

ACP-EU COTONOU AGREEMENT

**AFRICAN, CARIBBEAN AND
PACIFIC GROUP OF STATES**

**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 1 October 2012

ACP-UE 2120/12

COVER NOTE

from: Chairman of the Executive Board of the Centre for the Development of Enterprise
dated: 6 September 2012
to: ACP-EU Committee of Ambassadors
Subject: CDE - Centre for the Development of Enterprise
- Work Programme and Budget for 2013

Delegations will find attached the Work Programme and Budget of the CDE for 2013 as adopted by the Executive Board of the Centre.



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EB/CDE/050/2012

4 September 2012

The Chairmen
of the ACP-EC Committee of Ambassadors

EC
175 Rue de la Loi
1048 Bruxelles

ACP
451, Avenue Georges Henri
1200 Bruxelles

Dear Chairmen,

Subject: CDE budget proposal for 2013

Kindly find attached the budget proposal for the Centre for the Development of Enterprise (CDE) for the year 2013 subsequent to its approbation by the Executive Board on 30 August 2012.

The budget has been drawn up for an overall figure of 20,239,000 euros, financed as follows:

EDF subsidy to the CDE	20,000,000 euros
CDE's own revenue (estimate)	239,000 euros

	20,239,000 euros

Please accept, Dear Chairmen, the assurances of our highest consideration.

Ibrahim Iddi Ango
Chairman
CDE Executive Board



FINANCING OF CDE'S ACTIVITIES

EXPENDITURE

		Budget 2012	Budget 2013
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EDF SUBSIDY BUDGET + CDE RECEIPTS

Title I	Personnel	5.079.440	5.554.000
Title II	Operating costs	1.325.560	1.403.000
Title III	Technical support and operations management	1.845.000	2.282.000
Title IV	Operations	10.000.000	11.000.000
	TOTAL	18.250.000	20.239.000

MANAGEMENT ON BEHALF OF THIRD PARTIES

	Management on behalf of third parties	638.000	6.600.000
	TOTAL	638.000	6.600.000

FINANCING

		2012	2013
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EDF SUBSIDY + CDE RECEIPTS

	EDF subsidy to the CDE budget	18.000.000	20.000.000
	CDE receipts (estimate)	250.000	239.000
	TOTAL	18.250.000	20.239.000

FINANCING FROM OTHER SOURCES

	Management on behalf of third parties	638.000	6.600.000
	TOTAL	638.000	6.600.000

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WORK PROGRAMME AND BUDGET 2013

CENTRE FOR THE DEVELOPMENT OF ENTERPRISE

15 August 2012



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1. Introduction

Positioning of work programme and budget for 2013

CDE's work programme and budget for 2013 are elaborated within the **framework of the medium-term strategy**, as adopted in 2011, which provides the essential elements and guidelines for a new CDE, after a major restructuring phase. Some relevant contents of the strategy will be recalled in the next chapter in conjunction with CDE's statutory objectives.

The implementation of the new strategy has been started, in particular by selectively **positioning the CDE as a managing and implementing agency for Private Sector Development Programmes (PSDP)**, particularly for the key components concerning the organisation and strengthening of Business Development Services (BDS). This is regularly combined with the raising of appropriate funds from third parties, especially from the EDF budget. In this respect, relevant agreements have been signed for a regional programme with UEMOA and national programmes in Côte d'Ivoire as well as in Dem. Rep. of Congo. Further PSDPs have been prepared and are under consideration for approval for Cameroon, Botswana, Benin and Haiti.

Moreover, in pursuing the important complementarity with finance institutions the CDE has concluded co-operation agreements with the EIB for the Caribbean and Pacific regions, mobilising also budget contributions from EIB's technical assistance funds. Another scheme is already envisaged for the East African region.

With regard to its own resources for projects and operations, under the severe scarcity of funds provided, **CDE is pursuing the path of consolidation and selective programme approach**, concentrating on a limited number of sectors relevant for ACP private enterprise development, and on specific assistance themes addressing the most pressing needs and opportunities of ACP enterprises, like competitiveness, access to markets and finance. By combining these sectoral and transversal priority axes, increased efficiency and effectiveness should be achieved with CDE's funds. Further, it should be noted that CDE will generally channel most of assistance to enterprises through, or in co-operation with intermediary organisations, at the same time strengthening their service capacity.

In **strategic and organisational terms**, the main thrust has been on **decentralisation of operational capacities into the ACP regions** as well as to consolidate and adjust personnel capacity at the head office. Regional Offices have been established in all six ACP regions, but some upgrading of staffing and of actual performance capacity still is required. **At the head office**, it turns out that after the drastic restructuring and downsizing exercise, **actual staff capacity is at a bare minimum**, and will need some reinforcement in order to properly implement the new strategy. This would also bring the staff complement in line with the organisational structure already adopted with the restructuring plan in 2010, in particular with regard to the important functions of PSDP supervision, and with recruiting for the knowledge management post which has already been provided in the 2012 budget.

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A further important component of CDE's organisational capacity, namely the **EU- ACP network of co-operating institutions and entrepreneurship associations**, has not received adequate attention under the circumstances of transition, and will need to be remobilised. Efforts also here should be concentrated, given CDE's limited staff and budget resources, by limiting relations to such organisations that are actually involved in trade and investment promotion for, and in the ACP regions, and which have relevant complementarity to contribute to CDE's objectives, programmes and resources.

Main changes in budget items

As already mentioned, the **overall budget allocation for CDE from the EDF remains restricted, with an average of C18.0 million per year**. In view of the adverse conditions for CDE in 2012, with the unavailability of the operations budget for most part of the year, the total budget for 2013 is proposed with an increase of some 10 percent, in order to catch up at least partly with the backlog of operations scheduled. This is of course assuming the possibility to transfer part of unused resources from 2012. As can be seen in the budget summary table, for most part this budget increase would be affected to "operations" (title IV). It is also important to note that **the budget ratio of running cost and operations budget will be basically contained to the reduced level of some 35%**.

Furthermore, it should also be considered in this context that CDE in fact has succeeded in raising **third party co-financing with a commitment of C 6.6 million for 2013**. This represents additional funding of more than 50 percent of CDE's own operations budget. If the first operations of this kind will be conducted successfully it can be expected that the volume should considerably increase in the following years.

Some significant increases of budget titles and among title chapters can be briefly commented (for specific explanations see tables on variances, as well as chapters 6 and 7):

- Under title I "personnel" it is proposed to add one expert position with the designation "PSDP supervision" and one assistant position to support the Human Resources Unit.
The PSDP expert will be fully dedicated to the preparation and implementation of the increasing number of PSDPs assigned to CDE; the HR assistant is needed in view of advice and back-up to be provided to the regional offices.
- Under title III "technical support and operations management" it is foreseen to step up expenses for external evaluation, in line with increased programme activities; further, a slightly increased budget for Regional Offices is allocated to allow for two additional project officers needed in the regions WAF and CAF, as well as for replacement of office vehicles.
- Under title IV "operations" a major increase is proposed for the chapter "technical expertise" with a view to the implementation of main regional thematic/transversal programmes; further there will be a significant shift from assistance provision directly to enterprises towards the service delivery through, and with intermediary organisations and service providers; under the PSDP chapter a shift is made from preparatory studies towards PSDP

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management/implementation which of course reflects the progress from the study to the implementation phase.

Major challenges ahead

Although, as outlined above, the Centre has vigorously adopted its new strategy and has made some progress with its start-up, solid implementation has suffered a serious setback due to adverse conditions at Directorate level, as both Directors eventually had to depart in May 2012, and under those circumstances due to the unavailability of the budget for operations. Obviously, the image and credibility of CDE versus its stakeholders and main beneficiaries have suffered from this.

Therefore, the **most important challenge for the immediate future will be to re-establish credibility and professional reliability**, as well as to return to sound operating conditions ensuring proper service provision to the Centre's beneficiaries.

In particular the main new pillar of operations, consisting in the PSD programmes, which mainly depends on institutional confidence and professional competence, will have to be implemented with strong concentration and great diligence. In this way the Centre should succeed in **establishing some solid reference programmes serving as model and "brand image"**.

Similarly, the important transversal programmes for access to finance, which have already received significant complementarity and support from the EIB have to be progressed coherently and carried out in further regions and countries.

The regional offices must be strengthened to the extent to become regional poles of competence for private sector development and support, and eventually to be able to raise co-operation and funding from relevant regional, bilateral and international institutions. They should develop a consistent portfolio of operations, reinforce selectively the capacity of local Business Development Service (BDS) providers and develop special vehicles to manage certain important BDS programmes. Obviously, the important differences of conditions and perspectives between the ACP regions will require suitable adjustments of the standard modes of assistance to the specifics of each region.

Last but not least, **the EU-ACP network should be re-activated** and strengthened with pertinent elements, with regard to trade, technical and investment partnerships. This also is to fulfil an important part of CDE's mandate.

Obviously, in order to face these challenges and to make tangible progress with effective implementation, a **strong leadership and determination** is required at CDE management level, combined with **solid confidence and support from the supervisory bodies**.


Paul Frix
Director d.i.

2. CDE's objectives and main strategy aspects

It appears useful in this context to recall briefly CDE's mandate and objectives as given in the Cotonou agreement, and to explain the proposed operational strategy, under given budget constraints.

CDE is the specialised EU-ACP institution set up under the framework of the Cotonou Agreement (previously the Lomé Convention) for the promotion of private sector enterprise development in ACP countries. CDE's mandate is defined in Article 2, Annex III of the Cotonou Agreement as revised in March 2010 as follows:

"1. The CDE shall promote a business environment which is conducive to private sector development and support the implementation of private-sector development strategies in the ACP countries by providing non-financial services including consultancy services, to ACP companies and businesses and support to joint initiatives set up by economic operators of the Community and of the ACP States. In this regard, due account shall be taken of the needs arising from the implementation of the Economic Partnership Agreements.

2. The CDE shall aim to assist private ACP enterprises to become more competitive in all sectors of the economy. It shall in particular:

- a) facilitate and promote business cooperation and partnerships between ACP and EU enterprises;*
- b) assist with the development of business support services through support for capacity building in private sector owned organisations or support for providers of technical, professional management, commercial and training support services;*
- c) provide assistance for investment promotion activities, such as investment promotion organisations, organisation of investment conferences, training programmes, strategy workshops and follow-up investment promotion missions;*
- d) support initiatives that contribute to fostering innovation and transfer of technologies and know-how and best practices on all aspects of business management;*
- e) inform the ACP private sector about the provisions of the Agreement; and*
- f) provide information to European companies and private sector organisations on business opportunities and modalities in ACP countries.*

3. The CDE shall also contribute to the improvement of business environment at national and regional levels so as to support enterprises to take advantage of the progress in regional integration processes and trade opening.

