

HEADING 4: Global Europe

Development Cooperation Instrument (DCI)

Lead DG: DEVCO

Associated DGs: EAC

I. Overview

What the programme is about?

In the field of development cooperation, the EU's primary objective is the reduction and, in the long term, the eradication of poverty. In line with the new European Consensus on Development ⁽¹⁾, which implements the 2030 Agenda of Sustainable Development ⁽²⁾ in relation to development policy, the DCI also contributes to the achievement of a range of objectives of EU external action, in particular fostering sustainable economic, social and environmental development as well as promoting democracy, the rule of law, good governance and respect for human rights, preserving peace and preventing conflict, improving the quality of the environment and the sustainable management of global natural resources, assisting populations, countries and regions confronting natural or man-made disasters, and promoting an international system based on stronger multilateral cooperation and good global governance. Through the DCI, the EU also aims to ensure that both positive and negative impacts of migration on development are recognised in national and regional development strategies. It also provides assistance to countries wishing to strengthen migration governance in order to achieve development outcomes.

The DCI covers all the developing countries except the countries eligible for the Pre-Accession Instrument. It is made of three components: (1) the geographic programmes that, so far, have funded bilateral cooperation with 29 countries and 3 regions; (2) the thematic programmes which finance (2.1) Global Public Goods and support (2.2) Civil Society Organisations and Local Authorities; (3) the Pan-African programme which funds the implementation of the joint Africa-EU Strategy.

EU added value of the programme

The EU is in a unique position to deliver on external action on behalf of and with Member States, giving enhanced credibility in the countries where it works. The EU alone has the critical mass to respond to global challenges, such as poverty reduction and climate change. Due to its large scale and the existing network of international agreements, it can deliver help to the poor in some of the world's most remote areas, both implementing aid and coordinating.

In its role as a promoter of inclusiveness and multilateralism, the EU can do more than other international organisation. Acting as one, the EU can have greater impact and more leverage in policy dialogue and donor cooperation

Implementation mode

Directorate-General for International Cooperation and Development (DG DEVCO) is the lead DG for the programme implementation. The programme is implemented through direct (mainly grants) and indirect management through international organisations, Member State agencies and beneficiary countries.

1. Geographic programmes:

Latin America:

The funds are implemented through direct and indirect management. Grants and services are the most used type of assistance while all indirect management is done via PAGODA with a large variety of partners in the region as well as EU Member States and the EIB. A relevant part of direct management is done via Budget support modality.

Asia:

Budget Support remains the preferred modality. In this framework, we collaborate with a large variety of partners such as the World Bank, International Monetary Fund and other International Organisations, Member States, etc. Since the mid-term review of the DCI in 2018, there is a strong increase in funds foreseen for investments allocated to regional programmes (and temporarily earmarked to have country allocations), with strong partners such as the European Investment Bank (EIB), Member State agencies (Agence Française de Développement (AFD), Kreditanstalt für Wiederaufbau (KfW)), and Asian Development Bank (ABD).

South Africa:

Most of the cooperation with South Africa uses the direct management mode. This is because 43 % of the allocation for 2014-2020, committed so far, uses budget support as aid delivery method. The rest of the allocation uses the project approach (procurement of services, grants and programme estimates) as aid delivery method, through a combination of direct and indirect management. In cases where country systems are not used, the South African Government is closely involved in the actions, which are aligned with the country's National Development Plan.

⁽¹⁾ 'The new European Consensus on Development: Our World, Our Dignity, Our Future'. Joint statement by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the Commission (OJEU C 210/1, 30.6.2017).

⁽²⁾ United Nations General Assembly, 'Transforming our world: the 2030 Agenda for Sustainable Development' (A/69/L.85).

2. Thematic programmes

2.1 Global Public Goods and Challenges (GPGC)

The GPGC programme uses a wide range of implementation modalities, mostly direct and indirect management. Budget support, and public procurement are used by some components of the programme (e.g. Environment), while contributions to EU Trust Funds are occasionally made (e.g. for the Migration component, see section 6.2). Blending is used in some cases (e.g. food security).

Environment and Climate change:

While financial instruments and budgetary guarantees are not directly financed under this programme, it will contribute to promote sustainable investments under financial instruments and guarantees through technical assistance, enabling business environment as well as environmental and climate change mainstreaming. The main implementing partners are international organisations (including United Nations), Member States agencies and civil society organisations.

Sustainable Energy:

Sustainable energy actions have been mainly implemented under the blending framework. For specific actions linked to gender and support to the level of cities, grants under direct and indirect management have been used.

Human Development:

This part of the programme is mostly implemented via a mix of grants and indirect management.

Food security, nutrition and agriculture

The Food and Nutrition Security and Sustainable Agriculture action area is implemented through the project approach: direct and indirect management and in some cases with co-financing and via blending.

Migration and asylum

The migration and asylum programme is mainly implemented in direct or indirect management mode. A part of the programme has also been implemented via contributions to EU Trust Funds (see section 6.2 below). Implementing partners consist of specialised United Nations or other International Organisations with a particular mandate or added value in the area of migration or forced displacement. EU Member States are also important implementing partners for the programme.

2.2. Civil Society Organisations and Local authorities (CSO-LA)

This component is mostly implemented in direct management via calls for proposals. The Civil Society Organisations and Local Authorities programme (CSO-LA) has an objective of strengthen civil society organisations (CSO) and local authorities (LA) in partner countries and, when their actions relate to Development Education and Awareness Raising (DEAR) of European citizens.. The CSO component is implemented through grant contracts with civil society organisations on direct management by the Commission and some procurement service contracts to facilitate the full implementation of the programme. The LA and DEAR components are also implemented through grant contracts, with the following implementing partners, respectively for LA: Local Authorities, Associations of Local Authorities, consortium of Local Authorities, Association of Local Authorities, City Networks; for DEAR: civil society organisations and local authorities mostly in EU Member States for DEAR.

3. Pan-African programme:

The Panafrican Programme is mostly implemented by the African Union Commission or specialised International Organisation in fields where they provide an added value or have a recognised international mandate. In fields like higher education, statistics or aviation, where the main objective is to share with the African partners our European expertise technologies and know-how, the cross-delegation to line DGs or their implementing agencies is the favoured modality.

II. Programme Implementation Update

Implementation Status (2017-2019)

The DCI appropriations 2014-2019 were fully used and implemented as planned, through a comprehensive programming process. The result of the process has been a set of programming documents that define per bilateral/regional/thematic programme: the priority areas for financing, the specific objectives, expected results, indicators and indicative allocations. There is no need for corrective action at this stage. Annual programmes can be consulted at: http://ec.europa.eu/europeaid/funding/funding-instruments-programming/annual-action-programmes_en

Latin America

In Latin America, programme implementation and formulation largely went as planned. The total available amount of DCI credits were committed in key sectors such as water and climate change; private sector and investment; economic development; education; security, rule of law and governance. Budget support remains an important instrument for implementation in Latin America, and accounted for roughly a third of the total amount committed. Working directly with country systems, it proves to be a strong tool in

reinforcing policy dialogue on key reforms and improving public financial management systems, domestic revenue mobilisation efforts, transparency and accountability. The importance of investments continues to grow and the DCI contribution to investment and blending under the Latin America Investment Facility (LAIF) continued.

In Asia and Middle East/Gulf:

Globally, programming is on track, with only 11 % of the post-mid term review (MTR) allocation still to be programmed for 2020.

Budget support remains the preferred aid modality, working directly with country systems, reinforcing policy dialogue on key reforms and improving public financial management systems, domestic revenue mobilisation efforts, transparency and accountability. A variety of sectors is targeted, such as governance, social protection, energy, agriculture, etc., the main sector being education, employment and vocational training. Budget support operations exceeded 35 % of total financial commitments for the Asia region in 2019 DCI budget (including regional programmes). The number of countries benefitting from budget support has steadily increased from 2014 until today.

Investments gained momentum over the last three years. The EU contribution to investment and blending under the investment facilities for Asia totalled EUR 300 million in the period 2017-2019, compared to EUR 193.26 million for the period 2014-2016. In addition, there is a solid pipeline of projects that far exceeds the allocations for blending investments under the current MFF.

South Africa

The South African component of the DCI is being implemented as planned. In 2016 and 2017, the executed budget financed actions were for an amount of EUR 119.6 million. In 2018, there was a financing decision for two programmes: (a) EUR 10 million to finance the support programme to the wine and spirit sector; and (b) EUR 10 million to finance the gender equality and women empowerment programme. In 2019, there was a financing decision for two programmes (a) EUR 10 million to finance the SADC-EU EPA support programme; and (b) EUR 12.3 million Accountability programme. There was also a substantial addendum (EUR 5 million) for the support programme to the wine and spirit sector.

Thematic Programmes:

Global Public Goods and Challenges (GPGC)

Environment and Climate change:

The formulation and implementation of the GPGC programmes on environment and climate change is on track and in line with the Multi-annual Indicative Programmes. The implementation of the Annual Action Programmes of the period concerned included a focus on: (i) enhancing climate cooperation through the Global Climate Change Alliance; (ii) promoting climate change adaptation and disaster risk reduction; (iii) supporting climate change mitigation and the implementation of Nationally Determined Contributions (NDCs) established under the Paris Agreement; (iv) mainstreaming environment and climate change; (v) improving forest governance and tackling deforestation; (vi) combatting wildlife and forest crime; (vii) promoting sustainable water resources management; (viii) promoting the conservation and sustainable use of biodiversity; (ix) reversing land degradation, restoring land and promoting integrated landscape approaches; (x) supporting the transition to low-carbon green and circular economy and action to tackle pollution; and, (xi) improving international environmental and climate change governance.

Sustainable Energy: During the period 2017-2019, formulation and implementation of the actions under the Sustainable Energy budget line of the GPGC were in line with the planning of the programme and conducted without any significant delays, except for one of the three projects under the Women and Sustainable Energy Initiative (see 'Key achievement' section), with a focus on improving sustainable energy regulatory framework and unlocking, leveraging and accelerating investments, as well as building strategic alliances to achieve sustainable energy goals.

