



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 19 May 2014
(OR. en)**

9989/14

**DEVGEN 135
RELEX 427
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NOTE

From: General Secretariat of the Council

To: Delegations

Subject: Council Conclusions on the Annual Report 2014 to the European Council on EU Development Aid Targets

At its meeting on 19 May 2014, the Council (Foreign Affairs/Development) adopted the Conclusions set out in the Annex to this note.

Council Conclusions

Annual Report 2014 to the European Council on EU Development Aid Targets

1. The Council welcomes the publication by the Commission of preliminary information on 2013 EU Official Development Assistance¹ (ODA), analysing the trends with regard to EU collective and individual ODA commitments². The Council stresses that ODA is an important and catalytic element in the overall financing available for developing countries most in need.
2. On 17 June 2010 the European Council requested the Council to make an annual report on the EU and Member States' commitments and delivery on ODA. This is the fourth such report to be submitted to the European Council.
3. Bearing the above in mind, the Council wishes to report the following elements to the European Council:
 - a. In 2013, and despite continued budgetary constraints owing to the on-going crisis, the EU collective ODA increased to €6.5 billion from €5.3 billion in 2012. EU collective ODA remained at 0.43% of EU gross national income (GNI)³. The total ODA of the EU Member States alone increased from €0.7 billion in 2012 to €3.6 billion in 2013, or from 0.39% to 0.41% of GNI.

¹ http://europa.eu/rapid/press-release_IP-14-388_en.htm and [http://europa.eu/rapid/press-release MEMO-14-263_en.htm](http://europa.eu/rapid/press-release_MEMO-14-263_en.htm)

² Presidency Conclusions, European Council of 16 and 17 June 2005 (doc. 10255/1/05) and Council Conclusions of 10 and 11 November 2008 (doc. 15480/08).

³ EU collective ODA is the sum of ODA from the EU Member States and the part of ODA provided by the EU institutions that is not imputed to Member States. Most of the EU institutions' ODA spending is, for the purposes of ODA/GNI reporting, imputed to EU Member States, i.e. Member States data include part of the institutions' spending. The ODA provided through European Investment Bank (EIB) own resources (€2.9bn in 2013) is not imputed to Member States and is additional to the Member States' ODA.

- b. The EU has maintained its position as the biggest global ODA donor (see Figure 1), accounting again for over half of the total ODA to developing countries as reported to the OECD/ DAC. Global ODA by the OECD/ DAC donors stood at €101.5 billion in 2013 compared to €98.7 billion in 2012.
- c. The above figures reflect the mixed performance of Member States. In nominal terms, 16 Member States increased their aid by a total of €4.1 billion, while 12 Member States decreased their aid by a total of €1.2 billion. Seven Member States remained above their 2010 intermediate individual targets. Four Member States met or exceeded the 0.7% ODA/GNI target (see Figure 2).
- d. Member States' own and Commission estimates show that without substantial additional efforts by most Member States to fulfil their individual commitments, the EU collective ODA would increase only to 0.45% of GNI by 2015. To reach the collective EU target of 0.7% of GNI by 2015, the EU and its Member States would need to mobilise an additional amount of approximately €41.3 billion (see Table 1).

4. In light of on-going international discussions, the Council reiterates its comprehensive and integrated approach to mobilising financing and other means of implementation from all available sources (public/private, domestic/international) in support of developing countries, including innovative financing sources and instruments, as well as mechanisms for monitoring its results. In this context, and in view of active involvement in discussions at the OECD/DAC, the EU and its Member States will continue to work together on external development finance measurement, including the role and framework of ODA. The Council looks forward to a broader discussion on the various elements of EU performance on the basis of the 2014 EU Accountability Report on Financing for Development⁴. In addition, the EU and its Member States also look forward to a constructive and open dialogue with all stakeholders on the post-2015 overarching framework, including on the report of the Intergovernmental Committee of Experts on Sustainable Development Financing and the preparations for the 3rd International Conference on Financing for Development.
5. Conscious of ongoing economic constraints, the Council remains seriously concerned about ODA levels and reaffirms its political leadership and commitment to EU development aid targets. In this light:
 - a. Development cooperation remains a key priority for the EU, which has formally undertaken to collectively commit 0.7% of GNI to official development assistance by 2015, thus making a decisive step towards achieving the Millennium Development Goals. The EU and its Member States reaffirm all their individual and collective ODA commitments⁵, taking into account the exceptional budgetary circumstances.