This shall include:

- (a) assisting enterprises in meeting existing and new quality and other standards introduced by progress in regional integration and the implementation of the Economic Partnership Agreements;*
- (b) diffusing information within the local ACP private sector about the product quality and standards required in external markets;*
- (c) promoting regional and national business environment reforms, including by facilitating the dialogue between private sector and public institutions; and*
- (d) enhancing the role and function of national and/or regional service-providing intermediaries."*

Hence the Centre is charged with the support for the full spectrum of investment promotion and business development services; the task list is in fact large and pertinent with respect to ACP private sector requirements. It should also be noted that the Centre has to offer its services to the large number of 79 ACP countries in

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diverse regions, as well as to relate to the entire partnership potential of the EU countries. Against this background, however, it must be recognised that the budget provided to the CDE under the 10th EDF, with an average of **€ 18 million per year, is severely constraining the implementation of its mandate.**

In consequence, **CDE has chosen a pragmatic compromise** in its operational strategy, which basically consists of the concentration of own resources on a few pertinent economic sectors with basically three transversal facilities for assistance (competitiveness enhancement, access to markets and to investment finance), which are obviously also very relevant with regard to the challenge of regional integration and exposure to international free trade.

On the other hand, CDE's strategy is placing strong emphasis on the mobilisation of additional funds from the EDF and other sources addressing private sector development. This is essential to achieve a critical mass of resources. CDE's preferred mode of operation for this purpose is conceived in a standard concept for Private Sector Development Programmes (PSDP), relevant to ACP countries and regions.

The basic elements of such PSDP concepts are:

CDE's standard concept for private sector development programmes (PSDPs)

Corresponding to CDE's concrete experience, upon comparative analysis of other PSD concepts (productivity upgrading, BDS support schemes, sector initiatives) and on basis of recent programme designs for ACP regions, a model concept for PSD programmes can be proposed with the following key components:

- pro-active structured assistance for clusters and value chains, preferably with a geographical and sectoral focus; typically the choice should be based on broad sector priorities decided by regions, sub-regions, economic basins or countries, but CDE would offer the methods and support to specify target sub-sectors/niches with best potentials and to design specific competitive strategies, usually requiring specialised sectoral/technical expertise; thus the strategic integration into wider, often regional or international value chains will be actively facilitated; the main beneficiaries in such programmes would be groups of enterprises, related intermediary organisations, consulting firms and professional agencies;
- assistance to individual enterprises on request should be a selective service offer available for enterprise beneficiaries, where a programme/grouped approach is not practicable, but where socio-economic merits are high (innovation/demonstration effects etc.); for reasons of efficiency requests should be acceptable in an ad-hoc manner (rather than under time-bound calls for proposals) but should pertain to a pre-set scheme of "transversal facilities" corresponding to the most common BDS requirements; such spontaneous requests are useful indicators of new market tendencies for certain sectors/clusters.
- priority domains for transversal facilities shall be:
 - competitiveness and productivity upgrading: generic enterprise development services not sector-specific but rather on business administration domains, such as general management, finance and reporting, process optimisation, marketing etc.; initial diagnostics will be essential to determine the enterprises' requirements; linkages of ACP and EU competitiveness centres and professional institutes to be enhanced)

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- ACP intra- and inter-regional trade development and support for export market access, especially pertinent under the aspect of regional integration and EPAs process
- access to investment finance for SMEs (medium- to long-term loan and equity funds): support for business plan/feasibility study elaboration and financial negotiations
- energy efficiency, renewable energy and environmental management assistance (energy audits, renewable energy promotion, clean manufacturing techniques, environmental impact monitoring)
- support facility for SME investment finance institutions (banks lending with term loans to SMEs, equity funds, guarantee funds etc.) pre- and post investment assistance: facilitating due diligence appraisals of project financing requests in particular with sectoral/technical expertise, monitoring and reporting for investee companies including technical assistance, and in selected cases relevant training/upgrading for fund managers and financial analysts.
- BDS consultants training and accreditation facility: training/upgrading for ACP consultants with standard tools provided (feasibility study/business plan methods, enterprise diagnostic tool, management information systems); a certain number of consultants to be accredited under a regional network and thus be involved in framework contracts for BDS delivery; similar support should also be available for professional organisations if they are active in service provision to SMEs
- to these components of PSD programmes, of course, diverse other facilities can be added, typically at meso level, according to specific circumstances and regional context (e.g. SME documentation and best practice platforms, regional trade support centres, etc.)

On the basis of this concept, the CDE can provide the following typical contributions for PSDPs

- contribution to programme conceptualisation, opportunity studies and project documents for PSDP
- specific approach for identification of best potentials, clusters and competitive strategies
- standard conventions / management contracts for programme implementation and management
- standard organisational structure for project management unit
- CDE's established operational procedures, guidelines, criteria for assistance to enterprises and Intermediary Organisations
- provision of standard tools for ACP consultants' training
- CDE's back-up with sectoral/functional expertise and linkage to EU/ACP networks, finance institutions, technical institutes etc.
- CDE budget contribution for PMU, with supervision and link to CDE Regional Office
- administrative support, accounting, financial control through CDE Head Office
- reporting and central documentation (knowledge management)
- co-ordination and linkage with other all-ACP private sector programmes (like Bizclim, Tradecom, energy facility etc.).

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3. Summary of 2013 budget

Titel	description	2010			2011			2012			2013		
		budget	In % by total	variance	Budget	In % by total	variance	budget	In % by total	variance	budget	In % by total	variance
I	Personnel	5.320.000	29%	-3%	5.140.000	28%	-3%	5.079.440	28%	-1%	5.554.000	27%	9%
II	Operating Costs (BXL)	1.885.000	10%	-21%	1.480.000	8%	-21%	1.325.560	7%	-10%	1.403.000	7%	6%
III	Technical support & Operations Management	1.680.000	9%	12%	1.880.000	10%	12%	1.845.000	10%	-2%	2.287.000	11%	24%
	Total I + II + III	8.885.000	49%	-4%	8.500.000	47%	-4%	8.250.000	55%	-3%	9.239.000	46%	12%
IV	Operations	9.365.000	51%	4%	9.750.000	53%	4%	10.000.000	55%	3%	11.000.000	54%	9%
	TOTAL I + II + III + IV	18.250.000	100%	0%	18.250.000	100%	0%	18.250.000	100%	0%	20.239.000	100%	11%

Note: For convenience French number format (decimal comma and point for thousand-separator) is used throughout chapter 3.4 and Z

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4. BUDGET TABLES 2013 – Variance analysis

TITLE I	EXPLANATION	PERSONNEL					Variance budget 2013 - 2012 (in %)	COMMENTS
		Commitments 2011	Budget 2012	Budget 2013	Variance budget 2013 - 2012 (in €)			
CHAP. 11	STATUTORY PERSONNEL							
ART. 111 & 112	SALARIES AND SOCIAL CHARGES	3.434.773	3.896.448	4.162.000	265.552	7%	The increase due to additional 2 positions (see explanation chapter 6)	
ART. 113	ALLOWANCES	437.428	610.000	610.000	0	0%		
ART. 114	OTHER EXPENSES TIED TO STATUTORY PERSONNEL	721.674	220.000	430.000	210.000	95%	The increase due to recruitment cost and a minimum provision for indemnity expenses for DIR/DDIR	
	SUB-TOTAL	4.593.875	4.726.448	5.202.000	475.552	10%		
CHAP. 12	TEMPORARY ASSISTANCE AND SECONDED EXPERTS							
ART. 121	TEMPORARY ASSISTANCE AND SECONDED EXPERTS	145.000	352.992	352.000	-992	0%		
	SUB-TOTAL	145.000	352.992	352.000	-992	0%		
TITLE I	TOTAL	4.738.875	5.079.440	5.554.000	474.560	9%	Increase mostly due to recruitment expenses for DIR/DDIR + provision indemnity costs for DIR/DDIR + 2 additional positions	

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SECTION II / TITLE III: OPERATING COSTS						
OPERATING COSTS						
TITLE II	EXPLANATION	Commitments 2011	Budget 2012	Budget 2013	Variance budget 2013 - 2012 (in €)	Variance budget 2013 - 2012 (in %)
CHAP. 21	OPERATING COSTS (Brussels)					
ART. 211	RENT AND INCIDENTAL COSTS	703.544	310.000	350.000	40.000	13%
ART. 212	OTHER OPERATING EXPENSES	266.626	238.960	190.000	-48.960	-20%
ART. 213	VARIOUS CONSULTANTS, LEGAL FEES AND EXTERNAL AUDIT	275.600	169.100	312.000	143.900	86%
ART. 214	BOARD OF DIRECTORS	275.600	208.500	220.000	11.500	6%
	SUB-TOTAL	1.521.370	925.560	1.072.000	145.440	16%
CHAP. 22	COMMUNICATIONS AND IT					
ART. 221	PROMOTIONAL AND COMMUNICATIONS ACTIVITIES	61.100	200.000	123.000	-77.000	-39%
ART. 222	IT	203.589	200.000	208.000	8.000	4%
	SUB-TOTAL	264.689	400.000	331.000	-69.000	-17%
TITLE II	TOTAL	1.786.059	1.325.560	1.403.000	77.440	6%
	TOTAL: TITLES I and II	6.524.934	6.405.000	6.957.000	552.000	9%

The increase due to reclass from art. 212: electricity and security expenses
The decrease due to reclass to art. 211: electricity and security expenses
More costs due to audit funding request procedure and ILO expenses

Reduction in line with actual expenses in 2012.

The increase mainly due to additional audit and ILO expenses

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SECTION III & IV / TITLE III & IV: OPERATIONS

TECHNICAL SUPPORT AND OPERATIONS MANAGEMENT									
TITLE III	EXPLANATION	Commitments 2011	Budget 2012	Budget 2013	Variance budget 2013 - 2012 (in C)	Variance budget 2013 - 2012 (in %)	COMMENTS		
CHAP. 31	QUALITY MANAGEMENT AND MISSIONS								
ART. 311	EXTERNAL EVALUATION		50.000	150.000	100.000	200%			
ART. 312	MISSIONS	146.803	180.000	180.000	0	0%			
	SUB-TOTAL	146.803	230.000	330.000	100.000	43%			
CHAP. 33	DECENTRALISATION								
ART. 331	REGIONAL OFFICES	1.094.590	1.116.000	1.427.000	311.000	28%			
ART. 332	OPERATIONS NETWORK	385.211	499.000	525.000	26.000	5%			
	SUB-TOTAL	1.479.800	1.615.000	1.952.000	337.000	21%			
TITLE III	TOTAL titel III	1.626.604	1.845.000	2.282.000	437.000	24%			
	TOTAL: TITLES I, II and III	8.151.537	8.250.000	9.239.000	989.000	17%			

More evaluation foreseen in 2013

The increase due to 2 additional project officers (WAF and CAF) and replacement of 3 vehicles (WAF, CAF, SAF)

More TIO 's and sectoral experts foreseen

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SECTION IV / TITRE IV: OPERATIONS						
TITLE IV	EXPLANATION	Commitments 2011	Budget 2012	Budget 2013	Variance Budget 2013 - 2012 (in €)	Variance budget 2013 - 2012 (in %)
CHAP. 41	GENERAL SUPPORT ACTIVITIES					
ART. 411	AD-HOC STUDIES AND PUBLICATIONS	109.149	514.000	185.000	-329.000	-64%
ART. 412	MEETINGS, TECHNICAL SEMINARS AND ENTREPRENEUR MISSIONS	236.609	545.000	787.000	242.000	44%
	SUB-TOTAL	345.758	1.059.000	972.000	-87.000	-8%
CHAP. 42	DIRECT ASSISTANCE					
ART. 421	TECHNICAL EXPERTISE	0	1.270.000	2.645.000	1.375.000	108%
ART. 422	SUPPORT TO INTERMEDIARY ORGANISATIONS AND SERVICE PROVIDERS	3.727.583	1.956.000	2.535.000	579.000	30%
ART. 423	SUPPORT TO ENTERPRISES direct & via Intermediary Organisations	4.933.356	4.535.000	2.752.000	-1.783.000	-39%
	SUB-TOTAL	8.660.939	7.761.000	7.932.000	171.000	2%

COMMENTS

No publications in 2013. Opportunity and feasibility studies foreseen in EAF and SAF.

