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REPORT FROM THE COMMISSION TO THE COUNCIL
on the implementation of the 11th European Development Fund covering the period
2014-2015

{SWD(2017) 123 final}

This report complies with the requirements of the **11th European Development Fund (EDF) Implementation Regulation contained in its article 18.4/5/6.**¹ It is the first report due for the period covered by the 11th EDF (2014-20) and covers the years 2014 and 2015.

The 11th EDF entered **into force on 1 March 2015**, following ratification of the Internal Agreement² by all 28 EU Member States. The transition period between the 10th EDF, ended on 31 December 2013, and the coming into force of the 11th EDF was managed via the use of transitional measures (so-called Bridging Facility) decided by the Council of the EU.³

The EDF, although with its own specificities, is part of the External Financing Instruments, and is covered by existing overall reporting. The **main sources** for this first annual 11th EDF Implementation Report are

- the Annual Activity Reports 2014 and 2015,
- the Annual Report 2015,
- the EDF annual accounts 2014 and 2015,
- the Second Report on Selected Results (July 2014 – June 2015)

and their respective relevant annexes. These sources are public upon adoption and available on the Europa website (see Staff Working Document - SWD, annex F).

Ad hoc reporting on Support Expenditures is provided for separately and with a biannual frequency (article 6.1, Internal Agreement). Seemingly, the use of EDF resources by the European Investment Bank (EIB) and by the Overseas Countries and Territories (OCTs) are covered by specific reporting⁴.

While this report's exclusive focus is meant to be the 11th EDF, the implementation of such a far-reaching instrument, both in terms of coverage and scope, cannot be seen in isolation from the overall Commission's international cooperation and development policy. That is why, and in order to recall the background, it refers back to Millennium Development Goals (MDG) and the MDG Initiative, shows the interactions with thematic programmes financed under other External Financial Instruments (e.g. Development Cooperation Instrument – DCI and the European Instrument for Democracy and Human Rights - EIDHR) and identifies the link with the current Commission's priorities. Whenever possible, data and/or examples are extracted for the EDF.

¹ OJ, L 58, 3.3.2015, p. 1: Council Regulation (EU) 2015/322 of 2 March 2015 on the implementation of the 11th EDF.

² OJ, L 210, 6.8.2013, p. 1: Internal Agreement between the Representatives of the Governments of the Member States of the EU, meeting within the Council, on the financing of the EU aid under the multiannual financial framework for the period 2014 to 2020, in accordance with the ACP-EU Partnership Agreement, and on the allocation of financial assistance for the OCTs to which Part Four of the TFEU applies.

³ OJ, L 335, p. 48: Council Decision of 12 December 2013 regarding transitional EDF management measures from 1.1.2014 until the entry into force of the 11th EDF.

⁴ <http://www.eib.org/projects/regions/acp/funding-and-financial-instruments/investment-facility/index.htm?lang=en> and COM (2016)79 final, Rapport de la Commission au Conseil sur la mise en œuvre de l'aide financière aux pays et territoires d'outre-mer au titre du 11^{ème} Fonds Européen de Développement, 22.2.2016.

Importantly, while the funds committed under the **Bridging Facility during the period 1 January 2014 to 28 February 2015** were accounted for as under the 11th EDF, the available resources were limited and cannot be compared to the full-fledged version of the 11th EDF. **Implementation of the 11th EDF will not reach cruise-speed until the end of 2016** and the implementation picture that this first annual report provides should therefore take due account of the inception conditions of the 11th EDF.

The same reasoning would apply to **results**. The results presented in the accompanying SWD are those of projects and programmes which ended between 1 July 2014 and 30 June 2015, thus funded under the 10th EDF. They have been measured through the indicators defined in the EU International Cooperation and Development Results Framework, launched by the Commission's Staff Working Document of 26 March 2015⁵. In light of the principle of business continuity they represent the **baseline against which 11th EDF performance** will be subsequently measured. In addition, it is worth to note that the projects and programmes the EU has either financed or helped finance often produce results which, by their very nature, are not quantifiable (e.g. capacity building).

