	674	0.14	162	24.0	98	14	577	86	0.12
Portugal	305	0.16	96	31.6	60	20	245	80	0.13
Romania	259	0.13	61	23.4	0	0	258	100	0.12
Slovak Republic	118	0.14	31	26.5	17	15	101	85	0.12
Slovenia	76	0.17	25	33.2	16	21	60	79	0.14
Spain	2,325	0.22	641	27.6	219	9	2,106	91	0.20
Sweden	5,275	1.13	2,941	55.8	140	3	5,136	97	1.10
Total EU27 Member States	**63,930**	**0.50**	**40,289**	**63.0**	**8,422**	**13**	**55,508**	**87**	**0.43**
Memo:									
United Kingdom	15,864	0.70	10,022	63.2	707	4	15,157	96	0.69

TABLE 4: EU27 2020 INFLATED AID COMPONENTS

	Total inflated aid	Imputed student costs as % of infated aid	Refugee costs as % of inflated aid	Tied aid as % of inflated aid	Interest received as % of inflated aid	Debt relief as % of inflated aid
Austria	155.09	62.9	17.0	11.9	0.0	8.1
Belgium	170.35	24.6	67.5	2.9	4.9	0.0
Bulgaria	4.03	0.0	100.0	0.0	0.0	0.0
Croatia	0.00	N/A	N/A	N/A	N/A	N/A
Cyprus	0.00	N/A	N/A	N/A	N/A	N/A
Czech Republic	9.07	0.0	52.0	48.0	0.0	0.0
Denmark	63.64	0.0	74.7	25.3	0.0	0.0
Estonia	0.53	0.0	100.0	0.0	0.0	0.0
Finland	50.04	0.0	100.0	0.0	0.0	0.0
France	2,575.56	24.5	40.1	1.2	24.7	9.6
Germany	4,071.52	30.9	54.2	1.6	13.3	0.0
Greece	3.87	0.0	6.5	93.5	0.0	0.0
Hungary	4.73	0.0	34.6	65.4	0.0	0.0
Ireland	20.65	0.0	100.0	0.0	0.0	0.0
Italy	211.95	2.2	92.0	4.4	0.6	0.8
Latvia	0.87	0.0	100.0	0.0	0.0	0.0
Lithuania	1.57	37.5	62.5	0.0	0.0	0.0
Luxembourg	1.03	0.0	0.0	100.0	0.0	0.0
Malta	36.47	0.0	100.0	0.0	0.0	0.0
Netherlands	491.46	0.0	96.2	0.1	0.0	3.7
Poland	97.62	84.3	5.9	9.8	0.0	0.0
Portugal	59.72	32.8	13.3	2.2	46.7	5.0
Romania	0.49	16.6	83.4	0.0	0.0	0.0
Slovak Republic	17.41	0.0	4.7	6.9	0.0	88.4
Slovenia	15.88	85.6	14.3	0.1	0.0	0.0
Spain	218.95	0.4	74.1	15.0	10.5	0.0
Sweden	139.60	0.0	90.1	9.9	0.0	0.0
EU Insitutions	1,053.29	0.0	0.0	49.2	50.8	0.0

ANNEX 3 - LIST OF ABBREVIATIONS

COVAX	COVID-19 Vaccines Global Access
CRS	Creditor Report System
CSOs	Civil Society Organisations
DAC	Development Assistance Committee
DFIs	Development Finance Institutions
DG INTPA	Directorate-General for International Partnerships
DRM	Domestic Resource Mobilisation
EC	European Commission
EDF	European Development Fund
EFSD+	European Fund for Sustainable Development Plus
EIB	European Investment Bank
EU	European Union
EUD	EU Delegation
GAP	Gender Action Plan
GNI	Gross National Income
GSP+	Generalised Scheme of Preferences Plus
IATI	International Aid Transparency Initiative
IPoA	Istanbul Programme of Action
LDCs	Least Developed Countries
LGBTQ	Lesbian, Gay, Bisexual, Transgender, Queer
MEAL	Monitoring, Evaluation, Accountability and Learning
MFA	Ministry of Foreign Affairs
MFF	Multiannual Financial Framework
MIPs	Multiannual Indicative Programmes
MS	Member State
NDICI	Neighbourhood, Development and International Cooperation Instrument
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PCSD	Policy Coherence for Sustainable Development
PFD	Policy Forum on Development
PSI	Private Sector Instruments
SDGs	Sustainable Development Goals
TEIs	Team Europe Initiatives
TEU	Treaty on European Union
UK	United Kingdom
UN	United Nations
US	United States
WASH	Water, sanitation and hygiene

OUR MEMBERS

NATIONAL PLATFORMS

Global Responsibility
Austrian Platform for Development and Humanitarian Aid

BELGISCH PLATFORM PLATE-FORME BELGE CONCORD
CNCD-11.11.11 | 11.11.11
ACODEV | ngo-federatie

BPID
Bulgarian Platform for International Development

Platforma za međunarodnu građansku solidarnost Hrvatske
Croatian Platform for International Citizen Solidarity
CROSOL

CYINDEP
Cyprus Island wide NGO Development Platform

FORS

GLOBAL FOCUS
Danish CSOs for Development Cooperation

AKÜ

fingo

COORDINATION SUD

VENRO
ASSOCIATION OF GERMAN DEVELOPMENT AND HUMANITARIAN AID NGOS

Hellenic Platform for Development

HAND

dóchas
The Irish Association of Non-Governmental Development Organisations

Network delle ONG in Europa per lo sviluppo e l'emergenza
CONCORD ITALIA

LAPAS
Latvian Platform for Development Cooperation

Lithuanian National Non-Governmental Development Cooperation Organisations' Platform
LITDEA

