

EuropeAid

***Directorate General for
Development and
Co-operation – EuropeAid***

Management Plan

2012



EUROPEAN
COMMISSION

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1. Mission statement

Overall mission statement

The European Commission's Directorate-General for Development and Cooperation – EuropeAid was set up on 3 January 2011. It brings together the Directorate-General for Development and Relations with African, Caribbean and Pacific States and the EuropeAid Co-operation Office and is responsible for defining development policy and its implementation.

Our mission

EuropeAid is the Commission Directorate-General responsible for formulating EU development policy and defining sectoral policies in the area of external aid with a view to reducing world poverty, ensuring sustainable development and promoting democracy, peace and security.

EuropeAid is responsible, alone or together with the European External Action Service, for multi-annual programming of the external aid instruments that come under its remit.

It implements the European Union's external aid instruments financed from the European budget and the European Development Fund, ensuring the high quality and impact of the aid, the rapid implementation of projects and the visibility of European aid.

Our role

EuropeAid is the single reference point in the Commission for formulating the European Union's development policy (based on the relevant Treaty provisions) and the European Consensus on Development, bringing together the EU, the Member States and the other EU actors around common values, objectives and priorities.

Within the Commission, it promotes coherence between development policy and other EU policies. It also coordinates dialogue on development with non-EU bilateral donors, emerging economies and international organisations in order to present united European positions, as well as providing the Commission's contribution to negotiations on development in international forums. At the same time it conducts a dialogue on development with non-state actors and formulates and implements cooperation actions with those actors.

EuropeAid establishes sectoral development strategies and instruments in coordination with the Member States, working in close collaboration with the Commission's other Directorates-General to ensure that the external dimension of internal policies is taken into account.

It pursues the objectives set out by the external aid instruments adopted by the Council and the European Parliament. To this end, it is responsible for all phases of the operations cycle: programming, identification, appraisal, preparation of financing decisions, implementation, monitoring and evaluation.

Under the authority of the Commissioner for development policy or the Commissioner for neighbourhood policy, EuropeAid, in liaison with the European External Action Service, is responsible for multi-annual programming, in particular financial allocations by country and by region, strategy papers by country and by region, national and regional indicative programmes.

EuropeAid defines and implements external aid programmes in accordance with the principles of aid effectiveness, in particular the key role of the partner countries in defining and implementing development policies and activities.

It coordinates its action with all the EU Member States in order to increase complementarity between its policies and theirs.

EuropeAid implements cooperation policy in a devolved manner through the EU delegations. To this end it defines, establishes and manages the necessary management, supervisory, support and control systems to ensure that the programmes implemented follow the correct procedures and have maximum quality, impact and visibility.

EuropeAid pursues an information and communication policy to raise awareness of EU development actions among EU citizens and partner countries.

2. Message from the Director General: this year's challenges

In 2012 EuropeAid's overarching priority will be to implement the new agenda for European development policy following the adoption of the *Agenda for Change* in 2011. In brief, we will start to "differentiate": directing our funds to those countries where they are most needed, and concentrating our aid portfolio on key areas with high impact on development. We will focus on supporting progress on human rights and good governance as well as on inclusive and sustainable growth in our policy mix, and on delivering rapid and efficient aid, and improving EU coordination.

The objectives of this new policy framework will also have a significant impact on staff allocation. Delivering our new policy rapidly and efficiently will mean allocating resources appropriately, in terms of numbers and profiles alike, both at headquarters and in delegations.

In the framework of this new agenda, we will prepare the start of the 2014-2020 programming cycle. The preparation begins with the negotiation with the European Parliament and the Council of the relevant legislative acts for the post-2013 period. In this process, EuropeAid has a coordination role for the external relations "family" of services (including the European External Action Service) in the legislative procedure, and will represent the Commission in the negotiations for acts where it is the lead Directorate General.

2012 will also be a key year for the preparation of the programming of our assistance for the years 2014-2020. This will offer us the opportunity to put into practice the priorities set out in the new policy agenda, by seeking to create a more coordinated and integrated approach on the part of the Commission and EU Member States, and by striving for simplification, differentiation, and concentration. To make sure that the Commission can commit funds in 2014, EuropeAid must aim to prepare most country, regional and thematic strategies by end 2012 so that projects can begin to be identified and formulated from the end of 2012 onwards. In this context, to ensure the continuity of EU aid to ACP countries between the 10th and 11th European Development Funds (EDF) at the end of 2013, a particular challenge will be to ensure that the Internal Agreement for an 11th EDF, including its global amount, be adopted as soon as possible in 2012, as the particular nature of this instrument (outside the budget) implies that it needs to be ratified by all Member States, a process which can take as long as two years.

Reaction to the events of the Arab Spring will continue to keep us busy in 2012. Building on the two communications adopted in 2011 setting out the importance of the European Neighbourhood region in the EU's external relations, we will prepare a communication in 2012 to present initiatives and recommendations on creating the conditions for sustainable stability in societies that have undergone major economic, social and political reforms. In addition, we will try to build on initiatives already developed and being deployed in our Southern Neighbourhood region with a view to their possible replication in, or adaptation for, other parts of the world. As well as addressing the important challenges ongoing in the Southern Neighbourhood we will also step up our support to the Eastern Neighbourhood in 2012: further strengthening the Eastern Partnership and supporting democracy and civil society in this region. We will prepare an Eastern Partnership Roadmap to list the objectives, instruments and actions that will guide and monitor implementation of the Eastern Partnership in 2012 and beyond. Additionally, we will develop a new umbrella programme for the Eastern Neighbourhood to implement actions in the region in line with the principle of "more-for-more".

As the outlook for global growth worsens, the vulnerability of low-income countries to external shocks remains high. In 2012, EuropeAid will therefore examine the feasibility of developing a proposal for a shock-absorbing mechanism to be implemented as necessary during 2012-13, prioritising rapid and effective disbursement.

We are approaching 2015, which is the target year for the achievement of the Millennium Development Goals. We will start preparing EU positions with a view to building international consensus for the next UN MDG Review, which falls in 2013, and for the follow-up to be given to the Financing for Development declarations. Attaining the MDGs will remain a key objective of the new Agenda for Change. In 2012, EuropeAid will implement the MDG Initiative which will support African, Caribbean and Pacific (ACP) countries in reaching the Millennium Development Goals. It focuses on countries that have shown good performance in implementing aid on the one hand but also targets the most off-track MDGs on the other.

We will also need to ensure in the next few years that our relations with other donors are adjusted. In this context it is significant that the very recent Global Partnership for Effective Development Cooperation, agreed to at the Busan High Level forum last week, is the first aid and development effectiveness agreement to include the major emerging economies as development actors. We will necessarily also continue to strengthen the development dialogue with existing partners, notably the United States, but also with other members of the OECD Development Assistance Committee (DAC), to promote the EU's vision and policies within these relationships.

3. General Objectives by policy area

The European Union is the world's largest aid donor, providing more than half of worldwide development aid. The European Commission alone is the world's second largest aid donor, and within the Commission most of this aid is provided by the DG for Development and Cooperation, EuropeAid. The broad strategic goals of EuropeAid, based on the 'Agenda for Change' that builds upon the overall policy outlined in the European Consensus in 2005, are to:

1) Support the efforts of developing countries to eradicate poverty

The main objective of EU development policy is poverty reduction, in the context of sustainable development, as set out in the EU Treaty. The internationally-recognised targets for this objective, to which the EU subscribes, are the Millennium Development Goals (MDGs).

This objective to contribute to poverty reduction and to the achievement of the MDGs, and to aid the integration of developing countries into the world economy, is stated in the European Consensus on Development and the ACP-EU Partnership Agreement, and is in line with the UN Millennium Declaration, and the principles and objectives agreed between the international donor community and recipient countries in the Paris Declaration and the Accra Agenda for Action on aid effectiveness.

2) Promote human rights, democracy and other elements of good governance

The EU, in accordance with the provisions of the Treaty and of Article 9 of the Cotonou Agreement, promotes democracy, the rule of law and the respect for human rights and fundamental freedoms in partner countries. The Union's role is to promote an international development framework conducive to peace and security, democracy, human rights, the rule of law and good governance as fundamental building blocks for sustainable development.

In this context, the Union works to further enhance its privileged partnership with ACP countries and to build up the EU-Africa strategy. The Union also offers a special relationship to its near neighbours, aiming to establish an area of prosperity and good neighbourliness at its borders, building upon a mutual commitment to these values and principles.

Good governance, in its political, economic, social and environmental terms, is vital for inclusive and sustainable development. EU support to governance should feature more prominently in all partnerships, notably through incentives for results-oriented reform and a focus on partners' commitments to human rights, democracy and the rule of law and to meeting their peoples' demands and needs.

3) Foster inclusive and sustainable growth for human development

Inclusive and sustainable economic growth is crucial to long-term poverty reduction and growth patterns are as important as growth rates. To this end, the EU will encourage more inclusive growth, characterised by people's ability to participate in, and benefit from, wealth and job creation. The promotion of decent work covering job creation, guarantee of rights at work, social protection and social dialogue is vital.

Development is not sustainable if it damages the environment, biodiversity and natural resources and increases exposure/vulnerability to natural disasters. EU development policy aims to promote a 'green economy' that can generate growth, create jobs and help reduce poverty by valuing and investing in natural capital, including through supporting market opportunities for cleaner technologies, energy and resource efficiency, and low-carbon development, while stimulating innovation, the use of ICT, and reducing the unsustainable use of natural resources. It also contributes to improving the resilience of developing countries to the consequences of climate change.

4) Promote an international development framework based on enhanced multilateral cooperation and global governance

The Commission works to develop a mutually beneficial partnership with the UN system, and continues to support UN reform, in particular the implementation of the one-UN principle. EuropeAid will continue to be actively engaged in the development-related processes of other key international organisations, in particular the International Financial Institutions, in order to maximise the impact of

international efforts aimed at eradicating poverty in developing countries. The DG will strengthen its cooperation with major traditional donors as well as with emerging non-traditional donors.

In this context the Commission will develop its role as a centre of excellence for EU thinking on development policies and aim to strengthen the EU's impact on the international development agenda. The Commission will also continue to work towards the full implementation of the international aid effectiveness agenda, in particular through enhanced coordination with Member States and with international organisations and donors, and through division of labour, promoting policy coherence and fostering synergies between EU internal and development policies.

Indicators

EuropeAid works with indicators at different levels, as briefly explained below: to assess progress towards strategic goals, to evaluate results at programme and project level, and to measure performance.

(i) Assessing progress towards strategic goals

At the global level, and even for individual countries and regions (the latter broadly corresponding to the ABB Activity level by which this Management Plan is structured), it is rarely possible to separate out the effects of any single donor's activities. The impact of any activities, whether entirely domestic or supported by donors, may also take varying amounts of time to show through in a measurable form. This all implies that the outputs, results, and impact of the actions implemented by the Commission need to be analysed at different levels. The same is true for the efforts of the whole international community.

The key development outcomes that the EU and the rest of the international community are working to achieve between now and 2015, are the MDGs, for which indicators of impact at the global level have been formulated.

EuropeAid works with partner countries through Country Strategy Papers (CSPs), and these measure progress against a wider range of country-specific indicators, which should reflect the focal sectors identified in the CSP as well as overall movements in poverty. For low-income countries, these should be drawn from the country's Poverty Reduction Strategy Paper (where one has been completed).

Tracking all these indicators gives the Commission a solid basis for political and policy dialogue with national authorities, and enhances its ability to fine-tune strategies in response to developments.

(ii) Measuring results

The European Consensus states that "the EC will consistently use an approach based on results and performance indicators" (Art. 15). Since 2000, the Commission has linked its budget support programmes to the evolution of key outcome indicators such as child vaccination, girls' enrolment in primary school, primary school completion rates, and so on. The Commission believes that encouraging the use of results/outcome indicators is beneficial for encouraging evidence-based policy making, promoting domestic accountability and improving the quality of statistical information. The classic project approach is mainly used where conditions do not allow for sector/budget support or when working with non-state actors and for regional programmes. The Logical Framework Approach implies that SMART indicators should be identified at each level of the framework: results, purpose and overall projects objective. These indicators are then referred to in monitoring and evaluation at the project and programme level.

EuropeAid carries out thematic, sectoral and "geographical" (countries and regions) evaluations, as well as evaluations of regulations and instruments, whose results are integrated in the decision making-process.

(iii) EuropeAid performance indicators

EuropeAid tracks data on financial, staffing and other internal processes and on quality of interventions, and management regularly reviews these key performance indicators.

EuropeAid's General Objectives are shown below with some relevant result and impact indicators.

General objective 1: Support the efforts of developing countries to eradicate poverty			
Impact indicators, for example...¹	Latest known result	Milestones, if any	Target
1. Millennium Development Goals progress indicators, especially those used to track MDG 1	Current economic projections indicate that the world is on track, by 2015, to reduce by half the number of people living in extreme poverty. However much of this progress reflects growth in China and India, whereas indicators for some African countries remain of concern: 17 countries are far from halving extreme poverty, and it is estimated that 36% of the population of sub-Saharan Africa will still be living in extreme poverty in 2015.	Next UN Review of the Millennium Development Goals to be held in the second half of 2013. It will include information on specific MDGs and the sectors they cover, as well as both European action to support MDGs and partner countries action to implement them.	Achieve the Millennium Development Goals by 2015, and thereafter continue to support the global effort until poverty is eliminated completely. MDG 1 targets
2. EU levels of Official Development Assistance (ODA) Source: EC (COM(2011) 218 final) Enhancing EU Accountability on Financing for Development towards the EU Official Development Assistance Peer Review	Collectively the EU has missed the 2010 intermediary ODA target of 0.56 % of GNI.	The EU-15 to reach at least 0.51 % of ODA/GNI as soon as possible and 0.7 % of GNI by 2015, while those already above that level undertake to sustain their efforts; The EU-12 to strive towards ODA levels of at least 0.17 % of GNI as soon as possible and 0.33 % of GNI by 2015;	The EU's collective commitment is to increasing ODA to 0.7 % of combined GNI by 2015

General objective 2: Promote human rights, democracy and other elements of good governance			
Impact and result indicators, for example...	Latest known result	Milestones, if any	Target
1. Millennium Development Goals progress indicators, especially those used to track MDG 3	70 % of developing countries (89 countries) are on target, with a further 20 % (25 countries) close to being on target and 10% (13 countries) remaining far behind the target.	Next UN Review of the Millennium Development Goals to be held in the second half of 2013. It will include information on specific MDGs and the sectors they cover, as well as both European action to support MDGs and partner countries action to implement them.	MDG 3 target Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015
2. Respect of the essential elements regarding human rights, democratic principles and the rule of law, and the fundamental element regarding good	a) Regular and structured political dialogue taking place with ACP countries; taking place under some kind of format, including on an informal basis and on limited issues; linked to art. 96	a) Regular political dialogue (laid down in Cotonou Art 8) having governance and human rights issues systematically on the agenda with one third of	a) Maintenance or improvement of the essential and fundamental elements in 75 ACP countries, and reestablishment of these in 3 countries

¹ All MDG data taken from World Bank Global Monitoring Report 2011

governance in ACP countries (as laid down in Cotonou art. 9)	b) Governance Plans of action prepared and attached to EDF10 country strategy papers (CSP) in 69 out of 71 countries for which a CSP was adopted by end 2008. Governance is a key indicator in the ongoing Mid-Term Review.	ACP countries by 2010. b) Democratic governance is a key performance indicator in 2010 mid-term review, with impact on resource allocations c) programming process and guidance compliant with the principles for fragile states and INCAF (International Network on Conflict and Fragility) guidance on supporting state-building in fragile states d) EDF 10 End Term Reviews integrate an assessment of the progress on implementation of Governance action plans and Incentive Tranche	b) Mainstreaming of democratic governance issues in programming documents c) programming documents in x2 [fragile and crisis] countries mainstream interventions conducive to peace and security
3. Increased compliance with Human Rights and Democratic Standards in the Neighbourhood region	Measured using data and statistics provided by NGOs, UN and regional bodies on: freedom of association, expression and assembly, free press and media; adequately monitored democratic and credible elections; level of corruption; more independent and efficient judiciary; better democratic oversight on security sector. ³		Human rights and fundamental freedoms respected, sustainable democracy established, good governance established and civil society thriving in the Neighbourhood region.
4. Level of cooperation and coordination on Budget support to Fragile States	Common Approach Paper on budget support to fragile states with the World Bank, the IMF and the African Development Bank and involving EU Member States finalised in 2010. Pacific Unstructured cooperation in place for Timor Leste East Africa/Horn Local coordination mechanisms with MS reinforced on budget support to fragile states (e.g. Kenya) South Sudan: Practical coordination mechanisms with World Bank	Agreed coordinated policies put into place in pilot countries Decision on possible reintroduction of budget support to enhance policy dialogue with Ethiopia	Enhanced cooperation and coordination: agreed concept paper with WB, BAD, IMF and Member States as appropriate. Benchmarks for moving to budget support in view of improving aid effectiveness

2 X = figure / name of countries still to be agreed.

3 No single indicator does justice to Human Rights issues. However, "rankings" produced by various organisations, contribute to provide a useful assessment of the situation, with higher rankings (year on year) usually associated to progress in a specific field;

5. Volume and share of EU aid to the countries most in need and where the EU can have a real impact, including fragile states	This is a new initiative in line with the Agenda for Change and with the outcomes of the Busan High Level Forum. The prerequisites for making the indicators operational are: <ul style="list-style-type: none"> • Identification of focus countries • Proposal for a set of indicators and the streamlining of those indicators in routine data collection / monitoring systems and processes , in line with the OECD/INCAF guidelines 	Focus countries and key indicators defined	Volume of aid delivered to fragile states / those most in need. % of aid delivered to fragile / most in need states vs total EU development assistance 4
6. Number of countries that have ratified four or more of the seven UN human rights treaties Defined by: OHCHR	All UN Member States have ratified at least one of the seven core human rights treaties and 82% have ratified four or more.		By 2015 there will be an increase of the number of UN Member States having ratified four or more of the seven core human rights treaties.

General objective 3: Foster inclusive and sustainable growth for human development			
Impact and result indicators, for example...	Latest known result	Milestones, if any	Targets
1. Millennium Development Goals progress indicators, especially those used to track MDGs 2, 4, 5, 6 and 7	In very general terms, progress on health-related outcomes such as those measured under these goals - child and maternal mortality and access to basic sanitation – is too slow, and it is likely that these MDGs will not be achieved by 2015. Moreover global environmental changes addressed by MDG 7, which are also far from being met, will make the provision of food, water, and energy more difficult.. MDG 7 concerns the integration of the principles of sustainable development into country policies and programs, reverse the loss of environmental resources	Next UN Review of the Millennium Development Goals to be held in the second half of 2013. It will include information on specific MDGs and the sectors they cover, as well as both European action to support MDGs and partner countries action to implement them.	MDG 2 targets primary level schooling, MDG 4 aims to reduce the under-five mortality rate, and MDG 5 the maternal mortality rate, achieving universal access to reproductive health services by 2015. MDG 6 aims to halt and begin to reverse the spread of HIV/AIDS and malaria. MDG 7 aims to reduce biodiversity loss, and to halve the proportion of people without sustainable access to safe drinking water and basic sanitation
2. Number of reforms implemented, delivered under the Action Plans for the Neighbourhood area	Uneven commitment to reform among Neighbourhood countries, but encouraging trends, and progress in those areas where specific programmes are in place. Additional momentum in the East through the Eastern Partnership Programme, while in the South	Periodic assessment through reports of approximation of framework in the Neighbourhood region. Reform measures are tracked in relation to programme-specific	Approximation of legislative and regulatory framework with European and international standards.

4 As this is a new indicator, the quantitative target cannot be defined at this stage.

	EU support following the Arab Spring revolutions will be vital to adapt legislation, strengthen democratic institutions and improve governance in countries now embarking on democratic transition.	disbursement decisions for the various sector programmes.	
3. Number of country programmes which mainstream environmental expertise and green economy awareness	In developing countries, more than 1.4 billion people currently lack access to electricity and 2.7 billion people rely on traditional use of biomass for cooking. 1.2 billion have no access to clean water and 2.5 billion do not benefit from sanitation services	Rio + 20 Earth Summit to be held in June 2012 and specialized meetings Development and implementation of key programmes in energy/water	Improved access to energy services, especially renewable and more efficient sources of energy

General objective 4: Promote an international development framework based on enhanced multilateral cooperation and global governance

Impact and result indicators, for example...	Latest known result	Milestones, if any	Target
1. Millennium Development Goals progress indicators, especially those used to track MDG 8	The participants, including the European Union, at the 2010 UN Summit on the MDGs reaffirmed their commitments to work together to achieve the MDGs. Aid in 2010 rose in real terms over 2009, despite the economic crisis, and new donors are entering the scene	Next UN Review of the Millennium Development Goals to be held in the second half of 2013. It will include information on specific MDGs and the sectors they cover, as well as both European action to support MDGs and partner countries action to implement them.	Some of the MDG 8 targets: Address the special needs of the least developed countries Address the special needs of landlocked developing countries and small island developing states In cooperation with the private sector, make available the benefits of new technologies, especially information and communications
2. EU coordinated approach	This is a new initiative implementing the Communication on Budget Support (COM 2011/ 638). Possible milestones include : <ul style="list-style-type: none"> • shared initial assessment of the commitment of the partner country to the EU fundamental values; • shared (where relevant) diagnostics and assessments of eligibility conditions; • harmonised risk assessment tools (as far as possible) and promotion of coordinated dialogue on mitigating actions; • joint assessments at country level and regular joint evaluations of budget support operations; • a high level of expertise for effective policy dialogue with the partner countries, including the use of delegated cooperation and transfer arrangements; • joint engagement in high level political dialogue, including the monitoring of fundamental values and the appropriateness of pursuing the good governance contract; • joint communications to local stakeholders of disbursements made and the compliance with disbursement conditions. 		New EU budget support contracts are concluded in coherence with principles of COM 638.

4. Specific Objectives for operational activities

ACTIVITY 21 06: GEOGRAPHICAL COOPERATION WITH AFRICAN, CARIBBEAN AND PACIFIC (ACP) STATES

This Activity covers the **relations with the signatory states of the ACP-EU Partnership Agreement (Cotonou Agreement)**, i.e. **sub-Saharan Africa, the Caribbean and the Pacific regions (ACP)**, including political, economic and development related issues. According to the Treaty on the European Union the EU fosters the sustainable economic, social and environmental development of developing countries with the primary aim of eradicating poverty and encourages the integration of all countries into the world economy. The European Consensus on Development - a joint statement by the Council, the Member States, the EP and the Commission - states that the EU provides added value thanks to its global presence, its role in promoting policy coherence and best practices, in facilitating coordination and harmonisation, in supporting democracy, human rights, good governance and respect for international law, in promoting the participation of civil society and North-South solidarity and its expertise as a delivery agent.

Geographic cooperation with ACP states aims at promoting the **aid effectiveness agenda**, both in terms of **ownership** and **alignment**, through the use of **budget support** mechanisms, **enhanced donor coordination**, including increased **division of labour**, more focus on management for results and mutual accountability. Moreover, a major objective of EU-ACP cooperation is strengthening **regional integration** which is essential for sustainable development. The overall objective of EU aid is to promote a significant improvement of regional governance and stability. The **Economic Partnership Agreements (EPAs)** will secure an improved access to the EU market, foster regional integration among ACP countries and support their smooth integration into the world economy. The EU Africa Infrastructure Trust Fund accelerates the delivery of regional infrastructure for interconnectivity, through blending of EDF grants with long-term finance of EIB and European financing institutions, thus facilitating trade, and fostering economic development for the creation of growth and jobs.

A special focus goes to the implementation – in dialogue with the African Union - of the **Joint Africa-EU strategy**, adopted during the EU-Africa summit of December 2007 in Lisbon and confirmed in the 3rd Africa-EU Summit a year ago. The Joint Africa-EU Strategy is an innovative overarching political framework, which aims at further strengthening the political dialogue and enhancing cooperation in 8 thematic areas : Peace and security, Governance and Human Rights; Trade, Regional Integration and Infrastructure; Energy; Climate Change and Environment; MDGs; Migration, Mobility and Employment; Science, Information Society and Space. The Joint Strategy involves the whole Commission, in particular some twenty Directorates General, the External Action Service and the Member States, the European Parliament, as well as a number of non-institutional stakeholders.

Geographic cooperation in the framework of the Partnership Agreement with the ACP states, South Africa excepted, is financed mainly from the European Development Fund (EDF), i.e. outside the EU budget. The EDF finances the bulk of the development cooperation with these countries, aimed at contributing to poverty alleviation, sustainable development, and gradual integration in the world economy. This EU assistance provides financial and technical support to the areas considered prerequisites for attaining the MDGs (peace, security, and good governance), to areas that create the economic environment for achieving the MDGs (economic growth, trade, and interconnection), and to areas directly targeting the MDGs (social cohesion including a focus on health/education/vulnerable groups, employment, gender equality, and environment).

For the European Development Fund, the integration of the new development policy approach will have to put into operation carefully, taking into account the provisions of the Cotonou agreement.

Some areas of intervention are, however, financed from the general budget: development cooperation with South Africa, support to ACP countries signatories of the Sugar Protocol. Once a legal basis is established, it will also support the main ACP banana-exporting countries.

Development co-operation with **South Africa** follows priorities defined in the EU-South Africa Trade, Development and Co-operation Agreement (TDCA). Although South Africa is a middle income country, it has a highly unequal income distribution with approximately half of the population living below the poverty line. The overall objective of the interventions is to help reduce poverty and inequality.

The EU supports the adaptation of the sugar sector in 18 former **Sugar Protocol countries** affected by the reform of the sugar regime to the changing conditions through restructuring and/or diversification of the sector taking into consideration broader impacts (e.g. social, environmental, and macroeconomic).

The aim of the **Banana Accompanying Measures (BAM)** will be to support the adaptation process to WTO tariff norms of ten countries that have supplied significant volumes of bananas to the EU over the past ten years. The support provided will complement funds available through the 10th EDF and will be coherent with EDF Country Strategy Papers.