⁴ Defined at the March 2002 United Nations International Conference on Financing for Development (Monterrey Consensus) and further developed at the Review Conference of 2008 (Doha Declaration), it includes inter alia domestic resources mobilisation and debt sustainability, foreign direct investment and increased engagement of the private sector, other private flows like migrants remittances, Official Development Assistance and other financing for global challenges, innovative financing and international systemic issues.

⁵ See Annex.

- b. Member States that did not reach their individual ODA targets are invited to take realistic, verifiable actions in order to resume or secure a positive trajectory to meet these commitments. Member States are also invited to share information on these actions and their planned ODA spending for the next budgetary year, as well as on their intentions for the remaining period until 2015, bearing in mind that these issues fall within the competence of Member States. Member States are also encouraged to consider actions to ensure that the most concessional public financial flows are focused on the countries most in need.

- c. The EU and its Member States call on all other international development partners – including new and emerging actors – to raise their level of ambition, thus contributing their fair share to the global development efforts.

Existing EU ODA Commitments and Targets

0.7% ODA/GNI (Council Conclusions, 24 May 2005 (doc. 9266/05, paragraph 4.))

‘Increased ODA is urgently needed to achieve the MDGs (Millennium Development Goals) ... the EU agrees to a new collective EU target of 0.56% ODA/ GNI by 2010, that would result in additional annual €20 billion ODA by that time.

(i) Member States, which have not yet reached a level of 0.51% ODA/ GNI, undertake to reach, within their respective budget allocation processes, that level by 2010, while those that are already above that level undertake to sustain their efforts;

(ii) Member States, which have joined the EU after 2002, and that have not reached a level of 0.17% ODA/ GNI, will strive to increase their ODA to reach, within their respective budget allocation processes, that level by 2010, while those that are already above that level undertake to sustain their efforts.

(iii) Member States undertake to achieve the 0.7% ODA/ GNI target by 2015 whilst those which have achieved that target commit themselves to remain above that target; Member States which joined the EU after 2002 will strive to increase by 2015 their ODA/GNI to 0.33%.’

Africa (Council Conclusions, 24 May 2005 (doc. 9266/05), paragraph 22)