More stakeholders/thematic meetings foreseen in 2013 as no activity was carried out as planned in 2012.

The increase is due to the implementation of major regional thematic programmes. Those programmes implementation has been delayed by the 2012 budget freezing.

As part of the implementation of the CDE strategy, more attention will be devoted to strengthening the SOs and BDS providers.

The decrease is explained by the fact part of the support to enterprises is covered by the Art. 421. Indeed, Art. 421 + Art. 423 is decreased in favour of Art. 422.

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TITLE IV	EXPLANATION	OPERATIONS					Variance budget 2013 - 2012 (in %)	COMMENTS
		Commitments 2011	Budget 2012	Budget 2013	Variance budget 2012 (in C)	Variance budget 2013 - 2012 (in %)		
CHAP. 43	PSDP IMPLEMENTATION							
Art. 431	COST OF STUDIES	67.441	310.000	413.000	103.000	33%	More studies foreseen in 2013 in view of the expected demand for formulation studies as well as the fact that no activity was conducted in 2012. The 2013 budget covers the costs of programme management units of the three signed PSDP (JEMOA, CIV and EIB).	
Art. 432	PSDP - MANAGEMENT COSTS	133.800	870.000	1.683.000	813.000	93%		
CHAP. 44	SUB-TOTAL CDE STAFF ASSIGNED TO PROINVEST	201.241	1.180.000	2.096.000	916.000	78%	Increase due mostly to the PSDP related activities (formulation studies and management units)	
ART. 441	CDE STAFF ASSIGNED TO PROINVEST (charged to Title I before 2010)	262.973	0	0	0	0%		
	SUB-TOTAL	262.973	0	0	0	0%		
TITLE IV	TOTAL titel IV	9.470.911	10.000.000	11.000.000	1.000.000	10%		
	TOTAL: TITLES III and IV	11.097.514	11.845.000	13.282.000	1.437.000	12%		
	TOTAL CDE BUDGET	17.622.448	18.250.000	20.239.000	1.989.000	11%		

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Management of third parties funds (Title IV)

Sources of Funds	Budget			Comments
	2011	2012	2013	
Conventions and agreements signed				
UEMOA	567.000	0	3.000.000	
Côte d'Ivoire	300.000	0	1.800.000	300.000 were paid in 2010.
EU Delegation of DRC				
Belgian Cooperation	300.000	0	1.000.000	
European Investment Bank (EIB)		638.000	800.000	
TOTAL	1.167.000	638.000	6.600.000	

5. Work programme - 2013

The 2013 work plan is based on CDE Strategy document 2011-2015¹. It will consist of two major components.

Firstly, the CDE will continue to implement the **programme approach (thematic/transversal and sector)** using the Centre's own funds with special emphasis on improving enterprise competitiveness, the reinforcement of business development services, and the strengthening of intermediary organizations' capabilities. Indeed, the CDE management has decided to focus its activities on programmes rather than ad hoc interventions. The focus on programmes is a reflection of an evolving operational strategy aimed at enhancing efficiency in service delivery and impact on small and medium size enterprise (SME). For 2013, it is envisaged that 89.3% of the operations budget will be dedicated to programmes (see below), while the remaining 10.7% will be allocated to ad hoc interventions.

The second component consists in designing and managing **private sector development programmes (PSDP)** financed with funds from the European Development Fund (EDF), ACP governments, and other donors. Moreover, as contribution to the process of regional economic integration pursued by the ACP and EU groups of countries, CDE will associate itself with certain initiatives for integrated development undertaken¹ by sub-regional basins or even inter-regional economic groupings. Adequate selectivity will be applied to ensure effective impact. In this process CDE will also engage in a learning process to develop and adopt standard mechanisms and tools for programme implementation.

In line with these priorities, the CDE will emphasize on enterprise partnership through the **revitalization of the EU/ACP network**. The European Institutional Network (EIN) is composed of permanent representations, ministries, development agencies, foreign trade institutes, chambers of commerce, professional associations and project finance institutions. The goal of the EIN is the creation of a network that enhances collaboration between its members, in order to promote the development of private enterprises in ACP countries.

Before entering into the details of each programme, the outlines of the work plan are presented below.

Strategic focus of the programmes

In addition to the PSDP, the CDE Work Plan will evolve around three transversal pillars for enterprise development, namely

- Access to finance
- Access to markets
- Competitiveness enhancement

Operating at the micro and meso levels in a limited number of sectors (see below), the focus of the CDE will continue to be on:

- Achieving competitiveness of the small and medium size enterprise (SME) at the shop floor level.

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- Strengthening the institutional capacity of business membership organizations (**BMO**) so as to enable them to provide value adding business development services (**BDS**) to their members
- Deepening the provision of BDS to a wider group of beneficiaries by supporting a wide range of BDS providers in ACP countries.
- Pursuing ACP-EU network relations with a view to enterprise partnerships.

Sector focus

As defined in the strategy document mentioned above, the following key sectors have been selected to address the needs of a larger group of beneficiaries in all the six ACP regions.

- **Agro industry** (including aquaculture): developing and strengthening value and supply chains.
 - o **Aquaculture** (fish farming and processing): concentrating mainly on hygiene standards, processing conditions and marketing support.
- **Eco-tourism** (to environment protection and well-being of local people through responsible tourism): promoting competitiveness among small and medium-scale hotels.
- **Information and Communication Technologies**: strengthening the capacity of SME in the Business Process Outsourcing, and other outsourcing opportunities from developed countries.
- **Energy efficiency and renewable energy projects**: support for efficient energy management and promotion of renewable energies.

Summary table of Work plan for 2013 and budget (in Euro)

There are four planned programmes for 2013 as presented in the next few pages. The tables, in the form of standardised "logical framework" on each programme, summarise the objectives specific to each programme, the programme outline, the methodology, the planned activities and the expected results.

In addition, to the above programmes, an envelope of Euro 1,175,000 will be allocated to Non-programme assistance (**ad hoc interventions**). Indeed, in very specific cases (creation of significant added value, innovation, know-how transfer, specific private sector characteristics, absence of intermediary organisations, etc.), assistance can be delivered outside of programmes for an amount limited to a maximum of 10.7% of the CDE budget allocated to operations.

Programmes	Budget allocation	%/Total budget
Assistance for access to investment financing (FIN)	1,440,000	13.1
Support for enlarging the access to markets (MKT)	2,182,000	19.8
Competitiveness Enhancement of SME (CEP)	4,370,000	39.7
PSDP management* (PSDP)	1,833,000	16.7
Non-programme assistance	1,175,000	10.7
TOTAL	11,000,000	100

*PSDP: Private Sector Development Programme

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Regionalisation of the operations

In the framework of the regionalization of the operations and following the Directives of the Strategy document mentioned above, each regional office (RFO) will develop its own strategy of intervention in line with the priority needs at the regional/national level. The table below shows the distribution of the budget by region.

Region	Budget	%
Southern Africa (SAF)	2,000,000	18.2
Central Africa (CAR)	1,750,000	15.9
East Africa (EAF)	2,500,000	22.7
West Africa (WAF)	1,900,000	17.3
Caribbean (CAR)	1,750,000	15.9
Pacific (PAC)	800,000	7.3
EU/ACP*	300,000	2.7
TOTAL	11,000,000	100

EU/ACP*: Activities that are common to all the regions and not specific for one region.

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Assistance for access to investment financing

Support for Sustainable SME's to access Investment Finance		
Programme Coordinator:	Regional Field Offices and Headquarter	
Duration: 5 years	Start: 2011	End (forecast): 2015
<p>Global objective: To promote investment in ACP countries by facilitating access to finance for SME during the pre-investment phase, and providing further technical support during and after the investment leading to the creation of profitable enterprises liable to contribute to sustainable economic growth in ACP countries.</p> <p>Specific objectives: The purpose is to support SME at three stages of enterprise development</p> <ul style="list-style-type: none"> * Pre-investment support in favour of SMEs which are actual or prospective beneficiaries of credit facilities (i.e. financial diagnostic, feasibility study, business plan and credit proposal preparation). * Post-investment support in favour of the same SMEs (i.e. training, implementation of adequate information & management systems, technical and marketing assistance). * Capacity building of financial intermediaries in ACP countries (i.e. training, improvement of credit appraisal processes, portfolio management, etc.). * Search of innovative financial products for the SME. 		
<p>Target regions and countries: All the 6 ACP regions</p>		
<p>Partners:</p> <ul style="list-style-type: none"> • CDE is partnering with financial institutions offering SME equity financing and/or long-term loans, in order to strengthen their existing and/or new portfolio of SME investments; typically these partners /risk capital funds have a socio-economic orientation. • The CDE and European Investment Bank (EIB) have signed an MOU for the Pacific and the Caribbean regions to provide the Technical Assistance funds for SME support and capacity building of the financial institutions themselves to do SME finance. • EIB and CDE are also in the process of negotiating similar arrangements for Africa, with a view to, enable and facilitate their access to available credit lines, so as to expand on-lending activities to SME. 		