Specific Objective 1		
Poverty alleviation and sustainable development including management of environment and natural resources in ACP countries		
Indicator	Latest known result	Target 2015 (result)
EDF COUNTRIES Progress on Millennium Development Goals (MDGs) targeted by country strategy papers	<p>In Sub-Saharan Africa, in spite of sustained economic growth over the past 5 years, the poverty rate remains at around 50%. The international financial crisis represents a major setback for developing countries' poverty reduction efforts</p> <p>OFF TRACK: 13 countries</p> <p>STARTING TO SHOW PROGRESS: 2 countries</p> <p>IMPROVING: 10 Pacific; 6 Caribbean; 23 Sub-Saharan Africa countries</p> <p>ON TRACK: 2 Pacific; 5 Caribbean; 2 Sub-Saharan Africa countries</p>	<p>a) 13 countries should start to show progress on relevant MDGs</p> <p>b) 23 Sub-Saharan countries should continue to show progress on relevant MDGs;</p> <p>c) 9 countries on track</p>
SOUTH AFRICA Progress on Millennium Development Goals (MDGs)	<p>South Africa has made progress in meeting MDG targets, especially in terms of poverty reduction and education while progress on health and HIV/AIDS has proved more difficult. Inequalities and unemployment remain high. A single major programme (EUR 250M over 2 years) will be proposed in the 2011 AAP. The aim of the programme is to support the national development strategy and to cover transversal issues such as service delivery, PFM in particular at the local level and performance M&E.</p>	<p>Achieve MDGs 1, 2, 3, 6, 7 and 8</p> <p>Achieve 70% of targets for MDGs 4 & 5.</p> <p>Halve ratio of population living below the poverty line (reach ratio of 5.7% of population living on less than 1 USD/day compared to 1990 baseline of 11%).</p>

Main policy outputs:

- **MDG/Mid Term Review (MTR):** The general scheme envisaged is that for the "good performing countries" €300 million is foreseen on the basis of the 10th EDF MTR results and €700 million for all ACP countries, based on proposals to accelerate the progress of off-track MDGs. So far, 19 "good performing" countries of the 10th EDF CSP/NIP Mid Term Review have been identified. The use of the MTR top-up does not raise specific problems for the bulk of the "good performing" countries. MDG initiative: The Commission agreed to consider the access to the second window of €700 million for the countries under appropriate measures according to article 96 of the Cotonou Agreement, pointing out that this access will be determined in an "ad hoc manner" and on a "case by case" basis taking into account the political context.
- The **End of Term review** of the 10th EDF at country level will need to be completed in 2012 for all countries.
- **Finalisation of the 10th EDF performance review**, with ACP counterparts: this is a review of the ACP-EU development finance cooperation halfway through the multi-annual financial framework 2007-2013, assessing the degree of realisation of commitments and disbursements, as well as the results and impact of the aid provided.
- **Council Regulation on the implementation of the 11th European Development Fund.**
Commission proposal under the ACP-EU Partnership Agreement

Main expenditure-related outputs	Number of projects (if applicable)	EUR million
Budget Programmes supporting economic growth and employment creation in South Africa Key outputs include: improved regulatory environment, new financial conduits (venture capital, microfinance) for SME's.	3	Job creation= 10,56
Capacity development for service delivery and social cohesion in South Africa Key outputs include: Improved planning, monitoring and evaluation systems and strengthened Public Finance Management and accountability in the three tiers of Government.	4	Capacity development for service delivery and social cohesion= 1.22
<u>EDF - Africa</u>		
New commitments on 10 th EDF funds	183	3,358.00
Number of AAPs	34	1.9
<u>EDF - Caribbean</u>		
New commitments on 10 th EDF funds	31	275.15
Number of AAPs	11	192.23
Mid-term Review	3	22.63
MTR Regional Programmes	6	
<u>EDF - Pacific</u>		
New commitments on 10 th EDF funds		175
Number of AAPs (including riders / top up following 2011 MTR)	23	175
MTR Regional Programmes	1	

Specific Objective 2		
Integration of ACP countries into the world economy through economic development, trade, and regional integration		
Indicator	Latest known result	Target (result)
Percentage of intra-regional ACP trade against total ACP trade flows (exports)	<p>African Countries' exports to all ACP (79 countries) in 2010: 11,8% of total African ACP exports (11,8% also for imports and total trade).</p> <p>Intra-Caribbean ACP trade is 97.8% of Caribbean exports to all ACPs in 2010. Caribbean countries' exports to all ACP in 2010: 18.2% of total exports⁵</p>	Achieve at least 10% of intra-regional exports in respect of total ACP export flows by 2020
Market share of ACP countries in the world economy	Current trend is negative(for Africa: export market share was 6% in 1980; and 3% in 2007) ⁶	Change the trend by 2013
Percentage of manufactured goods and trade services in total export earnings	<p>Decrease of EU imports in manufactures from African countries in absolute values.</p> <p>2010: 12.646 millions EUR (21,3% of total – figure for 2008: 26%) (source DG TRADE)</p> <p>East Asia: 92% South Asia: 56% Latin America: 54.5% Africa: 26% (Figures for 2008)</p>	Improve situation of Africa in comparison with other developing regions by 2013
Full and comprehensive Economic Partnership Agreements signed	<p>Africa In the first semester of 2011, negotiations towards regional EPAs continued with most African regions, in some cases, picking up after a prolonged period of silence (ESA, Central Africa). However, no comprehensive EPA could be signed.</p> <p>Caribbean The Caribbean EPA was signed on 15/10/2008. Support for the implementation of the EPA is provided under the 10th EDF.</p> <p>Pacific EPA: negotiations ongoing. Pacific Island Countries have reconfirmed their wish to conclude a full EPA with the EU, last technical working group took place in November 2011 to prepare for formal re-launch of negotiations around Q2 2012. For the time being only PNG has a Free Trade agreement with the EU.</p>	78 countries signatories of comprehensive regional EPAs

⁵ Source: DG Trade Statistics, Chief Economist Unit. These statistics do not include Antigua and Barbuda and Cuba.

⁶ Source: UNCTAD-Economic Development in Africa: Export Performance Following Trade Liberalization, Some Patterns and Policy Perspectives-

<p>Accompanying Measures for Sugar Protocol countries (AMSP)</p> <p>(i) Increased competitiveness: Reduction in sugar production costs</p> <p>(ii) Diversification strategy: Reduction in GDP share of sugar sector in countries previously highly dependent on sugar</p> <p>(iii) Status of multiannual programming</p>	<p>(i) Reference: Real sugar production costs, US\$/Ton, 2005/2006 and 2008/2009⁷ e.g. Malawi: 220.5 - 204; Tanzania: 331.8 - 528; Zambia: 253.0 - 272⁸; Swaziland 236.7 - 275⁹</p> <p>(ii) Reference: GDP share of sugar sector in 2003 and in 2009. e.g. St. Kitts and Nevis: 4% / 0; Trinidad and Tobago: 1% / 0¹⁰</p> <p>Overall budget: €1,244M (EU Budget); Legal Basis: DCI (2007-13); Beneficiary countries: 18; Multiannual Indicative Programmes (MIP): 2011-13 (€574M). MIPs for 2011-2013 are well advanced – but need to be approved by Cabinet before launch of Inter-service Consultations (ISC), DCI Committee meeting and adoption by Commission (still in 2011) – timelines are tight, particularly in view of the need to approve Annual Action Programmes (AAPs) for 2011 as well (€198M for 8 countries).</p>	<p>(i) Reduction by 2013 of sugar production costs in countries where competitiveness is a central objective of the national adaptation strategy.</p> <p>(ii) By 2013, the GDP share of the sugar sector has decreased in AMSP countries where diversification is a central objective of the national adaptation strategy. By 2013, GDP per capita stable or improving, despite the diversification away from the sugar sector. Countries assisted in restructuring the sugar industry (Barbados) and diversifying their production (Jamaica, St. Kitts & Nevis, Barbados, Trinidad and Tobago)</p> <p>(iii) By the end of 2012, all MIPs approved and programmes being implemented. (Except for Fiji (AAPs 2012 and 2013 foreseen) and where actions will not be implemented through Government (Art 96).</p>
<p>Banana Accompanying Measures</p> <p>(i) Status of multiannual programming</p> <p>(ii) Competitiveness: EU imports from countries investing in boosting competitiveness (to be identified) in tons</p>	<p>(i) Overall (expected) budget: €190M (EU Budget); Legal Basis (not yet adopted): DCI; Beneficiary countries: 10; One Multiannual Support Strategy per country (MSSs): 2011-2013. Legal basis of the programme (DCI amending Regulation) not yet adopted on 30/06/2011; Multiannual Support Strategies (MSS) will need to be prepared and adapted to take into consideration EP requests.</p>	<p>(i) By the end of 2012, all MIPs approved and programmes being implemented.</p> <p>(ii) By 2013 the volume of banana exports from ACP countries investing in boosting competitiveness of the banana sector remains stable or increases</p> <p>By 2013, GDP per capita stable or improving, despite the diversification away from production of bananas for the export market</p>
<p>Main policy outputs:</p> <p>AMSP: After adoption of the Multi-annual Indicative Strategies 2011-2013 (MIP) in 2011 and adoption of 8</p>		

7 It is worth noting that in the period 2005/06-2008/09, sugar production costs have increased worldwide due to higher input costs (i.e. fuel) and rising fertilizers costs, which have gone up by 100 % on average since 2007/08. This applies also for the world's leading producer and exporter of sugar, Brazil, which has the status of a "price setter" on the world market. With both raw and refined world sugar prices closely correlated with Brazilian production costs, this also explains the sugar prices increase in 2009. A key factor affecting Brazilian production costs is the exchange rate between the U.S. dollar and the Brazilian currency, the real, because sugar is traded in U.S. dollars in international markets. After a 50-70% depreciation of its value against major currencies during 1997-2003 (which coincided with a decline in global sugar prices), the real began rebounding in 2003 and steadily strengthened through 2009, with a close correlation between the appreciating real and the increase in sugar prices after 2003 leading up to the 2009 price spike. Sources: OECD-FAO Agricultural Outlook 2010-2019, USDA/Economic Research Service, 2010.

8 It should be noted that Zambia experienced a sharp depreciation of the kwacha in late 2008-early 2009. According to the IMF, the nominal exchange rate depreciated by 42% between end-June 2008 and end-March 2009. This implied an increase on input – and consequently production – costs.

9 In the case of Swaziland, it should be noted that the South African Rand experienced a strong depreciation, estimated at 30% between January 2009 and June 2010. This contributed to input costs' inflation, with fertilizers prices paid by smallholder outgrowers increased by 250% from 2005. This circumstance partly explains the increase of production costs.

10 T&T sugar production ceased in 2007.

<p>AAPs (2011), for 2012 the adoption of the following AAPs is still foreseen,:</p> <p>Caribbean: 5 for EUR 99.4M</p> <p>South Africa: AAP 2012 to include regional investment facility that allows for blending of grants and loans; as well as continued participation in people-to-people in the area of higher education (Erasmus Mundus and Edulink)</p> <ul style="list-style-type: none"> • Council Decision concerning Rules of procedure for Dispute Settlement, Code of Conduct and lists of Arbitrators relating to the Economic Partnership Agreements with CARIFORUM, Pacific States, SADC, Ivory Coast, Ghana, Central Africa (lead DG TRADE, adoption foreseen 2nd quarter 2011) • 10 MIPs for BAM beneficiary countries 		
Main expenditure-related outputs	Number (if applicable)	EUR million
<u>Budget</u>		
Accompanying Measures for Sugar Protocol Countries (AMSP)	Caribbean: 5	Total: 175
Assistance to ACP banana producers		p.m.
Banana Accompanying Measures (BAM)	Caribbean: 7	Total : 41
South Africa		10
<u>Total Budget</u>		226
<u>EDF - Africa</u>		
Commitments on Regional Indicative Programmes	3	965
Commitments on intra-ACP envelope		234
<u>EDF – Caribbean</u>		
Commitments on Regional Indicative Programmes	2	3.51
<u>EDF - Pacific</u>		
Commitments on Regional Indicative Programmes	6	38

Specific Objective 3		
Work for stability and democracy through promoting peace, security, the respect of human rights, the rule of law, and the principles of good governance in the ACP States		
Indicator	Latest known result	Target (result)
<p><u>Peace and security</u> Number of successful African Peace Facility (APF) supported interventions</p>	<p>Providing financial support to African-led Peace Operations and strengthening African capacities in Peace and Security remain priorities for the African Peace Facility:</p> <ul style="list-style-type: none"> ○ An amount of € 150 million was contracted under the 10th EDF in 2011 for the APF. The APF was replenished with € 300 million from the reserve of the intra ACP envelope ○ APF continues to support African-led peace operations in Somalia (AMISOM) and Central African Republic (MICOPAX). ○ The APF Early Response Mechanism has been successful ○ Capacity Building in Peace and Security remains a key priority for the APF. Programmes worth € 35 million ended in late April 2011 and a new programme of € 40 million has been developed to ensure continued support to the AU and the RECs. 	<p>Conflicts alleviated by APF supported interventions</p>
<p><u>Governance</u> Countries where progress is observed in terms of fulfilment of governance commitments (including freedom of media)</p>	<p>According to the Mid-Term Review of 10th EDF Governance profiles, number of countries registering: Significant progress in most relevant areas: 13 Partial progress: 33 No progress: 26 Deterioration: 5</p> <p>The Director General declared 20 ACP countries to be in crisis in June 2011 for the purposes of using flexible procedures. 2 additional countries (Kenya and Ethiopia) will be added to the list soon to help with the response to the Horn of Africa crisis.</p> <p>New budget support programmes for fragile situations are being considered in two ACP countries under current guidance.</p>	<p>All ACP countries showing improvement by 2020.</p>
<p><u>Human Rights and Democracy</u> Number of Art. 96 cases (breach of essential elements: human rights, democratic principles and rule of law, as laid down in Cotonou Art. 9)</p>	<p>Appropriate Measures under Article 96 of the Cotonou Agreement are currently applicable to five ACP countries: Zimbabwe, Fiji, Guinea-Bissau, Guinea (Conakry) and Madagascar. In Niger regular cooperation restarted on 20/06/20011. The cooperation is not completely restarted with Guinea Conakry, but the preparation of the CSP/ NIP is going to be authorized in July 2011. The EU will shortly take the decision (July 2011) to close the Art. 96 Consultations with Guinea Bissau.</p>	<p>Maintenance or improvement of the essential and fundamental elements in 75 ACP countries, and reestablishment of those in current Art. 96 countries</p>

<p><u>Budget support 1)</u></p> <p>Use of budget support & other financing instruments based on the use of country systems</p>	<p>1) 9th EDF: 31.7 % budget support. 10th EDF: 44.8% budget support programmed to-date.</p> <p>- MDG contracts signed with 8 countries: Burkina Faso, Ghana, Mali, Mozambique, Rwanda, Uganda, Zambia and (most recently) Tanzania, with commitments amounting to €1,8bn (50% of all EDF10 GB</p>	<p>OVERARCHING TARGET Stabilised macro-economic framework and improved Public Financial Management</p> <p>1) 50% budget support for 10th EDF A envelope allocations, increasing the use of country systems and ownership by partner countries. - Continued focus on MDG contracts for more predictable aid.</p>
<p><u>Budget support 2)</u> Public Expenditure and Financial Accountability (PEFA) assessments carried out</p>	<p>2) 15 PEFA assessments completed or substantially completed in 2010 for ACP countries, 8 planned for 2011</p>	<p>2) Strengthened dialogue between development partners and governments; tools to monitor progress in Public Finance Management in place.</p>
<p><u>Budget support 3)</u> Support to fragile countries through Budget support</p>	<p>3) 17 ACP countries identified for Declaration of crisis, under which EDF and Budget Support can be implemented under flexible procedures</p> <p>- In 2009 100% of country financing decisions under the Vulnerability FLEX instrument through budget support. The 13 countries approved for Vulnerability FLEX in 2009 (€215M) will all receive funding through budget support. Budget support remains preferred instrument under the Vulnerability FLEX in 2010.</p>	<p>3) Quick and flexible response tailored to the needs of countries in fragile situation</p> <p>- At least 75% of Vulnerability FLEX funds channelled through budget support to allow quicker, more flexible and country-tailored reactions to the financial and food crisis.</p>
<p><i>Main policy outputs:</i></p> <ul style="list-style-type: none"> ▪ Implementation of the Joint Africa-EU Strategy Action Plan 2011-2013 in the field of Peace and Security ▪ commensurate degree of thematic activities and coherence within National and Regional Political-Dialogue/Peace and Security Focal Sectors ▪ implementation of the democratic governance and human rights action plan for 2011-13; ▪ review of governance initiative with a view to a report to council which is due in early 2012; ▪ continued implementation of the EU Action Plan for situations of fragility and conflict 		

ACTIVITY 19.08: EUROPEAN NEIGHBOURHOOD POLICY AND RELATIONS WITH RUSSIA

The **European Neighbourhood Policy (ENP)** offers **16 of the EU's southern and eastern neighbours** the possibility for closer political association, enhanced trade and economic integration, greater mobility, and assistance with sectoral reforms. The aim of the ENP is to build, together with partner countries, a prosperous, secure and stable neighbourhood on the basis of shared values and common interests, promoting greater prosperity, stability and security for all parties.

The most notable policy development in 2011 in the Neighbourhood region was the adoption of the **Joint Communication "A new response to a changing Neighbourhood"** on **25 May 2011**, presenting a **renewed vision for the Neighbourhood** and outlining an incentive based approach – "more for more" - to assist political and other necessary reform. It was based on the Joint Communication entitled "A partnership for democracy and shared prosperity with the Southern Mediterranean" already adopted on 8 March 2011 as a response to the revolutions in the Southern Mediterranean. In financial terms, the new ENP Communication proposed **additional resources of up to € 1.24 billion** for the years **2011-2013**. Of this amount, € 750 million directly reinforces the ENP budget line, and the remaining resources come from other instruments, notably the European Instrument for Democracy and Human Rights (EIDHR), the Instrument for Stability, the Non State Actors Thematic programme within the Development and Co-operation Instrument and from Macro-Financial Assistance operations.

In the **southern Neighbourhood**, since January 2011 all energies have been focused on responding to the events of the **Arab Spring** which rapidly spread throughout the region. This will continue to be a priority throughout 2012. Bilateral and regional programmes in the South in all sectors are being revisited in order to respond more adequately to the - still unfolding - events. For 2012, this entails the continued implementation of this new partnership; enabling Libya to participate in the relevant programmes, and emphasising good governance, gender issues, and the development and increased consultation of civil society.

At the **regional level**, the EU proposed a '**Partnership for Democracy and Shared Prosperity**' to all of its Southern neighbours able and willing to embark on ambitious political and economic reforms. Moreover the launch of the flagship projects of the Union for the Mediterranean (UfM) was delayed in 2011 due to the Arab Spring and therefore remain on the agenda for 2012. It is anticipated that the last changes in the Secretariat General of the UfM Secretariat will allow it to initiate more activities in the framework of these flagship projects.

In the **eastern Neighbourhood**, new Association Agreements will gradually replace existing Partnership and Cooperation Agreements. The negotiations on a new Association Agreement with Ukraine should be finalised during 2012. Negotiations on an Association Agreement with Moldova have been underway since January 2010, while the negotiations with the three South Caucasus countries were launched in July 2010. The EU also wishes to see Belarus take its place as a fully fledged participant in the ENP once political reforms are implemented and basic freedoms effectively granted.

Regional cooperation in the East is mainly taking place in the framework of the **Eastern Partnership (EaP)**. Under the four so-called platforms of the Partnership, reform efforts focus on the areas of democracy, good governance and stability; economic integration and convergence with EU policies; energy security; and contacts between people (culture, education and training, information society, research, youth). At the second **Eastern Partnership Summit** in Warsaw on 29-30 September 2011, the EU and its Eastern neighbours renewed their commitment to the objectives and continued implementation of the Eastern Partnership. They decided to prepare, in consultation with partners, a roadmap that would list the objectives, instruments and actions, and would guide and monitor their implementation until the next Summit. Participants also underlined the important role civil society plays in pursuing the goals of the Eastern Partnership: targeted support will be provided through the **Civil Society Facility**, which was launched in late 2011.

Under the **bilateral track** of the Eastern Partnership, **Comprehensive Institution Building programmes** were set-up in 2011, and pilot regional development programmes will come on stream in 2012/13. On the **multilateral level**, six flagship initiatives have been launched: integrated border management; support to small and medium-sized enterprises; regional electricity markets, improved energy efficiency and increased use of renewable energy sources; a southern energy corridor to diversify transit routes and sources of supply; prevention and response to natural and man-made disasters; and environmental governance. Four thematic platforms have also been set up under the EaP to provide a forum for partners to exchange information and experience of their steps towards transition, reform and modernisation.

The relationship between the **EU and the Russian Federation** is **distinct from the ENP**. Russia and the EU have a **wide-ranging strategic partnership** expressed through the Four Common Spaces, and roadmaps for their achievement have been agreed. Global challenges and increasing interdependence are driving factors behind the EU's interest to strengthen its support of Russia's modernisation efforts. The focus is now on **implementation of the spaces** and the **negotiation of a new EU-Russia agreement**. The aim is to improve the legally-binding framework and the predictability of the relationship, and to cooperate in political and security matters, but also in many other areas: justice and freedom, trade, economic cooperation including energy, research, education and culture. In June 2010 the EU and Russia launched a **Partnership for Modernisation** which will serve as a flexible framework for promoting reform, enhancing growth and raising competitiveness while building on the results achieved in the context of the Common Spaces.

Specific objective 1: Furthering the conditions for close co-operation between the EU and its neighbours and for regional and multilateral integration		
Result Indicator(s)	Latest known result	Target (result)
Number of comprehensive agreements and individual ENP Action Plans in place with interested neighbouring countries	13 Agreements in force (8 Association Agreements (AA) - and 5 Partnership Cooperation Agreements; East: AA negotiations with Republic of Moldova were launched in January 2010 and with Armenia, Azerbaijan & Georgia in July 2010. Negotiations with Ukraine are ongoing. South: 12 Action Plans (or equivalent documents) adopted. Algeria has indicated willingness to start discussions on an ENP action plan. <i>Comment:</i> Negotiations with Libya suspended since the beginning of the conflict in February 2011. Ratification of Association Agreement with Syria suspended.	16 Association or similarly comprehensive Agreements in force and 16 Action Plans or similar documents adopted by 2013.
Level of Result Oriented Monitoring for multi-country co-operation activities (regional and interregional).	As of 30/06/2011: 2.87 (East) and 2.87 (South).	Bringing scores for regional programmes closer to ENP average, and average up to 2.9 for the entire neighbourhood.
Results of implementation of the Cross Border Cooperation (CBC) programmes.	13 out of 15 CBC programmes adopted; including 5 with Russia. First call for proposals finalised for all programmes. Some programmes have already launched the 2 nd and 3 rd calls. 392 projects were selected within the framework of the ENPI CBC programmes through 25 calls.	All CBC programmes adopted and fully implemented by 2015.
Main policy outputs for 2012		
<ol style="list-style-type: none"> 1. ENP progress reports on the implementation of the ENP Action Plans or similar documents; 2. Further deepening of relations with partners, in particular with Egypt, Israel, Jordan, Moldova, Morocco, Tunisia, Ukraine, Moldova, Armenia, Azerbaijan, Georgia and possibly the Palestinian Authority; 3. Completion of negotiations on AA with Ukraine and continuation of negotiations on AA with Moldova, Armenia, Azerbaijan and Georgia. (including launching of DCFTA negotiations with Georgia and Moldova and in the course of 2012 also with Armenia). 4. Negotiation and review of Action Plans or similar instruments of the relevant ENP partner countries; 5. Resumption of the negotiation of a framework agreement with Libya provided that political circumstances allow; resumption of formal dialogue with Egypt; agreement on an ENP action plan and conclusion of a MoU on energy with Algeria; 6. Support to the newly opened EU delegation in Tripoli and continuation of the implementation of the financial assistance programme in Libya 7. Upgrading of contractual relations and negotiation of a joint interim plan with Belarus provided that the necessary conditions are met. 		

<p>8. Implementation of the decisions taken at the Paris Summit and Marseille FA conference of the Union for the Mediterranean. Agreed flagship projects launched and gradually implemented;</p> <p>9. Implementation of the proposed 'Partnership for Democracy and Shared Prosperity' with Southern neighbours able and willing to embark on ambitious political and economic reforms.</p> <p>10. Conclusion of review of regional South programmes in all sectors in order to respond more adequately to the events still unfolding in the Southern Neighbourhood.</p> <p>11. Implementation of the Eastern Partnership Work programme of the four platforms and continued implementation of flagship initiatives launched in 2010. Elaboration and adoption of EaP roadmap (called for in the joint declaration of the Warsaw summit);</p> <p>12. Further development of Eastern Partnership Comprehensive Institution Building Programmes with Armenia, Azerbaijan, Georgia, Moldova and Ukraine, and of Institution Building activities in Belarus provided the necessary conditions are met.</p> <p>13. Black Sea Synergy Sectoral Partnership in Energy and Transport created. Progress in implementation of the Environment Partnership.</p> <p>14. Progress in the work of Northern Dimension Partnerships and related initiatives.</p> <p>15. Successful integration of Libya into regional programmes.</p>		
Main expenditure-related outputs	Budget line (2012)	EUR million
1. Measures supporting inter-regional cooperation in the whole Neighbourhood	19 08 01 01/ 19 08 01 03	301.71
- of which Neighbourhood Investment Facility (no. of approved projects and annual allocation)	<i>Ibid.</i> 20 projects approved.	200
- of which Erasmus Mundus II (Action 2) implemented by EAC Executive Agency (annual allocation without Russia bilateral transfer)	<i>Ibid.</i>	30
- of which TEMPUS implemented by EAC Executive Agency (annual allocation)	<i>Ibid.</i>	38
2. Measures supporting the implementation of the Euro-Med Partnership Work-programme	19 08 01 01	90.6
3. Measures supporting Regional Cooperation among Eastern Neighbours	19 08 01 03	50.06
4. Specific additional measures identified in the EaP Communication allowing for the implementation of the Eastern Partnership multilateral dimension and its priorities	19 08 01 03	25
5. Cross Border co-operation programmes 2007-2013 (excepting those 5 out of 15 at the land border with Russia)	19 08 02 01 & 02	138.6
Total		605.97

Specific Objective 2: Supporting EU neighbours' economic and sector reforms and promote further integration with the EU and among neighbouring countries themselves		
Result Indicator(s)	Latest known result	Target (mid-term)
Level of implementation of the ENP economic reform agenda and of the sectoral priorities of the Action Plans (source ENP progress report).	2011 ENP progress reports (on 2010) show improvement with regard to socio-economic reform and governance in neighbouring countries <i>Comment:</i> Morocco: preparation of the € 85 million programme 'Réussir le statut avancé': (adopted in August 2011)	Satisfactory implementation of the main economic reform and of the sectoral priorities of the Action Plans before their completion date.
Level of Result Oriented Monitoring for bilateral co-operation including Twinning.	As of 30/06/2011: 2.95 (East) and 2.95 (South)	Level 2.9 for the entire neighbourhood by 2013.
Main policy outputs for 2012		

<p>1. Further protocols enabling ENP partner countries to participate in the Union programmes and agencies; 2. Continued/upgraded cooperation with Belarus provided the necessary conditions are met; 3. Progress in the implementation of Ukraine's commitments towards the EU in the domain of energy in line with the commitments that Ukraine has taken in the framework of the Memorandum of Understanding on energy and the Energy Community; 4. Memorandum of Understanding on energy issues with Moldova, including Transnistria, and Algeria. Enhanced energy co-operation with Armenia and Georgia. Increased cooperation with Azerbaijan in the framework of the 2006 Memorandum of Understanding on energy; 5. Comprehensive Institution Building reform plans in place with Eastern partners and start of the implementation of activities.</p>		
Main expenditure-related outputs for 2012	Budget line (2012)	EUR million
1. Measures focusing on good governance, regulatory reform and capacity building in EU's southern Neighbours, except Palestine -	19 08 01 01	239.7
2. Measures focusing on good governance, regulatory reform and capacity building in EU's eastern Neighbours - of which EaP Comprehensive Institution Building Programmes	19 08 01 03	225.6 72.96
3. Measures focusing on sustainable development in EU's southern neighbours, except Palestine	19 08 01 01	313.72
4. Measures focusing on sustainable development in EU's eastern neighbours	19 08 01 03	203
Total		982.02

Specific Objective 3: Promoting democracy, human rights and rule of law and contribute to conflict resolution in the EU's neighbourhood

Result Indicator(s)	Latest known result	Target (mid-term)
Level of implementation of the Political Priorities of the Action Plans (source: most recent progress reports).	2011 ENP progress reports indicate limited progress in most countries.	Satisfactory implementation of most relevant of the Political priorities of the Action Plan (or equivalent documents) Priorities before their completion date.
Level of Result Oriented Monitoring for activities aiming to promote "political" dialogue (democracy, Human Rights, rule of law, migration) and contributing to stability and conflict resolution.	As of 30/06/2011: 2.91 (East) and 2.71 (South).	Level 2.9 for the entire neighbourhood by 2013.