Human Development: The implementation of the Human Development component of the GPGC programme took place over the period 2016-2018 according to planning and without particular problems or delays. The available credits were committed across all areas of intervention covered by the Human Development budget line of the programme, such as health, education, culture, gender and child welfare, social inclusion, decent work, vocational education and training, sustainable growth and jobs, as well as domestic resources mobilisation. The project portfolio is a mix of contributions to key global initiatives such as the Spotlight Initiative (EUR 90 million) to end violence against women and girls; the Global Fund to fight AIDS, Tuberculosis and Malaria, and standalone projects such as the EUR 21 million Building Resilience in Crises through Education project (BRiCE) or the EUR 50 million Spotlight Initiative in Latin America: ending violence against women and girls.

Food security, nutrition and agriculture: The analysis of commitments in the area of nutrition showed that a total of EUR 3.5 billion will be reached by 2020. Between 2014 and 2018, the EC committed to nutrition a total of EUR 3 billion, equivalent to 87 % of the target. The 2018 Annual Action Programme was finalized with full commitment of EUR 217 million and no major problems encountered. The programme DeSIRA on innovation through research reached a portfolio of around EUR 230 million for the period 2017-2019, covering *inter alia* agro-ecological intensification and agroforestry, livestock, pest and disease surveillance, knowledge and innovation systems in more than 30 countries in Africa (Sahel in particular), Latin America and Asia. The Pro Action Resilience (ProACT) initiative ensured continuity in the field of resilience to the food crisis throughout the period 2017-2019 with over EUR 210 million. Agri Value chain programmes remained central to strengthen sustainable development and to analyze the sustainability of value chains.

Migration and asylum: The initial budget allocated for the migration and asylum component for the period 2014-2020 was

considerably increased, notably with an additional EUR 12 million in 2016, an additional EUR 357 million in 2017, as well as EUR 11.5 in 2018 and an additional EUR 1.9 million in 2019, with a view to address the increased challenges linked to migration and forced displacement in our partner countries. The programme has been implemented according to plans, including the above-mentioned unforeseen allocations. In coherence with and complementing the increased geographical funding for migration, the programme has contributed to implement the external dimension of the EU's policy priorities in the area of migration and forced displacement, within, the framework of the European Agenda on Migration and the Partnership Framework, and fully in line with the SDG Agenda and the Consensus on Development. During the period 2016-2019 the programme has contributed to these objectives through transfers to the EU Emergency Trust Fund for Africa and the EU Regional Trust Fund in response to the Syrian crisis, in addition to a number of global and cross-regional programmes.

Civil Society Organisations and Local authorities (CSO-LA): In 2019, the **CSO budget line** amounted to EUR 230.9 million, including an increase of EUR 11.3 million, adopted through a new Commission implementing decision. At country level, EUR 172 million were allocated to more than 80 countries. The 2018 funds were fully committed at country and global level and the 2019 payments under the CSO budget line reached EUR 193.3 million. At global level, additional consultations were necessary before the launch of the calls for proposals for the Foundations and Inequalities and Prevention Counter Violent Extremism, therefore slightly shifting the planning. However, the funds for these calls remain available and will be fully committed in 2020.

In 2019, a call for proposals amounting to EUR 77 million under the Development Education and Awareness Raising Programme was finalised. Five grants were awarded to civil society organisations and local authorities selected in the call, for EUR 31 million. In addition, one direct grant for EUR 1 million was awarded.

Under the 2018 Annual Action Plan (61.8 million), the Call for Proposals on Partnerships for Sustainable Cities was launched in October 2018 and contracted in its entirety in December 2019. The Multiannual Action Programme adopted in November 2019 focuses on two aspects: strengthening local authorities as actors of governance with action and operation grants and, in the area of Local Authorities, Partnerships for Sustainable Cities initiative, that will be launched in February 2020.

PANAF

Within the Pan-African programme (PanAf), the DCI Budget finances programmes contributing to the strategic areas of the Multi-Annual Indicative Programmes 2014-2017 and 2018-2020, in line with the Joint Africa-EU Strategy (JAES). Over 2018-2019, actions put a particular focus on Higher Education, Economic Integration, Migration, Digitalisation, Statistics, Infrastructures, Governance.

The 2019 Annual Indicative Programme (AAP) has focused on: (i) the development of inter-regional infrastructure in the frame of the European Investment Plan; (ii) the support to African Governance Architecture; (iii) the reinforcement of the African Statistics systems; (iv) the fighting to illegal financial flows.

The 2020 Annual Indicative Programme (AAP) will focus on: (i) the support to the negotiations, ratification and implementation of the African Continental Free Trade Area (AfCFTA), (ii) the support to the operationalisation of the Digital Economy Task Force Partnership; (iii) the support to the operationalisation of the Single African Air Transport Market; (iv) a Science and Technology partnership on sustainable use of natural resources and climate change.

Key achievements

In 2019 EU bilateral aid under the DCI is more focused on countries that need it the most, such as Least Developed Countries and Lower Income Countries, while the share of Upper and Middle Income Countries has been significantly reduced. Similarly, at country level EU aid is more focused with three or less sectors of concentration in each partner country. Among the sectors of concentration, DCI support is strongly focused on Inclusive and Sustainable Growth for Human Development, which is also a priority area of the Agenda for Change.

1. Geographic programmes:

Latin America:

In 2019, projects and programmes have achieved important results in **Latin America** in key sectors such as water and climate change; private sector and investment; economic development; security, rule of law and governance.

A number of key achievements and examples of success stories:

In 2019, the **EU Trust Fund for Colombia** continued to support the implementation of the peace agreement between the Colombian Government and the FARC. It translates the EU's political support to the Peace Agreement, in particular on the elements related to rural reform, and the social and economic reincorporation of former FARC combatants. The Trust Fund has become the most visible tool of EU cooperation in Colombia. It has allowed the necessary flexibility to adapt to changing circumstances, and enabled an effective response to evolving political priorities. Through its 21 ongoing projects, focused in territories highly affected by the internal armed conflict, the EUTF articulates ethnic, territorial and rural components, which are considered drivers for peace-building and territorial transformation. In 2019, it contributed in particular to the strengthening of national and local institutions, of local actor's capacities, and to the promotion of sustainable agricultural practices.

The **Honduras** climate change programme supported the Government in pursuing its ambitious climate agenda and to cope with the adverse effects of climate change. DEVCO's support also allowed the collaboration between Honduras and Costa Rica on the

development of a 30-year decarbonisation plan and the set-up of a climate dialogue platform (Mesa País) gathering all relevant institutions. DEVCO has added value in this area by providing support using a multitude of financial instruments, tools and technical expertise, enabling a comprehensive approach adapted to the different challenges and accompanying the Government's efforts in an integrated way.

The socio-political crisis is still affecting **Nicaragua**. In spite of the constraints this entails, projects had an impact on the ground, supporting the most vulnerable among the population. The EU adapted its portfolio of projects to the changed operating context, and renewed its focus on defending human rights, shoring up support to victims, and helping to mitigate the economic impact of the crisis. Most notably, the EU began operational implementation of its latest bilateral programme 'BOOST' to deliver timely support to at-risk agricultural producers.

With regard to **regional cooperation**, successful initiatives in strategic sectors were launched and further developed in 2019. With regard to the **security-development nexus**, two actions were signed under the **EUROFRONT** programme to foster intra-Latin American cooperation in the area of integrated border management with the selection of 4 land crossing posts involving 7 countries as well as to support the fight against human and migrants trafficking. EUROFRONT received a strong support from EU MS (especially ES, IT, PT) and will start implementation in 2020.

EL PacCTO represents a concrete EU response to support dialogue on Citizen Security within the region and with the EU Member States, in line with Chapter 10 of the EU-CELAC Action Plan. It is achieving important results including the creation of important EU-LA police and penitentiary cooperation networks. Major achievements in 2019 have also been the start of the Bi-National Border Police Centre between Panama and Costa Rica, and the regional conference on alternative measures to imprisonment.

The second phase of the regional programme on drugs policies – **COPOLAD II** – continued its implementation. This programme is in line with the European Union Strategy on Drugs 2013 – 2020. The programme continued to show good results in 2019 in the area of reduction of drug demand and creation of National Observatories. The third phase of the regional anti-drugs programme – **COPOLAD III** – was approved in December 2019.

EUROCLIMA+ is DEVCO's flagship programme on environmental sustainability and climate change with Latin America. It is contributing in particular to achieving progress in reaching the Specific Objective 7. It continued to assist Latin American Governments with the integration of climate change mitigation and adaptation into a national policy framework, with a view of supporting sustainable economic growth and social development alongside environmental and climate protection. Next to country dialogues, technical assistance for policy development and implementation, some 60 projects in six different sectors (jointly identified) were either launched or selected during 2019. EUROCLIMA+ provided financial and logistical support to Chile's COP25 presidency. It contributed to strengthening the bi-regional climate partnership, and generated political and popular momentum in Europe, Latin America and beyond, to increase climate ambition in line with the objectives of the European Green Deal.

Other regional initiatives include **Eurosocial** supporting social cohesion and public policies and **AL-Invest 5.0** promoting inclusive growth and local SMEs through professional organisations and networks.

The Latin **American Investment Facility (LAIF)** has committed over EUR 444 million since its launch in 2010. Traditionally focused on capital-intensive sectors such as energy, transport and water and sanitation, the projects financed are evolving into more sophisticated products with a strong focus on climate change action and support to SMEs. Projects target a variety of sectors that have a strong impact on both poverty reduction and environmental sustainability, and LAIF is becoming become a lab for new approaches in the region. The contributions are expected to leverage investments amounting to EUR 11.8 billion.

As an example, LAIF enabled a contribution to a **Green Bond Investment Fund** to promote investments at the regional level, with a strong focus on renewable energy and energy efficiency. The contribution in the form of bonds in green sectors is in line with recommendations from the Blending evaluation exercise to expand from traditional technical assistance and investment grants, into risk sharing mechanisms. Other examples of LAIF enabled interventions are the off-grid access to energy project in Panama, the Eco business Fund which supports green agriculture, biodiversity and ecotourism, support to the first Concentrated Solar Power Plant in Latin America in Chile, to the Geothermal Development facility in Central America. Almost every project approved has now a climate change component and our focus is to expand our work in forestry and adaptation to climate change.