Programme outline

Context	<p>Undoubtedly, the most daunting challenge facing the majority of small and medium enterprises in ACP countries is the limited access to capital. The difficulty of accessing investment financing by SME in ACP countries remains one of the main obstacles to private sector development. The problem has been exacerbated by the gradual disappearance of development banks as a major source of long term project finance. This is essentially due to undercapitalization and poor management as well as the emergence of commercial banks as an alternative source of capital, in spite of the latter often being ill-equipped for the specificity of the sector. Typically, the inability to raise capital is hardest on SME whose financing requirements are at the lower end of the market (i.e. in the €50,000 to €500,000 range). With some exceptions, the other source of project finance for SMEs in some regions has emerged in the form of local and regional venture funds.</p> <p>On the other hand SME projects often are unable to advance in terms of access to finance for a number of reasons: projects are not fully developed to the stage of "bankable projects," they do not provide the detailed information required for decision making by financial institutions; accounts and projections are inadequate or not audited.</p> <p>Financial institutions often do not have the technical in house expertise to fully understand and manage the risks when making SME investments. SMEs investment proposals, on their turn, often need further work to enable decision making.</p>
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	<p>Additionally, following investment in SME, there is often a need to strengthen accounting, internal controls and information for monitoring; strengthen management and human resource capacity, among other areas.</p> <p>Both of these slow investment flows and development of the SME sector. Investors, development banks, private sector development specialists all agree that the only way to overcome this barrier is by providing start-up technical assistance to those companies, thus providing them with the tools guaranteeing their future and long term sustainability</p>
Intervention Logic & methodology	<p>The CDE's support in this domain will consist of the following activities:</p> <p>Demand</p> <ul style="list-style-type: none"> - Pre-investment assistance for specific technical appraisals/ due diligence of SMEs targeted for investments by the relevant private equity partners; - Post-investment assistance to selected SMEs in partnership with the private equity partners focusing on the company's management/entrepreneurial capacities; <p>Supply</p> <ul style="list-style-type: none"> - Assistance for equity and risk capital funds to prepare initial projects pipeline (deal-flow); - Assistance for pre-feasibility and feasibility studies targeted to progressive finance institutions aiming to adapt their lending practices; - Conceptualisation and implementation of new financial support mechanisms that will broaden access to investment capital by SMEs in ACP countries; - Training of groups of consultants specialised in assisting SMEs in preparing bankable documents; - Working with financial institutions, providing targeted technical assistance for ACP nationals living in Europe (diaspora) who wish to invest in their country of origin;
Complementarity with similar Programmes/ Actions	<p>While there are many private sector development programmes with some kind of investment element, in particular via the various development banks, there is hardly any true SME investment programme in the above mentioned investment bracket.</p> <p>Nonetheless, the CDE will explore opportunities of synergy with other development agencies active in this area.</p>
Sources of technical expertise and competences	<ul style="list-style-type: none"> • Technical experts as well as Business Development Experts. • Sector Associations and/or institutions. • Intervention consultants specialising in the various technical fields of the CDE Consultant's database. • Consultants selected from partners databases.
Verifiable Indicators	<p><u>EIB/CDE facilities</u></p> <ul style="list-style-type: none"> • Commitment and disbursement of the 2013 budgets. <p><u>Other activities in favour of SME</u></p> <p>Pre-Investment Phase</p> <ul style="list-style-type: none"> • Number of investee projects. • Associated investment flows to SMEs. <p>Post-Investment Phase</p> <ul style="list-style-type: none"> • Increase in key company performance measures. • New Employment creation.
Sources of Verification	<ul style="list-style-type: none"> • Project Reports. • Independent monitoring and evaluation.
Assumptions and risks	<ul style="list-style-type: none"> • Political stability in the targeted countries. • Positive response of targeted SME and Intermediary Organisations.

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	<ul style="list-style-type: none"> • CDE Funding available and projects approved in a timely manner. • Partners Funding available in timely manner. • Qualified Technical experts recruited through sound procurement procedures. • CDE decentralised offices fully involved and supportive of the programme. • Monitoring ensured by CDE (technical experts).
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Activities

Principal Activities Realised	<p>The CDE has launched partnerships with financial institutions in the six ACP regions:</p> <ul style="list-style-type: none"> - EIB: SME Access to Finance Facility in the Caribbean (SAFFC). - EIB: SME Access to Finance Facility in the Pacific (SAFFP). - BIO: CDE conducts the identification and due diligence and BIO provides the loans. - Equity investment funds: Cost-sharing contracts. - Negotiations with other financial institution for partnership agreements. - ...
Activities Planned for 2013	<p><u>EIB/CDE facilities in CAR and PAC</u></p> <ul style="list-style-type: none"> • Implementation of the two facilities SAFFC and SAFFP. <p><u>Other Activities</u></p> <ul style="list-style-type: none"> • Continuation of cost-sharing activities with various Financial Institutions. • Exploration of other possible partnership agreements. • Continuation of the negotiations with EIB to set-up a facility in East Africa. • Agreement with BIO to be renegotiated.

Results

Expected Results in 2013	<p><u>EIB/CDE facilities in CAR and PAC</u></p> <ul style="list-style-type: none"> • At least 80% of the 2012 budget committed. • At least 40% of the committed budget is disbursed in 2012. <p><u>Other Activities</u></p> <ul style="list-style-type: none"> • At least 1 additional Partnership established between the CDE and financial institutions. • At least 15-20 SMEs supported in the framework of the new partnership with access to finance up to decision by institution • Pre-Investment assistance: Enhancement of the investment decision process with the respective ACP Private Equity Funds. • Post-Investment assistance: Improvement of key company performance indicators (to be established with the financiers and investors and the SME's management) for the supported SMEs with first result assessment around 1 year after launch of intervention. 	
Results already achieved since the start of the programme	<p><u>BIO Facility:</u> 3 projects approved by the Decision committee to be financed by BIO, but BIO has not provided the funding, and unilaterally decided to stop the partnership with CDE.</p> <p><u>EIB</u></p> <ul style="list-style-type: none"> • Technical cooperation agreements between CDE and EIB have been signed for both the Facilities in CAR and PAC. • The process to recruit the Programme management units has been launched. 	
CDE budget 2013 C 1,440,000	<p>Co-financing EIB: C 800,000 Beneficiaries: C 660,000</p>	<p>Global budget 2013 C 2,900,000</p>

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Assistance for access to markets		
Support to promote the access to markets		
Programme Coordinator:	Regional Field Offices	
Duration: 5 years	Start: 2011	End (forecast): 2015
<p>Global objective To facilitate access to markets by raising awareness about market opportunities and requirements, and assisting SMEs to improve product quality as well as strengthening supply chains.</p>		
<p>Specific objectives The purpose is to enable SMEs identify new trading opportunities either in the domestic, regional or international markets or expand existing ones. Each programme component will be underpinned by a combination of assistances towards the compliance with standards, norms and quality certification. Market access initiatives will be targeted to the following three sectors:</p> <ul style="list-style-type: none"> • Aquaculture (fish farming and processing) – concentrating mainly on hygiene standards, processing conditions and marketing support. • Eco-tourism – promoting competitiveness among small and medium-scale hotels in the Caribbean region. • Information and Communication Technologies (ICT) - Strengthen the capacity of SME so as to enable them to compete effectively for Business Process Outsourcing, call centres and other outsourcing opportunities. 		
<p>Target regions and countries: All the 6 ACP Regions</p>		
<p>Beneficiaries:</p> <ul style="list-style-type: none"> • SME of the targeted sectors (Aquaculture, Eco-tourism and ICT); • National and professional associations and providers of business development services (BDS) of the three focus sectors; • Intermediary organisations involved in development of sustainable ecotourism and other niche "products" in ACP. 		

Programme outline

Context	<p>In spite of the preferential market access offered by the EU under successive conventions for over 40 years, exports from ACP countries are mainly commodities whose prices are often volatile and highly subject to deteriorating terms of exchange. There are no or limited transformation or value added of the raw materials produced which constitute a hinder to development; impacting on the exports and imports, trade balance, savings and investments and ultimately on the countries' economic profile. ACP share of international trade is negligible. In response to this dismal situation, the proposed Economic Partnership Agreements (EPAs) aim to integrate ACP countries into the world economy and increase the quantity and diversity of their trade. Market visibility is insufficient, at regional and international levels for most ACP SMEs. For these and other correlated reasons, it is proposed to assist ACP SMEs market their products regionally and internationally, by providing targeted technical assistance along the supply chain. Market access initiatives will be targeted to the following sectors: Aquaculture, Eco-tourism and ICT.</p> <p><u>Aquaculture (fish farming and processing)</u></p> <p>The fisheries sector remains one of the most important sources of sustenance for many people on the African continent, while at the same time providing direct and indirect employment to approximately 10 million people. In recent years, however, supply has been lagging far behind demand, largely due to population growth. Current consumption levels can no longer be maintained by capture fisheries alone as they are almost fully exploited. Aquaculture is seen as a viable alternative for increasing local production to meet the growing demand and lessen the negative impacts of foreign exchange outflows occasioned by fish</p>
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	<p>imports. To illustrate, in spite of the huge potential to produce around 1.2 million tons of fish annually from aquaculture, Nigeria imports approximately 600,000 tons of fish every year to meet domestic demand.</p> <p>Although it is not yet at the same level as the other developing regions, sub-Saharan Africa has vast potential for the development of fresh water fish-farming and there is currently a strong motivation on the part of operators and governments to promote fish-farming in the sub-region for the following reasons:</p> <ul style="list-style-type: none">• General over exploitation of the natural resources;• Over exploitation of the species most appreciated by the consumers;• Difficulties to implement good management practices of the resources;• Demographic explosion and urbanization of the populations;• Existence of a lucrative domestic market for quality fish and fish products;• Existence of an export market in the neighbouring countries and in the EU. <p>Given the improved prospects for developing fish-farming in Africa, the Centre aims to contribute towards industrial and semi-industrial fish-farming production while reinforcing national and regional expertise and improving the performance of fish-feed producer companies.</p> <p><u>Eco-tourism</u></p> <p>The term "ecotourism" connotes nature conservation and well-being of local people through responsible tourism. Ecotourism is about protecting the natural environment, respecting local people and their culture. Ecotourism is now considered as an effective development tool for generating economic benefits in underdeveloped rural areas, especially in sub-Saharan Africa, thus contributing to poverty reduction.</p> <p>In order for ecotourism to function properly, more actors in the tourism industry must embrace ecotourism principles in order to achieve the desired results and impacts. The actors must be empowered with adequate experience to gain the practical skills and knowledge essential to ecotourism. Due to the rising awareness of the importance of ecotourism in source markets, this form of tourism is an increasingly popular form of tourism which aims to achieve the following objectives:</p> <ul style="list-style-type: none">• to make optimal use of environmental resources that constitute a key element in tourism development, while maintaining essential ecological processes and helping to protect and preserve natural heritage and biodiversity.• to respect host communities and ensure viable long-term economic operations that provide socio-economic benefits to all stakeholders that are fairly distributed, including stable employment and income-earning opportunities and social services to host communities. <p>To date, the CDE has not been very active in "eco-tourism". The focus has been on promoting competitiveness among small and medium-scale hotels in the Caribbean region. The objective is now to focus on income generating activities that protect both the environment and cultural heritage of host communities.</p> <p><u>Information and Communication Technologies (ICT)</u></p> <p>In view of the increasing importance of ICT in business operations in general and marketing of goods and services in particular, it is envisaged that ICT will play a key role in facilitating market access in most if not all sectors.</p>
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	<p>As part of the ICT sector programme, effort will be made to strengthen the capacity of SME operators so as to enable them to compete effectively for Business Process Outsourcing (BPO), call centres and other outsourcing opportunities from developed countries.</p>
Intervention Logic & methodology	<p>In order to meet the different contexts of the 6 regions, the programme is subdivided into 3 components.</p> <p><u>Aquaculture</u> The Centre will aim to provide technical assistance and capacity building to entrepreneurs and associations that share the following objectives:</p> <ul style="list-style-type: none"> • to contribute towards industrial and semi-industrial fish-farming production while reinforcing national and regional expertise and • to improve the performance of fish-feed producer companies. <p><u>Eco-tourism</u> The Centre will aim to provide technical assistance and capacity building to entrepreneurs and associations that share the following objectives:</p> <ul style="list-style-type: none"> • to develop viable eco-tourism products and services; • to design market strategies and creation of market links and value chains; • to develop associations, networks and clusters that strengthen destinations. <p>In the Pacific region however, the focus will be on improving standards, risk management as well as energy and waste management.</p> <p><u>Information and Communication Technologies (ICT)</u> The centre will focus its efforts on the capacity building of SME operators in the areas of BPO, "call centres" and other outsourcing opportunities from developed countries.</p>
Complementarity with similar Programmes/ Actions	<p>The programme will benefit from synergies with programmes funded by other donors, such as the International Trade Centre (ITC) and the IFC Private Enterprise Partnership (PEP).</p> <p>Nonetheless, the CDE will explore opportunities of synergy with other development agencies active in this thematic of "access to market".</p>
Sources of technical expertise and competences	<ul style="list-style-type: none"> • Technical experts as well as Business Development Experts. • Sector Associations and/or institutions. • Intervention consultants selected from the CDE Consultant's database. • Consultants selected from partners' database.
Verifiable Indicators	<ul style="list-style-type: none"> • Numbers of enterprises receiving standards training. • Number of enterprises and IOs assisted. • Statistics of sales revenues. • Statistics of Improvement in service quality ratings. • Statistics of Additional revenue earned by local communities. • Statistics of Increase in key company performance measures.
Verification sources	<ul style="list-style-type: none"> • Service providers' intervention reports. • Monitoring reports by CDE Regional Offices. • Enterprise audited accounts. • Independent monitoring and evaluation.
Assumptions and risks	<ul style="list-style-type: none"> • Political stability in the targeted ACP countries, especially in Africa and the Pacific regions. • Positive response of targeted SME and Intermediary Organisations. • CDE funding available and projects approved in timely manner. • Qualified Technical experts recruited through sound procurement procedures. • CDE decentralised offices fully involved in the programme implementation. • Monitoring assured by CDE (technical experts).