Main policy outputs for 2012

<p>1. Support to democratic transition in Tunisia, Egypt and other countries that embark on political change. EU support will be critical to adapt legislation, strengthen democratic institutions and improve governance. 2. Contribution to stabilisation efforts and peaceful solution of conflicts in the ENP neighbourhood. Provided political circumstances allow and if needed, this will include additional confidence-building activities in support of the settlement of the Nagorno-Karabakh conflict, the conflicts over South Ossetia and Abkhazia, and the conflict in Transnistria, as well as the rapprochement between Armenia and Turkey. Contribution to reconstruction and national reconciliation in Libya. 3. Possible launch of negotiations for visa facilitation and readmission agreements with Armenia, Azerbaijan and Belarus; visa facilitation and readmission agreement with Georgia concluded and implemented; negotiations on a readmission agreement with Morocco to be concluded. Mobility Partnerships with Armenia, Moldova and Georgia further implemented. Launch of negotiations on a mobility partnership with Morocco and Tunisia. Continuation of dialogues on visa-free travel with Moldova and Ukraine, possibly launching of such a dialogue with Georgia. 4. Increasing support to Civil Society in all partner countries, including implementation of the Civil Society Facility. 5; Strengthening domestic public accountability in Syria, including through support to Civil Society Organisations.</p>

Main expenditure-related outputs in 2012	Budget line (2012)	EUR million
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1. Measures supporting political governance reform among EU's Southern Neighbours	19 08 01 01	119.1
2. Measures supporting political governance reform among EU's eastern Neighbours	19 08 01 03	5
3. Governance Facility	19 08 01 01 & .03	50
4. Measures supporting the Palestinian Authority and the peace process	19 08 01 02	200
Total		374.1

Specific Objective 4: Strengthening the "Strategic partnership" between Russia and the EU

Result Indicator(s)	Latest known result	Target (mid-term)
Progress in negotiations of a new EU Russia Agreement.	The priorities of the Partnership for Modernisation joint statement were reconfirmed at the latest summit in June 2011, during which the implementation of the Common Spaces road maps was described as satisfactory.	New agreement concluded and ratified.
Implementation of EU-Russia Common spaces Road Maps as well as progress in implementation of the Partnership for Modernisation..	Satisfactory implementation as stated by EU-Russia Summit 8/11/09.	Reform and modernisation process in Russia moved ahead and reinforced cooperation between the EU and Russia put in place through implementation of Common Spaces roadmaps.
Level of Result Oriented Monitoring for Co-operation with Russia.	30/06/2011: 3.21	Maintain the high level as projects phase out gradually.

Main policy outputs for 2012

1. Progress in negotiation of a new EU Russia Agreement
2. Progress in implementation of the Four Common spaces road maps as well as of the Partnership for Modernisation

Main expenditure-related outputs for 2012	Budget line (2012)	EUR million
Measures supporting the implementation of the road maps and the Partnership for Modernisation	19 08 01 03	-
Cross Border Co-operation Programmes at the Russian land borders (number of programmes)	19 08 02 01 & 02	53.4
Other measures supporting education – Erasmus Mundus II (Action 2) implemented by EAC Executive Agency (additional transfer amount for Russia)	19 08 01 03	6
- TEMPUS implemented by EAC Executive Agency	19 08 01 03	9
Total		68.4

ACTIVITY 19 09: RELATIONS WITH LATIN AMERICA

The objective of the European Union under this Activity is to promote relations with Latin American countries in the political, economic, commercial and co-operation spheres, in order to strengthen the strategic partnership between the European Union (EU) and Latin America (LA). The establishment of an EU framework for dialogue in all these areas is justified to promote global good governance and EU values and interests in the region and to strengthen economic growth, foster sustainable development and promote stability and democracy. This framework allows for action at EU level and contributes to achieving greater benefits and tangible effects by improving coordination with EU Member States.

The aim is to ensure that Community policies are coherent and to enable complementarities and coordination with Member States' bilateral policies. The EU's specific experience of integration issues, is demanded by the Latin American countries and brings much appreciated added value to the ongoing regional integration processes in the LA region.

Poverty and social inequalities are important challenges in the region. Latin America's level of inequality is the highest in the world, causing negative effects on political stability, poverty, investment and growth. In this context, promoting social cohesion policies is one of the main priorities of the development cooperation of the European Union with Latin America. This cooperation can help to develop awareness of social issues among political leaders, to implement initiatives that foster equity and to pool the financial resources needed to develop social infrastructures.

Supporting the regional and economic integration processes under way in Latin America - such as MERCOSUR, the Central American Integration System (SICA) or the Andean Community - also stands as a key priority of the EU-LA cooperation

Moreover, new global challenges such as climate change or migration issues have arisen in recent years, and these need to be tackled at global level. Such subjects are discussed at the highest level through the European Union – Latin America and the Caribbean (EU-LAC) summits that take place every two years. They have led to concrete outcomes from the EU such as the Latin America Investment Facility (LAIF), and the EU-LAC dialogue on Climate Change and Environment.

Specific Objective 1		
Promote social cohesion in Latin America		
Result Indicator(s)	Latest known result	Target (result)
Poverty reduction: Share of population living on less than USD 1.25 per day at 2005 PPP (Purchasing Power Parity) (Latin America and Caribbean)	1990: 11.3% 1999: 11.02% 2005: 8.02 % (World Bank, 2010)	Achieve MDG n°1 in Latin America (halve, between 1990 and 2015, the proportion of people whose income is less than USD1.25 per day.
More equality: Gini Index for Latin America (incl. Caribbean)	1990: 0.55 2005: 0.53 (World Bank, 2010)	Actions aim at contributing to decrease the Gini coefficient. The target is to contribute to ensure a more equal distribution of income in Latin America.
Main policy outputs for 2012		
Contribute to continue strengthening the political dialogue to deepen the strategic partnership between the EU and Latin America and the Caribbean, while supporting social and territorial cohesion initiatives. Contribute to the implementation of the objectives set out in the Communication on "The EU and Latin America: Global Players in Partnership".		
Contribute to the preparation of the EU-LAC Heads of State and Government to be held in Chile in 2012. Follow up to the Madrid Summit Declaration (May 2010) and its Action Plan is ongoing.		
Main expenditure-related outputs	Budget line (2012)	EUR million

Actions aimed at contributing to poverty reduction policies and to increase social cohesion in the region eradicating inequality and exclusion. Also actions focusing on sustainable development:		
Education programmes including Latin America-wide programmes.		35
Erasmus Mundus Action 2		25.12
Public sector policy and administrative management, participation of civil society and human rights		77.2
Social infrastructure and services such as social or welfare service		11
Environmental programmes, rural and urban development, business support services, water supply and sanitation and others		92.3
Total budget line 19 09 01		240.62

Specific Objective 2: Foster regional integration in Latin America																										
Result Indicator(s)	Latest known result	Target (result)																								
Intra-regional commercial flows SA=South America CA=Central America	<p>1.1 Intraregional imports as a percentage of total imports</p> <table border="1"> <thead> <tr> <th>Region</th> <th>2007</th> <th>2008</th> <th>2009</th> </tr> </thead> <tbody> <tr> <td>SA</td> <td>19.0</td> <td>19.1</td> <td>17.4</td> </tr> <tr> <td>CA</td> <td>29.9</td> <td>31.3</td> <td>30.1</td> </tr> </tbody> </table> <p>1.2 Intraregional exports as a percentage of total exports</p> <table border="1"> <thead> <tr> <th>Region</th> <th>2007</th> <th>2008</th> <th>2009</th> </tr> </thead> <tbody> <tr> <td>SA</td> <td>18.5</td> <td>19.7</td> <td>18.3</td> </tr> <tr> <td>CA</td> <td>38.5</td> <td>41.8</td> <td>39.0</td> </tr> </tbody> </table> <p>ECLAC Statistical Yearbook for Latin America and the Caribbean 2010</p> <p>1.3: Percentage of Intra Latin America flow versus total trade flow (imports): 20,0% (2006); 20.2% (2007); 20,0% (2008) Source: IMF, DoTS</p>	Region	2007	2008	2009	SA	19.0	19.1	17.4	CA	29.9	31.3	30.1	Region	2007	2008	2009	SA	18.5	19.7	18.3	CA	38.5	41.8	39.0	Increased trade integration within the region
Region	2007	2008	2009																							
SA	19.0	19.1	17.4																							
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Region	2007	2008	2009																							
SA	18.5	19.7	18.3																							
CA	38.5	41.8	39.0																							
Main policy outputs for 2012																										
<p>Contribute to supporting the regional and economic integration processes in Latin America - such as MERCOSUR, the Central American Integration System (SICA), the Andean Community (CAN) - which stand as key priorities in the EU-LAC cooperation.</p> <p>The EU will continue to deepen the EU-LAC relations, including the strengthening of regional integration and support to Latin America harmonious insertion in a globalised economy in particular through negotiations for Association Agreements with the sub-regions, strengthening the implementation of the existing Association Agreements and developing the Strategic Partnerships with Mexico and Brazil.</p> <p>Following the conclusion of the Central America, Colombia and Peru Agreements, the target is to ensure signature, ratification and entry into force of the negotiated Agreements and to pursue negotiations and if possible conclude for an Association Agreement with MERCOSUR as well as negotiations with other interested Andean partners.</p> <p>Cooperation through regional integration programmes will continue. Furthermore to support the LAC countries in their fight against drug trafficking and related crime, drug trafficking and security related issues will remain key objectives for the EU in Latin America.</p>																										
Main expenditure-related outputs for 2012	Budget line (2012)	EUR million																								
Actions supporting economic growth, regional integration, trade:																										

Public sector policy and administrative management, participation of civil society and human rights		4.5
Social infrastructure and services such as social or welfare services		0
Multi-sector aid, industry, urban and rural development, investments in environmental protection and energy generation		106.7
Total budget line 19 09 01		111.2

Specific Objective 3: Non ODA activities: Intensification of political cooperation and economic partnerships with Latin America

Result Indicator(s)	Latest known result	Target (result)
Number of platforms launched for strengthening dialogue and partnership between EU and Latin America	No platforms launched	Launch of 2 platforms: EU-LAC Foundation and EU-LA Knowledge and Innovation Centre
Percentage of population covered by digital TV in Colombia and Panama	Trials phase	At least 50% of the population in the capital cities of the two countries
Number of new consortia of universities implementing Erasmus Mundus Action 2	10	Target achieved with selection completed in 2011

Main policy outputs for 2012

Progress in the partnership with the Latin America region will continue with follow up of the EU-LAC Summit Declarations in key areas;

- 1) Contribution to the creation of a EU-LAC Foundation and of a EU-LAC knowledge Centre,
- 2) Participation of European students and academics in the Erasmus Mundus Action 2 e,
- 3) Support for international cooperation in the implementation of DVB-T Standards in Latin America, namely in Colombia and Panama and
- 4) Support to the regulatory cooperation with Latin America in the field of electronic communications.

Main expenditure-related outputs in 2012	Budget line (2012)	EUR million
Promotion of economic partnerships and business in EU interest		6
Erasmus Mundus Action 2 - European outward mobility component)		2
Public diplomacy/EU visibility and other non-ODA actions		2
Total budget line 19 09 03		10

ACTIVITY 19 10: RELATIONS WITH ASIA, CENTRAL ASIA AND MIDDLE EAST (IRAQ, IRAN, YEMEN)

The EU's development cooperation policy in Asia covers 27 countries and is guided by the Millennium Development Goals and the main development objectives and principles approved by the Community and its Member States.

EU cooperation with Asian countries is aligned with development priorities of the governments and focused on sectors and results as defined in the programming documents (country and regional strategy papers and multiannual indicative programmes). In all countries, except for **Myanmar (Burma)** and **Sri Lanka** cooperation is agreed with the governments.

In **Myanmar**, there is a good chance that, provided reforms progress well, the EU position may be amended in 2012 limiting or lifting sanctions and allow direct cooperation. As regards **Sri Lanka**, relations with the government remain uneasy, though slow progress on the ground is visible with the prospect of resuming high level dialogue.

There is no programming document, nor allocation of supporting funds for **DPRK (North Korea)**, however there is agreement with EEAS that if the political development allows, support can be mobilised on ad hoc basis and adopted as a special measure.

The EU will continue to contribute to development in **Afghanistan** and **Pakistan** within the framework of the EU Action Plan agreed by the Council in October 2009. Afghanistan will remain the largest recipient of EU funding under DCI in 2012, with an AAP 2012 of EUR 240 million, followed by Indonesia with an AAP 2012 of EUR 155 million, the Asia regional programme of EUR 137,5 million (partially adopted in 2011) and Pakistan with AAP 2012 of EUR 125 million. Preparation of AAP 2012 for Pakistan will be particularly challenging, due to the limited capacity of the Delegation, difficult partnership with the government and many actions under the Instrument for stability (IfS). The management of cooperation with Afghanistan and in particular the policy dialogue may be affected if the relocation of expatriate cooperation staff to HQ is extended for more than a few months.

EU cooperation with Asian countries is increasingly focusing on supporting reforms in various sectors: in public finance management and economic governance, in the social sectors (health and education), rule of law and governance, rural development and agriculture, trade and private sector development as well as environment, climate change and energy security. In line with the 2011 "Agenda for change" and the 2011 EU communication on budget support, the strategic approach to development cooperation will be further reinforced.

In 2011, together with the EEAS, the Commission has enhanced its presence in **Nepal** through the deconcentration of responsibility for management of cooperation to the upgraded EU delegation in Kathmandu. In 2012, in agreement with the EEAS, a cooperation sector in the EU delegation in **Uzbekistan** should be established in order to deconcentrate the management of cooperation to the delegation. A Finance and Contracts Sector will be established in the delegation in **Cambodia**, so that following its upgrading in 2011 it can become a fully fledged delegation. The EEAS has also received government agreement, in principle, to open an EU office in **Myanmar**, which would report to the EU delegation in Bangkok.

The total number of development programmes under the geographical allocation for 2012 for Asia amount to 61, representing in total EUR **1 233** million. As there are only EUR 877,7 million of credits planned for the entire region in 2012, priorities will be set to use 2012 credits and some large actions will be financed by combining 2012 and 2013 commitment credits in a single financing decision.

This is complemented with 12 actions planned to be financed under the "ICI plus" instrument, of a total value of €42,6 million, and with activities relating to thematic programmes. One further action will be developed to consume the remaining ICI plus credits for 2012, possibly in support of a Joint Action Plan, in particular policy dialogue in the area of energy, environment and climate change with India.

Emphasis on aid effectiveness and joint programs with other donors will continue in 2012, seeking joint policy dialogue, objectives and indicators to measure progress. Advancing the preparation of the programming documents for 2014-2020 will be a priority in 2012. The expected adoption of the new guidelines, following the EU Council in May 2012, will have implications for the adoption of Budgetary Support actions, which will be delayed to the second half of 2012.

Specific Objective 1					
Promote sustainable development in Asia¹¹, eradicate poverty and facilitate the integration into the world economy					
Result Indicator(s)	Latest known result				Target (result)
1. Environmental sustainability					
Area of primary forest (1 000 ha)	1990	2000	2005	2010	Contribute to maintain or increase land area covered by forest
	103,420 ¹²	102,320	100,233	99,476	
	Source: FAO http://www.fao.org/forestry/fra/fra2010/en/				
Partner countries adopt and implement policies addressing key challenges in area of sustainable development: - FLEGT agreements - Climate change policies - Energy policy shift to renewable and improved energy efficiency	b) FLEGT¹³ In place: Indonesia Under preparation: Malaysia (2007); Vietnam (2010) Planned with SEA countries c) Policy for climate change adaptation In place: Bangladesh, Bhutan, China, Malaysia, Nepal, Maldives Under preparation: Vietnam Not under preparation Afghanistan, Mongolia, Sri Lanka, d) Policy for renewable and efficient energy In place: China, Nepal Under preparation: Bangladesh, Vietnam Not under preparation: Afghanistan, Malaysia, Mongolia, Sri Lanka, Maldives				Contribute to more sustainable consumption and production
2. Growth and Human development: Eradicate extreme poverty and hunger; Achieve universal primary education; Reduce child mortality					
Inequality of wealth distribution: Inequality measures (GINI index)	Six of the 17 countries for which the latest data are available suffer from very unequal wealth distribution (i.e. their GINI coefficient is above 40). These are: Cambodia, China, Nepal, Philippines, Sri Lanka and Thailand. No data available for DPRK and Myanmar. <i>Source: WDI 2010. Table 2.9, pp. 94-96.</i>				Contribute to ensure a more equal distribution of income by 2015. Improve number of countries under 40 points in the index.
Population living below \$1.25 a day PPP (%)	11 Asian nations on track: Malaysia has entirely eradicated this category. China, Indonesia, Iran, Kazakhstan, Kirgizstan, Maldives, Pakistan, Tadjikistan, Turkmenistan and Vietnam have reached their target 13 Asian nations off track¹⁴ 40% or more of the population still live below the UN poverty line in Nepal, Bangladesh and India. The available data indicate that the rate of extremely poor people has increased in Mongolia, Thailand, Uzbekistan, Yemen No data available for Afghanistan, Bhutan, Myanmar. <i>Source: UN stats</i>				Contribute to halve, between 1990 and 2015, the proportion of people whose income is less than \$1.25 a day.
MDG 2: Net primary enrolment ratio (% of relevant age group)	15 Asian countries reached above 90% , with many reaching close to 100%; 9 countries below 90 %. 3 countries between 66% and 73% (Nepal, Pakistan, Yemen) Overall the trend is increasing but for Indonesia, Mongolia and Philippines a variance of 1.44% over the period 1991-2009 is visible				Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

11 Data refer to all 27 Asian countries covered by EuropeAid.

12 The time series is complete for all 27 Asian countries, except Indonesia 1990 where year 2000 data have been used for 1990. Afghanistan is not included in the statistics potentially due to absence of forests.

13 (Forest Law enforcement Governance and trade):

14 The time series are largely incomplete for this MDG

	<i>Source: UN stats, 2009 data</i>	
MDG 4: Infant mortality (under five mortality rate per 1,000)	<p>Between 1990 and 2011, all Asian countries significantly reduced infant mortality. In view of the MDG the situation is as follows:</p> <p><u>14 Asian countries are on track</u></p> <p>2/3- 4 countries 1/2-2/3 10 countries</p> <p><u>13 Asian countries are off-track</u></p> <p>1/3-1/2 8 countries 1/6-1/3 5 countries</p> <p>Afghanistan stands out as by far the worst case in Asia with a child mortality rate at 149/1000. Yet it has reduced this from a level of 209/1000 in 1990.</p> <p><i>Source: UN stats, 2009 data.</i></p>	Reduce by two thirds, between 1990 and 2015, the under-five mortality rate.
3. Integration into the world economy		
Foreign Direct Investment (FDI) inflows, % of GDP	<p><u>2009, FDI higher than 4 %:</u></p> <p>7 countries (Cambodia, Lao PDR, Mongolia, Vietnam, Kazakhstan and Turkmenistan);</p> <p><u>2009 FDI less than 1%:</u></p> <p>7 countries (DPRK, Bangladesh, Nepal, Indonesia, Malaysia, Tajikistan and Iran). China and India, registered respectively 2.3% and 2.8% of net inflows – a decrease compared to 2008.</p> <p>No data is available for Myanmar.</p> <p><i>Source: Key Indicators for Asia and the Pacific 2011, Table 4.7, p. 220. Human Development Report 2011, Table 10, pp. 162-165.</i></p>	Upward trend of FDI inflows continues. They should reach 4% of GDP by 2015.
Main policy outputs for 2012		
<p>The EU will continue to work to develop closer political and economic ties with partners in Asia – including China, India, ASEAN as a region and South East Asia countries. The ASEM framework with its next summit in November 2012 in Laos will play an important role in this respect. Cooperation with SAARC will be intensified.. The EU is reviewing its strategy for East Asia. In relations with Asia the focus will be on enhancing cooperation to address global and regional challenges, as climate change, security, poverty and other human development – related problems including infectious diseases. Economic cooperation will continue to play key role in EU relations with Asia. EU will continue supporting sub-regional cooperation within ASEAN, SAARC and GCC as well as other regional cooperation initiatives of mutual interest.</p> <p>Implementation arrangements for the Partnership and Cooperation Agreements (PCA) that have been concluded with Indonesia, Vietnam, Philippines and Mongolia, will be prepared. The negotiation of PCAs will continue with China. Negotiations of the Free Trade Agreement with India and the more developed countries of ASEAN will continue. EU expects to see progress on its accession to the ASEAN Treaty of Amity and Cooperation.</p> <p>EU will further develop high level dialogue and sector cooperation with China, India (within Joint Action Programme framework) as well as several other Asian countries – Philippines, Thailand, Indonesia and Vietnam. In parallel, EU will continue support for reforms in social sectors in these countries, as foreseen in the programming documents in place, as well as in the areas of trade (trade related technical assistance), energy, environment and justice. With regards to Myanmar, the EU will support transition to a legitimate government and reforms initiated in 2010, so that they benefit the population. EU will support reconciliation and reconstruction in Sri Lanka, through enhanced dialogue. EU will continue its engagement and assistance to implementation of peace agreements in Nepal and Bangladesh, and the peace negotiations in Philippines (Mindanao).</p> <p>The EU will continue to push forward its comprehensive approach to address the political instability in Afghanistan, Iraq, Pakistan and Yemen, using relevant international and regional fora, as RECCA for Afghanistan, Friends of Democratic Pakistan and Friends of Yemen.</p>		
	Output	EUR

Main expenditure-related outputs in 2012	no.	million
Health, Primary and secondary education in Asia	5	190.7
Higher education in Asia (incl. Erasmus External Action 2 Asia)	1	20
Governance (PFM, statistics, Justice, Rule of Law, Human rights etc)	11	113
Economic development and trade related assistance in Asia	8	97.5
Environment, climate change and clean energy	6	90.5
Measures in favour of uprooted people in Asia	3	27
Social support and policy reform in Asia	1	60
Rural development, agriculture and food security in Asia	3	130
Other measures in Asia	1	18.5
Total programmes in preparation	39	747.2
Budget line 19 10 01 01 Cooperation with developing countries in Asia – 2012 allocation		521

Specific Objective 2: Support to Afghan National Development Strategy, the Kabul process and Implementation of the EU Plan for strengthened EU action in Afghanistan and Pakistan		
Result Indicator(s)	Latest known result	Target (result)
Afghanistan Mortality rate, under-fives (per 1,000)	1990: 209 2006: 151 2010: 149 <i>Source: World Bank Development Indicators 2011</i>	Reduce by two thirds, between 1990 and 2015, the mortality rate of children under five
Ratio of domestic revenues (tax and non tax revenues, excluding grants) to GDP	2011: 11% in 2011. 2009/2010: 7,3-8,1 % 2008/2009: 6.9% Current revenue levels cover only about two-thirds of central government operating expenditures. <i>Source: IMF Press Release No. 11/412, November 15, 2011,</i>	Ratio to reach is 8,6% in 2010/2011 Thus, the objective has been reached
Number of poppy free provinces and number of hectares under poppy cultivation in Afghanistan	1) <u>"Poppy-free" provinces (less than 100ha of opium cultivation). Total 34 provinces:</u> 2011: 17 2010: 20 2) <u>Potential Production of Opium:</u> +61% in 2011 2011: 5.800 mt 2010: 3.600 mt 3) <u>Weighted average opium yielded:</u> +52% in 2011 2011: 44,5 kg/ha 2010: 29,2kg/ha. 4) <u>Net opium cultivation area (after eradication):</u> +7% 2010: 123.000 ha 2011: 131.000 ha <i>Source: Afghan Opium Survey 2011</i> <i>http://www.unodc.org/documents/crop-</i>	By 2013 - Increased number of poppy free provinces -Reduced area of opium cultivated (not on target)
(i) Satisfactory National Priority Programme in justice adopted and implemented; (ii) 100% Afghan Government	(i) <u>National Priority Programme in justice:</u> <i>Under preparation</i> (ii) <u>GoA ownership and sustainability</u> 2010 : 35%of core LOTFA functions handed over to Ministry of Interior	Improved access to justice, including for the most vulnerable (women and children) (ii) Enhancement of GoA ownership progressive

<p>management of national police</p> <p>(iii) Afghan National civil Police trained and operational</p>	<p><u>(iii)Number of police on payroll (total staff 151.281):</u> 2011: 135.048 2009: 79.000</p> <p><u>(iii.2) Number of policewomen in the police force</u> 2011 1200 (9%) 2010: 1001 (+45%) 2009: 691</p> <p><u>(iii.3) Police training facilities</u> 2011: 3 constructed and equipped 1 under construction 2010: 3 under construction</p> <p><i>Source: LOTFA report October 2011</i></p>	<p>handover of C-core LOTFA functions to Mol</p> <p>(iii.1) 100% police staff of 157 000 (2013) and Central Prisons Department receive their salaries regularly (electronic payroll) (LOFTA V)</p> <p>(iii.2) Gender ratio improved</p> <p>(iii.3) civilian policing capacities improved</p>																					
<p>Sector programmes adopted, budgeted implemented.</p>	<p><u>Sector programmes in key sectors (Status of National Priority Programs – NPP - end of 2011):</u></p> <ul style="list-style-type: none"> - Health: "Health for All Afghans" (NPP5) under revision. - Justice: under preparation - Agriculture/rural development, 4 NPPs at formulation stage. 	<p>Public administration and governance improved at central and provincial level including PFM</p>																					
<p>Pakistan MDG 2 Net primary enrolment ratio (children aged 5-9)</p>	<p>2008 66,1% 2001: 57% 1990/91: 46%,</p> <p>The net enrolment ratio boys/girls have grown from 80 during 2001-2005 to 82 percent during 2005-2010 (World Bank, UNESCO Institute for Statistics).</p> <p>The EU funded sector policy support programmes running in some provinces provide capacity building and support to efficient school management which should eventually lead to improvement in the levels of access to school, including for girls.</p> <p><u>Adult literacy rate:</u> 2005-2008: 67% Men, 40% women 2000/2001: 50,5% 1990/1991: 36,3%</p> <p><i>Source: Millennium Indicators Database Online (2010): http://mdgs.un.org/unsd/mdg/SeriesDetail.aspx?srid=668 (last updated 08/2010); WDI 2010. Table 2.14, pp. 115-116.</i></p>	<p>Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.</p>																					
<p>Strengthen governance and rule of law: Governance indicators¹⁵ over the period 1996-2008 in:</p> <ol style="list-style-type: none"> 1. Accountability and voice 2. Political Stability and absence of violence 3. Government effectiveness 4. Regulatory quality 5. Rule of law 6. Control of corruption 	<table border="0" style="width: 100%;"> <thead> <tr> <th></th> <th style="text-align: center;">1998</th> <th style="text-align: center;">2009</th> </tr> </thead> <tbody> <tr> <td>1. accountability and voice:</td> <td style="text-align: center;">-0.74</td> <td style="text-align: center;">-1.00</td> </tr> <tr> <td>2. Political stability:</td> <td style="text-align: center;">-1.39</td> <td style="text-align: center;">-2.76</td> </tr> <tr> <td>3. government effectiveness</td> <td style="text-align: center;">-0.65</td> <td style="text-align: center;">-0.93</td> </tr> <tr> <td>4. Regulatory quality:</td> <td style="text-align: center;">-0.47</td> <td style="text-align: center;">-0.50</td> </tr> <tr> <td>5. rule of law:</td> <td style="text-align: center;">-0.72</td> <td style="text-align: center;">-0.93</td> </tr> <tr> <td>6. control of corruption</td> <td style="text-align: center;">-0.91</td> <td style="text-align: center;">-1.10</td> </tr> </tbody> </table> <p>This represents a general deterioration of the governance indicators considered.</p> <p><i>Source: World Governance Indicators 2010: http://info.worldbank.org/governance/wgi/index.asp</i></p>		1998	2009	1. accountability and voice:	-0.74	-1.00	2. Political stability:	-1.39	-2.76	3. government effectiveness	-0.65	-0.93	4. Regulatory quality:	-0.47	-0.50	5. rule of law:	-0.72	-0.93	6. control of corruption	-0.91	-1.10	<p>Strengthening of democratic institutions and the rule of law.</p> <p><i>Source: EU Action Plan in Afghanistan and Pakistan 14064/09</i></p>
	1998	2009																					
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¹⁵ The Worldwide Governance Indicators measure 6 dimensions of governance in units ranging from about -2.5 to 2.5, with higher values corresponding to better governance outcomes.