Asia and Middle East/Gulf:

In 2019 development cooperation in Asia continued to have a strong focus on **least developed and fragile countries**.

Particular emphasis continued to be given to good governance and sustainable sector reforms. Enhanced focus was given to job creation and sustainable growth, inclusive growth via promotion of investments. The development of the Private Sector was key, as it has a major role to play for sustainable economic development and growth.

Budget support remained an important aid modality in the region. Reflecting this, the Commission decided upon 11 new programmes in 2019 and another three are planned for 2020. Besides these, several budget support programmes continued their implementation in 2019 and particular attention was given to the follow-up of major strategic programmes in Afghanistan (State Building and Resilience Contracts), Vietnam (sector reform performance contract in energy) and education/TVET in Bangladesh.

When it comes to **investments**, we managed to use the allocated funds to projects facilitating investments in line with our policy

objectives. The majority of activities were implemented under blending facilities and more specifically under the Investment Facility for Central Asia (IFCA) and Asia Investment Facility (AIF). In blending operations EU grants are used strategically to mobilize financing from partner financial institutions and the private sector with the objective to enhance the development impact of investment projects and/or to promote investments that without the grant contribution would be difficult to fund due to market failure.

IFCA contributes to achieving the objectives of the new Central Asia Strategy: Investments can contribute directly and indirectly to better regulatory frameworks, resilience, prosperity, market creation and expansion (in particular for renewable energy), sustainable connectivity, improved water management, enhanced regional integration, and job creation. The specific objectives for investments as well as result indicators will be defined at individual project level and approved under the DCI Blending Framework.

In 2019, a new EU **Strategy on Central Asia** was adopted (the last strategy dated from 2007). Fast changing regional dynamics created more demand and new opportunities for EU engagement, such as domestic reforms in Uzbekistan and Kyrgyzstan, new momentum in regional cooperation (e.g. closer cooperation on water management), development of connectivity initiatives, and more active interest from Central Asian states for Afghanistan.

Under the RIP 2014-2020, EUR 150 million has been allocated to IFCA, with a focus on green growth and SME development. Under the MTR, bilateral investment allocations earmarked for Kyrgyzstan (EUR 10 million), Tajikistan (EUR 20 million) and Uzbekistan (EUR 15 million) have been moved to the regional envelope in line with the SDGs. These funds have been allocated to projects that boost sustainable investments in these countries. In 2019, projects financed by the facility in the sustainable energy as well as in the water and sanitation sector were contracted.

The AIF, contributes to the achievement of objectives related to SME financing and development, energy, climate change, environment and natural resources management, including water management, disaster preparedness, forest restoration and risk reduction. It has benefitted from DCI allocations of EUR 343.63 million by the end of 2019, funding 39 blending projects. EU contributions have been committed for projects benefitting Cambodia, Uzbekistan, Indonesia and China notably to boost investments in green policy and loans.

Following the adoption in September 2018 of the Joint Communication on Connecting Europe and Asia – building blocks for an EU Strategy, the Commission further strengthened its partnerships in the region and focused even more on providing technical assistance, improving regulatory environments and creating incentives to drive forward and scale-up much needed investments. Major progress has also been made in engaging with China (through meetings), and the groundwork has been laid to resume the EU-India development strategy.

Climate change and sustainable environment also remained high on the agenda.

In **Pakistan**, since the start of the ‘Programme for Economic Advancement and Community Empowerment’ (PEACE) the project has completed 165 micro-hydro power plant units in off-grid areas producing 21.2 MW of electricity for lighting 90,000 households and 10,000 commercial enterprises and public services, such as schools, hospitals and health units. Currently, 150 small micro-hydro power plants (25-100 KW) are maintained by community organizations with limited technical support: a further extension of the project is being prepared to ensure their sustainability and the long-term economic benefits resulting from these hydro power plants. In addition, a financing decision was adopted in 2019 to strengthen the sound governance of water resources in drought-affected southern Pakistan by introducing alternative, low-water use farming systems.

In **Bhutan**, EU support contributes to the ongoing local government reforms and the policies for agriculture and rural development. This will aim at reducing poverty and inequality, development of sustainable rural livelihoods resilient to climate change impacts and promoting carbon neutral development. Performance-based grants are being rolled out to 30 local authorities providing funds for the construction of farm roads, water supply and irrigation schemes, religious sites, schools and health facilities, electrification, fencing/gates, walls and drainage. This will help increase the land area under organic and natural production, the quantity of climate change resilient seeds of cereals and vegetables supplied to farmers, and improved dairy cattle breeding. Significant progress was made in rural infrastructure, with some 13 000 acres of land brought under farm mechanisation, over 5 000 km of farm roads built and 2 600 km of irrigation channels constructed, as well as 34 irrigation storage tanks installed. The programme has also contributed to the creation of an additional 35 000 jobs in the agriculture and cottage industry under the 11th Five Year Plan. The additional funding of EUR 7.3 million decided in 2019 will support drinking water infrastructure, treatment plants and water supply schemes.

In line with the requirement of the Gender Action Plan II, **gender mainstreaming** was further pursued in new programmes with the aim of reaching the target of 85 % of all new programmes being gender sensitive by 2020.

As regards **migration** in 2019, the EU continued its engagement on migration and displacement with Iraq, Iran, Afghanistan, Pakistan and Bangladesh, implementing its commitments made since 2016 which now reach a total of more than EUR 300 million towards supporting Afghan refugees in Iran and Pakistan, Afghan IDPs, returnees and host communities in Afghanistan, as well as returnees/IDPs and host communities in Iraq, Pakistan and Bangladesh. An additional EUR 10 million were added to this engagement to allow for EU support to the highly vulnerable Afghans returning from Turkey in increasing numbers. Through this assistance, the EU particularly aims at addressing the regional dimension of Afghan displacement, which was clearly reflected in the EU’s clear statement of support to the launching of a Support Platform for the Solution Strategy for Afghan Refugees (SSAR) at the Global Refugee Forum in Geneva in December 2019.

In the framework of the EU-Afghanistan Joint Way Forward on migration, we have so far assisted 1,936 returnees returning from EU MS and more than 26,000 returnees from Turkey with post-arrival assistance. As regards sustainable integration of migrants and refugees and reintegration of returnees, in 2019, support in accessing the national health insurance scheme has been provided to 90,000 vulnerable Afghan refugees in Iran and schools have been constructed in areas with high numbers of refugees, allowing an additional 11,300 children, Afghans and Iranians alike, to access school. In Pakistan, the refurbishment or construction of education facilities benefits 4,600 students, vocational training opportunities has benefitted more than 300 beneficiaries, and legal assistance has been provided to 38,000 Afghan nationals. Also, EU contribution helped reach 6 million children through different vaccination and information campaigns targeting mobile populations (Unicef/WHO Children on the move project – EUR 33.9 million covering Afghanistan and Afghan refugees in Iran),

The Commission also continued its response to the forced displacement of Rohingya from Myanmar. Following the influx of more than 700,000 Rohingya into Bangladesh's southern district of Cox's Bazar in 2017, DEVCO mobilised substantial funding to address the needs of Rohingya refugees and their host communities. The EU development response focuses on improving access to effective basic services such as education and child protection, food and nutrition security, and water, sanitation and hygiene (WASH). In 2019, 24 Learning Centres accommodating 1920 children, of which 51 % are girls, have been constructed. Forty-eight teachers from the Rohingya and host-community have been trained in the camps. The engagement of local, host community Bangladeshi teachers aims at promoting peaceful coexistence between the two communities, while the engagement of community members in the learning centre activities is ensuring ownership and sustainability. Furthermore, two Multi-Purpose Adolescent and Child Centres are now operational with EU support, and a third such centre is under construction. These centres offer a range of services including Early Childhood Development classes and give a chance to 160 adolescent girls and boys to learn new skills such as tailoring, handicrafts and computer and mobile phone servicing, thus opening up greater opportunities for their future. EU support also offers a safe, protective and enabling environment for adolescents through 39 adolescents clubs with now 2101 members in the host community and 26 clubs with 543 members in the camps, engaging them in topics such as child rights, self-esteem, decision-making, child marriage, sexual and reproductive health, risks of trafficking, gender-based violence.

South Africa:

From the outset, the objective of the EU assistance was the improvement of the living conditions of the previously disadvantaged population groups and the consolidation of the new democratic institutions. EU assistance covered practically all relevant areas and thus contributed to the socioeconomic progress. Although significant, the EU development assistance represents only a small percentage of South Africa's GDP and budget. EU support therefore targets programmes with a high value added (e.g. innovation, risk taking, capacity building, pilots with a high potential for replication), which the national budget does not foresee as they are considered too new or risky, while not yet proven through a pilot. Many results are very encouraging (the 'Dialogue Facility', Cooperation with civil society, etc.), but the full impact will only be reached once they are mainstreamed in government policies and their implementation fully achieved.

The most relevant cooperation programmes on education include the successful Erasmus+ and the Teaching and Learning Development (TLD) Sector Reform Programme.

(1) Erasmus+. This programme is a funding scheme to support activities in the fields of Education, Training, Youth and Sport. Results: More than **1 200 students and staff benefitted** between 2015 and 2018 from International Credit Mobility between Europe and South Africa. Fifty-four students obtained scholarships (Erasmus Mundus Joint Master's Degrees) and SA Institutions are involved in 18 Capacity Building projects, worth more than EUR 17 million.

(2) TLD. The programme aims to enhance the quantity and quality of teachers for all education sub-systems –it comprises Budget Support of EUR 20 million. The programme focuses on developing a teacher education system that can deliver quality professional development projects; and opportunities for educators, primary school teachers, vocational education lecturers and the professional development of university academics.