In terms of **aid effectiveness**, the approach is by definition a global one, as portrayed in the latest Annual Report on the EU instruments for financing external actions, from which the last chapter is drawn. Having said so, strategic frameworks with a regional focus exist between the EU and ACP countries, namely the Joint Africa-EU Strategy (2007), the EU-CARIFORUM Economic and Partnership Agreement (2008), the Joint Caribbean EU Partnership Strategy (2012), and the EU-Pacific Development Partnership (2006 and 2012). A review of development aid effectiveness carried out by the Global Partnership for Effective Development Co-operation at the end of 2016⁶ will be reflected in the next 11th EDF Annual Implementation Report.

Major new developments are not fully captured in the report given its coverage period. The following annual report will take into due account new key strategic issues and priorities. The current context has been set up by the financial crisis, the paradigm change in development policy (from MDGs to Sustainable Development Goals, SDGs), and the steady emergence of the EU as a global actor, with EU actors increasingly working together. Under these circumstances, a review of the European framework for development policy is required, framed by the 2030 Agenda and the SDGs, as embedded in the EU Global Strategy and in the recent Commission proposal on a new European Consensus on Development⁷.

Last but not least, the 11th EDF amounts to EUR 29.455 billion (including OCTs and excluding support expenditures) with commitments reaching EUR 4.024 billion and disbursements EUR 1.619 billion as of 31 May 2015 (see SWD, annex A). The slow inception phase mentioned above needs be duly taken into account when reading these figures⁸.

⁵ Staff Working Document Launching the EU International Cooperation and Development Results Framework, SWD(2015)80 final.

⁶ <http://effectivecooperation.org/monitoring-country-progress/explore-monitoring-data/>

⁷ https://europa.eu/globalstrategy/sites/globalstrategy/files/about/eugs_review_web_7.pdf;

http://ec.europa.eu/europeaid/sites/devco/files/communication-proposal-new-consensus-development-20161122_en.pdf

⁸ At the time of finalizing this report in the course of 2016, commitments have doubled and payments have increased by half compared to the figures above.

CONTEXT AND OVERALL OBJECTIVES

Eight MDGs⁹ were agreed at the United Nations summit in 2000 by the donor community, which includes EU and its Member States, with the ultimate purpose to eradicate poverty by 2015. The EU has been committed to helping achieve the MDGs since their very inception and has led the way in integrating them into its development policy and practice. Together, the EU and its Member States are the main contributors to the MDGs in financial terms, since they provide around half of the world's Official Development Assistance (ODA) since 2000. Moreover, the EU plays a role in coordinating the actions of the different donors. Thanks to its supranational dimension, it can set ambitious joint objectives and map out comprehensive solutions to global development challenges. The EU has a world-wide presence in more than 130 countries, wide-ranging expertise and a unique credibility when it comes to human rights, electoral observation, governance and crisis resolution. Finally, the EU has the critical weight to respond to global challenges. The EU's development activities are coordinated with its efforts in other fields, such as humanitarian aid, environment, climate change, security and trade policy. In terms of human development, the EU continues to be committed to spend at least 20% of its aid to basic social services, with a focus on health, education and social protection, throughout the 2014-2020 financial framework.

To accelerate progress towards the MDGs, in 2010 the European Commission established a 12-point action plan¹⁰. In 2011, when many countries were still off-track on most goals, the EU created a new MDG Initiative¹¹, making available needs-based and performance-based funding, worth EUR 1 billion. EUR 700 million targets the most off-track MDGs (hunger, maternal health, child mortality and water and sanitation), while EUR 300 million targets countries with a good track record in implementing aid. To date, the MDG Initiative funds 70 projects in 46 countries¹². In addition, in 2012, the EU and its Member States undertook an ambitious programme of change designed to heighten development impact still further and improve results within the MDGs, by focusing strategically on countries most in need (including fragile countries) and on priority sectors. These priorities, laid down in the Agenda for Change¹³, are now being implemented under the new External Action instruments for the 2014-2020 period.

This is particularly reflected in the new External Action instruments for the period 2014-2020 (e.g. the new Development Cooperation Instrument and the Regulation implementing the 11th EDF explicitly put the MDGs as the key indicators to measure the achievement of the objectives of these instruments). In particular, the 11th EDF Implementation Regulations (Council Regulation (EU) 2015/322)¹⁴, expressly recalls the MDGs as relevant indicators for measuring the progress in the achievement of the 11th EDF's objectives¹⁵, which are fundamentally linked to the objectives of the 10th EDF

⁹ For an overview of the MDGs and the financial contribution of the EDF to the specific indicators, see SWD, annex E.