Main policy outputs for 2012

In **Afghanistan** and **Pakistan** the EU will continue its engagement as reflected in the EU Action Plan adopted by the Council in October 2009. The AP indicates a need in both Afghanistan and Pakistan to strengthen and promote good governance, human rights and efficient public administration. There is also a focus on improving rule of law and economic development with focus on rural development. There remains scope to further improve the coordination and cooperation with EU Member States in terms of donor coordination and policy dialogue with the government.

For **Afghanistan** the EU will support the Kabul process and transition towards Afghanistan taking over in 2014 responsibility for its own security. Follow up will be given to the conclusions of Bonn conference of 2011. In line with the Council conclusions of 14 November 2011, the EU will announce in Bonn 5 December 2011 the beginning of the negotiations of the EU-Afghanistan Partnership and Cooperation Agreement. On the development cooperation side, and policy dialogue with government there will be focus on governance, including at sub-national level, rule of law, agriculture health and social protection and regional cooperation. The programmes adopted in 2011 and before will be implemented. In the ongoing and new programs EU will pay particular attention to institutional capacity development to facilitate progress on the Kabul process. The AAP 2012 will include support to Health, Social Protection and Rural Development for a total amount of EUR 240 million.

The EU will continue negotiating its 5-year engagement plan with **Pakistan**, and intends to focus on governance at national and provincial levels (including public finance management), rule of law (including democratic institutions and human rights) and rural development (including climate change). The EU and Pakistan cooperation in the area of institutional exchange and strategic dialogue will provide for strengthen cooperation and exchange expertise on the functioning of civilian democratic bodies and respect for fundamental human rights. The Cooperation Agreement between the European Union and Pakistan on Partnership and Development and the 5-year Engagement Plan should progressively expand the cooperation areas and raise the level of the EU-Pakistan relationship. The Strategic Dialogue would cover issues relating to security, democracy, human rights, good governance and socio-economic development, trade and investment, energy and sector cooperation.

The EU is also taking initiatives to enhance bilateral trade relations with **Pakistan**. The possibility for consideration of Pakistan's eligibility to benefit from the EU's GSP+ as from 2014, on the basis of the EU's GSP+ regulation is being negotiated. In view of the floods which hit Pakistan in 2010 and 2011, efforts will be made to ensure that the implemented programmes address also the consequences of the floods. The sector cooperation has been given further impetus with specific focus on environment, technologies and research, education and cultural exchanges.

Main expenditure-related outputs in 2012	Output no.	EUR million
Measures in support of rural development in Afghanistan	1	110
Measures in support of health in Afghanistan	1	105
Measures in support of Social Protection in Afghanistan	1	25
Total programmes in preparation	3	240
Budget line 19 10 01 02 Aid for the rehabilitation and reconstruction of Afghanistan – 2012 allocation		199
Measures in support of rural development environment and clean energy in Pakistan	2	90
Measures strengthening governance in Pakistan	2	35
Total Pakistan- NB. Included in Budget line 19.100101 - Asia - see above	4	125

Specific Objective 3: Supporting political, economic and social transition in Central Asia and strengthening links with the EU, in particular for energy security

Result Indicator(s)	Latest known result	Target (result)
1. Partnership Cooperation Agreements (PCAs): Number of PCAs ratified	Objective attained in 2010	New enhanced EU-Kazakhstan agreement to be negotiated
2. Democratisation/Rule of law Number of countries	Structured EU human rights dialogues in place with all 5 countries. Venice Commission /CoE activities extended to the five CA countries	- Kyrgyzstan path to democracy restored; - Successful

moving towards elections up to OSCE norms and CoE/Venice Commission standards		implementation Kazakhstan HR Action Plan -Progress on OSCE norms, notably elections																		
3. Education Initiative for Central Asia: Number of CA countries associated to the Bologna process	Kazakhstan became a signatory country to the Bologna process in April 2010, Progress is made in the other four countries through the Tempus Programme which amongst others promotes voluntary convergence of Partner Countries' higher education systems with the Bologna process.	4 CA countries to join the Bologna World Forum for policy dialogue with third countries by 2015																		
4. Environment / water / energy: CA countries adopting climate change national strategies and implementing EU Water Initiative EECCA principles (along EU Water Framework Directive) Trans Caspian oil/gas link established with EU	EU-CA Joint Platform on environment and water cooperation approved in November 2009; EUCA WG on climate change held ; National Water Policy Dialogue launched in Kyrgyzstan ; request to launch EUWI NPDs in other four countries Energy MoUs signed with Uzbekistan, Kazakhstan and Turkmenistan; Effective activation of the Investment Facility CA (IFCA) with sustainable sector policy reform objectives in environment, energy and water sectors	Adoption of national climate change programmes and EUWI national water policy dialogues established in five countries in 2011 Progress on implementation of energy MoUs; Regional energy policies converging with EU																		
5. Cooperation in Poverty reduction / Governance																				
5.1 MDG 1: Percentage of Central Asia population under poverty level	3 out of 5 countries have a percentage of population living under the international poverty line. Most recent data are: 0,2 % Kazakhstan (2007) 1,9 % Kyrgyzstan (2007) 21,5 % Tajikistan (2004) 24,8 % Turkmenistan (1998) 46,3 % Uzbekistan (2003) <i>Source: http://mdgs.un.org/unsd/mdg/data.aspx.</i>	By 2013, reduction of the population under poverty level to 35/25% by 2015.																		
5.2 MDG 4 Infant mortality (under five per 1,000)	In the period 1990/2008, all the 5 countries under analysis reduced the infant mortality rate. However, only the Kyrgyz Republic records data below 20 per 1000 births. <i>Source: World Development Indicators 2010. Table 1.2, pp. 36-38.</i> <table border="1"> <thead> <tr> <th></th> <th>1990</th> <th>2010</th> </tr> </thead> <tbody> <tr> <td>Kazakhstan</td> <td>57</td> <td>33</td> </tr> <tr> <td>Kyrgyzstan</td> <td>72</td> <td>38</td> </tr> <tr> <td>Tajikistan</td> <td>116</td> <td>63</td> </tr> <tr> <td>Turkmenistan</td> <td>98</td> <td>56</td> </tr> <tr> <td>Uzbekistan</td> <td>77</td> <td>52</td> </tr> </tbody> </table> <i>Source: http://mdgs.un.org/unsd/mdg/data.aspx</i>		1990	2010	Kazakhstan	57	33	Kyrgyzstan	72	38	Tajikistan	116	63	Turkmenistan	98	56	Uzbekistan	77	52	Decreasing the mortality rate among children under five by two thirds
	1990	2010																		
Kazakhstan	57	33																		
Kyrgyzstan	72	38																		
Tajikistan	116	63																		
Turkmenistan	98	56																		
Uzbekistan	77	52																		
5.3 MDG 6 Combat against HIV/AIDS, malaria and other diseases	Endorsement of a new EU CA Action Plan on fighting drugs 2009-2013 (April 2009) HIV/AIDS prevalence rates are increasing. However, they are still relatively low, comprising between 0 and 0.3% of the population aged 15-49 <i>Source: World Development Indicators 2010. Table 2.21, pp.140-142.</i>	Cooperation with ECMDDA ¹⁶ engaged region by 2013; Adoption of comprehensive national plans against drugs by the 5 CA countries ; Halting the increase of HIV/AIDS																		

¹⁶ European Monitoring Centre for Drugs and Drug Addiction. <http://www.emcdda.europa.eu/>

Main policy outputs for 2012		
<p>In Central Asia the EU Strategy of 2010 marks a new level of political commitment to intensify dialogue and cooperation. The Strategy has established a set of priority areas focusing on human rights, rule of law, good governance, youth and education; promotion of economic development, trade and investment; strengthening of energy and transport links; environmental sustainability and water; combating of common threats and challenges; inter-cultural dialogue. A new EU Kazakhstan enhanced agreement should be negotiated in 2011. Focus on better democratic and public governance upheld.</p> <p>Building up on the MoUs and Baku process, participation of the countries in the EU South east energy corridor, integration of their energy markets and enhanced cooperation for sustainable energy, including renewable sources of energy and energy efficiency should become a key component of EU-Central Asian relations.</p> <p>Cooperation with the Council of Europe will be promoted in the Rule of Law and education area notably through the Bologna process and Venice Commission.</p> <p>With the planned opening of an EU Delegation in Uzbekistan in 2011, the EU will be represented in four Central Asian countries.</p>		
Main expenditure-related outputs in 2012	Output no.	EUR million
Education	2	41
Trade/SME	3	34
Centre for European studies	1	3
Agriculture	1	4
Measures promoting good governance	5	84
Environment and clean energy	1	4
Total programmes in preparation	13	170
Total budget line 19.10.02		105

Specific Objective 4: Fostering democracy, peace and security in Iraq

Result Indicator(s)	Latest known result	Target (result)
Reduced number of cases of rights of the vulnerable being violated	The rights of Iraq's most vulnerable citizens, especially women, children and detainees, are often violated with impunity.	Improvement of the rule of law and human rights situation.
Support to national authorities dealing with the protection of human rights	a) A credible national criminal justice/ legal system embodying international standards. b) Setting up the Human Rights Commission (IHRC) has been significantly delayed due to lack of political support. The EU support to IHRC (€ 7 million) will be maintained and underpinned by additional support to the Human Rights Committee in the Council of Representatives.	Maintain political pressure for the creation of the IHRC.
Number of refugees and internally displaced persons (IDPs) integrated in the hosting communities	Few new refugees and IDPs in the last two years. Also few returns of refugees and IDPs to their places of origin	Improvement of living conditions of refugees and internally displaced persons

Main policy outputs for 2012
<p>Iraq's achievements in terms of governance, democracy and rule of law remain fragile and need to be consolidated. The country has important revenues from oil/gas resources, which as yet only marginally contribute to inclusive economic growth. Public expenditure and the provision of basic services need to be improved. Institutional capacities need to be strengthened. The way to the consolidation of democracy and unity is hindered by corruption, fragmentation, vested interests, and disputes over the control of natural</p>

resources, between governorates as well as between state institutions.		
EC support in terms of state building, governance (including financial and economic governance) and human rights remains therefore crucial. Future interventions should continue targeting capacity building for state institutions and NSA in key strategic sectors, at both central and decentralised level. EC should in particular push and play a key role in supporting the Government of Iraq in the preparation of sector strategies and action plans in key strategic areas, based on sector wide approaches. Technical assistance and policy dialogue will be the core of our cooperation.		
Main expenditure-related outputs in 2012	Output no.	EUR million
Rights of Iraq's most vulnerable citizens improved)	1	24
Support HR and Justice institutions	1	15
Support IDPs, refugees	1	7
Budget line 19 10 03 Cooperation with Iraq, Iran and Yemen	3	46

Specific Objective 5: Cooperation activities other than Official Development Assistance (Asia, Central Asia, Iraq, Iran and Yemen)

Result Indicator(s)	Latest known result	Target (result)
1. Accurate and positive image of the EU 2a) European business market shares in emerging economies 2b) Increased European business presence 3. Increased number of outward European academics and scientific researchers	1. <u>public diplomacy and outreach</u> Promotion of EU as a major player in the global, economy and geopolitics in Malaysia 2a) <i>Indicator to be completed</i> 2b) Setting up of 3 EU-funded European business support centres in China, India and Thailand . Deepening the understanding in doing business with China in European business intermediary organisations. Regulatory dialogue towards services sector external liberalisation in Malaysia . 3. 70 scholarships for European scientists to conduct research jointly with Chinese research organisations/universities	1. An understanding by decision makers and media of strategically important third countries of the EU agenda and positions in international issues 2. a) Deeper European economic penetration into Asian/CA emerging economies or strategic partners (e.g. in the energy field) 2b) More effective local voice for European business 3. Stronger people-to-people contacts through increased outward European academic and scientific mobility, especially with key actors on the international scene and emerging economies.
Number of EU scholarships for European academic and students under the Erasmus Mundus Action 2 programme in Asia, Central Asia, Iran, Iraq and Yemen	<u>EM 2008 Call</u> : 524 EU students 18 CA students 009: 0 EU students 2008: 13 EU students 2007: 5 EU students	Ensure and increase the European participation on the Erasmus Mundus Action 2 programme.
Number of participants to the European Higher Education Fairs (<u>2010 Hong Kong</u> : 5,100 visitors 51 exhibitors from 13 different European countries.	2 European Education Fairs with participation at a level least equal to past.

Main policy outputs for 2012
Adoption of annual action plans for Asia, CA and **Iraq** and funded by ICI and covering the 3 ICI intervention areas for Asia, CA and **Iraq**, including Initiatives to promote economic partnerships and businesses in EU interests, European higher education mobility and fairs, European scientific mobility, and increasing visibility and awareness and understanding of the EU with key stake-holders, decision-makers and opinion-shapers;

Coordinate with EU Member States to facilitate economic co-operation, civil society dialogues and educational, entrepreneurial, scientific and academic contacts and exchanges, public diplomacy and outreach especially in Asia;

Implement economic partnership and business cooperation in the energy sector with Central Asian partners, in particular **Kazakhstan**; to fulfil the goals identified in the EU-Iraq Memorandum of Understanding on Energy Cooperation.

	Output no	EUR million
Higher Education programmes	2	5
European Higher Education Fairs (EHEF)	2	5
Projects building up business capacity – be more specific	6	25,7
Total programmes in preparation	10	42.6
2011 allocation – carry-over to 2012 - FR Art 9.2(b)		28
2012 allocation		18,5
Total budget line 19 10 04 ICI Plus		46.5

ACTIVITY 21 02: FOOD SECURITY

Food Security Thematic Programme (FSTP) legal base is Article 15 of Regulation (EC) No 1905/2006 establishing a financing instrument for development cooperation (DCI Food Security Thematic Programme (FSTP)). The Food Facility legal base is Regulation (EC) No. 1337/2008. It is a temporary facility, covering the budget years 2008-2010 for commitment appropriations designed in response to the 2008 soaring food prices in developing countries

The scale of the food security problems in the developing world is immense and has been growing also as a result of food prices volatility, the global economic crisis and increasing insecurity and instability in vulnerable areas. As a consequence such sizeable and consolidated efforts are required that the Union constitutes the most appropriate level for support. Moreover, EU level support allows for worldwide interventions and for coordinated responses at global, regional and national levels, as well as between humanitarian and development actions.

The policy framework for food security¹⁷, adopted by the Commission in March 2010 and endorsed by the Council in May 2010¹⁸, sets the Food Security agenda for the coming years. It focuses on four interrelated priority areas: (i) smallholder resilience and rural livelihoods; (ii) effective governance at all levels; (iii) regional agriculture and food security policies; and (iv) assistance mechanisms for vulnerable population groups.

The Communication in October 2011 on EU development policy, *Increasing the impact of EU Development Policy: an Agenda for Change*, identifies agriculture as an area where the EU should do more to support sustainable practices, including the safeguarding of ecosystem services, giving priority to locally-developed practices and focusing on smallholder agriculture and rural livelihoods, formation of producer groups, the supply and marketing chain, and government efforts to facilitate responsible private investment. The EU will continue working on placing nutrition objectives high in the international agenda, on strengthening food security governance and on reducing food price volatility at international level.

Country programmes (funded from geographical instruments such as the European Development Fund and – part of - the Development Cooperation Instrument) provide the main framework for EU cooperation with developing countries concerning food security.

Complementary to this, the **Food Security Thematic Programme (FSTP)** provides about €250 million per annum to address food security challenges in developing countries at the global, continental and regional level. The FSTP objective is "to improve food security in favour of the poorest and most vulnerable and contribute to achieving MDG 1, through a set of actions which ensure overall coherence, complementarity and continuity of EU interventions, including in the area of transition from humanitarian to development interventions particularly in fragile situations".

For the period 2011-2013, this objective is to be pursued through three strategic areas:

- research, technology transfer and innovation to enhance food security;
- strengthened governance approaches for food security;
- addressing food security for the poor and vulnerable in fragile situations

In addition, the **Food Facility**¹⁹ was created as a temporary instrument to assist 49 priority countries worst affected by the food price crisis (2007/08) by providing €1 billion to bridge the gap between providing emergency relief and long-term development support. The FSTP and the Food Facility are concrete signs of the EU's continuous commitment towards contributing to a reduction by half of the proportion of people who suffer from hunger (MDG1 on hunger).

17 COM(2010)127, An EU policy framework to assist developing countries in addressing food security challenges

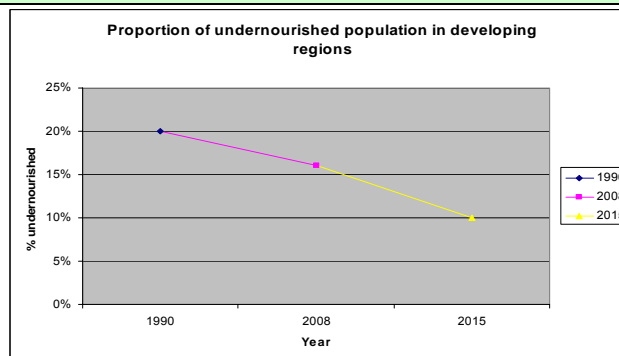
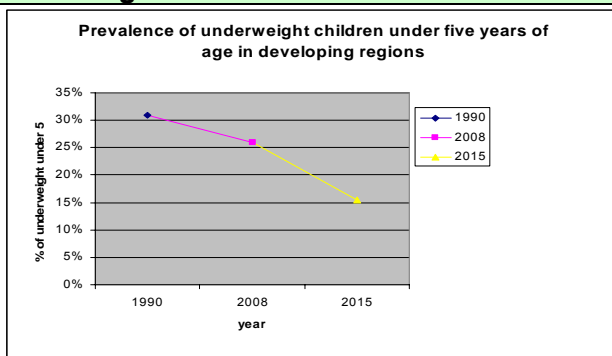
18 Council Conclusions on an EU policy framework to assist developing countries in addressing food security challenges, 10th May 2010:

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/114357.pdf

19 Regulation (EC) No. 1337/2008

Specific Objective 1

Improve food security in favour of the poorest and the most vulnerable and contribute to achieving MDG 1



2) Global Hunger Index²⁰ (GHI)

Year	2008	2009	2010	2011	2015 target
Alarming countries	26	23	25	22	15
Extremely alarming countries	7	6	4	4	4
Total	33	29	29	26	19

GHI average in Food Facility target countries

Year	2008	2009	2010	2011
GHI average	22.2	21.8	21.1	

Main policy outputs:

Food security – and agriculture – have an important place in the modernised EU Development Policy and will have a prominent place in future programming documents at country and regional level.

Furthermore, in the framework of the EU-Africa joint strategy 2011-2013, which includes cooperation on CAADP, on the development of regional value chains, on sustainable investments in agriculture and on agricultural research for development, the EU will continue to engage in political dialogue on food security with the Africa Union and Regional Economic Communities.

Other foreseen policy outputs in 2012 include:

- The Implementation Plan on food security will be put into action (including through the FSTP).
- The development and finalisation of more detailed policy lines in several areas such as agro-ecological approaches, agricultural research, technology and innovation, and rural finance.
- A policy paper on nutrition is likely to be adopted.
- EU-US cooperation on food security in five pilot countries will proceed according to the Roadmap.
- Following up from the L'Aquila Food Security Initiative and pledges, the EU will – in the framework of the G8 and G20 processes - contribute in 2012 to political initiatives on food security and to continued global food security monitoring reports.
- Enhanced strategic dialogue and cooperation with the three Rome-based UN agencies (FAO, IFAD and WFP) will continue, supported by the FSTP among others.

Main expenditure-related outputs in 2012	Budget line (2012)	EUR (million)
Research, technology transfer and innovation to enhance food security	21 02 01	75.5

²⁰ The Global Hunger Index (GHI) is a tool adapted and further developed by the International Food Policy Research Institute (IFPRI) to comprehensively measure and track global hunger. The GHI incorporates three interlinked hunger-related indicators – the proportion of undernourished in the population, the prevalence of underweight in children, and the mortality rate of children. The GHI aims to raise awareness of regional and country differences in hunger and trigger action to eliminate hunger.

Strengthened governance approaches for food security	21 02 01	67.5
Addressing food security for the poor and vulnerable in fragile situations	21 02 01	103.2
Total Food Security thematic programme	21 02 01	246.2

ACTIVITY 21 03: NON-STATE ACTORS AND LOCAL AUTHORITIES IN DEVELOPMENT (NSA/LA)

The "Non State Actors and Local Authorities in Development" thematic programme is primarily a development policy instrument which is guided by the European Consensus on Development. It is a successor to the NGO co-financing and decentralised cooperation budget lines and has its legal base in Article 14 of Regulation (EC) n° 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation (DCI).

Civil society and local authorities play a major role in development, notably by their involvement in policy formulation and their capacity to deliver basic services to the poorest sections of the population in developing countries and so help reduce poverty in a context of sustainable development.

The EU recognises the vital contribution made by NSAs & LAs as strategic partners in political, social and economic dialogue and as key actors for the delivery of aid. As reflected in the 'European Consensus on Development'²¹ and a number of conclusions, resolutions and opinions, civil society and its various actors play a key role as promoters of democracy, social justice and human rights. Local Authorities have been recognised in the European Consensus on Development, the revised Cotonou Agreement²² and the 2008 communication 'Local authorities: actors for development'²³.

The programme's added value lies in its nature of being an "actor oriented" programme, giving Civil Society Organisations and Local Authorities the opportunity (=right of initiative) to propose actions, which are then selected and co-financed by the European Commission. The European Union is facilitating interaction and better communication with and between non-state actors and local authorities in the EU and developing countries in order to maximise the benefits from their participation in the programme. Synergies and complementarities of actions developed both by NSAs and LAs are sought by the NSA-LA thematic programme, which recognises the specificities of both types of actors.

Through EU support, deepened coordination, alignment and building of cross-sector alliances between development partners can be achieved, through networking, enhanced communication, information sharing, and exchange of best practices.

Specific Objective 1

Promote an inclusive and empowered society in partner countries facilitating non-state actors' and local authorities' participation in poverty reduction and sustainable development strategies

Indicator	Latest known result	Target (result)
Number of Delegations consulting CSOs in a substantive way in the formulation of the needs assessment	85% of the concept notes received under the formulation of the 2011 AAP indicate that civil society has been consulted in a significant way.	A further increase in the number of Delegation consulting civil society in a substantive way.
Number of quality partnerships established between NSA&LA with the objective of alleviation of poverty	1.356 contracts signed under objective 1 during the period 2007-2010.	Increased number of quality partnerships

Main policy outputs:

Recognising the important role of Civil Society in development, and in line with the Structured Dialogue on HQ level, Delegations are requested to undertake a continued and substantive dialogue with Civil Society for their countries of responsibility in order to ensure the consultation and input of these actors in the formulation of development policies in the concerned countries in general and the NSA-LA programme in particular.