Results: the programme has helped to establish a South African Journal of Childhood Education, the Centre for Visual Impairment Studies, Centre for Deaf Studies and the Centre for Special Needs Education in Neuro-developmental disorders; develop 16 Technical and Vocational Education Training (TVET) professional qualifications in fourteen universities and 19 Continuing Education and Training (CET) professional qualifications in ten universities; support almost 100 students in their Masters' and Doctoral studies; finance sixteen research projects in post school education and training, including teacher/lecturer education, etc.

In 2018, the EU continued to provide budget support to improve access to socioeconomic rights (EUR 25 million) to the Department of Justice and Constitutional Development. In 2019, budget support was provided to the Teaching and Learning Development Sector Reform Contract (EUR 4 million); the Support Programme to the National System of Innovation (EUR 4 million); and the Education for Employability (EUR 8 million). The EU is also supporting Civil Society Organisations (CSOs) working in the field of socioeconomic rights (seven grants for a total amount of EUR 5 million). In this context, in March 2018, the results of South Africa's largest attitudinal survey on the Constitution was made public, serving as a useful baseline and as a measure of satisfaction regarding the respect of human rights and democracy in the country.

The '**Dialogue Facility**' has continued supporting policy dialogue between the European Union and its Member States and South Africa in different sectors. Nine dialogues, approved in 2017, took place in 2017/2018; and six additional dialogues in multiple sectors were approved in 2018 following the second call for proposals to facilitate EU-SA peer-to-peer exchanges and technical expertise. An addendum to this Dialogue Facility (EUR 2 million) is to be prepared in 2020.

One key area of EU support is cooperation with civil society, which spans over 3 decades, including before the end of the apartheid regime. This cooperation, that undeniably strengthened the SA social tissue as well as the EU's presence in many areas, spans over different sectors of activity. In particular, some programmes have been set in place in 2015-2016 to secure the long-term sustainability of CSOs in the human rights sector.

2. Thematic programmes

2.1 Global Public Goods and Challenges (GPGC):

Actions funded under the Multi-Annual Indicative Programme (MIP) for 2018-2020 continued to support policies that have a high impact on people's well-being and empowerment, especially for those who are in vulnerable and marginalised situations, in the areas of health, education, gender equality, inclusive and sustainable growth and jobs as well as domestic resources mobilisation. More results are provided below.

Environment and Climate change:

Between 2014 and 2018, there was a steady increase of climate change-related financing, which has exceeded the 20 % target for the DCI instrument. More precisely, in 2018, contributions to the Rio-related themes by the DCI reached 28 % (Aid to Environment), 8 % (Biodiversity), 3.4 % (Desertification) and 23 % (Climate Change) respectively.

In its phase I (2014-2018), the DCI funded the project LoCAL (Local Climate Adaptive Facility), which is part of the Global Climate Change Alliance Plus (GCCA+) initiative, was deployed across 14 countries and over 107 local governments representing over 6 million people delivering 637 climate change adaptation interventions. The GPGC has also contributed to the reduction of greenhouse gas emissions through the promotion of Urban Low Emission Development Strategies (Urban LEDS) in cities in emerging economies (Brazil, Colombia, India, Indonesia and South Africa), and Least Developed Countries (Bangladesh, Lao PDR and Rwanda). Through the Nationally Appropriate Mitigation Action Facility, the EU with other donors has accelerated low carbon development financing innovative projects that tackle specific local challenges for cutting emissions in sectors and countries with strong potential for being scaled up, replicated and able to influence wider sectoral changes, and unlocking investment opportunities by providing tailor-made climate finance to fund projects.

The B4Life Flagship contributed to integrating the conservation of biodiversity and ecosystems in development strategies and poverty eradication. The EU budget also mobilised substantial funds for combatting forest and wildlife crime, including to build national capacities of police, justice and customs authorities (through Interpol and the UN Organisation for Drugs and Crime) and to combat poaching and trafficking on the ground through civil society organisations in Africa (Congo Basin, Liberia, Kenya), Latin America (Peru, Ecuador, Bolivia, Colombia, Brazil) and Southeast Asia (Mekong region).

Under the EU Action Plan on Forest Law Enforcement Governance and Trade, the EU continued to provide support to 22 countries to improve forest management and governance. Eight countries were supported in developing and implementing their national strategies to Reduce Emissions from Deforestation and Forest Degradation (REDD+). In July 2019, the EU adopted a Communication to 'Step up action to protect and restore world's forests', which will shape future action in this area.

Continuous EU support to the Great Green Wall initiative contributed to the scaling-up of agroforestry and the restoration of over 160,000 hectares, with more than 100,000 households. In terms of political dialogue, the Sustainability, Stability and Security initiative financed by the EU budget has contributed to awareness raising and to forging a common African position on these topics.

Sustainable energy: The Electrification Financing Initiative EDFI (ElectriFI) is an innovative mechanism to unlock and leverage investments to increase and improve access to affordable, reliable, sustainable and modern energy and promote rational use of energy at a global scale. It has attracted unprecedented interest from private sector, development financiers and global development partners as a key platform gathering efforts and resources in support of the sustainable energy agenda, such as the United States Agency for International Development (USAID) Power Africa. This initiative was launched at COP21 (2015) and since then the ElectriFI operations have been increasing in number and scope, with total action amounting to EUR 120 million, an active portfolio of EUR 50 million and a pipeline of EUR 50 million. This is expected to result in at least 1.5 million direct and indirect connections or the equivalent of 7 million persons, with about 470 MW additional generation capacity and 430 GWh of electricity from renewable sources per year. The ElectriFI portfolio has grown rapidly during 2019: as of end of 2019, ElectriFI portfolio, provides access to electricity to more than 10.7 million people, saving more than 840,000 tonnes of CO₂ emissions equivalent (180,000 cars in traffic for a year). Moreover, 43 % of the capital supports operations in low-income economies, and 22 % of the ElectriFI active investments are in fragile contexts.

Since its inception in 2015, the Covenant of Mayors in Sub-Saharan Africa supported a core group of 13 cities to prepare their Sustainable Energy and Climate Action Plans and to scale up the initiative, including by supporting 13 new Sub-Saharan African cities, as well as to facilitate access to finance for urban energy projects from existing financing initiatives such as the EFSD guarantees under the EIP.

Human Development:

Health: The Commission contributed to the Global Fund against AIDS, Tuberculosis and Malaria (the Global Fund) and to GAVI, the Vaccine Alliance (GAVI). The EU contribution of EUR 475 million to the Global Fund for 2017-2019 was fully disbursed. The Global Fund has saved 32 million lives since 2002. Only in 2018, 18.9 million people were on life-saving HIV treatment; 5.3 million treated for tuberculosis; and, 131 million mosquito nets distributed. Overall, the number of deaths caused by AIDS, TB and

malaria went down by 40 % since 2002 in countries where the Global Fund invests. Out of the EUR 200 million contribution to GAVI for 2016-2020, 80 % have been disbursed. Gavi spends about USD 1.5 billion per year in the 73 poorest countries and helped to immunise 760 million children, preventing more than 13 million future deaths. Today about half of the world's children receive vaccines supported by Gavi. It will also take on a new role in polio eradication.

Support to health systems strengthening has been implemented through the Universal Health Coverage Partnership with the World Health Organisation. The programme has assisted ministries of health in 115 countries to build robust health systems and secure access to equitable health for 2 billion persons.

Education: EU involvement in financing and governance of the Global Partnership for Education (GPE) and the Education cannot Wait (EcW) platform made it possible to make progress in addressing the global learning crisis, in particular regarding vulnerable groups in Low Income Countries (LICs) and children in situations of crises. EU and other donors' contributions to GPE resulted in achieving a large part of the GPE's 28 milestones set for 2018, across key dimensions such as education policy, management, access, quality, equity and learning outcomes. By the end of 2019, EcW succeeded in improving access to quality education for up to 2.3 million children and young people affected by crisis in more than 30 countries, of which nearly half are girls. In addition to first emergency responses, 10 multi-year resilience programmes have been launched to address challenges in protracted crises situations, bridging the humanitarian-development divide.

Gender equality and Women's Empowerment: The third report of implementation of the Gender Action Plan 2016-2020 (adopted in 2015) released in 2019 shows that in numerical terms, 2018 was another year of constant progression towards the GAP II target of ensuring that 85 % of a new programmes include gender equality as a significant or as a principal objective. The pace of progression however is slowing down and further efforts are needed. The EU integrated a gender dimension in all its policies and actions, including in political and policy dialogues. Under the **Spotlight Initiative** which is the EU-UN partnership launched at the end of 2017 to eliminate all forms of violence against women and girls with an overall envelope of EUR 500 million, implementation started in 4 countries in Latin-America as well as at regional level and in 8 countries in Africa. Work continued in the ASEAN region where law and policy instruments were adopted or amended on rights-based and survivor-centred approaches. Front line service providers were trained to handle women's protection/trafficking issues in a coordinated manner and over 1 million persons reached through awareness-raising campaigns to change attitudes and behaviours towards women migrants and trafficking and gender based discrimination of women migrant workers. In Latin America, the implementation is up and running with some significant early results. In Argentina, for example, more than 2,500 young people benefitted from the 'Environ' programme in the Buenos Aires province, which teaches young boys and girls about online sexual abuse and violence. In El Salvador, more than 240 young people are now part of a municipal decision-making body in the City of San Martin. During 2019, country programmes were also finalised for the Caribbean, the Pacific and two Central Asian countries, Kyrgyzstan and Tajikistan.

Promotion of child well-being: Priorities have been to support systems ensuring that access to a legal identity for children is considered as 'child's first right', to fight traditional harmful practices and social norms affecting children, which both contribute to the establishment of national and local systems and strategies aiming at protecting children from all forms of violence. Four projects were launched with UN Agencies to accelerate actions towards ending child marriage, the abandonment of female genital mutilation/cutting (FGM), the provision of a legal identity to children in Africa and Asia as well as to prevent son preference and gender-biased sex selection at birth in selected countries in Asia and the Caucasus. Under the joint programme on FGM phase II, 16 countries out of the 17 targeted have national coordination and action plans in place and 10 have dedicated national budget to combat the practice. Additionally, new partnerships were put in place to address the medicalization of FGM.