¹⁰ http://europa.eu/rapid/press-release_IP-11-1063_en.htm?locale=en

¹¹ <http://ec.europa.eu/europeaid/node/1369>

¹² The countries with at least one MDG Initiative project were: Burkina Faso, Malawi, Rwanda, Mozambique, Ghana, Tanzania, Zambia, Congo (DRC), Liberia, Uganda, Chad, Namibia, Niger, Côte d'Ivoire, Somalia, Sierra Leone, Jamaica, Madagascar, Haiti, Burundi, Togo, Botswana, Central African Republic, Mauritania, Timor Leste, Cape Verde, Mauritius, Zimbabwe, Guinea, Samoa, Gambia, Swaziland, Kiribati, Djibouti, Guinea-Bissau, Sao Tome & Principe, Comoros, Solomon Islands, Tonga, Marshall Islands, Saint Lucia, Antigua and Barbuda, Niue, Grenada, Cook Islands, Tuvalu.

¹³ <http://ec.europa.eu/europeaid/node/1365>

¹⁴ <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32015R0322&from=EN>

¹⁵ The objective are the same for the Bridging Facility: https://ec.europa.eu/europeaid/sites/devco/files/edf-bridging-facility-impl-regulation-2014-157_en.pdf

and based on those of the Cotonou Partnership Agreement, as stated in its Article 1. The primary objective shall be the reduction and, in the long term, the eradication of poverty. Furthermore, at the same time, the 11th EDF shall: foster sustainable and inclusive economic, social and environmental development; consolidate and support democracy, the rule of law, good governance, human rights and the relevant principles of international law; and implement a rights-based approach encompassing all human rights. As indicated in the Implementation Regulations, after the end of the MDG era in 2015, the 11th EDF will measure the progress in its achieving the above-mentioned objectives through other indicators agreed at international level by the Union and its Member States, notably the Sustainable Development Goals (SDGs).

FOCUS ON COMMISSION'S PRIORITIES

EU development policy and the Commission's work in implementing this policy are strongly anchored in two main priorities of the President Juncker's Commission: "**The EU as a Stronger Global Actor**" and "**Towards a New Policy on Migration**". Furthermore it significantly contributes to "**A New Boost for Jobs, Growth and Investments**" and "**A Resilient Energy Union with a Forward Looking Climate Change Policy**".

The EU as a Stronger Global Actor in the ACP region

The EU has to play its role in responding efficiently to global challenges, in projecting its values and contributing to peace and prosperity in the world.

A top priority of the EU is to build peaceful societies and eradicate poverty in fragile and conflict-affected countries. The EU supports partner countries around the world in their efforts to secure lasting peace, promote their political stability or rebuild societies and infrastructures after crisis situations. The EU's priorities in this field are to promote good governance, establish the rule of law, fight against crime and strengthen law enforcement.

The adoption in 2015 of the **Sustainable Development Goals** - the successors of the Millennium Development Goals - and the adoption of the UN Agenda "Transforming our world: the 2030 Agenda for Sustainable Development" set a new framework for global action to eradicate poverty and achieve sustainable development by 2030. The EU has committed itself to fully implement the Agenda 2030 across the range of both internal and external policies. The scope, ambition and universality of this new Agenda- for which the EU played a leading and influential role from the outset- represents a true achievement in a generally difficult time for multilateralism. 2015 was also the year in which international negotiations on Financing for Development led to the adoption of the Addis Ababa Action Agenda. In Addis, the EU was instrumental in securing the adoption of a multilateral agreement where all parties agreed on the Means of Implementation of the post-2015 development agenda. The EU has brought forward important contributions including on the Official Development Assistance (ODA) with an ambitious collective commitment to achieve UN 0.7% target within the frame of the new 2030 agenda.

During 2015, the European Commission jointly with the EEAS also launched a broad consultation on the **future partnership of the EU with the ACP countries** to feed in the future policy proposal during 2016. A dedicated Task Force has been created for that purpose. This Task Force, in collaboration with the European External Action Service, has conducted a series of roundtables with a wide range of stakeholders and drafted a Joint Consultation Paper (06/10/2015 JOIN(2015) 33 final) on the matter. The public consultation was closed at the beginning 2016 and a report with the outcome was

subsequently made available. This consultation will provide precious material which, combined with internal reflections and a thorough analysis of the large number of existing evaluations, will guide the next steps of the process¹⁶. In parallel, regular meetings at the Council and the European Parliament have been held to help define the European position on the many different aspects of the matter. A proposal for a post-Cotonou framework will be made in 2017 through a Communication. It will be based on an evaluation and an impact assessment staff working documents.

