



Rich breaking promises to poor - OECD

Rich nation governments are failing to honour commitments on increasing aid to developing countries, the Organisation for Economic Cooperation and Development (OECD) has warned.

In its annual Development Cooperation Report, the OECD noted that the volume of aid has only risen 5% per year in recent times, whereas an 11% increase is needed in 2008-2010 if international commitments are to be honoured. Such commitments at UN, EU and G8 level involve increasing aid to \$130 billion aid increase and doubling assistance to Africa.

Data for 2005 published by the OECD's Development Assistance Committee (DAC) says that Sweden, the Netherlands, Luxembourg and Denmark are the only EU countries who reached the UN-agreed target of allocating at least 0.7% of their national incomes to poor countries.

Fifteen EU countries belong to the 23-strong DAC, and most of these do not exceed the committee's average of devoting 0.47% of income to aid. Portugal and Greece are the worst performers, at 0.17% and 0.21% respectively. The OECD said that aid from Germany, the current holder of the EU's rotating presidency, and of fellow G8 member Italy would have to rise by more than half in real terms over the 2005-10 period.

At nearly \$107 billion, aid reached a record level in 2005, yet it is debatable how much of it could be considered genuine development assistance. With some 20% of that total comprised of debt relief to Iraq and Nigeria, the OECD estimates that statistics for 2006 and 2007 will indicate a decline in aid because the volume of debt relief will have decreased.

More aid could be given to low-income countries, the OECD said. Although 75% of the world's poorest live in such countries, only 47% of aid went to them in 2005.

Sources: www.oecd.org; www.ft.com

Avoid aid duplication - Commission

The European Commission is to recommend that EU countries should avoid duplication in their development aid programmes.

A voluntary code of conduct on boosting coordination between the Union's donors is likely to be approved by the EU executive on Wednesday (28 February). It will advocate that EU governments should have a greater sharing of their analyses and better cooperation in deciding priorities in the programming of aid.

The Commission paper follows concerns that many developing countries are overburdened by requirements that they report to a plethora of donors. Tanzania, for example, had more than 600 health-related programmes of less than €1 million during 2006, according to the newspaper European Voice.

ActionAid has called for an international body on coordinating aid to be established. Joanna Maycock from the organisation's Brussels office said that scrutiny on the effectiveness of aid is scarce and "we are unable to force donors to live up to their commitments".

Source: www.europeanvoice.com

Budget aid must reach poor

How do you ensure that EU aid to developing countries isn't spent on the military? This will be one of the key questions addressed at a meeting this week (28 February) of Alliance 2015, which monitors the EU's compliance with the UN's Millennium Development Goals.

As the European Commission has committed to providing up to half of its aid directly to the general budgets of recipient countries, it is vital that such expenditure be monitored to check if it is reducing poverty.

However, the Commission lacks tools for such monitoring at the moment. While it has disputed claims by non-governmental organisations that only 1% of the development aid it administered in 2004 went on basic education, the Commission has failed to show how its use of general budget support has helped bring any major increase in the number of children at school. By definition, aid through general budget support is not earmarked for particular sectors, making it extremely difficult to check how it is actually used.

This Wednesday's meeting will bring together EU and national government officials, as well as representatives of aid agencies. Alliance 2015's six members are People in Need (Czech Republic), Cesvi (Italy), Concern (Ireland), Deutsche Welthungerhilfe (Germany), HIVOS (the Netherlands) and IBIS (Denmark).

Further information: Europe External Policy Advisors, phone: +32-2-2300732, www.eepa.be

Trade talks need poverty focus, says Parliament

EU officials have failed to make the fight against poverty "sufficiently central" to the trade negotiations they are conducting with African, Caribbean and Pacific (ACP) countries, according to a new European Parliament report.

Drafted by British Conservative MEP Robert Sturdy, the report says that "communication problems" may be the reason why the relationship between the EU and the ACP bloc appears "like a dysfunctional marriage". His paper on the Economic Partnership Agreements (EPAs) slated for completion by the end of 2007 will be discussed by the Parliament's international trade committee this week (27-28 February).

"The EU already spends a great deal on development assistance in the ACP and the amounts are increasing but the Commission's development-friendly rhetoric on EPAs has not been believed," says Sturdy. "The impression remains that the EU is forcing through free trade agreements which will harm ACP countries by saying one thing in public and demanding another in private."

Sturdy warns against using traditional tactics in trade talks such as applying pressure in the final stages of the negotiations to ensure that the deadline is met. Benefits need to be clear, he says, before any accords are signed "to dispel fears that ACP countries are being outmanoeuvred in exchange for a big cheque" from funds already allocated to them.

He advocates the foundation of a parliamentary oversight committee on EPAs, with representatives from both Europe and the ACP bloc. He also urges that ACP exports to the EU should not be harmed if the deadline is missed.

Source: www.europarl.europa.eu

Horn of Africa envoy considered

The European Parliament's development committee is to consider calling for an EU envoy to the horn of Africa region.

A draft report for the committee by Polish centre-right deputy Filip Kaczmarek argues that the Union's presence in north-eastern Africa should be consolidated. A single EU representative responsible for relations with all of the region's governments would

avoid a duplication of the Union's activities and create a single interlocutor for the countries concerned.

Kaczmarek is supportive of a European Commission proposal that the EU set up a 'regional political partnership' with the Horn of Africa. Conflict prevention would be its primary aim.

Yet he says that the EU needs to use "all the available methods" to halt violence in Darfur. These include applying sanctions against all parties that breach ceasefires or attack civilians, peacekeepers or aid workers.

He also notes that the Commission has not addressed a request for independence by Somaliland, "one of the most difficult issues for international law". And he argues that the UN's Millennium Development Goals "must be embedded" into any effective strategy for the region.

Source: www.europarl.europa.eu

See also our websites:

www.ct-europe.eu

www.acp-programming.eu

www.la-programming.eu

www.asia-programming.eu

www.enp-programming.eu

Eurostep, 115 Rue Stévin, 1000 Brussels, Belgium

Tel: +32 2 231 16 59 - Fax: +32 2 230 37 80

E-mail: admin@eurostep.org

Web: www.eurostep.org

To receive this weekly newsletter, please send an e-mail to: admin@eurostep.org.