Cercle de Coopération des ONGD DU LUXEMBOURG

SKOP
Solidarjetà u Koperazzjoni

PARTOS

ZAGRANICA

ONGD
PLATAFORMA PORTUGUESA

FOND

Ambrela
Platform for Development Organisations

SLOGA
Slovenian Global Action

LA COORDINADORA
DE ORGANIZACIONES PARA EL DESARROLLO

CONCORD SWEDEN

bond

NETWORKS

actalliance eu
Formerly APRODEV

actionaid

ADRA

Alliance 2015
towards the eradication of poverty

care

caritas europa

cbm
together we can do more

ChildFund Alliance

CIDSE
together for global justice

eucord
European Christian Organisations for Relief and Development

GNDR
Global Network of Civil Society Organisations for Disaster Reduction

Habitat for Humanity

Hi humanity &inclusion

IPPF International Planned Parenthood Federation
European Network

LIGHT FOR THE WORLD

OXFAM International

PLAN INTERNATIONAL

Save the Children

Sightsavers

solidar

SOS CHILDREN'S VILLAGES INTERNATIONAL

Terre des Hommes International Federation

wecf

Wetlands INTERNATIONAL

World Vision

WWF

ASSOCIATE MEMBERS

alda
European Association for Local Democracy

eaea
EUROPEAN ASSOCIATION FOR THE EDUCATION OF ADULTS

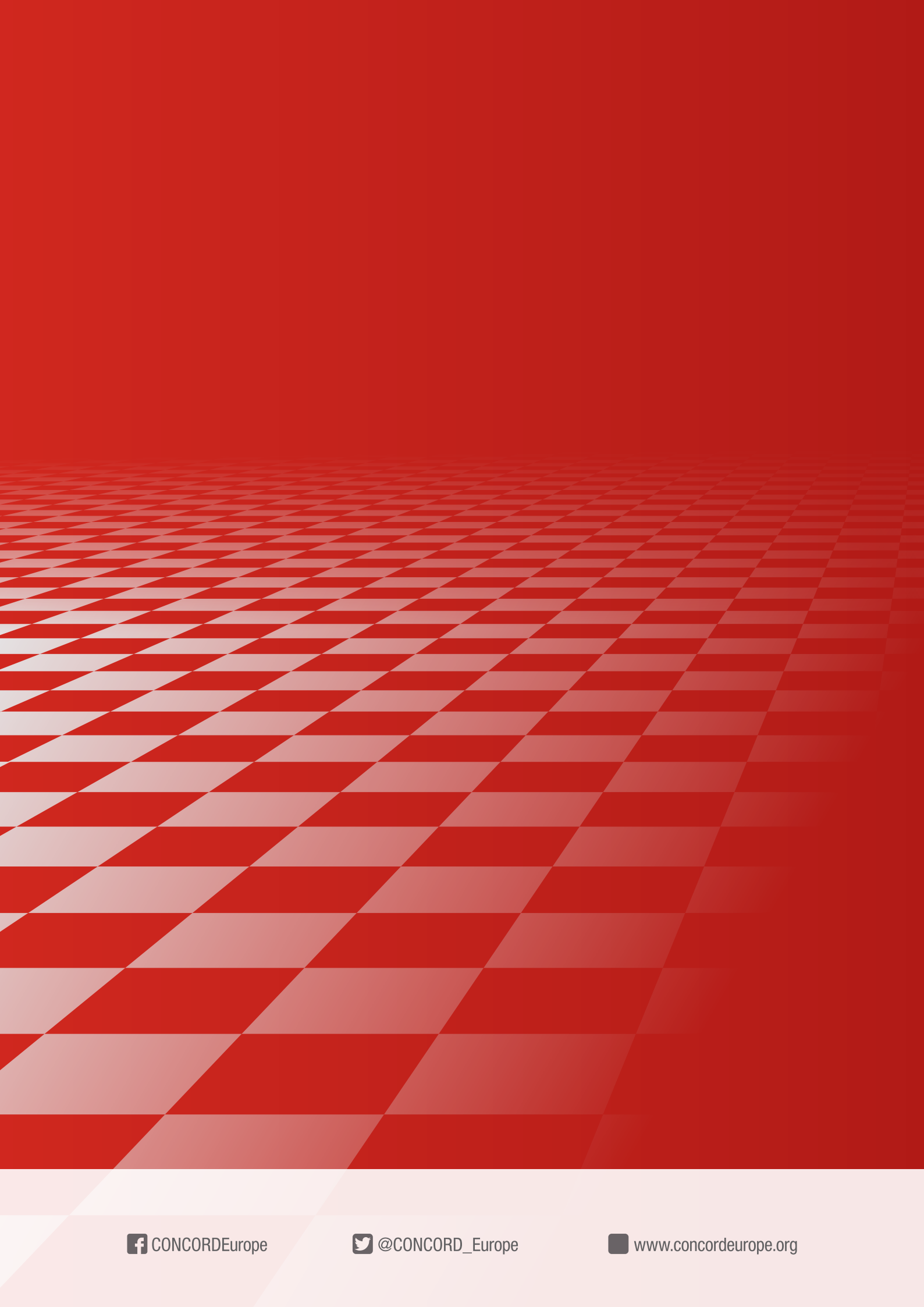
EUROPEAN PARTNERSHIP FOR DEMOCRACY

EUROPEAN DISABILITY FORUM

INTERNATIONAL RESCUE COMMITTEE

NRC
NORWEGIAN REFUGEE COUNCIL

With the support of the European Union



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