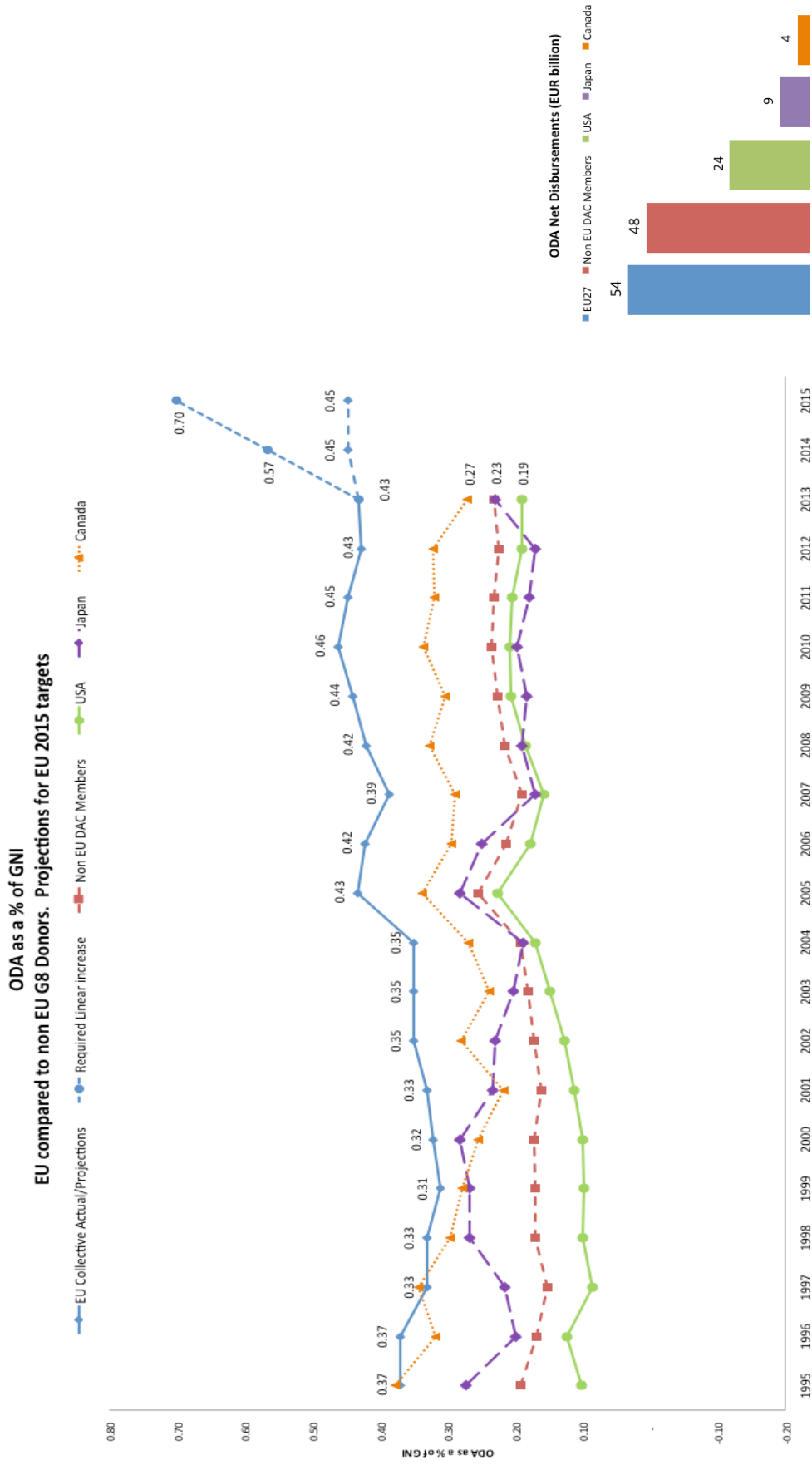
‘The EU will increase its financial assistance for Sub-Saharan Africa and will provide collectively at least 50% of the agreed increase of ODA resources to the continent while fully respecting individual Member States priorities’ in development assistance.’

LDC (Council conclusions, 31 March 2011 (Doc.7813/11), paragraph 10)

‘...the EU reaffirms its commitment, in the context of the above mentioned overall ODA commitment, to meeting collectively the target of 0.15 to 0.20% of GNP to the LDCs⁶

⁶ Original commitment in Council Conclusions of 10 and 11 November 2008 (doc. 15480/08).

Figures and Tables
Figure 1



Source: OECD/ DAC data for 1995 – 2013 when available; Commission simulation based on information provided by EU Member States or based on agreed EU commitments 2015.