Trust Funds (TFs) are development tools that pool together resources from different donors in order to enable a quick, flexible, and collective EU response to the different dimensions of an emergency situation. Two types of TFs have been introduced in the 11th EDF Financial Regulation (Article 42), based on the EU Budget financial regulation¹⁷:

- Emergency and Post-Emergency TFs to address all type of crisis, by allowing the EU Commission to decide and apply rapid award procedures and to delegate implementing tasks if deemed to be more efficient,
- Thematic TFs to address global challenges, by allowing the Commission to directly implement required activities under its standard procedures.

The EU continued its proactive engagement on the boards and committees of global initiatives, namely the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFTAM), Global Vaccine Alliance (GAVI), and the Global Partnership for Education¹⁸. These global initiatives focus on addressing major challenges for many partner countries in their efforts to achieve the health and education MDGs and SDGs, such as those related to the three diseases in the case of the GF and ensuring equity of access and improving learning outcomes in the case of the GPE. Through its proactive participation on the boards of the Global Fund, GAVI and GPE, the EU played an instrumental role improving governance, programmatic oversight and a more effective allocation and programming of resources to poor countries. Board membership in these initiatives gave a significant voice to the EU in the international debate on health and education policy, as well as providing a platform to support progress in aid and development effectiveness and country ownership. The EU has also been very proactive in supporting countries affected by the Ebola epidemic crisis.

¹⁶ See the Joint Communication on a renewed partnership with the countries of Africa, the Caribbean and the Pacific (22.11.2016): https://ec.europa.eu/europeaid/sites/devco/files/joint-communication-renewed-partnership-acp-20161122_en.pdf

¹⁷ Since the adoption of the financial regulation, the EU has established 2 Trust funds totally or partly funded by the 11th EDF: the Békou Trust Fund in Central African Republic and the EU Emergency Trust Fund for Africa.

¹⁸ Global initiatives are also funded using EDF Intra ACP resources.

Response to the Ebola crisis

In response to the **Ebola crisis in West Africa** in 2014, the Commission mobilised some EUR 210 million in development and early recovery assistance for delivery in 2014 and 2015. The funding aimed to support macroeconomic stability and the health sectors in the most affected countries, and to strengthen Ebola preparedness in other countries of the region. Adding to this the contributions for humanitarian aid and with EUR 138.4 million for research on treatment, diagnostics and vaccines, the European Commission's total contribution amounted to EUR 414 million. The overall funding from the EU, including the EU budget and Member States' contributions was more than EUR 1.2 billion. An additional amount of over EUR 100 million was funded by industry in the context of the Innovative Medicines Initiative.

EUR 210 million for development and early recovery were allocated to support the following objectives: EUR 122 million for supporting macroeconomic stability and health services in the most affected countries; EUR 5 million for the African Union mission 'Support to EBOLA Outbreak in West-Africa (ASEOWA); EUR 8 million for mobile laboratories and training of health workers in Guinea, Nigeria and Liberia; EUR 28 million to healthcare, food security, water and sanitation and resilience of vulnerable households; EUR 20 million for strengthening health services in Forestry Guinea; and EUR 27.5 million for health preparedness, awareness raising and violence prevention in affected and at-risk neighbouring countries.

EU's response continued through-out 2015 (EUR 660 million development funding pledged). Additional budget support was paid to Liberia (EUR 31 million) and Sierra-Leone (EUR 43 million) to cushion the economic impact of the epidemic and provide the countries with valuable funds to stabilise the state budget – for example to pay salaries and cover other important recurrent costs. A number of strategic projects under the **AWARE (A West Africa Response to Ebola)** programme linking humanitarian assistance with development were launched, e.g. strengthening health systems, resilience of livelihoods in Guinea or access to water in schools in Liberia. The first recovery programmes were also launched in Guinea (health) and in Liberia (education and energy). By the end of 2015, the three affected countries were all on the path to being declared Ebola free.