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Activities	
Principal Activities Realised	<p>No previous activity was undertaken in the framework of this new approach (Access to market). However, the programme capitalises on the activities already conducted and completed in the framework of sector programmes.</p> <p><u>Aquaculture</u></p> <ul style="list-style-type: none"> • Associated consultant missions to review tilapia fish farms situation (Kenya, Uganda, Zambia, Zimbabwe). • Assistance to 3 large tilapia fish farms (Malawi, Zimbabwe, Uganda). • 1 feasibility study for a new investment in tilapia farm (Zambia). • Advises and projects re orientation to about 5 other fish farm projects. • 1 catfish diagnostic on Nigeria realized and assistance proposal ready for about 10 small catfish companies (2 objectives were retained). <p><u>Eco-tourism</u></p> <ul style="list-style-type: none"> • Identification and Substantiation of needs in the all the targeted regions. • Contact with the relevant providers of business development services. <p><u>ICT</u></p> <ul style="list-style-type: none"> • Active participation in defining orientations in both public and private sectors. • Support 3 innovative culture based ICT applications in CAR region with software upgrade and marketing support. • An in-depth knowledge of main actors in ICT sector in WAF. • Technical assistance to several companies in WAF.
Activities Planned for 2013	<p><u>Aquaculture</u></p> <ul style="list-style-type: none"> • Support to private investors to increase fish farming production. • Support to fish farming and fish feed producer companies (technical, management, economical and commercial). • Studies, diagnostics and pre feasibilities. • Creation of a national and regional network of aquaculture expertise. • Support activities to improve access to local, regional and international markets. <p><u>Eco-tourism</u></p> <p>to provide technical assistance and capacity building to entrepreneurs and associations for:</p> <ul style="list-style-type: none"> • Development of viable eco-tourism products and services. • Design of market strategies and creation of market links and value chains. • Development of associations, networks and clusters that strengthen destinations. <p><u>ICT</u></p> <p>to provide technical assistance and capacity building to SME and associations in the area of:</p> <ul style="list-style-type: none"> • BPO • Call centres • Other outsourcing
Results	
Expected Results in 2013	<p><u>Aquaculture</u></p> <p>A Minimum of:</p> <ul style="list-style-type: none"> • 10 companies assisted; • 10 technicians trained; • 2 feasibility studies completed. <p><u>Eco-tourism</u></p>

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	<p>A minimum 30 SME Hotels participating in the programme will</p> <ul style="list-style-type: none"> • Enhance their product offerings becoming more competitive; • Have better product pricing and operational management; • Increase quality standards and competitiveness. <p>ICT A Minimum of:</p> <ul style="list-style-type: none"> • 10 companies assisted; • 10 technicians trained; • 2 feasibility studies completed. 	
Results already achieved	<p>Under the present scheme, this is a new programme starting in 2012. However, some results have been achieved by the sector programmes.</p> <ul style="list-style-type: none"> • See principal activities realised 	
CDE budget 2013 C2,182,000	Co-financing Beneficiaries: C1,000,000	Global budget 2013 C3,182,000

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Improvement of the competitiveness of selected SMEs and IOs

Competitiveness Enhancement Programme (CEP)		
Programme Coordinator:	Regional Field Offices	
Duration: 5 years	Start: 2011	End (forecast): 2015
<p>Global objective To promote best practices, innovation and value addition by developing and strengthening value and supply chains that will enhance the competitiveness of SME in ACP countries.</p>		
<p>Specific objectives Enable SME to make decisions that integrate technical and operational management as well as sound management of resources in a manner that is consistent with best practices and tools. The primary aim is to enable SME to undertake actions that will contribute to value adding management, focusing on productivity and quality improvements.</p>		
<p>Target regions and countries: All the 6 regions</p>		
<p>Beneficiaries: The CEP is designed to dovetail in a complementary manner with other sector programmes, thus reinforcing the potential impact of CDE interventions. Consequently, the beneficiaries of the CEP vary depending on the aim and focus of the programme. Nonetheless, Beneficiaries include individual SMEs as well as grouped assistance (clusters) and business membership organizations (BMOs) at the "meso" level (upstream).</p>		

Programme outline

Context	<p>The challenges faced by all ACP regions in achieving and maintaining competitiveness are well known, though their resolution has proved elusive. Even though most ACP governments have worked hard to improve regulatory frameworks and governance issues, supply and value chains remain weak and underdeveloped. Most ACP countries face the constraints of small domestic markets, undiversified production bases, underdeveloped infrastructure and inadequate skills. With the exception of mineral and petroleum industries, the private sector in most ACP countries is dominated by SMEs, with the informal sector playing a crucial role in production and growth. Typically, products and services from the ACP regions are often poorly recognized or undervalued on world markets for a variety of reasons, including inadequate national standards, limited marketing capacity, all of which undermine consumers' confidence and interest.</p> <p>The ongoing negotiations between the EU and ACP regions on Economic Partnership Agreements (EPAs) have heightened awareness to the need to improve the competitiveness of ACP enterprises. International competitiveness involves not only the ability to secure export markets, but also the need to strengthen supply chains and maintain internal markets in the face of international competition. Success in international markets also requires properly functioning internal and regional markets.</p> <p>The role of productivity and quality improvements as major contributors to company competitiveness and national welfare is universally recognised. In addition, ensuring an effective operational management helps to improve operations and prevent events likely to reduce efficiency or lead to crises. Therefore, helping Small and Medium scale Enterprises (SME) to understand and increase productivity and quality as well as ensuring efficient operational management, are the fundamental objectives of CDE.</p> <p>The Competitiveness Enhancement Programme (CEP) started in 2007 in East Africa (Kenya, Uganda, Tanzania and Ethiopia). Over the years, the programme has been extended to the other ACP regions (West Africa and Southern Africa mainly), focusing on regional specificities. Typically, the programme has focussed on agro-industrial sectors, addressing a broad range of issues including HACCP, GAP and ISO requirements.</p>
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	As from 2011 and in the framework of the new forecasted approach, the programme will focus on improving SME competitiveness through operational efficiency and upgrading of productivity.
Intervention Logic & methodology	<p>The Programme is conceived to assist selected beneficiaries (SME and IO) for the purpose of improvement and strengthening their management in order to enhance their competitiveness. The programme does so by focussing greater attention on general management, training, planning, and accountability. Enhancement of the quality of reporting and management information systems (MIS) are also important components.</p> <p>Typically, the programme is subdivided into 5 components:</p> <ul style="list-style-type: none"> • Strengthening the value and supply chains in Agro-industry • Building Capacities in the ICT Sector. • Supporting effective energy management system. • Competiveness enhancement facility. • Strengthening the capacity of business membership organizations (BMOs) and the BDS providers.
Complementarity with similar Programmes/ Actions	<p>The programme will benefit from synergies with programmes funded by other donors and professional associations, such as the Kenya Association of Manufacturers (KAM), the International centre for agricultural research for Development (CIRAD), the United Nation Industrial Development Organisation (UNIDO) as well as through bilateral cooperation with such organizations as French Development Agency (AFD), etc.</p> <p>Nonetheless, the CDE will explore opportunities of synergy with other development agencies active in this area.</p>
Sources of technical expertise and competences	<ul style="list-style-type: none"> • Technical experts as well as Business Development Experts. • Sector Associations and/or institutions. • Intervention consultants specialised in the various technical fields of the CDE Consultant's database. • Consultants selected from partners databases.
Verifiable Indicators	<ul style="list-style-type: none"> • Number of enterprises and IOs assisted. • Improved management capacity of enterprises. • Statistics of sales revenues; Profitability of enterprises. • Improvement in service quality ratings. • Increase in key company performance measures.
Sources of Verification	<ul style="list-style-type: none"> • Service providers' intervention reports. • Monitoring reports by CDE Regional Offices. • Enterprise audited accounts. • Independent monitoring and evaluation.
Assumptions and risks	<ul style="list-style-type: none"> • Political stability in the targeted ACP countries, especially in Africa and the Pacific regions; • Positive response of targeted SME and Intermediary Organisations; • CDE Funding available and projects approved in a timely manner; • Qualified Technical experts recruited through sound procurement procedures; • CDE decentralised offices fully involved in the programme implementation; • Monitoring assured by CDE (technical experts).
Activities	
Principal Activities Realised	<p>Although, this is a new approach starting in 2012, some of the activities realised in various regions include the following:</p> <ul style="list-style-type: none"> - Competitiveness enhancement programmes in EAF, SAF, and WAF. - Efficient Energy management in EAF, SAF and WAF. - Value chain analysis and development in CAR. - Lean manufacturing and Kaizen management in EAF. - Training of Small Business Consultants in EAF, WAF, CAR and PAC. - Opportunities study in PAC. - Training of selected BDS providers in "CDE diagnostic tool".