Figure 2

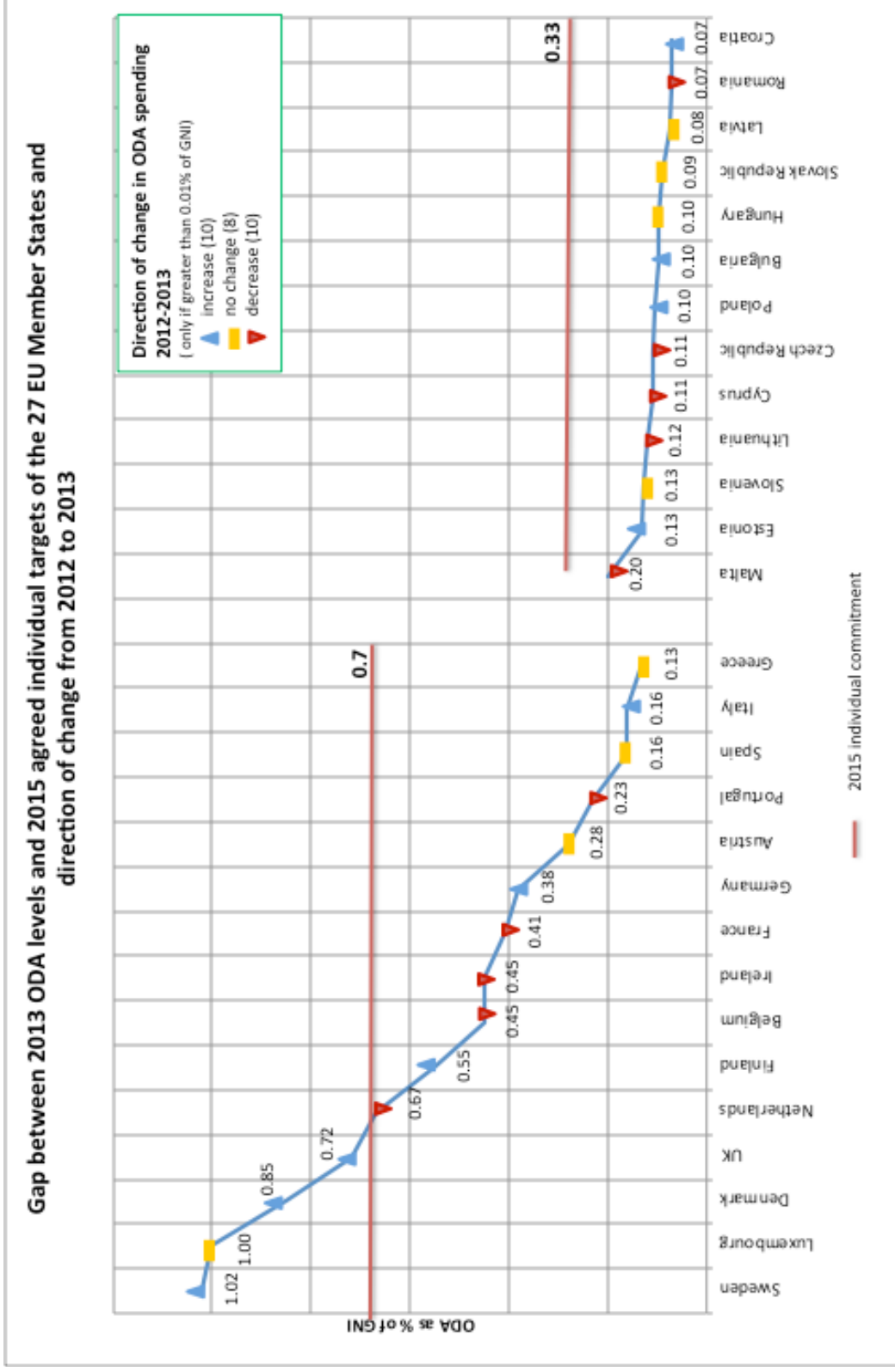


Table 1: EU ODA 2013-2015

Member State	2012		2013		2014		2015		2015 commitment		2015 financial gap	
	EUR Million	% of GNI	EUR Million	% of GNI	EUR Million	% of GNI	EUR Million	% of GNI	EUR Million	% of GNI	EUR Million	% of GNI
Austria	860	0.28	882	0.28	1393	0.43	1386	0.42	2,328	0.70	942	0.28
Belgium	1,801	0.47	1,718	0.45	1,731	0.44	1,745	0.43	2,843	0.70	1,099	0.27
Bulgaria	31	0.08	37	0.10	46	0.11	56	0.13	140	0.33	83	0.20
Croatia	15	0.03	32	0.07	26	0.06	27	0.06	217	0.33	190	0.27
Cyprus	20	0.12	19	0.11	19.5	0.13	19.5	0.13	51	0.33	32	0.20
Czech Republic	171	0.12	160	0.11	156	0.11	156	0.11	458	0.33	302	0.22
Denmark	2,095	0.83	2,206	0.85	2,234	0.84	2,269	0.83	2,748	1.00	479	0.17
Estonia	18	0.11	23	0.13	28	0.15	30	0.15	66	0.33	36	0.18
Finland	1,027	0.53	1,081	0.55	1,103	0.55	1,069	0.52	1,448	0.70	379	0.18
France	9,558	0.45	8,568	0.41	10,327	0.48	10,588	0.48	15,428	0.70	4,840	0.22
Germany	10,067	0.37	10,590	0.38	10,779	0.37	10,971	0.37	20,996	0.70	10,025	0.33
Greece	255	0.13	230	0.13	198	0.11	170	0.09	1,293	0.70	1,123	0.61
Hungary	92	0.10	91	0.10	90	0.10	94	0.10	322	0.33	228	0.23
Ireland	629	0.47	619	0.45	600	0.43	554	0.38	1,015	0.70	461	0.32
Italy	2,129	0.14	2,450	0.16	2,618	0.17	3,152	0.20	11,306	0.70	8,154	0.50
Latvia	16	0.08	18	0.08	18	0.07	19	0.07	87	0.33	68	0.26
Lithuania	40	0.13	39	0.12	40	0.11	41	0.11	125	0.33	84	0.22
Luxembourg	310	1.00	324	1.00	316.37	0.96	324	0.93	348	1.00	24	0.07
Malta	14	0.23	14	0.20	13	0.19	14	0.19	24	0.33	10	0.14
The Netherlands	4,297	0.71	4,094	0.67	3,816	0.61	3,990	0.62	4,499	0.70	509	0.08
Poland	328	0.09	357	0.10	381	0.10	407	0.10	1,346	0.33	939	0.23
Portugal	452	0.28	365	0.23	353	0.22	341	0.21	1,163	0.70	822	0.49
Romania	111	0.08	101	0.07	134	0.09	139	0.09	500	0.33	362	0.24
Slovak Republic	62	0.09	64	0.09	71	0.10	77	0.10	249	0.33	172	0.23
Slovenia	45	0.13	45	0.13	43	0.12	44	0.12	118	0.33	74	0.21