Southern Civil Society Partners, possibly by having engaged with Northern Civil Society Partners in constructive partnerships, and by having engaged with Delegations in the above described policy dialogue,

²¹ http://ec.europa.eu/development/icenter/repository/european_consensus_2005_en.pdf

²² http://ec.europa.eu/development/geographical/cotonouintro_en.cfm

²³ See the communication COM (2008) 626 'Local authorities: actors for development'.

emerge from this process with an improved capacity to contribute to development.

Cooperation with Local Authorities in development, as a Commission emerging policy, requires a strengthened support in order to enhance LA participation in the thematic programme and to strengthen communication mechanisms and exchanges of experiences. The outputs and main conclusions of the LA supporting activity in the framework of the Structured Dialogue will be used for shaping strategic orientations. The third edition of the Assises of Decentralised Cooperation of around 350 Local Authorities (from Europe and partner countries of the EU) will be organised in late 2012 or early 2013, in order to discuss together with partners on the possibilities to improve development cooperation between local and regional authorities in the EU and their counterparts in third countries. Secondly, the portal of decentralised cooperation is going to be established as a working tool for European Local Authorities operating in the field of cooperation to development, hosted by the Committee of the Regions. Furthermore, the Portal will encompass the already existing Atlas of decentralised cooperation financed by the European Commission, which is available on the website of the Committee of the Regions, at the following web link: <http://portal.cor.europa.eu/atlas/en-US/Pages/welcome.aspx>.

Concerning PLATFORMA, the platform of dialogue for local authorities working in development cooperation, a fruitful and ambitious discussion continues during the year 2012 regarding the added value and impact of local and regional authorities in development and how this could be best reflected in European policies.

Main expenditure-related outputs in 2012	Budget line (2012)	EUR (million)
Project to finance in-country initiatives implemented by Civil Society		
<i>Projects with Non State Actors</i>		155.5
<i>Projects with Local Authorities</i>		16.1
Projects to finance multi-country initiatives		
<i>With Non State Actors</i>		19.4
<i>With Local Authorities</i>		11.6
Total		202.6

Specific Objective 2

Promote awareness-raising and development education in the EU and acceding countries relating to development issues

Indicator	Latest known result	Target (result)
Percentage of European citizens that support EU helping developing countries	76% of Europeans believe that there is added value in EU countries working together on helping developing countries. [Eurobarometer Sept 2010]	An increase in the percentage of Europeans convinced that EU needs to continue supporting developing countries.
Percentage of European citizens that identify poverty as the main problem in the developing world	42% of Europeans cite poverty as the most imminent problem faced by the developing world. Poverty was also seen as the biggest challenge in 2009 (cited by 50%).[Eurobarometer Sept 2010]	An increase in the percentage of Europeans that identify poverty as the challenge in developing countries.

Main policy outputs:

Further to the DEAR Study (a supporting initiative to the Structured Dialogue), the Commission is implementing the conclusions of the DEAR initiative. The Commission will engage to make the programme more complementary to Member States' activities in the field of Development Education and Awareness Raising (DEAR) and to strengthen the European dimension of its activities.

Main expenditure-related outputs in 2012	Budget line (2012)	EUR (million)
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Projects of "Public awareness and education for development in Europe" to finance		
- with Non State Actors	21 03 01	20.4
- with Local Authorities	21 03 02	4.1
Total		24.5

Specific Objective 3		
Facilitate coordination and communication of NSA and LA networks in EU and acceding countries.		
Indicator	Latest known result	Target (result)
Number of representative NSA&LA platforms strengthened in their development component	- Strengthening of Platforma (Local & regional authorities platform) - 2 nd phase of the trade unions development cooperation network to be launched	8 NSA&LA platforms strengthened in their development component 11 platforms are stakeholders of the Structured Dialogue Process.
Degree of quality of the dialogue between the European Institutions & representative platforms	- Increased interaction between members of NGO platforms (Presidency Projects). - Audit & evaluation of direct award to CONCORD (2003-2008) finalized; results are encouraging. - Increased interaction between the EC & NSA/LA platforms	Emerging consensus on some topics at the agenda of the Structured Dialogue
Main policy outputs:		
Concerning the NSA&LA programme (Objective 3): Further to the successfully concluded Structured Dialogue, the Commission will draft a communication on Civil Society and Local Authorities in Development. Besides the continuation of the Structured Dialogue, the Commission is examining the possibility of launching a Policy Forum on Development.		
Main expenditure-related outputs in 2012	Budget line (2012)	EUR (million)
Projects to finance civil society networks		
- with Non State Actors	21 03 01	3.1
- with Local Authorities	21 03 02	0.8
Total		3.9

ACTIVITY 21 04: ENVIRONMENT AND SUSTAINABLE MANAGEMENT OF NATURAL RESOURCES, INCLUDING ENERGY

The “**Environment and sustainable management of Natural Resources, including energy (ENRTP)**” thematic programme has its legal basis in Articles 13 to 15 of Regulation (EC) No 1905-2006 establishing a financing instrument for development cooperation (DCI). The objective is to integrate environmental protection requirements into the EU's development and other external policies as well as to promote the Union's environmental and energy policies abroad in the common interest of the EU and partner countries and regions. As reflected in the Commission's original ENRTP Communication COM(2006)20 of 25 January 2006 and in the strategies for 2007-2010 (C(2007)2572) and for 2011-2013, the ENRTP programme also addresses issues such as biodiversity loss, energy and land degradation.

Pressures on the **environment** and related threats to human livelihood can rarely be dealt within a national context. However, many environmental problems cannot be tackled by the EU alone and cooperation with our neighbours, emerging economies and developing countries is essential to protect global public goods such as the stabilisation of greenhouse gas concentrations and abundant biodiversity. Moreover, such cooperation is fundamental to achieving the 7th Millennium Development Goal, ensuring environment sustainability, which is of particular importance to the poor many of whom are dependent on natural resources for their livelihoods.

Without access to modern **energy** services, economic development to take people out of poverty is not possible, nor is it possible to reach the MDGs. With 1,4 billion people lacking access to electricity worldwide, universal access to sustainable energy sources is recognised as a key component of growth and development. This is at the core of the UN Secretary General's initiative "Sustainable Energy for All", to which Commissioner Piebalgs subscribes, which aims to provide universal access by 2030. In addition to traditional sources, decentralised systems, based on a growing share of renewable energy, will play a key role in access to rural areas, as they contribute to limiting CO₂ emissions. The Commission will continue to promote Renewable Energy Sources in its programmes. **Water resources management** is also an increasing priority for developing countries to support progress towards MDG7 and the other MDGs. Climate change, population growth and development are putting an increasing pressure on existing water resources. The effects of climate change will be most evident through changes in the water cycle. Water shortages are emerging as a main constraint to development and especially to food and energy security. Meeting the competing demands for water for agriculture, hydro-power and domestic consumption, as well as environmental needs, requires an integrated economic approach and cooperation between sectors and countries. Based on a paper prepared by the EU Hungarian Presidency, the Environment Council conclusions of June 2011 have stressed, in the international section, the need to develop a strengthened policy and implementation framework for water management in developing countries.

The European Commission (EC) and the Member States act as one in international negotiations on **environment and climate change** issues. This is due to the facts that i) implementing the agreements reached is often done through EU legislation and ii) the EC and the MS need to act together if our interests are to be properly defended in negotiations. Our negotiating weight is enhanced by a considerable and visible programme of support to our partners and which responding to their environmental concerns and needs, as well as the priorities of the EU.

While environmental protection is recognised as a vital component of sustainable development, environment is often not given priority in bilateral cooperation between our partners and the EC or individual Member States. The existence of a distinct environmental programme at EU level that complements geographically-allocated aid is an important means of countering sub-optimal spending on environment and provides seed money for efforts to better integrate environment in other Commission aid programmes. It also provides an opportunity to finance global-level policy oriented projects. Some Member States indeed attach such importance to the complementarity of this programme that they have started to provide national resources for it, in particular with respect to energy and climate change.

The programme addresses challenges, which have a profound effect on the lives of poor people and on the state of the global environment: market and policy failures that result in sub-optimal investment in environmental protection in developing countries, rapidly degrading key ecosystems, climate change, poor global environmental governance and inadequate access to and security of affordable and sustainable energy supply. In line with Article 11 of the DCI, the thematic programme supports activities that supplement EC-supported geographic cooperation. It focuses on capacity building, pilot projects and policy work and involves international and regional organisations, governments, civil society and selected international non-state actors. Since the programme covers all partner countries, except pre-accession and potential candidate countries, it makes it possible to fund trans-boundary, regional, interregional, sub regional and global initiatives, and to support policy dialogue at regional, interregional and global level.

A thematic strategy for the period 2011 – 2013 was adopted by the Commission in December 2010. It draws lessons from past experience and takes into account some new environmental challenges including the increasing urgency of combating climate change, growing awareness of the costs of rapid degradation of ecosystems, making the transition to green economic growth, improving global environmental governance and promoting access to and security of energy supplies. All these challenges have a profound impact on sustainable development now and in the future, particularly on the lives of poor people.

Work will continue in supporting Developing Countries to address **Climate Change** challenges, including their linkages with energy and forest/deforestation challenges. Supporting the implementation of mitigation measures by developing countries may include the improvement of railway transport and urban mobility efficiency as policy targets that will significantly reduce CO₂ emissions.

The Communication "An Agenda for Change" focuses on investing in drivers for inclusive and **sustainable economic growth** and helping reduce developing countries' exposure to global shocks such as **climate change, ecosystem and resource degradation**, and volatile and escalating energy and agricultural prices.

Furthermore, an EU wide strategy for the integration of environment and climate change into development is in preparation for adoption in 2012. This strategy is expected to introduce concepts of green growth and thus be one of the cornerstones for achieving sustainable and inclusive development in developing countries.

The **Forest Law Enforcement, Governance and Trade (FLEGT)** initiative is designed to combat illegal logging and reduce deforestation through a series of measures designed to influence both demand and supply: in particular, it operates through the negotiation of Voluntary Partnership Agreements (VPAs) which foresee strengthening governance and law enforcement and establishing a legality verification system backed by a FLEGT license. The first FLEGT VPAs have been concluded with Ghana, Cameroon, Congo Central African Republic, Liberia and Indonesia and who are now engaged in building national capacities and implementing the national legality assurance systems. Negotiations of other agreements continue with Malaysia, Vietnam, Gabon and DRC and should be initiated in Guyana, Cote d'Ivoire, Thailand, Honduras while a further 16 countries have expressed interest to learn more about the VPA and to explore dialogue with the EU.

The new EU Timber regulation, adopted in October 2010, aims at preventing illegally harvested timber & timber products entering in the EU market will enter into full application in March 2013. Secondary legislation and guidance for EU operators is in preparation in 2012. FLEGT- licensed timber are presumed to meet the requirements of the Regulation. A VPA with the EU will give partner countries a tangible advantage in selling timber to EU traders. The interest in VPA as a result of this legislation is growing and during 2012 the Commission and Member States will develop a strategy to meet this increased demand.

Linkages between FLEGT and REDD+ will be further explored, as they are of growing importance in the climate negotiations. Work will continue in developing countries to ensure complementarity between REDD+ and FLEGT.

The **UN Conference on Sustainable Development "Rio+20"** will be held in Rio de Janeiro in Brazil in June 2012. The objective of the Rio+20 conference is to secure renewed political commitment for sustainable development, assess the progress to date and the remaining gaps in the implementation of the outcomes of previous major summits on sustainable development, and address new and emerging challenges. Rio+20 will focus on two themes: (a) a green economy in the context of sustainable development and poverty eradication; and (b) the institutional framework for sustainable development. Rio+20 can mark the start of an accelerated and profound worldwide transition to a green economy and therefore will frame post-2015 development strategies.

Specific Objective 1		
Assist developing countries in preparing for climate-resilient low-emission development and contribute to more fruitful policy dialogue and negotiations; promote [increased] access to sustainable and affordable energy services.		
Indicator	Latest known result	Target (result)
Number of countries having good quality greenhouse gas emissions data reporting systems Number of countries that have worked out a low-emission development strategy	It is too early for details on the latest results.	At least 5 (more advanced) developing countries have a good quality greenhouse gas emissions data reporting system by 2015 At least 5 (more advanced) developing countries have worked out a low-emission development strategy by 2015.
Percentage of poor and most	46 out of 49 LDCs have prepared	At least 60% of poor and most

vulnerable developing countries (LDCs/SIDS) which have mainstreamed climate change in their development strategies so as to increase their resilience.	a National Adaptation Programme of Action (NAPA), however often not in an integrated and strategic way. Only few other vulnerable countries (SIDS in particular) have prepared similar adaptation programmes or strategies.	vulnerable developing countries (LDCs/SIDS) have adopted substantive strategies to mainstream climate change resilience in development by 2013.
Number of countries benefitting from specific actions initiated under the renewable energy cooperation programme.	Activities in preparation and to be launched under fast start financing of climate action in 2011.	Multi-component programme (min. 3 specific actions) launched in cooperation with Member States (subject to initial financing under the fast start climate funding). Targets on renewable energy by 2020 (in Megawatts) yet to be determined.

Main policy outputs:

EU priorities for 2012 include :

- Successful implementation of EU Fast Start Funding envisaged under the Copenhagen Accord
- Contribution to implementation of Reducing Emissions from Deforestation and Degradation (REDD+)
- Implementation of the Africa-EU Energy Partnership and its objectives.
- Promotion of renewable energy and energy efficiency in developing countries notably in Africa, as well as enhancement of energy security and access to sustainable energy sources and services for developing countries.
- Implementation of the Second EU Strategic Energy review and its priorities related to external cooperation notably to : a) the implementation of Mediterranean Ring, b) the potential of Africa for EU's energy security and renewable energy, c) enhance energy dialogue with key energy producing development countries
- Support the establishment of the EU-Africa-Brazil trilateral dialogue on biofuels and the implementation of its objectives.
- Support to the climate change package in the area of low emissions development strategies, the carbon market, including stepping up existing cooperation on carbon capture and storage with key partners, and Monitoring, Verification and Reporting

Main expenditure-related outputs in 2012	EUR (million)
Global Climate Change Alliance.	24
Support to developing countries in mitigating greenhouse gas emissions linked to the Copenhagen Accord	30
Actions to promote REDD	15
Other Climate Change and Development Activities	
Clean coal technology transfer	10
Programmes on sustainable energy services in partner countries and regions (Follow up to the Coopener programme)	30
Investment in GEEREF and regional subfunds	0
Total budget line (2012) 21 04 01	109

Specific Objective 2

Assist developing countries in preventing environmental degradation, biodiversity loss and unsustainable use of natural resources, while improving the resource efficiency of economic growth and reducing pollution

Indicator	Latest known result	Target (result)
Rate of global biodiversity loss	More than a third of species assessed are endangered or facing extinction and an estimated 60% of the Earth's ecosystems have been degraded in the last 50 years.	Target(s) agreed at the CBD Conference of the Parties (Nagoya, October 2010).
Global deforestation rate		Halve tropical deforestation by 2020 and halt global deforestation by 2030

Percentage of Timber imports of illegal origin entering the EU	Current gross global deforestation rate: 13 million ha per annum. Current estimate of 20% of timber imports into the EU of illegal origin.	Less than 1% of timber of illegal origin enter the EU market
Number of Voluntary Partnership Agreements (VPAs to improve forest governance and tackle illegal logging) concluded and ratified.	6 agreements concluded (Cameroun, Central African Republic, Ghana, Congo, Indonesia, Liberia,) 4 ongoing negotiations (Malaysia, Vietnam, Gabon, Democratic Republic of Congo)	14 countries in VPA preparation, negotiation or implementation by end 2012. Flegt-licensed timber to enter Europe at latest by mid 2013
Sustainable mechanism in place to provide emerging economies and developing countries with information on EU environmental standards	Information flow is patchy	Increased adoption by emerging economies and developing countries of EU standards as an element of greening their economies
Main policy outputs:		
Key EU priorities for 2012 include :		
<ul style="list-style-type: none"> ▪ Development of policy to support implementation of the global biodiversity targets agreed in Nagoya. <ul style="list-style-type: none"> ▪ Successful conclusion of a number of FLEGT VPAs ▪ Development of policy to support the approaches to green economy that are expected to be agreed at the 2012 Rio +20 Conference on Sustainable Development 		
Main expenditure-related outputs in 2012		EUR (million)
EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements between the EU and interested partner countries as well as actions to promote sustainable management of forests and REDD		18
Activities to implement the EU Action Plan on Biodiversity and sustainable land management		28
Other Activities supporting EU Initiatives and internationally agreed commitments		7
Total budget line (2012) 21 04 01		53

Specific Objective 3

Improve international environment and climate governance which is shaped by the external dimensions of the EU's environment and climate change policies and provide methodological and governance tools appropriate to developing countries. Improve mainstreaming of environment and promote governance and transparency of natural resources management.

Indicator	Latest known result	Target (result)
Level of progress towards a "greener", resource efficient global economy as <i>inter alia</i> reflected by clear policy commitments at the international level	Current patterns of production, consumption and resource use are not sustainable, but several international policy processes are well underway in the context of the preparations for the Rio+20 conference on sustainable development in 2012 (e.g. multilateral environmental agreements' (MEAs) work on chemicals and waste management, UN work on green economy, OECD work on trade and green growth)	Tangible progress on the shift to a more resource efficient (green) economy (targets to be adopted at UN Conference on Sustainable Development in 2012)
Degree of ratification and implementation of major multilateral environmental agreements (MEAs)	Some 14 major MEAs are currently into force in all fields related to environment and climate change. Substantial progress can still be made as regards their implementation by parties, especially by developing countries. The EU is supporting MEAs to develop implementing tools as well as to reinforce implementation and enforcement capacities of developing countries.	All MEAs are fully implemented by all parties. Adoption of a legally binding international instrument on mercury emissions by 2013.
UNFCCC Climate Conference 2012	Implementation of the Cancun agreements well under way.	International legally binding agreement on emissions.

Main policy outputs:

- Greater international consensus on next steps in improving international environmental governance in order to agree significant reform at the UN Conference on Sustainable Development ("Rio+20") in 2012. Proper preparation of the Rio+20 Conference
- The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services is fully operational and able to increase international understanding of the implications of ecosystem degradation and of suitable policy measures to face the challenge.
- Regular exchange between the EU and emerging economies' stakeholders and Governments on environment policy issues.
- Further steps in closer coordination and cooperation between the chemicals and wastes Conventions and firm progress in negotiating a legally binding instrument on mercury.
- Further support for Developing countries to take part in international discussions.
- Implementation of actions arising from additional decisions and arrangements arising from the South Africa Climate Conference in December 2011 which fully engage developing countries in combating climate change. Cooperation actions should focus on climate change mitigation (low-emission development strategies; monitoring reporting and verification; carbon market mechanisms; Reducing Emissions from Deforestation and forests Degradation - REDD+), adaptation, and technology cooperation

This objective complements the actions described under the Global Environmental Affairs (budget line 07.02).

Main expenditure-related outputs in 2012	EUR (million)
Support should include: <ul style="list-style-type: none"> ▪ An increase of the Strategic cooperation agreement with UNEP and the MEAs for which UNEP provides the secretariat (e.g. Biodiversity, Chemicals, Trade in endangered species Conventions) ▪ Promotion and preparation for the follow-up of UN Conference on Sustainable Development ("Rio+20") 	14

<ul style="list-style-type: none"> • Effective input of partners developing countries partners in various international negotiations • Further support to the implementation of COP 10 of the Convention on Biological Diversity and preparations for COP 11 • Support work to improve understanding of chemicals management in developing countries • Support to UN Convention to Combat Desertification - Economic assessment of land degradation <p>Improved cooperation and synergies between multi-lateral environmental agreements</p>	
Climate change convention and dialogue with 3rd country partners	10
Activities promoting environmental integration in partner countries and addressing poverty environment linkages	14
Total budget line (2012) 21 04 01	38

ACTIVITY 21 05: HUMAN AND SOCIAL DEVELOPMENT

The “Investing in People” (IIP) thematic programme supplements action at country and regional level with the main objective of contributing to the achievement of the Millennium Development Goals (MDGs). The programme aims to promote policy dialogue, knowledge generation, capacity building and innovation. It also provides funding through global initiatives for direct action in countries with critical MDG indicators. In the context of global initiatives, thematic funding also underpins the role of the EU in shaping these initiatives, including promotion of the aid effectiveness agenda, use of these platforms for exchange of experience and innovation and stimulating effective leverage of resources mobilised at global level for additional support of bi-lateral programmes.

After the mid-term review of Investing in People, programming in 2011 – 2013 will follow the original strategy 2007 - 2013, focused on the four main pillars of thematic action: (1) good health for all, (2) education, knowledge and skills, (3) gender equality and (4) other aspects of human and social development (employment and social cohesion, children, youth, science and technology and culture). In order to increase the visibility of action and allow for more substantial financing of demand, the programme will however move away from supporting actions in all areas every year to supporting them in a sequence (e.g. in 2012 health and other aspects of human and social development only).

Actions supported under the programme are complemented by thematic support to relevant regional and/or global actions in education (higher education in particular), health, culture and science and research funded under the regional envelopes (and certain country envelopes) under the DCI, ENPI and 10th EDF.

In addition to the thematic programme "Investing in People", this activity covers policy formulation, dissemination and dialogue in human and social development areas:

- Intensive information dissemination and follow-up to the major policy initiatives adopted in 2010 – notably on global health, more and better education, gender equality and child labour.
- New policy initiatives and EC working documents under preparation for possible adoption in 2012-2013 on social protection, health and education.
- Regular dialogue and contacts with the EU Members States and counterparts in the AU Commission in the context of implementing the EU-Africa Strategy's MDG24, MME25 and Governance26 Partnerships
- Representing the Commission on the Boards and in the technical committees of dedicated global initiatives (GFATM, International Health Partnership, GAVI, Global Partnership for Education, International Task Force on Teachers for EFA) and presenting EU views in relevant UN bodies and programmes (WHO, UNESCO, UNICEF, UN WOMEN, ILO).
- Significant inputs to the preparations of the programming cycle 2014 – 2020.

Specific Objective 1: Good health for all: strengthening health systems to provide services for those in need		
Indicator	Latest known result	Target (result)
Number of people benefiting from access to prevention treatment and care in the area of HIV/AIDS and malaria.	5.2 million people are receiving anti-retroviral therapy (ARV) for AIDS in 2010. 160 million long lasting insecticidal nets (LLIN) distributed in 2010.	Universal access to AIDS treatment by 2015 (21.9 million); universal coverage for LLIN (264 million LLIN distributed annually).
Percentage of births attended by skilled attendants	66 per cent in 2009	100 per cent in 2015
Population / Health worker ratio	57 countries have fewer than 2.5 health workers per 1000 population (in 2008).	At least 2.5 health workers per 1000 population in all countries by 2015

²⁴ Millennium Development Goals

²⁵ Migration, Mobility and Employment

²⁶ Democratic Governance and Human Rights (includes culture)

Main policy outputs: The thematic actions in 2012 should build on the experience accumulated in 2007-2010, build on the policy for EU's Role in Global Health adopted in 2010 and continue to provide support to initiatives that have proved successful, while exploring new ways to complement EU country actions. Thus, the thematic programme should continue to support the Global Fund to Fight AIDS, Malaria and Tuberculosis (GFATM). In addition, the programme will provide support in developing countries to initiatives strengthening key health policy institutions' capacity to provide policy advice and technical assistance to national governments in designing, monitoring and implementing national health policies. Three million will be allocated to the objective of sexual and reproductive health by increasing the financing for sexual and reproductive health and rights (SRHR) commodities that was primarily financed in 2011.		
Main expenditure-related outputs	Budget line (2012)	EUR million
Programmes strengthening health systems, improving health services and supporting capacity of partner countries to confront health challenges.	21 05 01 01	35.1
Confronting main communicable (HIV/AIDS, malaria and tuberculosis) through the support of access to prevention, care, treatment, and support	21 05 02	50
Programmes promoting implementation of the Cairo agenda on sexual reproductive health and rights including provision of Commodities and supporting civil society organisations in the countries with the worst indicators.	21 05 01 01	3
Total		88.1

Specific Objective 2 Equal opportunities for education, knowledge and skills: enabling all children, boys and girls alike, to complete a full course of quality basic education and stimulate employability in developing countries through the development of better skills		
Result Indicator(s)	Latest known result	Target (mid-term)
Gender disaggregated net enrolment rates in primary education	Total: 87% in 2008 Girls: 86 % Boys: 88 %	100% by 2015
Percentage of children to complete a full course of primary schooling	84% ²⁷ in 2007	100% in 2015
Main policy outputs: In line with the mid-term review of the thematic strategy for human and social development Investing in People, most of the action on basic education was programmed in 2011, to increase visibility and impact – especially in the light of the MDG review summit held in September 2010. Out of the total of €44.993 million foreseen for basic education in 2011-2013, €33 million were programmed in 2011 and €11.993 million will be programmed in 2013. As per the mid-term review of the programme, the technical and vocational education and training sub-theme is also foreseen to be covered in 2013 for a total amount of 27.2 million, to increase the visibility and impact of this thematic action. The thematic action has been focused on promoting universal access to quality basic education, in particular primary education, mainly through the support to the Global Partnership for Education (previously Education for all Fast Track Initiative (FTI)) - a key global partnership for financing of national education strategies in low-income countries.		
Main expenditure-related outputs for 2012	Budget line (2012)	EUR million
None, see above		

²⁷ Survival rate to grade 5 as a proxy indicator.

Specific Objective 3**Gender equality: promoting the [rights of women] and strengthening their economic and social empowerment**

Result Indicator(s)	Latest known result	Target (result)
Level of political representation of women (proportion of seats held by women in parliaments and other government bodies)	In Northern Africa, and Western Asia, the percentage of women in Parliament does not exceed 10%. In 2008, women accounted for 7 of the 150 elected heads of state and 8 of the 192 heads of governments of United Nations Member States. Overall, only 16 per cent of the world's ministerial positions were held by women.	Further increase in political representation of women by 2015
Gender parity in primary and secondary education	Gender parity in primary education in 60 per cent of countries; gender parity in secondary education in 30 per cent of countries (2007)	Eliminate gender disparity in primary and secondary education in all countries by 2015

Main policy outputs:

The original available funding for specific action in the area of gender equality in 2007-2013 has been extremely limited. This is due to the strong emphasis of the strategy on addressing gender as a cross cutting issue under all areas of thematic intervention. Such emphasis builds on the assumption that improvements in equality of men and women in terms of their rights and opportunities have to be stimulated through a comprehensive approach linking policy objectives with financing, development of regulatory framework and its thorough implementation in individual thematic areas such as health, education, employment, and others. In this respect, the programme has effectively achieved gender mainstreaming in the majority of number of projects and actions funded in 2007-2010 and will continue in doing so during the 2011-2013. Yet, additional action guided by EU policy initiatives already completed or under preparation, such as the EU Guidelines on Violence Against Women and Girls and Combating All Forms of Discrimination Against Them, or the EU Plan of Action on Gender Equality and Women's Empowerment in Development, should be pursued in 2011-2013 through action launched in 2011.