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Activities Planned for 2013	<p><u>Strengthening value and supply chains in Agro-industry</u></p> <p>In view of the importance of the agro industry sector to ACP countries, value chain analysis will be applied to identify critical success factors and assess value options. The analysis of the sector's value chain will provide the basis for determining the focus of sector-level strategy. A good measure of emphasis will be directed towards post harvest activities involving preservation and transformation which pose major challenges for most ACP producers.</p> <p>Key activities will consist of providing technical assistance to:</p> <ul style="list-style-type: none"> • Promote efficient production through increased private investment in the sector. • Provide technical support for the implementation of GAP (Good agricultural Practices and GMP (Good manufacturing practices). • Promote the dissemination of best practices across all ACP regions. • Promote the creation of national and regional networks among key players in the sector to enable the sharing of expertise. • Strengthen agro-industrial private sector associations that support SMEs in this sector. • Improve access to local, regional and international markets. <p><u>Building Capacities in the ICT Sector</u></p> <p>The interventions will focus on strengthening the sector through capacity building of private sector operators and intermediary organizations.</p> <p>Key activities will consist of providing technical assistance to:</p> <ul style="list-style-type: none"> • Support the creation of regional platforms and expansion of local services to eliminate the need for expensive overseas relays. • Review and assess the potential of Call Centres and BPO (Business Process Off shoring/Outsourcing) to identify specific areas for CDE Assistance. <p><u>Supporting effective energy management</u></p> <p>The Centre will contribute towards the removal of technological, organizational and economic barriers to implementing energy efficiency management systems through technical assistance to private enterprises and intermediary organizations.</p> <p>Key activities will consist of providing technical assistance to:</p> <ul style="list-style-type: none"> • Promote technology transfer for low-cost measures and cost-efficient tools and equipment to private enterprises in priority sectors. • Develop local and sector benchmarking based on existing EU experience and pilot projects. <p><u>Competiveness enhancement facility</u></p> <p>Unlike the other physical resource-based programmes, this facility is principally characterized by a flexible approach that aims to assist SMEs to improve productivity at different stages of the value chain. It is further envisaged that the practical application of the proposed facility and the implementation framework will, as a matter of necessity, dovetail with and complement the other programmes targeting productivity improvement.</p> <p>Key activities will consist of providing technical assistance to:</p> <ul style="list-style-type: none"> • Build capacity at enterprise level to enable SMEs to effectively audit themselves, and be able to identify structural and organization weaknesses that can constrain market competitiveness. • Deliver enterprise specific training programmes with a view to addressing any previously identified skills gaps.
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	<ul style="list-style-type: none"> • Implement best practices in procurement and supply chain management to ensure cost-effective use of resources at all levels. <p><u>Strengthening the intermediary organizations</u></p> <p>Are recognized more and more, the business Associations (professional and consular Associations) and other intermediary organizations of the private sector play an important role in the dialogue between the public and the private sectors leading to the business environment improvement. Therefore, the role played by such organizations is generally recognized as necessary to create a working environment that is conducive to the SMEs development. Therefore, in this regard, the CDE future activities will aim to strengthen the capacity of these organizations so that they can provide good quality BDS in a timely and effective manner to their members. In addition, the support and cooperation with the BMO are essential for the successful implementation of the EPAs. They must be supported in their approach to awareness on the potential impacts of EPAs on their members.</p> <p>On the other hand, improvement of the BDS to their members strengthens the representativeness and credibility of the Associations. To this effect, decentralization perhaps facilitated the execution of programs of the CDE through Business Associations; thus strengthening their capacity to provide BDS to their members.</p>
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Results

Expected Results in 2013	<p><u>In each region</u> a Minimum of 30 companies and 10 IO will be assisted. Most importantly, it is expected that the selected beneficiaries will have their management strengthened and improved to competitively operate in their respective markets. The following practices and systems should be effectively put in place and implemented in sound manner:</p> <ul style="list-style-type: none"> • Effective technical and Operational management systems; • Integrated performance management systems; • Comprehensive accounting systems; <p>The programme also expects to have caucuses of competent services providers and strong networks of reliable BMO in all the ACP 6 regions.</p>	
Results already achieved since the start of the facility	<ul style="list-style-type: none"> • The first batches of enterprises have been assisted under CEP process that has yielded promising results. • Local and regional experts have been trained on "CDE diagnostic tool". • Potential local expertise is identified for the activities planned for 2013. 	
CDE budget 2013 C4,370,000	Co-financing Beneficiaries: C2,000,000	Global budget 2012 C6,470,000

CDE Work Programme and Budget 2013

Private Sector Development Programmes (PSDP)

Private Sector Development Programmes (PSDP)		
Programme Coordinators:	Head of regional offices and Headquarter	
Duration: 5 years	Start: 2011	End (forecast): 2015
<p>Global objective: "To stimulate a private sector development and growth in a country and/or a given region, and ultimately to alleviate poverty" in line with priorities defined in national and/or regional indicative programs (NIP and/or RIP).</p>		
<p>Specific objectives: The PSDP are multi-components and integrated programme with the following purpose:</p> <ul style="list-style-type: none"> • Improve the competitiveness and structure of the private sector; • Strengthen the capacity and productivity of SMEs; • Develop and strengthen the capacity of Business Associations, Business Development Services providers (including individual consultants) and Micro Finance institutions and other Non State Actors involved in promoting and developing SME; • Improve the business climate by favouring dialogue or partnership between the private and public sectors; • Improve SMEs' access to financing; • Facilitate financial intermediation. 		
<p>Target regions and countries:</p> <ul style="list-style-type: none"> • West Africa (UEMOA, Côte d'Ivoire, Benin); • Central Africa (CEEAC, Cameroun, DRC); • East Africa (Madagascar, Djibouti, Ethiopia); • Southern Africa (Botswana, Zimbabwe); • Caribbean (Haiti). 		
<p>Beneficiaries:</p> <ul style="list-style-type: none"> • SME selected from targeted sectors; • Providers of business development services; • Professional Associations (National and/or Regional); • Government bodies involved in PSDP. 		

Programme outline

Context	<p>The Private Sector Development Programme (PSDP) is an initiative of the CDE specifically designed to raise additional resources for private sector development in ACP countries. It is generally acknowledged that the level of resources availed to the CDE to execute its mandate is inadequate, hence the need to mobilize additional resources. Having acquired the four pillars accreditation, the task for the CDE is to formulate sound programme proposals to be submitted to authorities in charge of National and Regional Indicative Programmes, at both ACP and EU levels.</p> <p>With its decentralized operations, the Center is now better placed to play a key role in private sector development in ACP countries and regions. The main purpose of this initiative is to access EDF (European Development Fund) resources through the National Indicative Programmes (NIPs). The funds will be used to address weaknesses in the private sector regulatory frameworks and strengthen enterprise competitiveness by upgrading their competencies leading to productivity improvements and sustainable economic and social development of the country.</p> <p>The CDE is increasingly called on to implement private sector development program (PSDP) at the national and regional level in the ACP countries which is an integrated program to be implemented during 3 to 5 years.</p> <p>The program purpose is to support the development of small and medium size enterprises (SME) and intermediary Organisations (IO) through various type of support and assistances defined in close collaboration and</p>
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CDE Work Programme and Budget 2013

	<p>consultation with stakeholders and beneficiaries.</p> <ul style="list-style-type: none"> • Institutional and capacity building of Business Associations, Business Development Services providers and Micro Finance institutions and other Non State Actors involved in promoting and developing SME; • Dissemination of business Information through the support of Business Information Centres or other similar initiatives; and • Specific sectors support targeted primarily the priority sectors defined in the NIP/RIP.
Intervention Logic & methodology	<p>The basic approach is to conduct a formulation study followed by a restitution/validation involving all the concerned stakeholders and the signature of convention between the COE and the third party.</p> <p>Typically, a PSDP programme design consists of the following elements:</p> <ol style="list-style-type: none"> 1. Needs analysis to determine the cause of weaknesses in the private sector adversely affecting SMEs and Intermediary Organization (IOs); 2. Capacity building for IOs and strengthening of advocacy functions leading to the improvement of the business environment for SMEs. 3. Business Development Service (BDS) training of local consultants and accreditation; 4. Competitiveness and productivity upgrading of SMEs; 5. Support for export market access within the framework of regional integration and Economic Partnership Agreement (EPA) process; 6. Support for access to finance for SMEs. <p>In order to ensure efficiency and transparency, all PSDP initiatives will be managed by a separate Programme Management Unit under the supervision of the CDE. However, the PMU will apply the CDE's administrative and financial procedures.</p>
Complementarity with similar Programmes/ Actions	<p>The strategy and road map of the program are defined by a steering committee composed of the funding institutions of the program concerned and the public and private stakeholders of the relevant country/region (public authorities, private sector intermediary organizations and financial institutions). The program is subject to regular audits and mid-term and final evaluations.</p> <p>The programmes will benefit from synergies with programmes funded by other donors and professional associations, such as the EDF, the United Nation Industrial Development Organisation (UNIDO) as well as through bilateral cooperation by such organizations as French Development Agency (AFD), etc. Nonetheless, the CDE will explore opportunities of synergy with other development agencies active in this area.</p>
Sources of technical expertise and competences	<ul style="list-style-type: none"> • For the implementation of the current programme, collaborations with a number of <u>Delegations of the European Union, Sector Associations and/or institutions</u> are planned, and the sources of technical expertise will depend, to a large extent, on the specific regional context. • <u>Technical experts</u> ensure the technical coherence, monitoring and evaluation of the sector programme. • A list of <u>intervention consultants</u> specialising in the various technical fields of the PSD has been identified through advertisement in newspapers.
Verifiable Indicators	<ul style="list-style-type: none"> • Established businesses; • Numbers of enterprises receiving training; • Improvement in service quality ratings; • Number of enterprises and IOs assisted; • Additional revenue earned by local communities.
Sources of Verification	<ul style="list-style-type: none"> • National statistics in selected ACP countries collected during the final evaluation. • Diagnostic surveys reports and intervention reports; • Monitoring and evaluation reports by CDE Technical Experts.

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Assumptions and risks	<ul style="list-style-type: none"> • Stable economic and political climate that fosters economic growth. • Conducive business environment able to support businesses and MLOs. • Governments/Private sector/MLOs show an attitude of active participation into programme activities. • A positive climate of cooperation and collaboration is ensured among: Programme management, Programme beneficiaries, Other donors, organisations and institutions involved in PSDP, Stakeholders involved in success stories used for capacity building, Involvement of specialised implementing partners and Adequacy and speediness of disbursement of allocated financial resources. 	
Activities		
Principal Activities Realised	<ul style="list-style-type: none"> • Democratic Republic of Congo (DRC): A programme is on-going since the year 2007. • Côte d'Ivoire: The recruitment of the programme management unit (on-going). • UEMOA: The recruitment of the programme management unit (on-going). • CEEAC/Cameroon: The presentation and validation of the formulation study. 	
Activities Planned for 2013	<ul style="list-style-type: none"> - Implementation of the signed conventions: UEMOA, Côte d'Ivoire, DRC and EIB - Continuation of the negotiations and eventually implementation of conventions: Benin, Botswana and Haiti - Programme Formulation on request by interested partners 	
Results		
Expected Results in 2013	Timely implementation of signed conventions as per the terms of reference: Programmes in Côte d'Ivoire, UEMOA and DRC. Signatures of the Agreement with Haiti, Botswana, CEEAC and Cameroon.	
Results already achieved	<ul style="list-style-type: none"> - <u>DRC</u>: Completion of the first phase of the Program. Phase 2 is on going - <u>EIB</u>: Workplans finalised and validated. 	
CDE budget 2013 C1,833,000	Co-financing Third party: C5,800,000 Beneficiaries: C800,000 Total: C6,600,000	Global budget 2013 C8,433,000

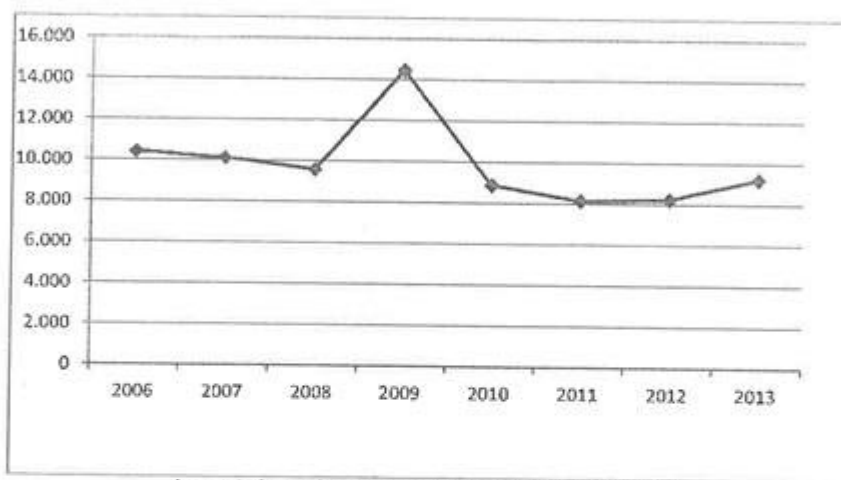
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6. Operating costs (Titles I, II and III)

Operating costs have shown a clear downward trend since 2006 as reflected in the following graph. However, there was a significant increase in 2009. This was due to the planned cost of restructuring which took place that year.