Spain	1,585	0.16	1,656	0.16	1,739	0.17	1,408	0.13	7,306	0.70	5,898	0.57
Sweden	4,077	0.97	4,392	1.02	4,348	1.00	4,557	1.00	4,557	1.00	-	-
UK	10,808	0.56	13,468	0.72	14,304	0.70	14,961	0.70	14,961	0.70	-	-
EU15 Total	49,749	0.42	52,643	0.44	55,859	0.45	57,484	0.44	92,238	0.72	34,754	0.27
EU13 Total	964	0.10	1,000	0.10	1,065	0.10	1,122	0.10	3,704	0.33	2,581	0.23
EU28 Total	50,713	0.39	53,643	0.41	56,925	0.42	58,607	0.42	95,942	0.69	37,335	0.27
EU Institutions ODA	13,669		11,995									
<i>of which:</i>												
<i>Imputed to Member States</i>	9,125		9,122									
<i>Not imputed to Member States</i>	4,544	0.04	2,873	0.02	3,249	0.02	3,675	0.03				
Collective EU ODA ⁽¹⁾	55,257	0.43	56,517	0.43	59,776	0.45	61,959	0.45				

(1) Including EU Institutions ODA not imputed to Member States. The grey shaded cells are Commission projections; unshaded 2013-2015 forecasts are Member States' own estimates.

Gap between 2013 collective EU ODA and 2015 collective EU ODA target (0.7%) in EUR million
2015 Target 97,830
2013-2015 Gap 41,314

Collective EU ODA is the sum of the ODA reported by the EU institutions and by the Member States. It includes EUR 2.9 billion of ODA loans of the European Investment Bank's own resources (2013) that are not imputed to EU Member States and are additional to the **EU28 Total** (see footnote 3).

Sources:

- For figures 1995 – 2013
 - for OECD members: OECD/ DAC
 - for non-OECD EU Member States: OECD/ DAC where available, otherwise Member States data.
- For figures 2014-2015*, Commission simulation is based on :
 - Member States' ODA estimates when available,
 - Commission projections using compound annual ODA growth rate for 2008-2013 when Member States have not provided ODA estimates.
 - Official EU GNI projections from the annual macro-economic database (AMECO) of the European Commission.

* The Danish government has committed to the target of 1% ODA/GNI but has not set a fixed timetable for reaching it.