Culture: An innovative action to strengthen the link between culture, economic growth and development in key partner countries started to be implemented in 2018, under the 'Investing in Culture and Creativity' programme with Unesco, which shows promising results in relation to cultural tourism and community development along the Silk Roads. This complements another action with the International Trade Center that is helping to provide livelihoods to women working in the textile and fashion sectors in African and Asian countries. Intercultural and interfaith dialogue projects support community dialogues and cultural interventions with and for disadvantaged communities, women, youth and refugees.

Employment, decent work, skills, social protection and social inclusion: Two facilities for peer-to-peer technical assistance were contracted in the areas of social protection, labour and employment (SOCIEUX+) and vocational education and training (VET Toolbox). The Research Facility on Inequalities, which helps understand factors of social and economic inequalities, has progressed in terms of selection and implementation of research work at both global, country and city levels. The programme also continued supporting the social and economic inclusion of marginalised and excluded groups and individuals, in particular people with disabilities through the 'Bridging the Gap' project, as well as indigenous populations.

Growth, jobs and private sector engagement: The 2017-2019 period aimed at achieving improvements in investment climate and public-private dialogue in partner countries, with a focus on conflict minerals and women's economic empowerment in 2017, value chains such as garment in 2018 and in 2019, global knowledge of financial sectors in Africa, trade facilitation, financial inclusion, inclusive business models and investment climate. Actions related to climate change included the promotion of global frameworks to measure and benchmark the impact of private sector investment on sustainable development, capacity building for a responsible mining sector and improved sustainability in value chains.

Food security, nutrition and agriculture: In 2019, all three components of the food security and sustainable agriculture programme continued to strengthen the significant contribution of the EU to improving global food and nutrition security governance and investments in the sector, completing the support provided through geographical programmes in more than 60

developing countries. Delivering on the Commission's commitment on climate relevant research and innovation in agriculture (One Planet Summit, Paris, December 2017), remained a strong focus of the DeSIRA programme. The EU has been supporting land governance actions in about 40 countries with a total budget of almost EUR 240 million. In 2019, the EU supported the Land Matrix Initiative and the International Land Coalition, respectively on data on land investments (land grabbing) and advocacy on land rights, completing a joint action with GiZ to unlock the potential of investments in land for agricultural purpose in three African and Asian countries. Key achievements related to building resilience to food crisis were the operationalisation of the Global Network against food crises and the annual publication of the 'Global Report on food crises. The blending approach accelerated improved access to capital for smallholders.

Migration and asylum: Migration and forced displacement continue to be on top of the EU agenda, which has also been confirmed under the Von der Leyen Commission. In the framework of the European Agenda on Migration adopted in 2015, several policy and operational measures have been launched, including the Valletta Declaration and its Joint Action Plan; a new development-oriented EU approach towards forced displacement; and, the Partnership Framework on migration. At global level, two UN Global Compacts on migrants and refugees were adopted at the end of 2018. Within this overall policy context, a coherent, comprehensive and balanced EU response to migration and forced displacement is pursued, covering both internal and external aspects. Development cooperation to support partner countries in this area is crucial. In October 2019, the European Commission published a progress report⁽³⁾ on what has been achieved so far in delivering on the European Agenda on Migration. It underlines the fact that the EU cooperation provided to partner countries have been crucial in addressing root causes of irregular migration, on improving the management of migration and refugee flows and to make migration more safe and orderly.

In relation to the climate dimension, a targeted action started to support the improvement of the preparedness and response to risks of disaster displacement. This action helps persons at risk of being displaced in developing small island states in the Pacific, so that they would not be displaced at all or be less affected and better assisted and protected when compelled to move.

2.2. Civil Society Organisations and Local authorities (CSO-LA)

Out of 108 roadmaps of the EU engagement with civil society in partner countries, more than 70 % have been subject to a renewal for a period of 2 to 3 years. They represent a significant strategic document, prepared by the EU Delegation in cooperation with Members States and civil society partners. Among the defined priorities of action for civil society, the climate dimension is systematically included.

Under the LA component of the programme, 4 pilots of EU Roadmaps for the Engagement with Local Authorities were developed to support the inclusion of LAs in the bilateral cooperation programmes. Moreover, several facilities and supporting services were set up to support EU Delegations working on decentralisation, local governance and local development through a territorial approach and support the visibility and communication strategy of the partnerships for sustainable cities initiatives.

Under the Development Education and Awareness Raising (DEAR) component, the EU continued implementing the contracts signed in 2018 to promote sustainable development, more specifically in the areas of climate change and migration. Climate change-related actions focused on global citizen education, responsible production and consumption, awareness raising and youth engagement, which is an important component in most activities

3. Pan-African programme:

Since its creation in 2014, PANAF programme has been particularly effective in developing exchanges between higher education and research institutes in Africa, both in terms of mobility of students and staff and better digital interconnection and exchange of information. Since 2014, 21 consortia of African higher education institutions have been selected under the 'Intra-Africa Academic Mobility scheme'. Those consortia involve 65 universities from 25 African countries. Over the course of implementation of their projects, those higher education institutions will support the mobility of around 1200 Master and doctorate students and 200 (academic and administrative) university staff.

Under the **AfricaConnect project**, more than 830 African higher education and research institutions from 11 countries benefitted from improved and more affordable internet connectivity. Thanks to the project, those institutions are also interconnected through their regional networks and are connected with the peers in Europe and in the world, thereby getting access to increased opportunities for collaboration.

The support provided so far to various African governance institutions and organisations has created the basis for the definition of an African Governance Architecture that will constitute the framework for the African Union aspiration and commitment to promoting democratic governance and human rights.

In the area of economic integration, EU support has been instrumental for the successful conclusion of the AfCFTA negotiations in 2018 and has positioned the EU as the main recognized partner of the AU in this ambitious programme. EU supported has ensured the needed capacity and technical expertise in the African Union Commission's dedicated AfCFTA negotiation unit (AUSP III and IV EUR 12.5 Million), consultation with the civil society including private sector, national authorities and Regional Economic Communities across Africa, technical studies and ad hoc analysis of the impact of the AfCFTA on national economies and specific sectors. In 2019 advocacy actions vis-à-vis the AU Member States on ratification of the agreement have been implemented and

⁽³⁾ COM(2019)481, 16.10.2019

AfCFTA national implementation plans have been developed for several countries and regions. Of notable importance also the establishment of the African Trade Observatory to monitor intra-African trade flows.

The EU is also transferring technologies and know-how to African partners. Examples include improving know-how and access to European Earth Observation facilities (Copernicus) and expertise to manage meteorological information, continental water and environmental, marine and coastal resources (GMES and Africa programme) and aviation systems and technologies through EGNOS; strengthening capacity of African Geological Surveys (PanafGEO project) through technical training (e.g. on geological mapping and spatial data, small scale mining, geohazards and geoheritage) and collaboration with EU Geological Surveys.

On migration, PANAF has been supporting the various policy dialogues with Africa. In the framework of the Khartoum process, partners were able to share knowledge and foster dialogue on a regular basis. One of the key results was that participating officials shared good practices, which can be applied in their work thus improving the overall quality and mutual understanding of their respective practices in the field of migration.

In the context of the Rabat process, the Marrakesh Political Declaration and Action Plan) covers all migration related aspects thereby reflecting the Euro-African balance which lies at the heart of the dialogue. Particularly noteworthy, was the increased participation of non-state actors – civil society organisations, academia and international organisations – in the dialogue. This contributes to both enriching the exchanges (enabling partners to benefit from voices on the ground and lessons learnt of those working directly with migrants) and creating a pool of qualified experts on matters related to the Marrakesh Action Plan.

Evaluation/studies conducted

The Common Implementing Regulation (in Article 17) requires a mid-term review report of the EU's external financing instruments ('the instruments') to assess whether these instruments remain fit for purpose, with a view to ensuring the effective implementation of the EU's assistance. The mid-term review COM(2017) 720 final and the related staff working documents were published on 15 December 2017, concluding that the current set of instruments is still relevant and has proved to be sufficiently enabling.

A series of external evaluations took place in 2016-2017 on all the instruments.

The DCI mid-term review report SWD (2017) 600 final ⁽⁴⁾ was presented by the Commission on 15 December 2017. The final report of the External Evaluation of the DCI for 2014-mid 2017 was published in June 2017.

At the mid-term of its implementation, the DCI 2014-2020 has overall shown itself to be fit purpose and is largely on track to deliver on its objectives and commitments.

As requested by the EU Regulation No 236/2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action, in its Art. 17, a final evaluation report on the period from 2014 to 2020 shall be established by the Commission within the interim review of the successor instruments in the next financial period. This evaluation is currently expected to be launched in 2023.

Forthcoming implementation

1. Geographic programmes:

Latin America:

In 2020/21, the DCI will continue to contribute to projects and programmes covering the Latin America region on bilateral and/or regional basis. Annual Action Programmes (AAPs) will be formulated and committed pertaining to activities in key areas such as **climate change; private sector and investment; economic development; education; security, rule of law and governance, and the fight against drugs**. **Budget support** and the **Latin America Investment Facility (LAIF)** remain important implementation modalities.

The new AAPs include activities in Bolivia where new commitments will be made in the area of justice reform, the fight against corruption and drugs. For Colombia, commitments are forthcoming in the area of green and competitive economy and the implementation of the EU Trust Fund for the reincorporation of ex-FARC will continue. In Peru, the AAP includes activities to counter violence against women and strengthen the fight against drugs. In El Salvador, an important commitment is being prepared on private sector development. Education will be further supported in Paraguay. For Honduras, a new programme is in the pipeline to support the reform of the civil registry. On a sub-regional level, the Commission will engage in a programme aiming to tackle violence against migrant children and women in Central America.