The EU Békou Trust Fund

The EU Békou Trust Fund was created on July 2014 with a mandate to support resilience and to link relief recovery and development in Central African Republic (CAR) in the aftermath of an unprecedented crisis in 2013/2014. The fund is endowed today with EUR 136 million. The EDF contributed to the Bekou Trust Fund's endowment with EUR 44 million. However, contributions do not have any specific allocation, as the TF, for its very nature, pool funds without earmarking. The violence outbreak of September and October 2015 has not led to significant delay in the implementation of the projects – and all the ongoing activities resumed after few weeks of suspension. Since its creation the Fund has successfully adopted, launched and implemented a series of projects attending the urgent needs of the populations in the sectors of gender, health, urban rehabilitation, food security and refugees.

To date, more than **500.000 citizens of CAR** are directly benefitting from the projects financed by Békou. Other results: almost half a million people were assisted under basic health programme (vaccinations, assisted deliveries, etc.), 10.000 farmers received 200 tons of seeds, almost 1.000 women were trained (including against gender-based violence), etc. The Fund has ensured a high visibility to the EU in CAR despite a very fragile context, lack of interest from the donor community and additional outbursts of violence.

In the sector of "**gender**" the programme implemented has improved both the social and the economic conditions of Central African women through trainings, medical and psychological support as well as financial support. Some **results** obtained in 2015:

- **990 women** have been trained (including against gender based violence)
- **45 local NGOs** associated for the implementation of the project
- **1780 persons** benefitted from economic training

Another project implemented in the "**health**" field, run in Bangui and five other cities across the country, aimed at ensuring access to basic health services to 1 million people in a context where most of the health structures and services have been disrupted in the aftermath of the crisis of 2013. Some **results** obtained in 2015:

- Ensuring access to basic health services in **6 cities** across the country

- **450 000 direct beneficiaries** (vaccination, assisted deliveries, etc.)
- Reorganisation of "health district" ensuring long-term effects of the project

The program implemented under the "**urban rehabilitation**" sector involves the reconstruction of the poor and violence-prone neighbourhoods of Bangui through labour intensive work (HIMO), allowing among others the rehabilitation of public infrastructures. Some **results** obtained in 2015:

- **1.100 workers** hired and trained during the works
- **800 people** enrolled in awareness raising programme on conflict prevention.

The "**food security**" program aims to support food and nutrition security based on three components: a) The strengthening of food resilience at the community level; b) the reorganization of the "transhumance" network; c) the establishment of local food production and small livestock farming around Bangui. In 2015 the following **results** were obtained:

- **10.000 farmers** have received 200 tons of seeds
- **28 121 tools** and **200 tons of seeds** distributed (DRC with FAO)
- **30 000 cattle** were immunised (vaccination against diseases)

African Peace Facility - The Early Response Mechanism (ERM)

Across Africa, **conflict** continues to cause **human suffering**. It is also one of the root causes of migration and a major impediment to economic and social development. This is why **supporting peace and security is at the heart of the EU's strategy for the continent**. The EU believes that peace and security efforts should be led by Africans if they are to be successful. The EU therefore established the **African Peace Facility (APF)** in 2004 to support those efforts. From its outset, the APF financed peace support operations in areas affected by conflict, such as **Darfur**. However, it lacked a mechanism that allowed the African Union to address conflict before it broke out. The **Early Response Mechanism (ERM)** was established in 2009 to help prevent political and security crises from degenerating into open conflict. It is an **emergency mechanism** that is able to make funds available for the African Union in less than 10 days so that it can immediately support mediation, confidence-building or any other activity that prevents mounting tensions in troubled areas turning into situations that affect the living conditions of the population.

In 2015, the ERM funded 9 actions for a total amount of EUR 7 million that were instrumental in either preventing or mitigating conflict in several African regions. In **South Sudan**, where a civil war erupted in December 2014, the ERM financed the dialogue that resulted in an agreement for a ceasefire between the Government and the opposition, thus improving the situation of hundreds of thousands of people displaced by the war. The ERM also contributed to consolidating peace **between North and South Sudan** by supporting negotiations on outstanding disputes on issues such as border demarcation and wealth sharing.

In the Central African Republic the ERM helped to find a way to end violence, by financing mediation efforts that resulted in a climate conducive to the holding of elections in February 2016. In the Great Lakes Region, where the population living in the eastern areas of the **Democratic Republic of the Congo** have suffered from one of the worst man-made humanitarian disasters over the last two decades, the ERM helped to restore and promote trust between the DRC and its neighbours by supporting a joint verification mechanism of the agreements that they had entered into in, order to bring stability to the region. Even in **Burundi**, where the political situation deteriorated quickly at the end of 2015, swift ERM funding helped to deter further violence by both allowing the AU to deploy Human Rights observers and security officers and by financing the rapid commencement of an Inter Burundian dialogue mediated by Uganda.