Main expenditure-related outputs for 2012	Budget line (2012)	EUR million
None, see above		

Specific Objective 4**Promoting decent work, children's rights and access to culture**

Result Indicator(s)	Latest known result	Target (result)
Employment / population ratio	North Africa and Middle East 45% East Asia 70% Latin America 60% Sub-Saharan Africa 65% (2009)	Sound progress towards full, productive and decent employment by 2015
Percentage of children engaged in child labour	Child labour accounts for 22% of the workforce in Asia, 32% in Africa, 17% in Latin America (2009)	Elimination of worst forms of child labour by 2016
Contribution of the cultural industry to economic growth and social development	USD 480 billion generated by cultural industries worldwide with 0.5 per cent generated in Africa (2008)	Increase the size of cultural economic activity in Africa and developing countries in other regions

Main policy outputs:

In line with the mid-term review of the thematic strategy for human and social development Investing in People, all of the foreseen resources available for thematic actions on children and youth in 2011-2013 (€47.1 million) should be programmed in 2012, in the area of violence against children and promotion of birth registration, given that the lack of birth registration critically undermines the efforts to prevent, track and counter violation of children rights. To contribute to the implementation of the Convention on the Rights of the Child (CRC) thematic actions should support awareness raising, advocacy and stimulate an exchange of best practices on the CRC implementation as well as strengthen the capacity of civil society and other relevant institutions to exercise their watchdog function and to engage national governments vis-à-vis the implementation of commitments to protect children rights.

One of the main constraints of developing inclusive national social protection policies and programmes in partner countries is the lack of institutional capacities of national governments. Therefore, the thematic action in 2012 in employment, decent work and social cohesion (€2 million) should focus on enhancing partner countries' capacities to elaborate and implement such programmes. The action is intended to seek to raise awareness on the global level of the need to extend basic social protection to all and support the capacity building of national governments in the field of social protection.

As a follow-up to the Communication 'Increasing the impact of EU Development Policy: an Agenda for Change', a Communication on 'Social Protection in European Union (EU) Development Cooperation' will be adopted in 2012. The Agenda for Change calls for a more comprehensive approach to human development, supporting increased access to quality health and education services and enhanced social protection in support of inclusive growth characterised by 'people's ability to participate in and benefit from wealth and job creation.' A key premise of this approach is that social protection supports inclusive growth by enabling people to participate in the economy. It supports a healthy workforce and provides protection against risk that enables people to consume, to acquire assets and to make investments. It also provides essential support to poor and vulnerable members of society who have no capacity to participate in economic activity.

Main expenditure-related outputs for 2012	Budget line (2012)	EUR million
Programs promoting employment, decent work and social cohesion.	21 05 01 03	2
Programs promoting protection of children rights including elimination of child labour and other forms of exploitation.	21 05 01 03	47.1
Programs stimulating access to local culture, protection and promotion of cultural diversity.	21 05 01 03	22.4
Total budget line (2012) 21 05 01 03		71.5

ACTIVITY 19 02: COOPERATION WITH THIRD COUNTRIES IN THE AREA OF MIGRATION AND ASYLUM

The “**Migration and Asylum**” thematic programme has its legal basis in Articles 13 and 16 of Regulation (EC) No 1905-2006 establishing a financing instrument for development cooperation (DCI).

EU migration policy is built on the broad notion of a better management of migration flows for the benefit of countries of origin, transit and destination as well as of the migrants themselves, especially those who seek to migrate through legitimate means (in particular but not exclusively) to the EU. EU external policy on migration is geared towards encouraging legal migration (including labour migration), curbing irregular migration and improving synergies between the migration and development policy agendas. Particular attention is also paid to asylum matters, including refugee protection in origin and transit regions.

As a consequence of these developments, the Commission has undertaken to incorporate systematically migration and asylum issues in its political dialogues with third countries, to propose comprehensive and constructive approaches on migration and to mainstream these questions in its development cooperation strategies. This has resulted in the development of the EU Global Approach to Migration and Mobility (GAMM), which formulates a coherent, balanced and integrated approach to migration, addressing a vast array of migration issues and bringing together the various relevant policy areas including external relations, development, employment, justice, freedom and security. The approach taken shows tangible and active solidarity, which is dependent upon EU member states sharing responsibility among themselves and with third countries of origin and transit.

In seeking to implement the Global Approach to Migration and obtain added value from EU interventions, the Thematic Programme on Migration and Asylum has been established to support third countries in their efforts to ensure better management of migratory flows in all of their dimensions in close cooperation with key eligible stakeholders, particularly international organisations, EU Member States, local and international NGOs.

Specific Objective 1		
Ensure that migration contributes positively to development in the countries of origin		
Indicator	Latest known result	Target (result)
Cost of remittance transfers	The costs of transfers are believed to have gone down over the last few years, but no precise data are available at this stage. Possible improvements to data collection systems will be addressed in a study, due to be finalised by March 2012, aimed at analysing the current state of play of EU commitments in this sector as well as at providing forward-looking recommendations.	Contribute to the 5 percentage point reduction of the global average cost of transferring remittances by 2014 with a specific focus on the most expensive corridors.
Level of involvement of diaspora organisations in development related projects	27 diaspora organisations have been supported through the Joint Initiative on Migration and Development to implement development related projects.	At least 50 diaspora organisations will be involved in the implementation of development projects by 2013.
Geographical coverage of migration profiles	The following regions are covered by projects aimed <i>inter alia</i> at elaborating or updating migration profiles: West Africa, South Mediterranean, Eastern Europe, Central Asia, part of Latin America	Further extension of migration profiles to cover 1 more region (possibly Asia) by 2013
Number of third countries supported in the design and implementation of a migration strategy and/or in mainstreaming migration into development	Mauritania has adopted a comprehensive migration strategy. A similar process is ongoing in Mali. Cape Verde is in the process of adopting an Immigration strategy.	10 countries with high impact of migration on their development will design their migration policy and/or mainstream migration into development strategies by

strategies		2014
Specific Objective 2 Promote well-managed legal labour migration, in particular by providing information about legal migration and conditions of entry and residence in the territory of the EU Member States		
Indicator	Latest known result	Target (result)
Number of Information and Referral centres set up	-10 Red Crescent information and education centres for migrants established in Kazakhstan, Kyrgyzstan and Tajikistan in 2009 -1 Call centre opened in Moldova in 2010	2 Centres established in Moldova and Ukraine
Number of information actions carried out	-12 public campaigns organised in Kazakhstan, Kyrgyzstan and Tajikistan in 2010 -8 press-conferences conducted annually in Kazakhstan, Kyrgyzstan and Tajikistan in 2010	-1 media campaign, 3 awareness raising campaigns carried out on safe legal migration in India by 2013 -creation of 1 tripartite consultative body as a permanent forum that promote the rights and welfare of migrant workers from Moldova and Ukraine; meetings twice a year to discuss on migrant rights and establish a permanent network for information sharing
Number of agreements on skills transfer and circular migration schemes	Mobility Partnership with Georgia started in 2011	Brain gain in countries of origin through skills transfer and circular migration schemes -Conclusion of new Mobility Partnerships with third countries (ongoing negotiations with Armenia and Ghana)
Specific Objective 3 Curb irregular immigration and facilitate the readmission of illegal immigrants, including fighting the smuggling and trafficking of human beings and improving capacities in the areas of border, visa and passport management		
Indicator	Latest known result	Target (result)
Number of irregular immigrants identified and readmitted in third countries	1.763 illegal immigrants returned to countries of origin from Libya during the period 2009-2010	By 2012, 1,300 migrants (950 in Libya and 350 in Egypt) are identified, selected and provided with return and reintegration assistance
Number of capacity building actions on border management/ surveillance	Control Centers have been set up, equipped and trained in Morocco, Gambia and Guinea Bissau between 2009-2010	-By 2013, 4 Control Centres are set up, equipped and training provided in Mauritania, Senegal, Mali and Niger -By 2013, 12 training courses, and an awareness-raising campaign on illegal immigration will be carried out in at least 8 countries in West Africa
Specific Objective 4 Promote asylum and international protection, including through regional protection programmes, and protection of migrants and refugees against exploitation and exclusion		
Indicator	Latest known result	Target (result)
Number of capacity building actions carried out under this objective	By 2010, 300 capacity building activities have been organised in Tanzania for officials dealing with refugees.	-By the end of 2013 at least 20 stakeholders (local partners' organisations and third country governments) will be directly supported under this specific objective

Main policy outputs:

1. Continue to implement the Global Approach to migration to the Eastern and Southern migratory routes, including the development of third countries border surveillance capacities in the framework of their cooperation with the EU on the prevention of irregular migration directed towards the Southern and South-Eastern maritime borders of the EU.
2. Foster links between migration and development, more particularly in countries highly dependent on migrant remittances such as Moldova, Ukraine, Armenia, Georgia, as well as several Central Asian Countries
3. Intensify of the structured dialogue with the Latin American and Caribbean (LAC) countries and African Partners
4. Furthering the migratory dialogue in the ASEM (Asian Europe Meeting) bi-regional framework, as well as the bilateral dialogue with China and India on migration issues.
5. Provide support and resources to the following important issues within the five main objectives of the programme: protection of migrants' human rights, fight against trafficking in human beings, protection of unaccompanied minors, labour migration, and migration and climate change.
6. Promote worldwide the signature, ratification, implementation and enforcement of the Protocol against human trafficking of the UN convention against Transnational Organised Crime, as well as facilitate data collection and research of the different components of the phenomenon
7. Follow-up and implementation of the Rabat Process, and strengthening the Prague Process and the Building Migration Partnerships (BMP)
8. Follow-up to the Africa-EU Partnership on Migration, Mobility and Employment (MME) and the preparation of the foreseen debates at the EU-UA summit in Tripoli, while ensuring and enhancing cooperation on migration issues in Eastern Africa
9. Support the implementation of Visa Facilitation and Readmission Agreements with Russia, Ukraine, Moldova and Georgia.
10. Provide support to existing RPPs, including following up on the RPP in Eastern Europe and Africa, and expand the RPP concept to other countries and regions.
11. Start preparations for establishment of Visa Facilitation and Readmission agreements with Armenia and Ghana, and launching of negotiations for new Mobility Partnerships with these two countries.
12. Support the further development of Migration Profiles and of the migration management capacity of strategic international partners whose migration policy is especially relevant both from an EU perspective.
13. The following package will be adopted by the Commission in October 2011, and will serve as policy guidance to the thematic programme:
 - a Communication on the Global Approach
 - 2 Staff Working Papers, one on migration and development and another one on migration and climate change.

Main expenditure-related outputs in 2012	Budget line (2012)	EUR (million)
Projects targeting the southern migratory route reflecting Objectives 1 to 4		17
Projects targeting the Eastern migratory route reflecting Objectives 1 to 4		10
Projects dedicated to other migratory routes (incl. Horizontal projects) reflecting Objectives 1 to 4		8
SUB-TOTAL:		35
Targeted projects (eg Mobility Partnership Projects, Regional Protection Programmes, anti-Trafficking measures, Support to structured dialogue on migration with Latin America and Caribbean) reflecting Objectives 1, 2, 3 and 4		18.6
Special measures		4
Total		57.6

ACTIVITY 19 04: EUROPEAN INSTRUMENT FOR DEMOCRACY AND HUMAN RIGHTS (EIDHR)

The EU is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights. According to the Treaty mandate, the objective of consolidating and supporting democracy, the rule of law, human rights and the principles of international Law is a key objective of the EU's External Action, and a pivotal feature of all forms of cooperation with third countries. These issues are mainstreamed in all EU external policies and figure systematically in political dialogue with third countries. Adherence to democratic principles, and respect for human rights and fundamental freedoms are included as essential elements in most cooperation and association agreements of the EU with third countries. Democracy and human rights are universal values, inextricably linked and to be pursued in their own right.

The EU provides assistance for the promotion and protection of democracy and human rights worldwide through the European Instrument for Democracy and Human Rights (EIDHR), which is complementary to its other external assistance instruments and channelled mainly through civil society organisations.

The EIDHR is an autonomous financial instrument of the EU that can act on a worldwide scale and in a wide range of third countries, often in politically sensitive situations and countries where fundamental rights are seriously at risk. Most Member States do not have the same possibilities or would find the cost-benefit analysis of intervention discouraging. Furthermore, the EIDHR allows for assistance independent from the consent of third country governments and other public authorities.

The EU has developed a set of human rights guidelines on thematic human rights issues. Action in pursuit of these guidelines is supported through the EIDHR at global level. For example, the EU is the major donor worldwide for actions against the death penalty, against torture or in support of human rights defenders. No single Member State has such a wide-reaching action all over the globe in the human rights areas covered by the guidelines. With regard to Human Rights Defenders, EU and Member States protection measures complement each other in terms of the specific competencies.

Specific objective 1: Promote democracy and human rights through support to civil society and to victims of human rights abuses		
Result Indicator(s)	Latest known result (n-1)	Target (mid-term)
Increased number of civil society organisations whose capacity to resist and fight human rights abuses and to contribute to democratic reform is reinforced in countries or regions where there is a serious lack of fundamental freedoms.	2008: 21 additional projects supporting more than 40 organisations 2009: 25 additional projects supporting more than 43 organisations 2010: 26 additional projects supporting more than 71 organisations 2011: at least 12 additional projects expected supporting more than 25 organisations	By 2014, the instrument will have supported at least 300 additional civil society organizations in countries/regions where there is a serious lack of fundamental freedoms
Increased number of human rights defenders in extreme situations whose security and safety has been ensured through protection mechanisms put in place by specialised organisations financed by EIDHR under the Human Rights Defenders guidelines.	2009: more than 240 individual situations tackled 2010: more than 250 individual situations tackled. 2011: more than 250 individual situations tackled	By 2013, more than 1000 human rights defenders will have benefitted from protection in the form of grants, emergency relocation, reimbursement of legal/medical fees, IT and security equipment, etc.
Number of beneficiary countries where there is both a strong need for more effective action on the part of civil society organisations and sufficient freedom and/or room for manoeuvre for human rights and democracy advocacy, so as to	2007: 47 countries 2008: 72 countries 2009: 77 countries 2010: 91 countries 2011-2013: 101 countries	By 2013 at least 90 countries will have benefitted from the country-based support schemes targeting countries where there is sufficient room for human rights and democracy advocacy. This result will already be reached in 2010 and we expect the number of countries to stabilize.

allow the CBSS – "Country-Based Support Schemes" – to support local civil society.		Over the 2011-2013 period, 101 countries will benefit from EIDHR funding through CBSS
Main policy outputs:		
<ol style="list-style-type: none"> Human rights dialogues conducted with some 40 countries and entities in support of thematic, region or country specific deliberations in the Council and EP. Policy papers on democracy and human rights. Actions to strengthen the role of civil society in promoting human rights, political pluralism and democratic political participation and representation mainly through "Country-Based Support schemes" (within EIDHR). Supporting actions on human rights and democracy issues in areas covered by EU guidelines on human rights, such as regarding human rights defenders, death penalty, torture, children and armed conflict, violence against children and violence against women. 		
Main expenditure-related outputs in 2012	Budget line (2012)	EUR million
Actions to strengthen the role of civil society in promoting human rights, political pluralism and democratic political participation and representation, mainly through "Country-Based Support Schemes".	19 04 01	64
Actions on human rights and democracy issues in areas covered by EU guidelines on human rights dialogues, on human rights defenders, on the death penalty, on torture, on the rights of the child, on children and armed conflict, and on violence against women and girls and combating all forms of discrimination against them	19 04 01	43.2
Total budget line (2012) 19 04 01		107.2

Specific objective 2: Promote democracy and human rights through multilateralism and existing international frameworks		
Result Indicator(s)	Latest known result (n-1)	Target (mid-term)
Number of new ratifications of international and human rights instruments	2007: 63 2008: 100 2009: 87 2010: 100	By 2013, there will be a yearly increase in ratifications of international and human rights treaties
Number of interns and visiting professionals hosted by the ICC, being able to directly transfer experience gained to national judicial systems	2009:150 2010:107 2011: expected 120	By 2013, the EIDHR will have supported around 750 interns and visiting professionals hosted by the ICC
Main policy outputs for 2012		
<ol style="list-style-type: none"> Input to EU action in Human Rights Council and UNGA, Council of Europe and OSCE. Support to the Office of the UN High Commissioner for Human Rights Input to EP deliberations on democracy and human rights. Reinforced international and regional frameworks for the protection of human rights, the rule of law and the promotion of democracy 		
Main expenditure-related outputs in 2012	Budget line (2012)	EUR (million)
Projects reinforcing international & regional frameworks for the protection of human rights, the rule of law and the promotion of democracy, including support to the OHCHR and the European Inter-University Centre for Human Rights and democratisation (EIUC) as stated in the EIDHR Regulation.	19 04 01	15

ACTIVITY 19.06: CRISIS RESPONSE AND GLOBAL THREATS TO SECURITY

This activity covers a range of actions implemented through different instruments to prevent violent conflict and to address global threats to security. The scale and global effects of the problems to be addressed require a concerted multilateral response that Member States acting alone cannot achieve. The two main financial instruments are the Instrument for Stability (IfS) and the Nuclear Safety Instrument.

Under the Instrument for Stability, the pooling of EU resources allows a more efficient intervention in crisis situations, economies of scale, and the development of a wide range of crisis management tools and know-how. The instrument aims to address security and political challenges, to respond immediately to crisis situations in third countries world-wide, and to address global and regional trans-border challenges with a security or stability dimension.

It combines short-term and long-term programmes. The short term crisis response part is designed to assist in restoring conditions for development in crisis situations. The instrument is non-programmable, allowing a rapid mobilization of resources to respond to a given situation. It can complement CFSP and/or humanitarian actions. The long-term component aims at improving the international capacity for crisis response. The ultimate objective is to increase partner countries capacities to deal with their challenges by equipping them with policies and know-how through transfer of the EU best practices in the area.

As regards Nuclear Safety, the European Union has a long-standing culture and know-how that has developed in Europe and other part of the world where nuclear power is being used. This was already the case in 1992 when was launched the Community programme to assist CIS and CEEC countries in improving their Nuclear Power Plants. This objective was reaffirmed as a fundamental and priority objective for Community cooperation in the nuclear field, as addressed in the communication COM2008 (312) dated 22 May 2008 of the Commission to the Council and the European Parliament related to the international challenge of nuclear safety and security. Any country that is aiming to use nuclear power for civil purposes has to strictly respect internationally recognised safety and security requirements. For this it will face the challenge of developing capabilities (both in human and financial resources and infrastructure) and of establishing the legislative framework and institutions necessary to respect the international obligations.

Building on that extensive experience, the EU can provide a considerable contribution in dealing with nuclear power through the Instrument for Nuclear Safety Cooperation whose geographical scope has been intended to third countries in general (no longer limited to former CIS). The Commission's intervention is also being shifted from technical assistance to cooperation. It focuses exclusively on activities designed to improve nuclear safety and security, including studies, development of legislation, institution building, improvement of nuclear procedures and methodologies and, in some exceptional cases for existing nuclear power plants, in supplying equipment. Particular attention is given to training with the objective of mitigating the lack of fully trained human resources in the countries concerned. In this context, the added value of the EU action lies in making available to third countries, having nuclear electricity production or willing to rely on nuclear energy, the benefit of the EU experience built on the highest standards for nuclear safety in close cooperation with the International Atomic Energy Agency (IAEA).

Finally, the European Community contributes to the international action for remediating the legacy of the Soviet era in North-West Russia or the consequences of the Chernobyl accident. Following the accident at the Fukushima-Daichii nuclear power plant in Japan, the instrument for nuclear safety cooperation will support the organisation of the comprehensive risk and safety assessments of nuclear installations ("stress tests") in partner countries outside the EU. This may be done partly in cooperation with the IAEA.

Specific objective 1: Reduce the risk of proliferation by counteracting illicit spread of chemical, biological, radiological and nuclear (CBRN) technologies, materials and agents		
Result Indicator(s)	Latest known result	Target (result)
Support for retraining and alternative employment of former weapon scientists and engineers		
Number of former weapon scientists trained in civilian activities (Capacity building for decommissioning,	Action for Iraq has started in December 2010. No result available.	<i>Redirecting former weapon scientists to peaceful activities</i> 80 to 100 former weapon Iraqi scientists trained

<p>dismantling, and the decontamination of Iraq nuclear facilities and sites and for developing radioactive waste management)</p> <p>Number of former weapon scientists talents redirected to peaceful activities (ISTC and STCU in Moscow and Kiev)</p>	<p>After Russian Federation decision to withdraw (Aug 2010), last projects for redirection of scientists have been signed in 2010</p>	<p>To close properly the activities in Moscow and to offer the other member (Belarus and Central Asian) countries' scientists new opportunities through Centres of Excellence initiative.</p>
<p>Fighting illicit trafficking of CBRN materials and deceptive financial practices</p>		
<p>Number of detectors at borders and/or other nodal points identified in the Republic of Georgia</p> <p>Number of detectors at border crossings between Tajikistan and Uzbekistan on the one hand and Afghanistan</p> <p>Detectors equipment at the Kabul airport</p> <p>And corresponding training to the front line officers</p>	<p>The implementation process in Central Asia, South East Asia and North Africa is on-going.</p> <p>Contract signed with IAEA for the renovation of their laboratories in Germany (ECAS-SAL 5 m – first phase)</p>	<p><i>Strengthening the capacity of the civilian authorities involved in the development and enforcement of the effective control of CBRN trafficking and counteracting nuclear and radiation terrorism threat</i></p> <p>The countries involved are equipped and identified officers trained according to priorities in the field of CBRN risk mitigation and WMD non-proliferation, including UN Security Council Resolution 1540 (2004).</p>
<p>Assistance and cooperation in export control of dual-use goods</p>		
<p>Number of local staff trained on legal and licensing aspects (from customs, authorities, industry)</p> <p>Number of reviews of existing laws or adoption of new laws</p> <p>Number of new memberships to EU export control regime and UN 1540 and other regimes (Australia Group, Vassenaar, etc.)</p>	<p>The EU has continued to mainstream non-proliferation of WMD into its contractual relationship with third states, in accordance with its WMD Strategy. Successful negotiations have so far been concluded with more than 90 States around the world. Reinforced cooperation with the US EXBS Export Control system (60 countries covered)</p>	<p><i>Enhancing the effectiveness of export control systems of dual use items in partner countries</i></p> <p>Newly added countries were: Georgia, Malaysia, Moldova, Thailand, Tunisia as full scope countries and Armenia, Azerbaijan, Egypt, Pakistan and Uzbekistan as ad hoc-countries. Twenty countries are now in the EU Export Control process.</p>
<p>Strengthening capabilities against biological threats</p>		
<p>Number of scientists trained; number of facilities upgraded to the international standard level; number of workshops and conferences organized to improve bio-safety and bio-security</p>	<p>A training program for 226 scientists from 5 Central Asia countries has been launched; security improvement of a facility in Simferopol (Crimea) is being implemented; human health program (17 non EU countries) has been started in close cooperation with DG SANCO and ECDC.</p> <p>Activities in Africa will start in 2012 (mobile laboratories – 3.5 m)).</p> <p>An action for South Caucasus and Central Asia will start in February 2012 (Uzbekistan, Tajikistan, Armenia, Azerbaijan and Georgia – 5 m)</p> <p>Exploratory missions in Afghanistan and Pakistan</p>	<p><i>Strengthening capabilities in bio-safety and bio-security</i></p> <p>The projects started late in 2009 and are under process. The first biologists were trained in 2010 in the Kazakh Scientific Centre for Quarantine and Zoonotic Diseases (KSCQZD).</p>

	planned in January 2012.	
Regional centres of excellence		
Number of partner countries benefitting from the assistance of the EC acting in multilateral framework	<p>Geographical coverage of the IfS CBRN programme extended beyond the Former Soviet Union (FSU), contacts established with countries of Mediterranean basin, Middle East, SE Asia, Central Asia South Caucasus and Africa. The total number of countries newly involved in addition to FSU is about 40. Actions (19) to be implemented in 2012 in 5 regions</p> <p>Establishment of 5 Secretariats end 2011 – early 2012: Manila, for South-East Asia Amman, for the Middle East Tbilisi, for South-East Europe, Ukraine, Moldova & South Caucasus Rabat, for Atlantic façade Algiers, for North Africa</p>	<p><i>Mobilizing national, regional and international resources to achieve the common objective of developing a coherent CBRN policy at national and regional levels.</i></p> <p>Conference and a seminar to present EU policy and instruments concerning CBRN risk mitigation took place in the Middle East and in South East Asia (Singapore in 2009, Amman in May 2010, Jakarta in July 2010). First round-table meeting of the National Focal Points of South-East Asia, which took place in Manila in November 2010.. As a result of the conference held in Brussels in December 2010, the first Regional Secretariat for the Middle East will be established in Amman. Two pilot projects (illicit trafficking and bio-safety/bio-security) have been launched in South East Asia</p>
Support for Multilateral Nuclear Assurances (MNA) initiatives		
Contribution to the Low Enriched Uranium Bank	Contract signed with IAEA (20 million) and first payment (10 million) done in November 2011	<p><i>Contributing to LEU Bank international fund</i></p> <p>The decision to create the IAEA LEU Bank taken in December 2010 should be seen as a success for the nuclear non-proliferation agenda. The EU Council decided already in December 2008 to support this multi-donor funded project with an amount of up to 25 million euro. This decision is a success for efforts to offer a tangible alternative to countries who intend to introduce nuclear power to creating their own uranium enrichment facilities and thus a contribution in the context of the fight against nuclear proliferation.</p>
Contribution to expert support facility (ESF)		
The number of fact finding missions providing expertise for the programming and implementation of IfS programmes (priority 1)	More than 13 fact-finding missions to IfS relevant regions involving about 15 experts of 5 different EU Member States from 8 organisations	<i>Expert Support Facility (ESF)</i> Providing expertise for the programming and implementation of IfS programmes and projects
Main policy outputs for 2012		
<p>Consolidation of the EU action in the field of risk mitigation and preparedness relating to CBRN materials and agents and its extension with sustainability over the next years. Reinforcement of the security governance with the CBRN Risk Mitigation Centres of Excellence initiative, which is an integrated CBRN approach that incorporates all international, regional and national CBRN risk mitigation components into a common strategy. Three other Secretariats should be setup in 2012 (Sub Saharan Africa, Central Asia and Gulf Region (GCC). New actions will be selected (10 million), CBRN governance will be strengthened. A reinforced coordination will be sought with DG Home CBRN Action Plan and DG ENTR FP7 Security as well as a contribution to the international efforts in this field (Non-Proliferation Treaty, UN SC resolutions and EU policy against proliferation of WMD).</p> <p>For ISTC/STCU, a clear strategy with other donors (US, CAN, JAP) should be defined to allow a smooth transition period.</p> <p>A new contribution to the IAEA laboratories (5 million) should be implemented end 2012.</p> <p>Export Control activities will be more and more incorporated in the Centres of Excellence initiative (new</p>		

contract – 3 million and individual actions selected in the Centres of Excellence themselves). New actions are foreseen at the border between Russia and Finland and between Poland and Ukraine (European Football Championship 2012). New activities planned in Africa (RDC) and South East Asia.		
Main expenditure-related outputs	Budget line (2012)	EUR million
Support for retraining and alternative employment of former weapon scientists and engineers		4.5
Fighting illicit trafficking of CBRN materials and deceptive financial practices (ECAS/SAL – 2 nd phase)		5
Assistance and cooperation in export control of dual-use goods		
Strengthening capabilities against biological threats		
Regional centres of excellence		30
Support for Multilateral Nuclear Assurances (MNA) initiatives		
Contribution to expert support facility (ESF)		0.8
Total budget line (2012) 19 06 02		40.3