In comparison with 2012 there will be an increase in 2013 in the operating expenses mainly due to an increase of personnel costs, audit expenses, planned project evaluation costs and ILO cases.

Changes in operating costs



Legend: Operating Costs (Titles I, II and III) in 1000€

Personnel costs (Title I)

Personnel costs are charged to the budget as follows:

- To Title I: the cost of staff assigned to headquarters and those assigned as heads of regional offices (see art 111, 112, 113 - total amount 4,772,000€)
- To Title III: the cost of local staff in regional offices (see art 331 - total amount allocated for RFO staff is 676,000€)
- The Proinvest program was closed in 2011.

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Staff Table – 2013

Location	International statutory staff	Local staff	Grand Total Budget 2013	Seconded Experts Budget 2013
Brussels	25	0	25	3
Staff Brussels Headquarters				
Staff (6 international + 24 locals) Regional Offices				
Central Africa	1	5	6	0
West Africa	1	5	6	0
East Africa	1	4	5	0
Southern Africa	1	4	5	0
The Caribbean	1	4	5	0
The Pacific	1	3	4	0
Total	31	25	56	3

CDE Work Programme and Budget 2013

Summary of personnel costs (Title I)

Title I	Personnel	Commitments 2011 -	Budget 2012	Budget 2013
Art 111, 112 and 113	Salaries and allowances	3,872,201	4,506,448	4,772,000
Art 114	Other expenses related to statutory personnel	721,674	220,000	430,000
Chap.12	Temporary assistance and seconded experts	145,000	352,992	352,000
	Total	4,738,875	5,079,440	5,554,000

The number of employees has declined significantly since 2004.

There were 58 staff in place on 31 December 2004. As of 31 December 2013 the number of international statutory staff (staff located in Brussels + heads of regional offices) should be reduced to 31, which is a decrease of 27 persons since 2004.

The 31 international statutory staff will be assigned as follows:

- 25 assigned to headquarters in Brussels (including the Director and the Deputy Director);
- 6 assigned to the regional offices (Heads of Office);
- In addition to the 31 international statutory staff, 25 local staff will be assigned to the regional offices.

In comparison with 2012, 2 additional staff members are planned to be hired in 2013:

- 1 project expert: PSDP coordinator
- 1 principal assistant to reinforce HR department

Additional recruitment expenses are foreseen to replace the Director and Deputy Director and a minimum indemnity provision (in art 114: 220,000€). It should be clarified whether these indemnity expenses can be considered as eligible or not.

CDE Work Programme and Budget 2013

Other operating costs (Title II)

The operating expenses incurred in Brussels are budgeted in Title II.

In comparison with the budget of 2012 other operating costs are increased for 2013 mainly due to:

- Audit requirements for funding requests
- Pending ILO cases

Regarding the ILO cases, it should also be clarified whether these expenses can be considered as eligible or not.

Summary of other operating costs – Brussels (Title II)

Title II	Operating costs	Commitments 2011	Budget 2012	Budget 2013
Chap.21	Operating costs (Brussels)	1,521,370	925,560	1,072,000
Chap.22	Communications and IT	264,689	400,000	331,000
	Total	1,786,059	1,325,560	1,403,000

Technical support and operations management (Title III)

The expenses incurred locally by the six regional offices are budgeted in Article 331, that is:

- Staff recruited locally;
- Operating costs (rent, insurance, IT, car, etc.).

Note that the salaries of managers assigned from Headquarters to manage the regional offices are allocated to Title I (Personnel). Expenses for the local operating network are budgeted in Art. 332.

Additional expenses are mainly budgeted to:

- Hire two additional project officers, TIO's and sectoral experts
- Replace cars in three regional offices
- Execute evaluation audits on regional office and program level.

Summary of operations support costs for regional offices (Title III)

Title III	Technical support and operations management	Commitments 2011	Budget 2012	Budget 2013
Chap. 31	Quality management and missions	146,803	230,000	330,000
Chap. 33	Decentralisation	1,479,800	1,615,000	1,952,000
	Total	1,626,603	1,845,000	2,282,000

7. DETAILED 2013 BUDGET

CDE Work Programme and Budget 2013

HEADING I / TITLE I : STAFF

Chapter 11 : Statutory staff

Article	Heading	Commitments 2011	BUDGET 2012	BUDGET 2013
111 -112	Salaries & Social Securities	3.434.773	3.896.448	4.162.000

BUDGET ITEMS

			2012	2013
1	SALA	Gross salaries (SAL)	EUR 2.715.462	2.947.318
2	SSCO	Social security contributions (SSC)	EUR 1.180.986	1.214.682
		(incl fam allowances)	EUR 3.896.448	4.162.000

Table of staff on pay roll Brussels

Level	Duties	Head Office budget 2012	Head Office budget 2013	Head Office actual 31/7/2012	Head RFO budget 2012 (1)	Head RFO budget 2013 (1)	Head RFO actual 31/7/2012 (1)	Total budget 2012	Total budget 2013	Total actual 31/7/2012
1A	Director	1	1	0	0	0	0	1	1	0
1B	Deputy Director	1	1	0	0	0	0	1	1	0
	subtotal	2	2	0	0	0	0	2	2	0
2A	Main expert	1	1	1	0	0	0	1	1	1
2B	Main expert	5	4	4	2	3	3	7	7	7
2C	Expert	1	1	1	3	3	2	4	4	3
2D	Expert (2)	4	5	1	0	0	0	4	5	1
	subtotal	11	11	7	5	6	5	16	17	12
3A	Principal assistant	3	4	3	0	0	0	3	4	3
3B	Clerical assistant	5	6	5	0	0	0	5	6	5
3C	Secretary	1	0	1	0	0	0	1	0	1
	subtotal	9	10	9	0	0	0	9	10	9
4A	Technical staff	2	2	1	0	0	0	2	2	1
	Total	24	25	17	5	6	5	29	31	22

(1) RFO heads on pay roll of Head office Brussels

(2) 2 additional staff members in budget 2013:

- PSDP coordinator
- HR assistant

CDE Work Programme and Budget 2013

HEADING / TITLE : STAFF

Chapter 11 : Statutory staff

Article	Heading	Commitments 2011	BUDGET 2012	BUDGET 2013
113	Allowances	437.429	610.000	610.000

BUDGET ITEMS

			<u>2012</u>	<u>2013</u>
1	AEDR	Education allowance and registration fees (AER)	EUR 220.000	220.000
2	AHOL	Periodic home leave (AHL)	EUR 80.000	80.000
3	APAA	Allowances for staff assigned as heads of regional offices	EUR 300.000	300.000
4	AMS	Miscellaneous (AMS)	EUR 10.000	10.000
			EUR 610.000	610.000

CDE Work Programme and Budget 2013

HEADING I / TITLE I : STAFF

Chapter 11 : Statutory staff

Article	Heading	Commitments 2011	BUDGET 2012	BUDGET 2013
114	Other expenses related to statutory staff	721.674	220.000	430.000

BUDGET ITEMS

			2012	2013
		<u>Training</u>		
1	TITR	IT Training (TIT)	EUR 25.000	25.000
2	TFLC	Foreign language courses (TFL)	EUR 10.000	10.000
3	TOTH	Other training courses (TOT)	EUR 50.000	50.000
		<u>Expenses for staff integration</u>		
4	ESIC	Staff Committee and other staff integration activities (ESC)	EUR 5.000	5.000
		<u>Expenses related to departure and recruitment</u>		
5	DRDE	Departure (transport and removal expenses, reinstatement allowance,	EUR 100.000	70.000
6	DRNP	Filling new or vacant posts (recruitment costs, transport and removal expenses, installation allowance, daily allowance, etc.)	EUR 30.000	50.000
7		Recruitment of the Director and Deputy Director	EUR 0	100.000
8		Provision indemnity Director and Deputy Director	EUR 0	120.000
			EUR 220.000	430.000

CDE Work Programme and Budget 2013

HEADING I / TITLE I : STAFF

Chapter 12 : Temporary assistance and seconded experts

Article	Heading	Commitments 2011	BUDGET 2012	BUDGET 2013
121	Temporary assistance and seconded experts	145.000	352.992	352.000

BUDGET ITEMS

			<u>2012</u>	<u>2013</u>
1	TSNA Temporary assistance	EUR	232.992	163.000
	- Assistance temporaire FC	35.000		
	- IPSAS accounting closing/reporting	33.000		
	- Ad hoc Assistance	<u>95.000</u>		
		163.000		
2	EXSE Experts on secondment from or exchanged with other organisations,	EUR	120.000	144.000
	- 3 Seconded Experts (one Seconded Expert at 4.000 € monthly *12 = 48.000 € yearly)			
	TSN Trainee			45.000
	- 5 trainees at (one trainee at €750 monthly *12 = 9.000 € yearly)			
		EUR	<u>352.992</u>	<u>352.000</u>

CDE Work Programme and Budget 2013

HEADING II / TITLE II: RUNNING COSTS

Chapter 21 : Running costs (in Brussels)

Article	Heading	Commitments 2011	BUDGET 2012	BUDGET 2013
211	Office rental and incidental expenses	703.544	310.000	350.000

BUDGET ITEMS

			<u>2012</u>	<u>2013</u>
1	ORPS	Offices and parking spaces (OPS)	EUR 184.590	195.000
2	ORPT	Property, regional and local taxes (OPT)	EUR 48.216	52.000
3	ORMB	Building (common charges) (OMB)	EUR 40.572	70.000
4	ORMC	Utilities, office repair and maintenance (OMC)	EUR 26.622	23.000
5	ORPC	Partitioning, cabling, etc. (CPC)	EUR 5.000	5.000
6	ORMS	Miscellaneous (OMS)	EUR 5.000	5.000
			<hr/> EUR 310.000	<hr/> 350.000 <hr/>