The ERM was externally evaluated in 2015 and found to be a particularly relevant and useful mechanism able to quickly mobilize funds and support crises-related efforts of a preventative and mediatory nature. In view of the performance of the instrument, the Commission has decided to increase the ERM's resources to EUR 15 million until mid-2018.

Towards a New Policy on Migration¹⁹

The European Commission's agenda on migration sets out a European response, combining internal and external policies, making best use of EU agencies and tools, and involving all actors: EU countries and institutions, international organisations, civil society, local authorities and national partners outside the EU.

New innovative instruments alongside existing mechanisms were put in place to tackle the root causes of irregular migration while ensuring a global response, presence and added-value of the EU.

EU Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa

The European Commission made an important, concrete contribution to deliver under the EU's commitments to address irregular migration and forced displacements, and in particular those in the Action Plan adopted at the EU-Africa Valletta Summit in November 2015. As stated by President Juncker at the Summit: "This Emergency Trust Fund for Africa, set up at a record speed, shows once more the EU's commitment to swiftly reply to the large challenges we are facing in the region". DEVCO worked intensely with other European donors, partner countries and regional organisations, Commission services and the EEAS, to rapidly establish in November 2015 an EU Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa.

The creation of the Emergency Trust Fund for Africa provided a platform for the EU to step up its collective response to address the root causes of irregular migration and forced displacement, and in particular those in the Action Plan adopted at the EU-Africa Valletta Summit in November 2015. Signed at the Summit by the 28 Heads of State contributing to the EUR 1.8 billion EU Trust Fund, it supports some of the most fragile and vulnerable countries across Africa (in 3 regions Sahel and Lake Chad, Horn of Africa, North of Africa and neighbouring countries), reinforcing the EU's ongoing development cooperation in the continent.

The four key priorities under the EU Trust Fund complement the EU's migration agenda, and will bolster efforts to address the root causes of migration and support stability and growth in Africa: strengthening economic development; enhancing resilience; ensuring better management of migration; and strengthening governance, stability and security.

The EU Trust Fund for Africa demonstrated its capacity to work as a flexible instrument to respond to crisis, in less than two months after its establishment: a first operational committee for Horn of Africa was held at the end of 2015 and the first operational committee for the Sahel/Lake Chad region at the start of 2016, providing over EUR 350 million in projects for the two regions. Programmes are being prepared rapidly for roll-out on the ground and operations will continue and intensify in 2016 including with the conclusion of Migration Compacts with relevant target countries²⁰.

A Resilient Energy Union with a Forward Looking Climate Change Policy

In 2015 the international community adopted two major agreements that will define our work in international cooperation and development for the years to come. The 17 goals of the new 2030 global sustainable development agenda underline a commitment to balance economic, social and environmental objectives. One of the sustainable development goals adopted (SDG13) focuses on climate change. The Paris Agreement (COP21) is the first-ever legally-binding global climate deal covering all countries with an important EU-ACP agreement paving the way to the final deal. Under the framework of the 2030 Agenda and the Paris Agreement awareness of the links between climate change, poverty reduction, development and sustainability for a global transformation to a low emission and climate resilient world needs to be strengthened. Developed countries

¹⁹ The Communication from the Commission on establishing a new Partnership Framework with third countries under the European Agenda for Migration, COM(2016) 385 of 7.6.2016, does not fall under the period covered by this report.

²⁰ Ethiopia, Mali, Niger, Nigeria, Senegal to start with.

agreed to provide USD 100 billion a year to address climate change in developing countries by 2020 until 2025 when a new collective goal will be set. The EU has already committed itself to playing its part, by devoting at least 20 % of its budget for 2014-2020 to climate change related actions. Development cooperation has an essential role in supporting this process, in particular in the poorest and most vulnerable countries. ODA will continue to be one of the main sources of climate finance, and the EU will enhance its efforts to integrate climate change into its strategies (screening all programmes and projects to integrate climate change, including the food security, agriculture and health sectors).