The actions on **inclusive and sustainable growth** will be further implemented via LAIF. Increased resources in the inclusive engagement on sustainable development will further assist more advanced countries in the region through **triangular cooperation** and **Development in Transition**. Regarding the **security-development nexus**, two actions were signed in 2019 under the EUROFRONT programme to foster intra-Latin American cooperation in the area of integrated border management. They will start implementation in 2020. The programme 'EL PAcCTO' will continue its implementation. The third phase of the regional anti-

⁽⁴⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52017SC0600&qid=1550487546999&from=EN>

drugs programme – COPOLAD III – was approved in December 2019 and will start implementation in 2020.

Concerning **climate change**, a new allocation to the Euroclima+ programme will enable further activities on enhancing climate governance, making the programme the spearhead of the external dimension of the European Green Deal in the region.

The protracted political impasse in **Venezuela** has generated an unprecedented migration crisis which warrants financial support. Political steer will determine what the level of involvement and engagement will be in 2020 and 2021.

Asia:

Under the geographic budget lines for Asia, the total **indicative** amount of commitment appropriations to be used for 2020 is EUR 1 209 billion, split as follows: Budget Line Afghanistan: EUR 144 million; Budget Line Asia: EUR 725 million; Budget Line Central Asia: EUR 190 million; Budget Line Middle East and Gulf: EUR 150 million.

South Africa:

The EUR 17 million in the 2020 Annual Action Programme will finance:

(a) Technical Assistance Facility (TAF) II to support sustainable infrastructure development, (EUR 14 million). The objective of the project is to promote inclusive and sustainable development, contributing to economic growth, job creation and achieving the SDGs, by unblocking bottlenecks to infrastructure investment in South Africa.

(b) Technical Cooperation Facility II (TCF), (EUR 1 million). The facility will help to improve the quality of the programming, implementation, monitoring, auditing and evaluation of previous, on-going and planned actions. The TCF could have a role in facilitating the shift in our relationship with South Africa from more traditional development cooperation and development assistance to a more modern partnership on added-value approach.

(c) Dialogue Facility II, addendum, (EUR 2 million). This EU-South Africa Dialogue Facility aims at strengthening relations between the European Union and the South African Government, for policy dialogue on various areas included in the Trade, Development Cooperation Agreement (TDCA) and the South Africa-European Union Joint Action Plan adopted to implement the Strategic Partnership signed in 2007.

2. Thematic programmes

2.1 Global Public Goods and Challenges (GPGC):

The current and future programmes on global challenges will be important tools to support the external dimension of the European Green Deal ⁽⁵⁾ and its priorities, namely: the transition to climate neutrality and green and circular economies, the conservation and sustainable use of biodiversity, sustainable agriculture and food systems, and tackling pollution. In line with the new Commission priorities, the United Nations 2030 Agenda for Sustainable Development and the European Consensus on Development ⁽⁶⁾, programmes will seek to integrate more systematically and balance the economic, social and environmental dimensions of sustainable development. Across its five action areas, it will aim to promote sustainable investments, growth and job creation, to address irregular migration and forced displacement, to promote digital and data technologies and to contribute to good governance, peace and security. As per the recommendations of the Mid-term review ⁽⁷⁾, more attention will be dedicated to promote interlinkages and cross-sectoral action at the nexus between different action areas that can contribute to multiple SDGs, and to enhance complementarity, coherence and synergies between thematic and geographic programmes. Building on lessons learned, actions will primarily seek to ‘enhance the role of the EU as a global actor in the delivery of the 2030 Agenda and the Paris Agreement to help eradicate poverty and achieve sustainable development’.

Environment and Climate Change: Funds from the DCI Budget 2020 and 2021 will continue to support the implementation of the 2030 Sustainable Development Agenda and the implementation of the external dimension of the European Green Deal, including through the following priorities:

- The Global Climate Change Alliance+ (GCCA+) as a thematic flagship initiative will continue to enhance vulnerable partner countries’ (mainly SIDS and LDCs) resilience to the effects of climate change and to enable them to engage in low-carbon development processes by supporting them in the implementation of their NDCs. More specifically, the EU will continue policy dialogue with partners (incl. regional level), extend its cooperation with new sectors with a climate mitigation focus, improve the involvement of the private sector in funding climate relevant activities, work on sustainable finance and sustainable value chains and seek closer cooperation and coordination with EU Member States. To serve these objectives, a joint initiative GCCA+/DeSIRA will be launched in 2020 focusing on agri-food systems and climate resilience through innovation and research. DEVCO will also release the first EU contribution to the Adaptation Fund – one of the main multilateral financial instruments established under the UNFCCC.
- The EU Action Plan on Forest Law Enforcement Governance and Trade (FLEGT) will notably boost the implementation of the 9 Voluntary Partnership Agreements (VPA) already concluded and the negotiation of 5 new VPAs (including with Honduras and Guyana). The EU will enhance collaboration with the private sector with the objective to improve legal

⁽⁵⁾ COM(2019) 640

⁽⁶⁾ OJ 2006/C 46/01

⁽⁷⁾ COM(2017)720 of 15/12/2017

compliance as well as to promote sustainable forest value chains and stimulate private investments. The EU will also implement the Communication to ‘step up action to protect and restore world’s forests’ and develop innovative financing mechanisms of reforestation and/or zero-deforestation agriculture projects.

- Integrated, cross-sectorial approaches will be developed in particular around landscape management –a central element for climate change adaptation and mitigation, agriculture and food security, sustainable forests, water and other ecosystem management. An initiative will focus on preparing an ambitious post-2020 biodiversity agenda in line with the Paris Agreement and Convention on Biodiversity through integrated landscape management in 20 countries and 3 sub-regions.
- The SWITCH to Green flagship –an initiative piloting best practices to support the transition to a green economy and complementing EU programmes at bilateral level, will focus increasingly on the promotion of circular models in priority value chains and greater engagement with the private sector, in line with the European Green Deal priorities.
- The EU will support the process leading to a ‘New Deal for Nature and People’ at the next Conference of Parties of the Convention on Biological Diversity in Beijing in 2020, and the subsequent implementation of related commitments, as part of the future EU biodiversity strategy for 2030. The financing of the EU Biodiversity for Life initiative (B4LIFE) will continue focusing on the most biodiverse and threatened ecosystems in partner countries, including by contributing to economic development directly (e.g. ecotourism) or through ecosystem services (water provision, pollination). The comprehensive studies analysing the interlinkages between wildlife and security in Africa and the strategy for conservation in Latin America (‘Larger than anacondas’) will be finalised. Reducing cross-border wildlife trafficking will also be targeted.
- In 2020, mainstreaming efforts will increasingly focus on the implementation of the Paris Agreement in order to boost environmental sustainability in partner countries and achieve the EU objectives of allocating at least 20 % of its budget to climate relevant action by 2020 and doubling annual international financial flows to developing countries for biodiversity conservation.

Water management: The EU will continue our support to the water-energy-food-ecosystems approach. The second phase of ‘Nexus Dialogues’ programme will continue to strengthen regional policy dialogues on the integrated uses of water, land and energy-related resources across the world. The cooperative use of transboundary water resources will also be supported through different initiatives aimed at reinforcing regional and national stability, including a specific action promoting accession to the Convention on the Protection and Use of Transboundary Watercourses and International Lakes, which represents a key legal and intergovernmental framework to foster the sustainable use of shared water resources.

Sustainable energy: forthcoming implementation is described under the 2019-2020 Multiannual Action Plan ‘Sustainable socioeconomic development through clean and efficient energy solutions’, with a contribution for the implementation of the programme set at EUR 195 122 181. The action will be articulated over five components including Energy efficiency, support to health and education infrastructure through sustainable energy, promotion of clean cooking solutions, and Technical Assistance and support to the Global Covenant of Mayors. Payment credits will be used in 2021 in the areas of Energy Efficiency, Clean Cooking solutions, Social Infrastructures, Electrification of Schools and hospitals, Technical Assistance and support to the Global Covenant of Mayors.

Human Development

Health and education

The EU will contribute to the immunization of 300 million children (2016-2020), the increase of the pre-primary gross enrolment ratio in GPE beneficiary countries to 32.2 %, the decrease of out-of-primary-school children in fragile and conflict affected countries to 21.7 %, the increase of countries with quality education policies and their implementation. Through continued policy, governance and financial support to GPE and Education cannot wait (EcW), the EU will maintain its focus on addressing the learning crisis, providing improved quality and access to education, in particular in LICs and in countries affected by crises, during 2020/2021. Support will also be given to UNFPA Supplies (EUR 25 million 2018-2020) to increase demand for and access to sexual reproductive health and rights, including family planning and to improve access to quality family planning supplies and maternal medicines in 46 countries with high maternal; mortality and high unmet need for family planning.

2020 and 2021 payment appropriations will be used to honour payment commitments to the Global Initiatives (GFTAM, GAVI, GPE, ECW, WHO) and ongoing projects regarding resilience building in conflict-affected states through education, and pilot actions in the area of health. Subject to the adoption of the basic act, new commitments will be made following replenishments of notably GPE, GAVI and the Global Fund with associated initial payments.

Gender Equality and Women’s Empowerment: In 2020, the report on the implementation of the Gender Action Plan (GAP) in 2019 will be prepared and published. The year 2020 will also be the year in which a new ambitious gender Action Plan will be prepared (GAP III). It will also be the year in which the Spotlight Initiative will be up and running in 26 countries and 6 different regions and in which concrete results and achievements should become visible, mainly in the ASEAN region, Africa and Latin America.

Payment appropriations for 2020 and 2021 will be used to support the work on the Gender Action Plan (II and III) and to cover the ongoing portfolio of contracts. The biggest project being the Spotlight Initiative, all activities aim at eliminating violence against women and girls.

Promotion of child well-being: In 2020, two activities around child well-being will be developed, one of them will be the continuation of a successful regional programme on combatting harmful practices (gender-biased sex selection at birth in selected countries in Asia – EUR 2 million) and on access to justice for children on the move in West Africa (EUR 8 million).