CDE Work Programme and Budget 2013

HEADING II / TITLE II: RUNNING COSTS

Chapter 21 : Running costs (in Brussels)

Article	Heading	Commitments 2011	BUDGET 2012	BUDGET 2013
212	Other running costs	276.573	238.960	190.000

BUDGET ITEMS

		<u>Furniture and equipment</u>		2012	2013
1	PFEQ	Purchase of furniture and equipment (PFE)	EUR	5.000	5.000
2	RPHO	Rental of photocopiers and other office machines (RPH)	EUR	20.000	20.000
3	RCLS	Rental of the docking system (RCL)	EUR	15.000	0
4	RTEI	Rental of the telephone installation (RTI)	EUR	4.000	4.000
5	MFEQ	Repair and maintenance of furniture and equipment (MFE)	EUR	5.000	5.000
6	MPCI	Petrol, car maintenance and insurance (MPC)	EUR	12.000	16.000
7	ROOC	Replacement of one office car (ROC)	EUR		
8	RMIS	Miscellaneous furniture and equipment (RMS)	EUR	2.500	3.000
		<u>Miscellaneous running costs</u>			
9	MSTA	Stationery and office supplies (MST)	EUR	15.000	15.000
10	MTEF	Telephone, fax (MTE)	EUR	32.000	32.000
11	MPOE	Postage & delivery (MPE)	EUR	17.000	17.000
12	MBEL	Banking charges and exchange rate losses (MBE)	EUR	15.000	15.000
13	MTRC	Translation costs (MTR)	EUR	15.000	15.000
14	MLEC	Legal consultation costs not related directly to staff matters (MLC)	EUR	5.000	0
15		Electricity	EUR	24.000	0
16		Security	EUR	9.500	0
17	MMIS	Miscellaneous running costs (MMS)	EUR	22.960	23.000
		<u>Representation expenses</u>			
18	EERE	Representation expenses (EER)	EUR	20.000	20.000
				238.960	190.000
			EUR		

CDE Work Programme and Budget 2013

HEADING II / TITLE II: RUNNING COSTS

Chapter 21 : Running costs (in Brussels)

Article	Heading	Commitments 2011	BUDGET 2012	BUDGET 2013
213	Miscellaneous consultants, legal expenses and external audit	275.600	168.100	312.000

BUDGET ITEMS

			<u>2012</u>	<u>2013</u>
1	CCON Miscellaneous consultants (CCO)	EUR	36.100	0
2	LECE Legal expenses (LCE) - ILO 9 cases x 18.000 € = 162.000 € - Legal provision for staff issues 50.000 € - Other issues 25.000 €	EUR	112.000	237.000
3	EXAF External audit fees (EXA) - statutory audit 25.000 € - audit verification funding 50.000 €	EUR	20.000	75.000
		EUR	<u>168.100</u>	<u>312.000</u>

CDE Work Programme and Budget 2013

HEADING II / TITLE II: RUNNING COSTS

Chapter 21 : Running costs (in Brussels)

Article	Heading	Commitments 2011	BUDGET 2012	BUDGET 2013
214	Executive Board	275.600	208.250	220.000

BUDGET ITEMS

			<u>2012</u>	<u>2013</u>	
1	EBME	Board meetings (4 x 45.000 €) + Management supervision mission (4x 10.000 €)	EUR	208.250	220.000
			EUR	208.250	220.000

CDE Work Programme and Budget 2013

HEADING II / TITLE II: RUNNING COSTS

Chapter 22 : Communication and computer services

Article	Heading	Commitments 2011	BUDGET 2012	BUDGET 2013
221	Promotion and communication activities	61.100	200.000	123.000

BUDGET ITEMS

Code			<u>2012</u>	<u>2013</u>	
1	PRCA	General activities related to public relations, brochures, newsletter, publicity and video (PPR) - General information meetings (PRM) - Reception and representation expenses	EUR	200.000	123.000
			EUR	200.000	123.000

CDE Work Programme and Budget 2013

HEADING II / TITLE II: RUNNING COSTS

Chapter 22 : Communication and computer services

Article	Heading	Commitments 2011	BUDGET 2012	BUDGET 2013
222	Computer services	203.589	200.000	208.000

POSTES BUDGETAIRES

			2012	2013
1	CSLS Software licences (CSL)	EUR	70.000	41.500
2	CSIN Internet, Intranet (CSI)	EUR	60.000	15.000
3	CSDE Decentralisation (CSD)	EUR	0	0
4	CSND New software (CSN)	EUR	0	50.000
5	CSPI Programme and project management (CSP)	EUR	35.000	65.000
6	CSHA Hardware (CSH)	EUR	25.000	36.500
7	CSFS Maintenance of the new systems (CSF)	EUR	0	0
8	CSMS Miscellaneous (CSM)	EUR	10.000	0
		EUR	200.000	208.000

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HEADING III / TITLE III : TECHNICAL SUPPORT AND OPERATIONS MANAGEMENT

Chapter 31 : Quality management and missions

Article	Heading	Commitments 2011	BUDGET 2011	BUDGET 2012
311	Quality management and internal evaluation	0	50.000	150.000

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HEADING III / TITLE III : TECHNICAL SUPPORT AND OPERATIONS MANAGEMENT

Chapter 31 : Quality management and missions

Aricle	Heading	Commitments 2011	BUDGET 2012	BUDGET 2013
312	Missions	146.803	180.000	180.000

CDE Work Programme and Budget 2013

HEADING III / TITLE III : TECHNICAL SUPPORT AND OPERATIONS MANAGEMENT

Chapter 33: Decentralisation

Article	Heading	Commitments 2011	BUDGET 2012	BUDGET 2013
331	Regional offices	1,094,589	1,116,000	1,427,000

BUDGET ITEMS

Code			<u>2012</u>	<u>2013</u>
1	RCOF	Running costs (BRC)	EUR 501.900	751.000
2		Support staff recruited locally (BRS)	EUR 614.100	676.000
3		Seconded experts and trainees (BRE)	EUR	
4		Costs for setting up two regional offices (BRI)	EUR 0	0
			EUR 1.116.000	1.427.000

	EMU	SAF	CAF	WAF	CAR	PAC	total
ART 331	2013	2013	2013	2013	2013	2013	2013
Office staff	130.000	119.000	100.000	185.000	170.000	47.000	751.000
Office vehicles	11.000	6.000	12.000	10.000	7.000	9.000	55.000
Communications & IT	17.000	25.000	20.000	15.000	6.000	18.000	101.000
Missions	25.000	35.000	30.000	40.000	20.000	41.000	191.000
Office rent	34.000	0			19.000	14.000	67.000
General expenses	30.000	12.000	18.000	20.000	10.000	18.000	108.000
Capital investment Costs	3.000	43.000	43.000	54.000	5.000	6.000	154.000
Total ART 331	250.000	240.000	223.000	324.000	237.000	153.000	1.427.000

CDE Work Programme and Budget 2013

HEADING III / TITLE III : TECHNICAL SUPPORT AND OPERATIONS MANAGEMENT

Chapter 31 : Quality management and missions

Article	Heading	Commitments 2011	BUDGET 2012	BUDGET 2013
332	Local operational network	385.210	499.000	525.000

Local operational network by regional office

	2013 Budget	%
CAR	70.000	13%
CAF	80.000	15%
EF	110.000	21%
SAF	75.000	14%
WAF	120.000	23%
PAC	70.000	13%
Total	525.000	100%

CDE Work Programme and Budget 2013

HEADING IV/ TITLE IV: OPERATIONS

By article

article	Explanation	Budget 2013
411	General support activities ad hoc studies and publications	185.000
412	meetings, technical seminars and entrepreneur missions	787.000
	subtotal	972.000
CHAP. 42	Direct assistance	
art 421	technical expertise	2.645.000
art 422	support to intermediary organisations and service providers	2.535.000
art 423	support to enterprises direct & via intermediary organisations	2.752.000
art 424	support to individual enterprises	0
	subtotal	7.932.000
CHAP. 43	PSDP implementation	
art. 431	cost of studies	413.000
art. 432	PSDP - management costs	1.683.000
	subtotal	2.096.000
TITLE IV	Total title IV	11.000.000

CDE Work Programme and Budget 2013

By thematic articles

Thematic/article	411	412	421	422	423	431	432	TOTAL
Access to Finance	55.000	70.000	182.000	640.000	375.000	118.000	0	1.440.000
Access to market	60.000	150.000	735.000	670.000	502.000	65.000	0	2.182.000
Compet. Enhancement	20.000	170.000	1.395.000	1.055.000	1.685.000	45.000	0	4.370.000
PSDP management	40.000	50.000	0	0	0	135.000	1.608.000	1.833.000
Ad hoc projects (15% max)	10.000	347.000	333.000	170.000	190.000	50.000	75.000	1.175.000
Total	185.000	787.000	2.645.000	2.535.000	2.752.000	413.000	1.683.000	11.000.000

By region and articles

region/article	411	412	421	422	423	431	432	TOTAL
EEA	95.000	255.000	802.000	90.000	845.000	413.000	0	2.500.000
SAF	40.000	42.000	813.000	200.000	530.000	0	375.000	2.000.000
CAF	0	0	490.000	845.000	325.000	0	100.000	1.750.000
WAF	0	0	300.000	750.000	250.000	0	600.000	1.900.000
CAR	50.000	90.000	0	520.000	515.000	0	575.000	1.750.000
PAC	0	100.000	250.000	130.000	287.000	0	33.000	800.000
ACP/EU	0	300.000	0	0	0	0	0	300.000
Total	185.000	787.000	2.645.000	2.535.000	2.752.000	413.000	1.683.000	11.000.000

CDE Work Programme and Budget 2013

Third part agreement funds and PSDP

Agreements	Total		Duration (Years)	2013 Budget for signed Ag	CDE Contribution		2012 Budget
	Signed	Expected			Total	2013 B	
SAF							
EU Delegation Botswana		2.500.000	3		500.000	250.000	
EU Delegation Zimbabwe						125.000	
CAF							
DUE Kinshasa	2.500.000		3	1.000.000	0		670.000
PADSP Cameroun		6.000.000				100.000	
PADSP CEEAC		32.000.000					
PADSP Congo Brazza		6.000.000					
WAF							
UEMOA-PDSP	9.700.000		3	3.000.000	654.000	200.000	650.000
PDSP/CIV	5.500.000		3	1.800.000	564.000	169.000	
PDSP/BEN		7.200.000	5		1.040.000	231.000	
PDSP/NIG							
CAR							
EIB Facility SAFFC	1.000.000		3	400.000	100.000	33.000	348.000
EU Delegation Haïti		2.200.000	3			442.000	
EU Delegation Haïti, infrastructure		500.000	1			100.000	
PAC							
EIB Facility SAFFP	1.000.000		3	400.000	100.000	33.000	290.000
Total	19.700.000	56.400.000		6.600.000	2.958.000	1.683.000	1.958.000

* third party contribution

** global and pluriannual envelope

For signed A	435.000
Expected	1.248.000
TOTAL	1.683.000