Specific Objective 2: Counteract global and trans-regional threats		
Result Indicator(s)	Latest known result	Target (mid-term)
Number of profiling and intelligence units networked. Number of countries participating in regional platforms. Number of coordination/cooperation actions between EU Member States and beneficiaries.	The first two Joint Airport Interdiction Tasks Forces were inaugurated in Cape Verde and Senegal and the first trainings took place for the Joint Maritime Control Units in Cape Verde. Gap analysis missions were performed in ten Latin American and Caribbean countries leading to the signature of the Memorandum of Understanding between Ameripol and the National Police Directorates.	Supporting the fight against organised crime on the cocaine route Enhance the capacity for international coordination and cooperation of law enforcement and judicial services of beneficiary countries for contributing to the fight against international criminal networks. 32 countries covered
Number of profiling and intelligence units networked. Number of countries participating in regional platforms. Number of joint coordination/cooperation actions.	Notwithstanding delays work continued in the different components including in Iran and the other priority countries targeted (Pakistan and Afghanistan). Inter-agency Port Control Units established and start to become operational in Afghanistan; site surveys and assessments, including MoU under finalisation also in Pakistan for forensic laboratories and site surveys and assessments finalised for Interpol I 24/7. Contribution agreement negotiations launched with UNODC on further expansion of Port Control Units around the Black Sea.	Supporting the fight against organised crime on the heroin route Enhance the capacity of relevant countries by complementing and where appropriate reinforcing regional or international initiatives against organised crime and trafficking activities on the heroin route. 10 countries covered
The number of countries in which enhanced maritime security and maritime law enforcement standards are implemented or upgraded; Statistics on build up of	Work in four countries in the Horn of Africa and the Gulf of Aden was continued, though due to political unrest, Yemen operations in the regional information centre in Sana'a were re-located temporarily to Kenya. Establishment of Djibouti Regional Training	Critical Maritime Routes Programme Enhance the capacity of coastal states to achieve safer and more secure maritime traffic by inter alia countering

national and regional capacity and on number of incidents.	Centre (DRTC) remains virtual, with trainings delivered in framework of Djibouti Code of Conduct in coordination with IMO, but physical construction of DRTC expected to start in November 2011 only. Investigations on piracy organisers and financiers and tracking of financial flows ongoing in East Africa with Interpol. Contractual arrangements for preparation of anti-piracy measures in Gulf of Guinea almost concluded with exploratory missions expected in second half of 2011.	piracy and armed robbery at sea.. 12 countries covered
Number of countries implementing relevant UN Resolutions and UN Counter-Terrorism Strategy. Delivery of counter terrorism training programmes to countries in Sahel and South (East) Asia.	Detailed assessments and strengthening of capacity at continental level (12 targeted countries over three years) ongoing as well as the preparatory steps for the implementation of CT Sahel. Identification phase launched including prefeasibility and scoping mission determining needs in improving the Punjab criminal justice system in Pakistan. Contribution agreement negotiations launched with UNODC on description of action in supporting national and regional capacity in the fight against terrorism, financing of terrorism, money laundering and other transnational organized crime in 6 South East Asia countries and strengthening regional cooperation (CT Global Outreach).	Support for prevention of and fight against terrorism Improved implementation of the UN counter-terrorism strategy by providing assistance to specific countries / regions. Strengthened regional cross-border cooperation between law enforcement agencies and judicial authorities at national and local levels on combating terrorism.
Number of countries having ratified protocols, being compliant with those protocols and having established National Focal Points and National Action Plans. Implementation and level of use of information exchange systems.	RECSA concluded a long consultation process identifying the priorities for each region resulting in a precise work plan for the second year. Regional African Police Chiefs agreed on the need for joint operations to address the challenges of cross border crime including the illegal trafficking of SALW. CASAC initiative has shown a positive impact on establishing a regional structure and long-term strategy to fight the illegal trafficking of arms in the region and contributing to the Central American Security Strategy which was adopted in Guatemala on April 8, 2011. Interpol is in the process of developing a database for stolen and lost arms, to be implemented by end 2012 in 19 countries	Actions to fight the illicit trade in small arms and light weapons (SALW) To enhance the capacity of relevant countries in prevention, combat and control of the illicit trade in SALW by supporting coordination and cooperation, and implementation of international protocols and conventions. 41 countries covered
The number of fact finding missions providing expertise for the programming and implementation of IfS programmes	Since 2008, more than 100 missions to IfS relevant regions involving about 100 experts of 17 different EU Member States from 60 organisations.	Expert Support Facility (ESF) Providing expertise for the programming and implementation of IfS programmes and projects
Main policy outputs for 2012		
Legislative and operational capacity in third countries significantly strengthened and global and trans-national cooperation frameworks and networks established to support the fight against organised crime including trafficking in drugs, small arms, and human beings, as well as to counter terrorism and protect critical infrastructure and public health, including support to efforts in new areas such as to provide cyber security and fight cyber crime and to counter illicit markets of falsified medicines.		
Main expenditure-related outputs for 2012		Budget line (2012)
Fight against organised crime <ul style="list-style-type: none"> • Supporting the fight against organised crime on the cocaine route • Counter illicit markets of falsified medicines 		11

Counter terrorism and protection of critical infrastructure <ul style="list-style-type: none"> • Critical maritime routes • Counter terrorism • Cyber security / cyber crime 		15
Expert Support Facility		2
Total budget line (2012) 19 06 03		28

Specific Objective 3: Promote an effective nuclear safety culture in the context of EU external energy policy		
Result Indicator(s)	Latest known result	Target (mid-term)
Delivery of Training to nuclear power plants operators.	Agreement on co-financing of the construction of a Maintenance and Management Training Centre in Ukraine. The IAEA has finalised a study evaluating the safety status of nuclear power plants in Ukraine as well as the regulatory system in this country. The IAEA estimates that the safety of the Ukrainian NPP at design radioprotection and operational level approaches EU safety standards except for some fields like waste management Long-term actions aiming at improving the situation in areas of concern, notably Chernobyl.	Bringing safety culture up to levels close to those in practice in the Community.
Evaluation of the safety of Ukrainian NPPs		Reaching the internationally defined targets for the Chernobyl site and among them the full start-up of the Commission supported ICSRM project. Main targets:
Internationally defined indicators related to the mitigation of the consequences of the Chernobyl disaster Radio-protection data in line with international standards for nuclear power plants workers and populations.		1. Completion of the Shelter Implementation Plan (including construction of the New Safe Confinement (NSC). 2. Start decommissioning of units 1-3 (including commissioning on necessary radewaste measurement facilities) Reduction of risks stemming from radioactive materials especially spent nuclear fuel.
Enlarge programme activities to non CIS countries		Extending the implementation to more non CIS countries
Support to stress tests	Prepare the stress tests for the Armenian NPP	Assess ANPP risk by end of 2012
Main policy outputs for 2012		
Annual Action Programmes 2011 and 2012, Indicative Programme 2012-2013		
<p>The Annual Action Programme 2011 has been adopted in two folds: a first part (ca. € 38.7 million) takes into account the assistance to the implementation of INSC projects in the Russian Federation and Ukraine to help the beneficiary country to better implement the projects and programmes and contributions to Joint Research centre for technical assistance and 28 million for the Chernobyl funds (CSF and NSA). A second part (€ 35.8 million including 8 million for CSF) relates to the assistance for the stress tests at the Armenian NPP, support to regulators and waste management activities in the CIS and in China, Central Asia, Mongolia and Iraq. The AAP 2012 will follow a single programming procedure during the year 2012. A project with the International Atomic Energy Agency (IAEA) in Vienna (assessing and enhancing the safety culture of the nuclear installations, capacity building by strengthening the capabilities of the Regulatory Authorities and training) will be included in the AAP 2012. Therefore, outputs can only be estimated for the years 2007 to 2010.</p> <p>The promotion of an effective nuclear safety culture will continue to be at the centre of the intervention in 2012 and 2013, on one hand by continuous support to regulatory bodies and to the effective safety culture in nuclear operations. On the other hand support to the safe processing and disposal of spent nuclear fuel and radioactive waste and the development and implantation of strategies for decommissioning existing installations and the remediation of former nuclear sites will be continued and reinforced. In 2011 exploratory missions have been conducted in new countries and regions (e.g. Mexico, Argentina and South East Asia) and the exploitation of these results will lead to further projects.</p>		
Main expenditure-related outputs in 2012	Budget line (2012)	EUR million

Operations to reinforce nuclear safety culture/ assistance contracts to nuclear regulators and operators in the CIS	19 06 04 01	16
Operations to reinforce nuclear safety culture/ assistance contracts to nuclear regulators and operators in new countries.	19 06 04 01	20
Accompanying measures, Multiple County, Regional projects etc...	19 06 04 01	12
EC contribution to the Chernobyl Shelter Fund.	19 06 04 02	28
Total		76

ACTIVITY 21 07: DEVELOPMENT COOPERATION ACTIONS AND AD HOC PROGRAMMES

Overseas Countries and Territories

Under the EU general budget, a specific Article has been reserved for "Association Agreements with the Overseas Countries and Territories". (OCTs). To date, the territorial cooperation between the OCTs (except Greenland) and the EU, has been financed from the 6th, 7th, 8th, 9th and 10th European Development Funds (EDF).

EU support under the 10th EDF takes the form of an individual territorial programme for each eligible OCT, a regional programme covering all inhabited OCTs and the French Southern and Antarctic Territories, an investment facility, and technical assistance as well as a reserve for emergency and reconstruction aid and possible financial compensations for OCTs when facing a substantial decrease in revenues due to export fluctuations.

The territorial programmes are intended to contribute to the social and economic development of the OCTs, as stipulated in Article 198 of the Treaty on the Functioning of the European Union (TFEU). Across territorial programmes, budget support will be the default aid delivery method (except in duly justified cases). This should allow for a more effective and streamlined implementation of the OCTs' policies. Where the pre-conditions for budget support (existence of a territorial or sector development strategy, macro-economic stability and sound public finance management or a reform strategy in this area) are not available, EU funds can be delivered using the project approach. Via the regional programme, EU support enables OCTs to strengthen cooperation among themselves as well as with their neighbours in a specific geographic region.

Specific Objective 1		
Enhance the social and economic development of the Overseas Countries and Territories (OCTs)		
Indicator	Latest known result	Target (result)
Given the state of play of the programming (territorial and regional multi-OCT programmes to be finalised), indicators for each of the different programmes still need to be defined.	The targets of the different territorial programmes will differ according to the specific sector of concentration.	The 10 th EDF programming exercise has not been concluded. The implementation of 9 th EDF programmes has been progressing and is even reaching the end in some Territories.
Main policy outputs for 2012		
Commitment of 10th EDF territorial and regional envelopes allocated to the OCTs should start in 2011, with disbursements of first tranches to follow. The current 2001 Council Decision on the association of the Overseas Countries and Territories with the European Community expires on 31 December 2013 and will need to be replaced by a new Decision.		

Greenland

Within the EU General Budget, a specific article is foreseen for "cooperation with Greenland". This cooperation is based on a separate, comprehensive partnership, comprising two pillars: a Fisheries Partnership Agreement and a General partnership for the sustainable development of Greenland. The latter is based on the two provisions of the Treaty on the Functioning of the European Union (TFEU) which stipulate that special provisions are to be foreseen for Greenland (Art. 204 TFEU) and that provisions regarding the association of OCTs take the form of Council Decision (Art. 203 TFEU).

A Council Decision 2006/526/EC of 17 July 2006 constitutes the basis for cooperation for the sustainable development of Greenland. The comprehensive partnership between the EU and Greenland is in line with a report adopted by the Court of Auditors in 2001 and the opinion of the European Parliament, the Commission and the Council, and makes a clear distinction between the fisheries arrangements on the one hand and the financial support to Greenland on the other, as both are based on separate legal bases and frameworks.

EU support to Greenland under the general partnership for the sustainable development of Greenland is financed through the EU general budget. The annual support to Greenland amounts to EUR 25 million per annum (at 2006 prices) for the period 2007-2013. In agreement with the European Commission, Greenland

decided to dedicate the entirety of this support to the implementation of the Greenland Education Programme.

The EU/Greenland partnership (Council Decision 2006/526/EC of 17 July 2006 on relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other) expires on the 31 December 2013. The European Commission undertakes the required steps to submit to the Council a proposal for a new Decision covering the period 2014-2020²⁸.

Specific Objective 2		
Greenland: Widen access to and improve the quality of education		
Indicator	Latest known result	Target (result)
(1) Vocational education (VET) and high school attendance	(1) Result 2010: 32% increase compared to 2005. Total of 2649 students in 2009.	(1) By 2013, 50% increase in number of students
(2) Educational attainment (graduates, formal education)	(2) Result 2010: 38% increase compared to 2005. Total of 799 graduates in 2010.	(2) By 2013, 40% increase in completion rate compared to 2005
(3) Drop out rate (formal education)	(3) 23.4 % in 2005, 23.8% in 2010	(3) By 2013, decrease in dropout rates to 18-20%
Main policy outputs for 2012 Maintenance of the EU engagement in advancing the reform of the education sector and deepening of the dialogue.		
Main expenditure-related outputs for 2012		Budget line (2012)
Education and vocational training in Greenland		21 07 02
		EUR million
		28.4

Agreement with the Food and Agriculture Organisation (FAO) of the United Nations

FAO has 191 Member Nations, two associate members and one member organization, the European Union. The EU has been a member of the FAO since 1991 and interacts with FAO on numerous areas of global importance which are relevant for EU policies.

FAO's activities focus on four main areas. 1) Information: FAO serves as a knowledge network. It uses the expertise of its staff to collect, analyse and disseminate data that aid development; 2) Sharing policy expertise: FAO lends its years of experience to member countries in devising agricultural policy, supporting planning, drafting effective legislation and creating national strategies to achieve rural development and hunger alleviation goals; 3) Providing a meeting place for nations: As a neutral forum, FAO provides the setting where rich and poor nations can come together to build common understanding. 4) Bringing knowledge to the field.

The Commission recognises the role played by FAO for global food security governance and has been supporting FAO's reform process which started in 2008. In 2004 the Commission signed a Memorandum of Understanding for a Strategic Partnership in the field of development and humanitarian affairs. In 2011 it signed a Statement of Intent with the Rome-based agencies (FAO, IFAD, WFP) dealing with agriculture, food security and emergency response.

The International Treaty on Plant Genetic resources for Food and Agriculture (ITPGRFA) has been established as a direct international response to global challenges such as the loss of crop diversity which endangers agricultural productivity, food security and the ability to adapt to the pace of environmental and climate change. It directly contributes to the achievement of Millennium Development Goals, 1 and 7 of Ending poverty and hunger and ensuring Environmental Sustainability. The Treaty sees 126 Governments and the European Commission working together as Contracting Parties to promote crop diversity for enhanced food security.

²⁸ The Agreement on Fisheries between the European Economic Community, on the one hand, and the Government of Denmark and the local Government of Greenland, on the other, signed in Brussels on 13th March 1984²⁸ is expected to be replaced by a new Fisheries Partnership Agreement on 1st January 2013.

Specific Objective 3
Enhance and strengthen the EU's role in a reformed, modern and effective FAO better able to tackle global food security and upcoming agriculture challenges

Indicator	Latest known result	Target (result)
Level of implementation of FAO reform	Good level of coordination between EU member states and EC during the process of implementation of the Reform. While the start of reform process was laborious, the signals from FAO management continue to be positive. 56 % of the Immediate Plan of Action (IPA) has been implemented so far	Implementation of main reforms as included in the 2009-2011 FAO strategic framework proceeds smoothly.
Level of coverage of the Core Administrative Budget of the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) Better functioning of the Treaty Level of implementation of the Action Plan adopted by the 3 rd session of the Governing Body (2009-2010)	Treaty Membership: The EU joined on the basis of COUNCIL DECISION of 24 February 2004 Concerning the conclusion, on behalf of the European Community, of the ITPGRFA (2004/869/EC) The ratification took place on 31 March 2004. (For more details: http://www.fao.org/Legal/treaties/033se.htm). Annual budget: Budget is adopted for biennium. The current biennium covers 2010-2011. Council Conclusions end 2010.	Better coverage of the Treaty's core budget Closer links between this Treaty, the FAO and to the Convention on Biological Diversity. The implementation of the Action Plan progresses as foreseen.

Main policy outputs for 2012

- Maintenance of the EU leadership and initiative role in advancing the Reform process
- Deepening of dialogue and alliances with other regional groups
- As contracting party of the International Treaty on Plant Genetic Resources for Food and Agriculture, take our financial responsibility, and increase EU impact on the Treaty's activities.

Main expenditure-related outputs for 2012	Budget line (2012)	EUR million
Annual Membership fee (1/192) Please note that in addition this objective is also achieved through programmes funded by the FSTP (BL 2102) 30M€ in 2011		0.3
Annual contribution to Core Administrative Budget of the ITPGRFA Please note that in addition this objective is also achieved through programmes funded by the FSTP (BL 2102) 5 M€ in 2011		0.1
Total	21 07 03	0.4

Commodities Agreements

The EU participation to the commodity agreements stems from the EU membership to the United Nations Conference on Trade and Development (UNCTAD) where most of the commodity agreements have been negotiated. The interest to be a member derives from a political and economic assessment made by the Commission and the Member States, to promote the trade of the commodities in such a way that the agreement can be considered a mean for development through trade and consequently, a poverty alleviation instrument. According to the respective specificities of the products, these agreements intervene in most of the sensible fields as sustainability in its three common pillars: economy, social and environment, at producing countries level. In recognizing then the importance of the sustainable economy for the achievement of the Millennium Development Goals (MDGs), the commodity agreements are an additional instrument for reaching this purpose. Through these agreements, consumer members may also intervene in the supply chain for ensuring, where possible, remunerative and fair prices, good quality and availability of

origins. The Agreements avoid strong competition among countries for the benefit of a more stable economy, notably at the producing countries level.

Specific Objective 4		
Promote sustainable trade in selected Commodities		
Indicator	Latest known result	Target (result)
Better balance between supply and demand of commodities	World production and imports in millions of coffee bags (60kgs): 2007: 118,92 prod ; 99,50 imp (83%) 2008: 128,79 prod ; 101,35 imp (79%) 2009: 119,13 prod ; 98,57 imp (82,7%) 2010: 131,26;prod : 97,88 imp (74,6%) <u>Cocoa</u> (thousand tonnes) 2007 : 3.752 prod ; 3.749 cons-100% 2008 : 3.605 prod ; 3.491 cons-96,8% 2009: 3.613 prod ; 3.659 cons -101,3% 2010: 4.025 prod ; 3.798 cons- 94,4% For jute and tropical timber it is not possible to get figures due to the number of items and products	Reduced risk of price fluctuations by closing the gap between supply and demand (long term target being imports covering 90% or more of production) through an increased market transparency ²⁹ and an appropriate promotion policy, addressed also to producing countries in order to increasing domestic consumption.
Main policy outputs for 2012		
An important number of projects are financed annually and executed by decision of the governing bodies of the organizations. The EU intervenes in the process. The decisions adopted aim, quite often, to avoid price fluctuations without specific market intervention mechanisms, to monitor supply and demand, to achieve better quality of production and finally better productivity. To date it is of particular interest that in many cases projects and activities are more and more focussed on climate change and the links with tropical agricultural commodities cultivation. Additional goals are represented by the achievement of a sustainable economy. The participation of the private sector, present for consumers and, in less proportion for producers, ensures also a better coordination for removing possible obstacles to trade and commercialization.		
Main expenditure-related outputs for 2012		Budget line (2012)
		EUR million
Annual Membership fees (currently Agreements).		4.8
(1)International Coffee Organisation	1.3M€	
(2) International Cocoa Organisation	1.2 M€	
(3) International Jute Study Group	0.3 M€	
(4) Tropical Timber Agreement	1.6 M€	
(5) International Cotton Advisory Committee (from probably 2012)	0.4 M€	
Total		21 07 04
		4.8

²⁹ For Coffee, against a production in 2010 of about 131,26 million bags (+10,1% compared to 2009) the consumption reaches about 97,88 million bags (-1% compared to 2009). If the quality policy were correctly implemented, an additional volume of coffee below the agreed standards would have been withdrawn from the market. This would help to reach a better equilibrium, contributing to stability. For Cocoa, the Organisation agrees on a percentage ratio between production and consumption to achieve relative market stability. The current trend in prices, however, reflects some speculative operations, notably today with the crisis affecting the major producer, Ivory Coast. Stocks represent an additional factor outside control: important volumes present in both consuming and producing countries, which are sometimes not fully disclosed, prevent a comprehensive picture of the situation being drawn.

5. Specific objectives for horizontal activities

ACTIVITIES 19 11 and 21 08: POLICY STRATEGY AND COORDINATION

EuropeAid's overarching policy approach and coordination activities fall under this activity.

In 2012 we will continue our efforts to increasing the impact of our development cooperation in order to make more progress on the Millennium Development Goals (MDGs). The EU will first and foremost encourage partners and the UN system to do everything possible to reach as much progress as possible before 2015. It will remain a committed partner to global development, poverty eradication and the protection of global public goods.

To this aim, the Commission has recently presented a proposal for increasing the impact of EU development policy, which was broadly endorsed by EU Ministers at the November 2011 Council meeting. The proposed 'Agenda for Change' builds upon the overall policy as outlined in the European Consensus in 2005. The task for 2012 will be to ensure the effective implementation of the new EU policy orientations, including the principles of strategic prioritisation, concentration, differentiation and EU coordination, through the design of the post-2013 external relations instruments and the programming guidelines.

Countries in all regions of the world have recently experienced, or are currently beginning, major reforms of their economic, social, political and governance systems as a result of both domestic challenges and increased global integration. A key challenge facing transition societies is to consolidate reforms and make them successful. In 2012 the Commission will assess its current policies and tools on the support to such transition (political dialogue, practical policy advice, financial assistance and capacity development), while of course respecting decisive domestic ownership, and propose new EU policy orientations for improvement where appropriate.

Furthermore, in this context and in preparation of the MDGs review in 2013, the Commission will strengthen its activities towards a definition of a global development framework beyond 2015 in cooperation with partner countries, academia, international institutions and other interested partners.

Coordination

The EU has a federating role in coordinating European Union policies in the area of development cooperation with a view to achieve the Millennium Development Goals as well as the Aid Effectiveness targets of the Paris Declaration, as re-confirmed in Accra and Busan. The European Consensus on Development and a number of subsequent Council Conclusions reflect the European Union's commitments in these areas, which partly go beyond the commitments taken when subscribing to the Paris Declaration.

The recent 4th High Level Forum in Busan reviewed evidence and the commitments on aid effectiveness and extended the agenda to 'aid and development effectiveness'. The Forum confirmed the continuous relevance of the Paris Declaration commitments and the Accra Agenda for Action and recommended their full implementation in the years ahead. The main issues during the Forum were results, ownership, transparency and predictability, use of country systems and reduced fragmentation.

Recent evidence shows that progress towards achieving the aid effectiveness targets has been slow and therefore further collective action is needed. Several initiatives have been launched, such as the EU Fast Track Initiative on Division of Labour and new modalities, such as delegated cooperation, have been put into practice. The EU has provided guidance and support to practitioners in the field, for instance through the Toolkit on Division of Labour; the reform of Technical Cooperation for enhanced Capacity Development; or the provision of specialised Technical Assistance. In addition, the Council adopted policies that are reflected in the Operational Framework on Aid Effectiveness. The Operational Framework sets out concrete actions in four areas for joint EU approaches: Division of Labour, Use of Country Systems, Technical Cooperation for Capacity Development, and Accountability and Transparency.

The EU and Member States are preparing to make one of their long-standing commitments, joint programming, a reality. In the context of the upcoming EU programming exercise of the next multi-annual Financial Framework, the EU and Member States will identify a number of partner countries where joint programming should commence in 2012.

In the area of **financing for development** we closely monitor progress on Member States' commitments on financing for development (including aid effectiveness, trade and development, tax governance and development and climate finance) and formulate policy recommendations in this respect. Furthermore, we are actively following up on a process to engage those Member States that joined the EU since 2004 in the European development policy dialogue, building on their own transition experience. Last but not least, regular informal meetings of the Director General of EuropeAid with the Development Directors General of the 27 Member States, the EIB and the EEAS (EU DGs meetings) take place in order to facilitate exchange of views and consensus building on key development policy issues.