Culture: Ongoing cultural activities aim at enhancing the cultural dimension of our development action, focusing on cultural pluralism and intercultural understanding as well as the socioeconomic contribution of the cultural industries and the impact of cultural heritage on inter-communities dialogue, citizenship and identity building. The programmes also tackle aspects relating to inter/intra-faith dialogue, peace and stability and enhancing social inclusion and social cohesion, notably of vulnerable and disadvantaged populations living in countries with fragile situation. Improvement of access to finance and access to markets for micro and medium-sized enterprises and organisations from the cultural and creative industries is of strategic importance to increase investment and scale-up the potential for job and revenues creation, which is the objective of recently started actions.

2020 and 2021 payment appropriations will be used for ongoing projects on child well-being (de-institutionalisation and alternative care) and the new projects described above.

Employment, decent work, skills, social protection and social inclusion: There will be no programme in 2020, as all the funds of the MFF 2014-2020 have been committed by the end of 2019. As for 2021 (funds not known yet), the anticipated funds will be proposed to support decent work in global value chains.

Growth, jobs and private sector engagement: In 2020, part II of Sustainable Investment Climate and Value Chains Programme will aim at further inserting partner countries into regional and global value chains, by supporting investment climate improvements and enhancing capacity building, access to markets and value addition. A particular focus will be put on increasing partner countries' capacity to implement sanitary and phyto-sanitary standards, improving transparency, accountability and good governance in the mineral value chains, as well as supporting the improvement of the investment climate and the facilitation of public-private dialogue in partner countries.

Subject to the new MFF, 2021 actions will aim at promoting the role of the private sector as a key developmental actor, notably by supporting an enabling business environment and investment climate, conducive to private sector initiative and engagement into sustainable value chains, to foster growth and decent job creation. Particular attention will be paid to youth and women entrepreneurship, MSMEs, access to new technologies, digitalisation, financial inclusion, private sector development and engagement in fragile states and LDCs and implementation of the Aid for Trade Strategy.

Food security, nutrition and sustainable agriculture: Funding for this component of the programme over 2019-2020 will address multiple global challenges including food insecurity, food emergencies, under-nutrition, climate change, degradation of ecosystems and depletion of land, management of natural resources, agricultural transformation, urbanisation, migration, price volatility and transboundary pandemic diseases. Women empowerment and gender equality are integrated in all priorities and activities, the EU will therefore continue to support gender transformative approaches in rural development, by challenging gender imbalances as part of development interventions. More specifically, actions will focus on bringing innovation processes at smallholder level by scaling up science-based changes; strengthening and promoting governance and capacities of partner governments and rural producers for food and nutrition security and fisheries, with a strong gender dimension; strengthening governance of invasive pests, transboundary diseases, and food safety; building the resilience of vulnerable communities by better targeting the root causes of food insecurity, while ensuring the complementarity between instruments for high-impact aid in the framework of the development-humanitarian-security nexus. It will also contribute to the EU Green Deal and its 'Farm to Fork' strategy.

Migration and asylum: Within the framework of the European Agenda on Migration and its Partnership Framework, the 2020-2021 programme will contribute to ensure effective implementation of the external dimension of the EU migration policy agenda, fully in line with the migration goals and targets of the 2030 SDG Agenda. Actions will include continued support to the key partner regions and countries under the Partnership Framework, in close coordination with geographic funding instruments on all three continents covered by DEVCO. The programme notably supports the continued roll-out of the EU development-led approach towards forced displacement, the increased support to address the Venezuela refugee and migrant situation and the support to refugees and internally displaced persons in the Middle East.

2.2 Civil Society Organisations and Local Authorities in development (CSO-LA)

The CSO 2018-2020 Multiannual Indicative Programme aims at strengthening civil society organisations and local authorities worldwide. It will translate EU commitments made in the new EU Consensus on Development into strategic orientations, in particular regarding the role of CSOs as actors of governance in their own right and pivotal actors of governance for the successful implementation of the SDGs. At global and regional level, 2020 and 2021 payment appropriations will be used in the context of 25 already existing Framework Partnership Agreements that will focus on initiatives such as Inequalities and Preventing and Countering Violent Extremism, increased cooperation with Foundations, continued support to the Policy Forum on Development and support to the implementation of the CSO-LA Programme.

Regarding Local Authorities, the Multiannual Action Programme 2019-2020 will focus on increasing the impact of LAs and Associations of Local Authorities on policy-making processes, good governance and general development outcomes, as well as supporting LAs, including branches of government or municipal and district authorities, to address urban governance and the three dimensions of urban sustainability (economic, social and environmental). It will also support SDG implementation at local level and by local authorities. 2020 and 2021 payment appropriations will be used for the payments of the five contracts with Association of Local Authorities and the projects signed under the Partnerships for Sustainable Cities initiative.

Concerning the DEAR component of the programme where the EU works both with CSOs and local authorities, actions will address migration and climate change, targeting in particular young people. The objective of the projects is to ensure the commitment of EU citizens to development and contribute to sustainable lifestyle patterns of EU citizens. 2020 and 2021 payment appropriations will be used for the ongoing contracts for DEAR (including the last 5 ones to be signed in 2020 on the 2020 budget allocation).

3. Pan-African programme:

The actions to be adopted in 2020 will be based on the Multi-annual Indicative Programme (MIP) 2018-2020 of the Pan-African programme. Actions will be mainly focus on the support to the AfCFTA and in the fields of digitalisation, aviation, satellite technologies, as a follow up of on-going initiatives.

Outlook for the 2021-2027 period

The new Neighbourhood, Development and International Cooperation Instrument (NDICI) will comprise areas of action currently covered by the EDF, the DCI, the EIDHR, the IcSP, as well as the ENI, PI and Guarantee Fund for external actions. In terms of allocations, 25 % will be dedicated to climate-related actions, 20 % of ODA-eligible funds for social inclusion and human development, including gender equality and women empowerment, and 10 % for migration-related actions. A level of 92 % of DAC-ability has been set for the whole instrument. Priority is given to the Neighbourhood, Africa and the countries most in need. Climate change, environmental protection and gender equality will be important priorities and will also have to be mainstreamed across all actions. Other important areas are migration, digitalisation, good governance, stability and peace, social inclusion and human development (health, education, etc.).

The main objective of the proposal is to finish the current fragmentation of the External Financing Instruments, which often conditioned the policy decisions of the EU. With the new proposal, the EU can fully apply the principle of ‘policy first’ and address needs and challenges in a coherent and comprehensive way. For instance, trans-regional cooperation maybe easily undertaken and, thanks to the flexibility as regards ODA, EU cooperation can go beyond the traditional development, so geographic programmes can encompass all countries regardless their level of development and thus adopt a partnership approach. The NDICI also proposes the use of some of the financial flexibilities of the EDF, such as the use of unallocated funds (‘cushion’) and the carry-over of funds.

The NDICI is organised in three pillars, which takes into account to a certain extent the existing geographic and thematic programmes and instruments geographic, thematic and rapid response. The geographic pillar covering Sub-Saharan Africa, the Neighbourhood, Asia and the Pacific and the Americas and the Caribbean is the main Thematic programmes (Human Rights and Democracy, Civil Society Organisation, Stability and Peace and Global Challenges) will focus on global initiatives (in particular global challenges) and will remain essential to complement the geographic funding, in order to support multilateral solutions and international initiatives and programmes to tackle global challenges, in particular the climate and biodiversity crises, to strengthen global governance, to enhance data, knowledge and capacities, to finance global technical assistance facilities and to develop and pilot new tools and approaches to address those challenges. The non-programmed rapid response actions are complementary to the other two pillars and may provide a swift reaction in cases of crisis, resilience and linking humanitarian aid to development and foreign policy needs and priorities.

The preparation of the programming (pre-programming) of the NDICI has already started, in order to allow for the adoption of the country, region or thematic multi-annual indicative programmes, where the long-term priorities, objectives, accepted results, indicators and indicative allocations are established, as soon as the NDICI enters into force.

Latin America

The pre-programming process has started, consultations of different stakeholders within and outside of the Commission are ongoing. The priorities for 2021 will be defined during that process and are expected to be finalised in the course of 2020. They will be driven by the political guidelines and headline ambitions as set out by the new Commission: a European Green Deal, an Economy that works for people, a Europe fit for the digital age, Protecting our European way of life, a stronger Europe in the world, and a new push for European democracy. The Commission priorities will be adjusted to the specificities of Latin America.

Thematic programmes

Under the thematic pillar of the NDICI, the **global challenges programme** will cover issues that are best addressed a supra-national level. This will include:

- An environment-focused component addressing global climate change and environmental crises and supporting the European Green Deal⁽⁸⁾ priorities: the transition to climate neutrality and green and circular economies, the conservation and sustainable use of biodiversity, sustainable agriculture and food systems, tackling pollution and promoting sustainable finance. Ambitious climate action will finance global action to implement the Paris Agreement, by supporting partner countries to upgrade and implement their Nationally Determined Contributions (NDCs) and National Adaptation Plans (NAPs) and by providing technical cooperation in all relevant areas to reduce GHG emissions and increase carbon sinks, to strengthen adaptation and disaster risk reduction. It will strengthen scientific, technical, human and institutional capacity for

⁽⁸⁾ COM(2019) 640

climate and environmental management, mainstreaming and monitoring; and enhance global, regional and national climate and environment governance. It will promote the transition to climate neutrality and to green and circular economies, including through promoting sustainable finance.