The EU is also fully committed to SDG 7, which aims to ensure access to affordable, reliable, sustainable and modern energy for all. Strengthened policy dialogue between the EU, Member States, partner countries and other international donors resulted in the signing of Joint declarations on sustainable energy²¹. The EU plays a leading role at the global level through its active presence in international fora and by building strategic partnerships such as the Africa-EU Energy Partnership (AEEP) or the Sustainable Energy for All initiative. The Africa Renewable Energy Initiative was launched during COP21, as well as the extension of the EU Covenant of Mayors initiative to Sub-Saharan Africa. Again, through development cooperation, partner countries receive financial assistance to access modern, affordable and reliable energy services thus contributing to inclusive economic growth. In this area in particular, the chosen EU approach is to help boost investment through the EU blending framework with the aim of maximising the leverage of EU development cooperation resources. Under the EDF, 26 partner countries and regions have chosen energy as a focal sector for their cooperation with the EU (10% of the 2014-20 budget). An evaluation on sustainable energy development cooperation is being undertaken.

Pacific Region

Through EU support, the University of the South Pacific (USP) continued providing formal and informal training and granted scholarships for climate change scientists and negotiators. A total of 174 students from 14 Pacific ACP countries graduated through Masters, Post-graduates and PhD programmes and many of those graduates have successively joined competent authorities within national governments and regional institutions. This investment has not only contributed to building trust, but has already paid off through the formation of the high ambitious coalition with Pacific ACP countries, which contributed to the conclusion of the Paris Agreement at COP21. The additional training of more than 2,000 Pacific islanders in on the ground adaption activities at community level and the finalization of vulnerability assessments for 44 communities, plus capacity building and direct support to the most affected communities (e.g. rainwater harvesting technologies) on Small Islands States, has laid a good foundation for EU future cooperation on climate change in the Pacific region.

An EU strategic approach to wildlife conservation in Africa

Under the EU Biodiversity for Life (B4Life) flagship initiative, an African Wildlife Crisis Window has been created to address the increasing concern of wildlife poaching and biodiversity loss and define a strategic approach for African wildlife conservation. The study 'Larger than Elephants', was also carried out. It describes the scale of the crisis facing Africa and its people, identifies lessons learned from conservation programmes to date and sets out priority areas for future action. The study is an example of the European Commission's new joined-up approach to development cooperation and provides inputs for an EU strategic approach to wildlife conservation in Africa. Similar strategic studies are now developed for Asia and Latin America.

²¹ Over the period 2014-15, Uganda, Sierra Leone, Kenya, Nigeria, Cameroon, Senegal, Madagascar, Benin, Micronesia, Marshall Islands, Tonga, Palau, Nauru, Niue, Rwanda, Togo, Côte d'Ivoire, Cape Verde, Liberia were among the signing countries.

A New Boost for Jobs, Growth and Investments

Beyond Europe, there exist additional opportunities coming from the development policy and instruments that are at its disposal to primarily stimulate investment, create economic activities, and hence growth and jobs in partner countries while at the same time having positive economic effects in Europe.

The Agenda for Change emphasises the support of inclusive growth and job creation as a key priority of EU external cooperation. By alleviating poverty, improving the enabling environment for the private sector in developing countries while contributing to decent work, and making a contribution to public financial management, good governance and the rule of law, the EU's bilateral, multilateral and global development efforts can make a positive contribution to sustainable growth in developing countries. Over the medium term, sustainable development in developing countries can increase the size of the EU's external markets, generating prosperity and opportunities for jobs and growth within the EU as well as in developing countries themselves.

Strengthening the strategic partnership with Africa is one of the EU's political priorities. The EU-Africa Partnership promotes a relationship between equals and is based on shared interests and common values. While supporting African integration, the EU also aims to boost sustainable and inclusive growth and to contribute to prosperous and peaceful societies. Sustainable prosperity and peace in Africa also benefit Europe by contributing to addressing mutual challenges such as climate change and demographic unbalances, by offering new economic, trade and investment opportunities for both sides, and by reducing mutual security threats. In this respect, the EU support to the establishment of the African Continental Free Trade Area (CFTA) funded via the African Union Support Programme was adopted. The EU also further engaged the European and African Private Sector via a High Level event on "Catalysing private sector engagement and resources for development: the EU and African perspectives", in the framework of the third UN Conference on Financing for Development (Addis Ababa, 15 July 2015), organised jointly by the European Commission and the African Union Commission. Private sector organisations involved in large infrastructure projects and in mining in Africa were also brought together in the context of a joint EU-AU High Level Workshop on the infrastructure needs of the Mineral Sector in Africa (Brussels, March 2015).