Moreover EuropeAid seeks to maximise the impact of the EU as an effective development actor in and with international organisations, informal groupings such as the G8 and G20 and non EU states, both DAC members and emerging economies. It has an important role in ensuring the EU's external representation in the context of development policy in accordance with article 17 of the TEU. To this end, it promotes coordinated EU positions at the UN, in particular at the UNGA and ECOSOC, the OECD and in the IFIs. In line with the EU's support for effective multilateralism, EuropeAid supports the evolution of and improvements to the system of global governance and considers the UN system to be at the core of that multilateral approach as reflected in Art 21 of the TEU. In 2012, EuropeAid will continue to work towards a successful outcome at the Rio 2012 conference, promoting sustainable development through the transition to a green economy and an improved institutional framework for sustainable development. The International Financial Institutions at global level - the IMF and the World Bank Group - and those at regional level such as the African Development Bank, the Asian Development Bank and the Inter-American Development Bank constitute key international development players. A strengthened and more strategically focused partnership and actions will be actively pursued with them in 2012. EuropeAid is also committed to the exchange of best practice and mutual learning within the OECD. In 2012 EuropeAid will strive to ensure the successful completion of the ongoing Peer Review of the EU, including full recognition of its role as a donor. EuropeAid will also promote a united EU approach to the OECD wide Strategy on Development, due to be adopted by the OECD Ministerial Council in mid-2012. EuropeAid will continue to promote close cooperation with advanced countries outside the EU both in the G8 and bilaterally, in particular with the US through the EU-US dialogue on development. It will contribute to closer cooperation on development with other advanced economies in the framework of the negotiations under way, such as with Australia, or under preparation, to upgrade the EU's relations with a number of such countries. EuropeAid will continue to contribute to the implementation of the G20 development agenda under the Mexican G20 presidency and to the establishment of consensus amongst advanced and emerging economies on development's contribution to shared growth. EuropeAid will also continue to promote bilateral cooperation with major southern providers of development assistance, such as Brazil, in a spirit of mutual learning and as a contribution to international consensus between advanced and emerging economies on development.

Policy Coherence for Development

The EU has a comparative advantage in building synergies and ensuring coherence between internal EU policies and the development policy. Policies other than development can have a strong impact on developing countries. The EU together with its Member States is committed to promote **Policy Coherence for Development** (PCD) in 12 selected policy areas: trade, environment, climate change, security, agriculture, fisheries, social dimension of globalisation, migration, research and innovation, information society, transport and energy. In 2010 the Commission adopted the PCD Work program 2010-2013 identifying the policy and legislative initiatives planned by the Commission that are expected to have a significant impact on developing countries. This program has been articulated around five key global challenges facing both the EU and developing countries: trade and finance; food security; climate change; migration; and security. The aim is to generate synergies in integrating several EU policies with a view to contributing more effectively to the overarching objective of poverty reduction and, ultimately, eradication. In 2011 the Commission published the third edition of the EU's bi-annual Report on Policy Coherence for Development informing on PCD progress both at Commission and Member States level. In 2012, on the basis of this report, the Commission will continue discussions with Member States and other stakeholders on PCD progress in the EU. Moreover, the European Commission will update the PCD Work Programme 2010-2013. It will also continue building the knowledge, methodologies and evidence-base on PCD and impact through its work with stakeholders and the OECD. Moreover, the EU will work on further reinforcing and operationalising the PCD networks, including strengthening country-based dialogues with partner countries.

Financing for Development

The EU has led the global effort to **increase aid flows to developing countries** since the Monterrey Conference in 2002, and it also continues to shoulder the lion's share of global aid commitments and of pledges to Africa. The global crises and the continuing EU financial crisis have challenged both developing

and developed countries to live up to their respective commitments, and in order to maintain the international progress on development, the EU has to fulfil its commitments on supporting Financing for Development.

In 2010, EU ODA increased by more than EUR 4.5 billion compared to 2009, reaching €53 billion (0.43% of GNI), but this fell short of the intermediate target of 0.56% of GNI set for that year. Without additional effort by Member States the EU will fall short of delivering on its commitment to collectively reach 0.7% of GNI by 2015 and to channel at least 50% of collective aid increases to Africa. In 2012, the EU will have to address the widening gap between ODA targets and Member States' progress. We should demonstrate the commitment to our ODA targets and how we will get back on-track to reach these. At the same time we should support greater impact of other available sources of development finance. The 2012 Accountability Report should demonstrate EU progress on all aspects of the international financing for development agenda and contribute to identifying avenues for reinstating our credibility.

Awareness raising

A longer term challenge remains to raise awareness, explain and garner support for EU development policy. This will also be important in 2012 – with the implementation of the Agenda for Change and with the follow up to the Busan High Level conference on aid effectiveness. The new EuropeAid communication strategy will also be in place and will improve communication approaches and practices.

Quality of policy making process

Europe is a world leader in the development field but given the enormous challenges facing the international community – donors, partner countries and civil society – in forging a more equitable world, the EU needs tools that will help crystallise its vision for development and influence the international debate. One of these tools is the **European Report on Development (ERD)**. It seeks, in close co-operation with researchers from developed and developing country partners, to elaborate a European perspective on development issues with a view to enriching its policies and strengthening its voice and influence on the international development stage.

Supported by the Commission and seven Member States (Finland, France, Germany, Luxembourg, Spain, Sweden, UK) this independent report offers a viewpoint that is based on deeper, evidence-based knowledge of the developing world and of the challenges facing it, and puts forward innovative policy ideas that can make a real difference. After the ERD 2009 on fragility and the ERD 2010 on social protection, the **third edition of the European Report on Development (ERD 2011/2012)** is currently under preparation, and is expected to be released in March/April 2012. It deals with the topic of effective natural resource management for inclusive and sustainable growth, with a focus on the water-land-energy nexus. This topic proves very timely, especially in the run-up to the Rio+20 Conference.

In the run-up to the MDGs review in 2013, the Commission will enhance its research work in order to contribute to the debate on the global development framework beyond 2015 through the preparation of the **fourth edition of the ERD (ERD 2012/2013)**. A preliminary storyline has already been agreed upon by the ERD Steering Committee: which focuses on identifying key elements for a global post-2015 development framework which will benefit the poorest countries.

Specific objective 1: Strengthen the EU's development cooperation to attain the Millennium Development Goals		
Result Indicator(s)	Latest known result	Target (result)
Aid Effectiveness (a) Percentage of aid provided as programme-based approaches (use of common arrangements) (b) Use of partner countries' systems as first option: - percentage of aid as budget support, including - percentage of aid through MDG contracts	(a) 44% (b) budget support : up to 44.8% of programmed aid in the framework of 10 th EDF - 8 MDG contracts signed in 2009 (Burkina Faso, Ghana, Mali, Mozambique, Rwanda, Tanzania, Uganda and Zambia totalling €1,8bn (50% of all GBS programmed in EDF 10). Disbursements on track.	(a) 66% of aid flows provided in the context of programme-based approaches (benchmark 2009-2010) (b) 50% of the aid takes the form of budget support in the framework of the 10th EDF - up to 50% budget support for the 8 countries with MDG

(c) Percentage of government-to-government assistance channelled through country systems including budget support		contracts (c) 50%
Division of labour Number of countries where country programmable aid (CPA) is jointly programmed (EU + Member States)	1 (South Sudan)	At least 5 (2012)
Fragmentation/proliferation Concentration on a limited number of sectors in partner countries (as defined in the Code of Conduct on Complementarity and Division of Labour)	For the European Commission: ~9 sectors	Reduce the number of sectors per partner country
Transparency Full implementation of IATI by EuropeAid		Publication of the phase II additional data of the IATI standard
Financing for Development Official Development Assistance (ODA) as percentage of Gross National Income (GNI): 1) for EU15 2) for EU12 3) for EU 27 collectively	1) 0,46% 2) 0,09% 3) 0,43% (in 2010)	1) 0,7% by 2015 2) 0,33% by 2015 3) 0,7% by 2015
EU Aid for Trade Level of EU and Member States Trade Related Assistance (TRA) and Wider Aid for Trade (incl. TRA).	<p>TRA reached: €2.96 billion in 2009 of which €911 million originating from the EU. Wider AfT: Total EU and MS AfT reached all-time high of €10.48 billion in 2009 of which €3.35 billion from the EU. About 22% of total EU and Member States AfT committed to Least Developing Countries (LDCs), down from 24% of 2008. LDCs accounted for € 2.3 billion in 2009. The LDC share of EU AfT (30% in 2009) has been continuously higher than the LDC share of Member States AfT (19% in 2009). Smaller proportion of LDC ODA allocated to AfT than in other country groups.</p> <p>On the basis of a questionnaire on AfT to EU and EU MS field Delegations and offices:</p> <ul style="list-style-type: none"> - In half of the partner countries a comprehensive trade needs assessment has been undertaken in the last 5 years; - In almost half of countries there is an effective national coordination process in place to develop and implement an integrated trade strategy. <p>- In 21% of partner countries, EU donors significantly improved their donor coordination compared to 2008 (In 43% a moderate improvement);- In 54% of partner countries EU donors supported (of which 40% partially) the partner country in strengthening the inclusion of strategic economic regional integration priorities in the national development plan or trade strategy.</p>	<p>Sustain high level AfT volume:</p> <ul style="list-style-type: none"> - EU and Member States collectively to spend €2 billion annually on TRA by 2010(1 bn MS, 1 bn EU). - Sustain high level of EU Wider AfT and in particular give increased attention to LDCs AfT and participation in trade. <p>Enhance results and effectiveness of AfT:</p> <ul style="list-style-type: none"> - Increase joint AfT response strategies, support programmes and delivery. - Deliver on regional AfT packages in support of ACP regional integration, under the leadership of the ACP regional integration organisations and their Member States, and involving other donors.

<p>Tax governance</p> <p>Number of third countries implementing the principles of good governance in tax matters (transparency, exchange of information, fair tax competition) and of enhanced tax systems.</p> <p>Number of countries that are EITI candidates / EITI compliant</p>	<p>- Extractive Industry Transparency Initiative (EITI) implementing countries meet in Paris (financing by the COM) for sharing lessons learnt and progress achieved in the implementation of revenue transparency in natural resources countries.</p> <p>- Four pilot countries (Ghana, Kenya, Vietnam and Honduras) received guidance as regards improving their policy on transfer pricing</p> <p>Various developing countries are receiving guidance through two IMF Trust Funds (in which the COM is or is foreseen to be the major donor) which seek to strengthen governance in natural resources wealth and improve tax policy and administration</p>	<p>Increased number of countries receiving assistance in implementing international standards/principles of good governance in tax matters and in improving their tax systems.</p>
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<p>Main policy outputs for 2012</p> <p>The Commission will continue to mobilise the EU and its Member States to act as one on financing for development and consolidate the EU reporting on progress against commitments. On this basis, the EU would also drive further the international financing for development agenda.</p> <p>Based on the outcome of the 4th High Level Forum in Busan (Nov/Dec 2011), the EU will continue to promote and drive the aid effectiveness agenda with a view to make aid more predictable, to improve its impact, to obtain better results and value for money. In this context the EU proposes concrete actions to implement commitments taken on division of labour, joint programming, use of country systems and mutual accountability and transparency.</p> <p>Follow up of the aid effectiveness commitments will continue at international level focussing on supporting country level implementation. The EU will continue to play a pivotal role in achieving the Millennium Development Goals. It will also contribute to shaping the post Busan architecture for improved aid and development effectiveness and to fostering relations with non EU donors and new actors.</p> <p>At EU level, aid effectiveness principles need to be mainstreamed in policy proposals and related Council Conclusions, starting with the 'Agenda for Change' 'the future approach to EU budget support' proposals. Furthermore, the EU will continue to monitor commitments and to quantify results as well as to disseminate these in a transparent way with a view to obtain wide public support for its development policy and actions.</p> <p>At partner country level the EU will work towards simplifying its programming and aligning it with the partner countries' national strategy cycles with a view to facilitate the envisaged joint programming.</p> <p>- Communication on "Supporting sustainable change in transition societies", foreseen for the 2nd quarter 2012.</p> <p>The Commission will continue to mobilise the EU to act as one on financing for development and consolidate the EU reporting on progress against commitment. On this basis, the EU would also drive further the international financing for development agenda.</p> <p>Based on the outcome of the 4th High Level Forum in Busan (Nov/Dec 2011), the EU will continue to promote and drive the aid effectiveness agenda with a view to make aid more predictable, to improve its impact, to obtain better results and value for money. In this context the EU proposes concrete actions to implement commitments taken on division of labour, joint programming, use of country systems and mutual accountability and transparency and to fast track initiatives where possible.</p> <p>Follow up of the Paris Declaration, the Accra Agenda for Action and the outcome of HLF IV is expected to continue at international level focusing on supporting country level implementation and the EU's playing a pivotal role in driving efforts to achieve the Millennium Development Goals, contributing to the shaping of a post Busan aid architecture and fostering relations with non EU donors, including emerging donors.</p> <p>Follow-up of Communication on Aid effectiveness: Synchronisation of EU and national programming cycles at partner country level.</p> <p>The EU will continue to monitor commitments and to quantify results as well as to disseminate and share information in a transparent way with a view to obtain wide public support for its development policy and actions.</p> <p>- 3rd edition of the European Report on Development to be issued in March/April 2012.</p>

Specific Objective 2: Improve decision making and programming through an effective use of evaluations.

Result Indicator(s)	Latest known result	Target (result)
Actions taken at key levels (political, programming and operational) in response to evaluation conclusions and recommendations	Evaluation programmes decided by Commissioners; Key evaluations discussed by management and responsibility for follow-up action decided; 'fiches contradictoires' (giving clear management response to evaluation recommendations) completed and follow-up monitored; Checking the integration of evaluation recommendations in programming documents through the iQSG.	Evaluation results have positively influenced decision-making at political, programming and operational levels.

Main outputs for 2012

Evaluations to be completed in 2012:

Ongoing evaluations of EC support in the following areas are scheduled for finalisation in 2012: decentralisation, trade-related assistance, EDF agricultural commodities, private sector development, human rights, integrated Border Management, Judicial and security sector reform, visibility; country-level evaluations in Burundi, Colombia, Djibouti, Ethiopia, Jamaica, Ecuador, the Caribbean, and Zambia; specific evaluation of budget support in Tanzania; and of funds channelled through the Council of Europe.

Specific Objective 2: Coordinate and promote EU Development Policy. Increase EU visibility in third countries, and increase EU citizens' understanding of the external actions of the Union.

Result Indicator(s)	Latest known result	Target (result)
Degree of awareness of European citizens with respect to development policy (Euro-barometer opinion poll):	According to the poll carried out in 2011, development is an important issue for around 87% of Europeans and 62% of them think that Europe should meet its ODA commitments.	Increased awareness amongst key multipliers about the achievements of EU development cooperation
Number of Website hits/month	EuropeAid web: around 200,000 individual visitors per month	20% increase
Number of participants in 'European Development Days' (EDD) event	Participants EDD 2011: 1000 participants, around 120 journalists, around 300 VIPs and 200 stakeholders	With a reduced format, maintain the number of stakeholders and level of media engagement

Main policy outputs for 2012

Implement the new EuropeAid communication strategy. All communication activities will serve the same purpose of supporting the strategic communication priorities:

- demonstrating the long-term value, impact and results of EU development cooperation;
- promoting the Agenda for Change which is about making differentiation a reality, focusing on sectors with the highest impact, mainstreaming democracy and engaging more with the private sector;
- making a case for an increased level of funding in the new Multiannual Financial Framework while demonstrating the added value of European development cooperation;

Present the achievements of development cooperation to ensure the continued commitment of the target groups to external assistance and development cooperation, and to raise the Commission's profile as a centre of excellence in this field.

Activities will cover:

- Organisation of the EDDs and other events such as the Natali Prize
- Improvements of the website
- Communication activities and tools focusing on multipliers and stakeholders
- Journalist related activities
- Future multipliers targeted activities

Specific Objective 3: Manage the financing committees which approve

strategic/programming documents and financing decisions on aid delivery/cooperation, and coordinate relations with the Council and the European Parliament to ensure impact on decision making and the legislative process.		
Result Indicator(s)	Latest known result	Target (result)
<p>Programming documents and financing decisions approved according to the service planning, written procedures launched when necessary.</p> <p>Feedback provided on institutional meetings relevant to development cooperation.</p> <p>Replies to EP, questions handled efficiently following the internal procedures of 21.09.2011.</p>	<p>Conformity with procedures achieved.</p>	<p>All programming documents and proposed financing decisions approved according to planning and in conformity with the Financial Regulation and the internal rules of procedure.</p>
Main outputs for 2012		
<p>Activities will include: the organisation of all the committee meetings; the launching of programming documents and financing decisions approved in oral proceedings or written procedures, when deemed necessary; feedback on institutional meetings provided in an appropriate and timely manner for action/follow-up; the organisation/coordination of inter service consultations in preparing replies to the EP; follow-up of the discharge on budgetary/EDF execution; reports and briefings.</p>		

Specific Objective 4: Improve the quality and effectiveness of EC external assistance by developing appropriate methodologies and practices throughout the project cycle.
Main outputs for 2012
(Given that results are of a qualitative nature, quantitative indicators are not provided)
Ex-ante methodologies (programming, identification, design)
<ul style="list-style-type: none"> ▫ Define the geographical programming guidelines for the next programming cycle; simplification, concentration and differentiation of aid being key principles. ▫ Review the peer review system of oQSG.
Internal Monitoring:
<ul style="list-style-type: none"> ▫ Review in connection with ROM related reform (see below) the different tools used by delegations for internal monitoring of project and programme implementation and the guidance on "Strengthening Internal Monitoring".
External Monitoring (ROM) and project evaluation
<ul style="list-style-type: none"> ▫ Develop a methodology for a new redesigned Monitoring & Evaluation (M&E) system and the corresponding M&E tools in order to ensure a better coherence between projects evaluations, ROM and internal monitoring. ▫ All variants of the ROM methodology (ROM ongoing, ROM ex-post, ROM Regional and other types of ROM methodology developed through 2011) will be further applied until introduction of redefined monitoring and evaluation system. ▫ Assessment of needs for specific M&E tools for Budget Support and development of relevant tools (based on ROM SPSP experience).
Horizontal actions:
<ul style="list-style-type: none"> ▫ Develop new approaches for reporting on results. ▫ Review and in country testing of guidance for Programme-Project Cycle Management (PPCM) in order to reinforce quality and effectiveness of operations through assuring proper methodological support. ▫ Development of PCM platform as comprehensive IT workspace and database for operational management of all steps of the project cycle.

Specific Objective 5: Prepare the post 2013 financial instruments for external actions through support of their inter-institutional adoption process.
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Result Indicator(s)	Latest known result	Target (result)
Degree of acceptance of Commission proposals for external actions post 2013 by EP and Council	No results known as this process will start early 2012.	Consensus among Institutions on Commission proposals on External actions
Time necessary to reach a consensus on the next Commission proposals for external actions post-2013	Around two years (end 2004 - end 2006). Adoption of Commission proposals on 7 December 2011	24 months.
Main policy outputs for 2012		
<p>Negotiation of the financial instruments post-2013 for external actions with the Parliament and the Council. In this respect, EuropeAid will coordinate for the RELEX Family and will participate in the discussions about the financial instruments post-2013 at the Parliament and the Council.</p>		
<p>Follow-up of the negotiation on the financial strand of the MFF Regulation and the "Inter-Institutional Agreement on cooperation in budgetary matters and on sound financial management". EuropeAid will keep a close eye on the negotiations on the amounts for the Heading 4 financial instruments.</p>		
<p>Communication towards key stakeholders (Member States, European and National Parliaments, Civil Society Organisations, private sector) on the Commission proposals on financial instruments for external actions.</p>		
<p>Note on the above results indicators: the degree of acceptance of Commission proposals and the time necessary to reach a consensus will mainly depend on the pace of adoption of the MFF regulation and the Inter-Institutional Agreement and on the pace of the legislative procedure of the financial instruments in the European Parliament and the Council of the EU.</p>		

ACTIVITY: ADMINISTRATIVE SUPPORT

Administrative support comprises activities and actions linked to the general administration of DG EuropeAid. This activity includes human resource management, training and knowledge management, financial and budget management, information technology and infrastructure management, document management, legal affairs, internal audit, and methodological support for the audits of operations and for internal control.

Human resource management comprises human resource planning, monitoring and reporting as well as career guidance, training and mobility, both for staff working in EuropeAid HQ and in EU delegations.

Specific Objective 1: Establish, perform, monitor and report on the financing of the DG's activities so that sound and regular financial management of development activities is assured.		
Result Indicator(s)	Latest known result	Target (result)
Key budget management indicators of the DG followed (budget execution, D+3, N+1, payment deadlines, etc.)	Indicators followed at monthly intervals – more frequently towards year-end.	Indicators remain within margins of objectives set.
Timely preparation for all activities relating to the 2013 budget preparation and 2012 ABM cycle	N/A – relates to the MP year 2012	All activities to be accomplished within the deadlines set
Main outputs for 2012		
Management of financial files; delivery of reports to management, and to external stakeholders (eg, OECD) with high quality and within deadlines. preparation and defence of calls for contributions to the EDF from MS; More responsive information and reporting systems, and improved accounting systems		

Specific Objective 2: Implement an active human resources policy to attract, deploy, develop and retain highly qualified staff in both Headquarters and EU delegations and provide them with working conditions to support them in the accomplishment of their tasks.		
Result Indicator(s)	Latest known result	Target (result)
Vacancy rate for officials at HQ	3,92%	Vacancy rate EuropeAid below average vacancy rate of the Commission
Consumption of credits for Contractual Agents	Not known at this stage for 2011	Level of annual payment credit around 95% of the total HQ available ceilings for 2012
Efficient management of the rotation exercise for staff in delegations	New indicator, as a new activity for EuropeAid: results to be established.	At least 85 % of rotation posts filled within prescribed time limits.
Satisfaction rate of training/courses offered by EuropeAid	Rate based on the question " <i>overall evaluation of training</i> " asked to all participants: 81% in 2011	Keep the satisfaction rate above 75% in 2012
Main outputs for 2012		
<p>Equal opportunity survey carried out, sensitive function analysis carried out. Implementation of the conclusions of the Workload Assessment exercise in delegations (WLAD). Continued implementation of new administrative and legal framework for the management of staff in delegations. Improved communication with EuropeAid staff in delegations. Training courses provided, new course modules developed. Joint donor network Train4Dev supported. Learning and development framework for 2011 developed. Maintenance, training and users support of document management systems and processes (ARES) Maintenance of central archives. Maintenance of crisis management framework, Business Continuity and ARGUS processes. Document access and personal data protection issues analysis, advice and solutions. Security of information system reliably maintained. Optimal distribution and use of office space, equipment and supplies ensured.</p>		

Specific objective 3 (obligatory objective): Establish the legal and procedural framework, and implement, maintain and report on an effective internal control system so that:
- reasonable assurance can be given that resources assigned are used according to the

principles of sound financial management;
- the control procedures put in place give the necessary guarantees concerning the legality and the regularity of the underlying operations, and;
- the risk of errors or fraud in operations is minimised

Result Indicator(s)	Latest known result	Target (result)
Net residual error rate on payments for 2012	Not known	< 2%
% of (external) audit plan contracted by year end	57% (2010)	≥ 60%
No of outstanding Critical and Very Important IAC/IAS/ECA recommendations more than 6 months over original deadline at year end	7 = 18% of those 38 outstanding at year end (2010)	≤ 15% (of Critical and Very Important IAC/IAS/ECA recommendations ongoing at year end to be more than 6 months over original deadline)
% of total value of the financial follow-up on closed OLAF cases decided in 2012 - which are recovered (inc. offsetting).	56% (€ 5.7 M in 2010)	≥ 60%

Main outputs for 2012

Definition of the accounting and sub-delegation rules, and maintenance of the security of these systems.

Implementation of working arrangements with the EEAS.

Contribution to finalising the review of the Financial Regulation and Implementing Rules. Revise the Practical Guide to contract procedures for external actions, the DEVCO Companion to contractual and financial procedures and associated templates accordingly

Provision of legal advice and assistance, negotiation of framework agreements.

Manage Ombudsman cases - replies to complaints and follow-up of recommendations.

Maintenance of arrangements to ensure segregation of duties and to track and give prior approval to derogations from policies and procedures.

Launch representative ex post audit exercise to measure residual error rate.

Issue revised 'Audit Strategy' document (to be included in new PPCM guide).

Issue new Terms of Reference for verification missions to international organisations (with a view to devolving the contracting of most verification missions to EU Delegations).

Launch review of EuropeAid internal control architecture.

Establish a EuropeAid anti-fraud strategy.

Launch revision of the audit module of CRIS.

Implement new register of exceptions and non-compliance events.

Make proposals to improve the quality of the work of auditors contracted by beneficiaries and of auditors contracted outside the audit framework contract.

Review of systems in line with the coming into force of the new Financial Regulation (e.g. the reformulation of institutional compliance assessments for indirect management).

Initiate an assessment of increasing the DG's assurance in relation to budget support.

Update and follow-up the Control Pyramid Action Plan.

Provide support and training to EuropeAid staff on all the above.

Provide training to EuropeAid staff on all the above.

Specific Objective 4: Define, plan, set-up, maintain and develop high quality Information Technology (IT) infrastructures, tools and services so that (i) the staff is adequately supported in their operation, with the appropriate levels of training and security, and that (ii) the information system is managed in the most rational manner to support DG EuropeAid's activities more effectively.

Result Indicator(s)	Latest known result	Target (result)
Maturity of IT governance	None	Number of problems related to IT Governance that are managed by the IT Steering Committee - None

Alignment with the initial objectives of the <i>Schéma directeur</i>	Around 60% of the initial objectives	Number of projects carried out and approved by the System Owner
Respect of IT and business governance	100%	100% of projects are covered by business and IT governance
Adequate informatics support	On average 71 % of calls are resolved within one week	50% of the calls are closed within one week
Degree of satisfaction of users concerning Helpdesk (Support <i>bureautique</i>)	>80% of users evaluate good, very good or neutral	>80% of users evaluate good, very good or neutral
Degree of satisfaction of users concerning Information Systems Support	≥ 66% of users are satisfied with the service	≥ 66% of users are satisfied with the service
Updated process models for core processes	95% of EuropeAid local systems are supported by a business process model in ARIS (the 5% corresponds to the systems EAMR, Financial Forecast, and CRIS RO, for which process models exist, but need to be updated to reflect the introduction of the latest system)	100% of local information systems are covered by a corporate process registered in ARIS
Main outputs for 2012		
<p><u>Infrastructure:</u> Migration NOAP, preparation of ITIC and move of SC-15</p> <p><u>Deliver Information Systems as planned in the Master Plan based on the following principles:</u> Implementation of the new strategy 2012-2016 adopted by the IT Steering Committee Fill the gap on IT applications supporting the business Redevelop applications in order to better cover the new business needs Reuse common applications or services developed by other DG's in the framework of the new Commission IT Governance.</p>		

Specific Objective 5: Internal audit capability - Help DG EuropeAid accomplish its objectives by bringing a systematic approach to evaluate and improve the effectiveness of risk management, control and governance processes		
Result Indicator(s)	Latest known result	Target (result)
Number of recommendations issued accepted by management.	Unit 01 to provide 2010 figures if possible	At least 80%
Main outputs for 2012		
Audits as defined in the IAC audit plan for 2012		