The Commission has set up two initiatives to attract investments in the sectors of sustainable energy (ElectriFI) and agriculture (AgriFI), so as to bridge the gaps in structuring and financing new investments. These support mechanisms will be instrumental in stimulating the private sector, mobilising financiers and bringing about a catalytic impact on economic growth. In developing countries there is often a lack of access to seed capital, as well as medium and long-term capital, partly due to the reluctance of the risk adverse banking sector.

AID EFFECTIVENESS: STATE OF PLAY

The Global Partnership for Effective Development Cooperation (GPEDC)²² is the key framework for the aid and development effectiveness agenda and is based on four key commitments/areas: Democratic country ownership; transparency and mutual accountability; focus on results; inclusive development partnerships. The EU is fully committed to the process through two main policy initiatives: transparency/ mutual

²² The Commission represented the EU constituency in the GPEDC Steering Committee (SC), being one of the three representatives of donor partners in the SC, which met in 2014 in Abuja (February) and New York (July). The first GPEDC High Level Meeting took place in April 2014.

accountability and joint programming.

Joint Programming helps respond to partner countries growing requests to reduce aid fragmentation and transaction costs placed on their institutions. It also improves transparency, predictability, coordination, and reduces bureaucracy and costs for all actors involved.

In this context, while this Report was being drafted, Council Conclusions adopted in May 2016 on *Stepping-Up Joint Programming* gave renewed impetus to the commitments for reducing aid fragmentation and increasing development effectiveness. The Conclusions emphasise that Joint Programming can contribute to increasing the European Union's ability to play a key role and to support partners in the implementation of the 2030 Agenda for Sustainable Development and of the Addis Ababa Action Agenda. Moreover, it puts forward that Joint Programming should also be pursued, where relevant, in the framework of wider forms of political engagement²³, such as in connection with the High-Level Dialogues on Migration.

Since 2012, in 30 cooperation countries, development partners have reached the stage of a joint analysis²⁴; in 25 of them they have developed a joint strategy, with some still in draft or being revised²⁵.

At country level, development partners in Ethiopia reports progress in coordination in three strategic areas/clusters i) job creation, ii) natural resources and iii) governance. "Joint actions" (EU+-wide coordination frameworks focusing on implementation) are being developed in the Nutrition, Health and Green sector. In Kenya, a "EU Joint Cooperation Strategy in Support of Kenya's Medium-term Plan 2014 – 2017" was adopted in 2015 by 10 EU development partners, and presented jointly with the Ministry of Finance. It has an indicative amount of EUR 3 billion (loans/grants) to be allocated by EU donors to support the implementation of the Medium Term Plan II and Vision 2030 for the period 2013-2017. In Uganda, a similar joint strategy was signed in March 2015 by 11 EU development partners and Norway. All three new strategies are aligned with the respective national development programmes, increase transparency and mutual trust²⁶.

Work towards the replacement of Commission multi-annual programming documents with a joint multiannual indicative programme is ongoing, with Asia in the forefront (Laos) and potential followers among the ACP countries, such as the Central Africa Republic and Senegal.

²³ See footnote 7 and also later on in the course of 2016, the Commission Communication on the next steps for a sustainable European future: https://ec.europa.eu/europeaid/sites/devco/files/communication-next-steps-sustainable-europe-20161122_en.pdf

²⁴ Among the 30, the following ACP countries are currently included: Burkina Faso, Burundi, Chad, Comoros, Cote d'Ivoire, Ethiopia, Ghana, Kenya, Malawi, Mali, Mozambique, Namibia, Niger, Rwanda, Senegal, South Sudan, Togo, Uganda, and Benin (draft).

²⁵ Among the 25, the following ACP countries are currently included: Burundi, Chad, Comoros, Ethiopia, Ghana, Kenya, Mali, Namibia, Rwanda, Senegal, South Sudan, Togo, Uganda, plus Benin, Burkina Faso, Cote d'Ivoire, Niger as drafts.

²⁶ At the time of writing this Report, the EU, France, Germany and the government of Togo have signed a Joint Programming agreement set to deliver 715 million EUR. The strategy will enable more predictability and transparency on EU funding together with a better ownership by the partner country.