- The continuation of several ongoing Financing Instruments such as Climate Investor One (CIO) and ElectriFI in the area of **sustainable energy and climate** action.
- Action to halt **biodiversity** loss and the implementation of the global post-2020 agenda on biodiversity, including by promoting the conservation and sustainable use and management of terrestrial and marine ecosystems and renewable natural resources. Illegal logging and wildlife trafficking will also be targeted, as well as promoting sustainable consumption and production, pollution reduction and the sound management of chemicals and waste.
- **Food security** actions will aim at enhancing sustainable food systems, as a contribution to the Farm to Fork initiative of the Green Deal, through the reduction of malnutrition in all its forms, innovation and research contributing sustainable agriculture, inclusive and sustainable agriculture-based value chains and the prevention of food crises.
- Ensuring equitable access to **health** services and sexual and reproductive health and rights, for example through global initiatives; addressing global health security through communicable diseases research and control; as well as translating knowledge into products and policies that tackle the changing disease burden (non-communicable diseases, all forms of malnutrition and environmental risk factors, amongst others); and, shaping global markets to improve access to essential health commodities and healthcare services, especially for sexual and reproductive health.
- Promoting joint global efforts for inclusive and equitable quality **education** and training at all levels, including in emergency and crisis situations, with particular attention to inequalities and gender. The programme will also aim to strengthen knowledge, skills and values through partnerships for active citizenship and productive, inclusive and resilient societies.
- **Culture** actions that will promote initiatives for cultural diversity and intercultural dialogue for peaceful inter-community relations and support culture as an engine for sustainable social and economic growth, reinforcing cooperation around cultural heritage.
- Global commitments in the area of **migration** and forced displacement, including the implementation of strengthened partnerships on migration and mobility in countries of origin, transit and destination of migrants and refugees.
- Action on **inclusive growth** focusing on improved business environment and investment climate, increased financial inclusion, with a particular focus on vulnerable groups, promoting trade for sustainable development and value chains upgrading, improved social, labour, and environmental sustainability, as well as transparency and traceability in value chains – all the more important as the need for integrating sustainability aspects into EU’s support to enhancing investments and value chains upgrading will become even stronger in the coming years. **Women’s economic empowerment** will also be targeted, by promoting increased access to finance for women. Overcoming gender inequality and barriers to women’s economic empowerment remains among the biggest global challenges to inclusive and sustainable growth. With women representing 40 % of the world’s workforce, the World Bank estimates suggest that gender parity could increase the global GDP by between USD 12 trillion and USD 28 trillion by 2025.

A specific **thematic programme on civil society organisations** will also be part of the NDICI for an overall amount of EUR 1.5 billion for the period 2021-2027. The Commission will continue pursuing three strategic priorities for its engagement with civil society: promoting an enabling environment, participation in public domestic policies and capacity building. These priorities aim to build an empowered and vibrant civil society as an essential player in the implementation of the sustainable development goals (SDGs), in particular through their participation in SDG national platforms. In accordance with the priorities of the European Consensus on Development, the EU will strengthen CSOs’ contribution to the implementation of the SDGs through the political priorities of the new Commission notably, the Green Deal, jobs and growth, digitalisation, migration and governance and peace. As for the Local Authorities component, the negotiations on the NDICI are still ongoing and the future of the LA component of the CSO-LA programme remains uncertain. While the EC proposal foresees the termination of the LA component, the European Parliament has demanded the restitution of the budget line.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020	2014 – 2020	19 661,6

	Financial Programming (EUR million)							Total Programme
	2014	2015	2016	2017	2018	2019	2020	
Administrative support	99,9	78,2	83,9	85,0	86,0	87,5	88,4	608,9
Operational appropriations	2 243,0	2 367,3	2 549,5	3 063,4	2 892,3	3 114,7	3 181,7	19 411,7
Executive Agency	2,1	1,9	2,2	2,6	2,5	2,5	2,4	16,2
Total	2 345,0	2 447,4	2 635,6	3 151,0	2 980,8	3 204,6	3 272,5	20 036,9
<i>Of which contribution to Erasmus+</i>	<i>96,0</i>	<i>91,9</i>	<i>107,3</i>	<i>111,6</i>	<i>104,9</i>	<i>106,4</i>	<i>101,8</i>	<i>719,9</i>

2. Implementation rates

	2019				2020			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	3 204,607	100,00 %	2 404,257	99,45 %	3 271,659	34,43 %	2 597,462	18,64 %
Authorised appropriations (*)	3 270,293	99,75 %	2 520,551	96,73 %	3 292,426	34,26 %	2 684,310	18,36 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2020

3. Performance information

Programme performance

The specific, diverse and rapidly changing context of EU external action requires the use of all the existing implementation modalities and delivery methods to pursue the policy objectives and operational priorities. With an initial financial envelop of EUR 19.7 billion, the DCI remains a key financing instrument to support EU development policy. With its overall objective to eradicate poverty in partner countries and provide a long-term response to global threats/challenges (many of which have their roots in poverty and under-development), DCI contributed to the 2014–2019 Commission objectives of ‘Europe as a stronger global actor’ and ‘Towards a new policy on migration’ and its relevance continues under the priorities of the current Commission, in particular ‘A stronger Europe in the world’.

Within its overall objective, the DCI also contributes to the achievement of more specific objectives of EU external action, in particular: fostering sustainable economic, social and environmental development as well as promoting democracy, the rule of law, good governance and respect for human rights. By using this instrument, the EU finances actions aimed at supporting geographic and thematic cooperation with developing countries included in the list of aid recipients compiled by the OECD-DAC. Unlike other External Financing Instruments, the actions under the DCI must be designed so as to fulfil the criteria for ODA eligibility. A few exceptions exist in the case of the thematic GPGC programme and the Pan-African programmes, where a limited percentage (5 and 10 % respectively) can be used for non-ODA eligible activities

The intervention logic of the DCI follows the policy spelled out inter alia in the European Consensus on Development (2005) and the Agenda for Change (2011); the Regulations establishing the DCI and the Common Implementing Regulation; and programming documents for the Pan-African Programme, CSO-/LA, and GPGC, as well as selected regional and country programming documents under the geographic programme. Complementarity and necessary coherence to the actions under the European Development Fund have played a very important role in the design of DCI actions.

Since 2014 a number of new EU policies and international commitments have emerged such as Addis Ababa Action Agenda (2015), UN 2030 Agenda for Sustainable Development (2016) and its translation into EU context by the new European Consensus on Development (2017), EU Global Strategy (2016), EU External Investment Plan with the European Fund for Sustainable Development (2017), new Africa-Europe Alliance for Sustainable Investment and Jobs (2018) or very recent contribution towards a new strategy with Africa (2020). Poverty reduction remains a central goal of all those, ensuring the continued relevance of the DCI’s main objective.

While there is a broad alignment, parts of the new policy framework may only be dealt with by the DCI with some difficulties in particular circumstances. For example, to achieve SDG 16 on peaceful societies, actions may include peace and security operations, some of which may not be feasible given the DCI commitments on ODA.

Emerging priorities such as migration have overall been integrated into the DCI programmes, such as the DCI contribution to the European Trust Fund to fight the root causes of migration in Africa. The DCI was designed to create an ‘enabling’ instrument meaning that could be used flexibly to implement the evolving policy framework (e.g. the change from Millennium Development Goals to Sustainable Development Goals), and it could be used to implement interventions under a wide range of areas of cooperation. In this regard, the instrument has broadly enabled the EU to implement its development policy framework and to some extent it is flexible enough to respond to emerging challenges.

Regarding progress on the first specific objective, most of the population residing in DCI partner countries has experienced progress in poverty reduction and human and economic development over the last ten years. Indeed, the proportion of the world population below the international poverty line has dropped every single year since 2014, reaching 8.7 % in 2019. Similarly, the under-five mortality rate, the maternal death rate, and the prevalence of stunting have also decreased every single year over the 2014-18 period. Despite these positive trends, the rates of change have slowed over time as numbers have approached (but not reached) their ambitious targets. Prevalence of stunting is the exception for which targets have consistently been met.

Regarding progress on the second specific objective relating to the consolidation of democracy, rule of law, good governance and human rights, the indicators tell a less encouraging story. For the World Bank's Rule of Law score, the situation has been steadily deteriorating since 2014. For the proportion of seats held by women in national parliaments, the little progress made between 2015 and 2018 was undone in 2019. These results perhaps explain why the number of projects funded from the DCI to promote democracy, rule of law, good governance and human rights has significantly exceeded the target of 100 projects per year on average over the 2014-19 period.

Despite these statistics, it remains difficult to measure the direct impact of the DCI 2014-2020 on development outcomes such as poverty reduction because there are so many other actors and factors which have also contributed to achieving these results, consequently they cannot be directly attributable to the DCI.

In terms of mainstreaming EU priorities, good progress has been noted e.g. in the areas of climate change and environment – between 2014 and 2018, there was a steady increase of climate change-related financing, which has exceeded the 20 % target for the DCI instrument. Mainstreaming human rights including gender equality and women's empowerment has been considered as work-in-progress, in particular the path towards 85 % target for new programmes to include gender equality as a significant or as a principal objective require further efforts, with partner governments sometimes showing a lack of interest or resistance to these areas. In order to deliver on the contribution to the external dimension of the EU Green Deal also in the area of climate change and environment more remains to be done to systematically integrate these themes across all areas of cooperation covered by the DCI.

The role of DCI is not only to support developing countries, but also to ensure focus and coherence among contributors on key challenges and for moving toward a values-based, transparent and results-focused development cooperation system. While there is some evidence of coherence between the DCI, other EFIs and with EU external action policies, a more strategic approach is needed.

This more strategic and coordinated approach is well embedded in the proposal for Neighbourhood, Development and International Cooperation Instrument (NDICI) under new MFF. NDICI should address number of shortcomings of the DCI and other external action instruments. The instrument will channel the biggest share of external action funds (proposed budget of €89.2 billion). It will be the EU's main tool to contribute to eradicating poverty and promoting sustainable development, prosperity, peace and stability. In particular, the Commission proposed to streamline several instruments (budgetized EDF, DCI, ENI, EIDHR, PI, IcSP, CIR) into one broad instrument under three components: geographic programmes (to which will be given priority to increase the coherence of its external cooperation), thematic programmes (which will focus on truly global actions) and a substantial envelop for un-programmed, rapid response actions (to react swiftly and timely in relation to crisis management, conflict prevention and peace building). NDICI will therefore be better equipped to react to unforeseen circumstances, challenges and priorities. This approach will ensure fewer gaps and overlaps between projects and programmes, increasing efficiency and effectiveness. It would provide an opportunity to simplify, rationalise their management and oversight systems therefore reducing the administrative burden for EU institutions and Member States. Instead of focusing on multiple programming processes, debates would be more focused on achieving political objectives and engagement with external partners. The EU would be able to engage with partners in a more coherent way. From an external investment perspective, the Neighbourhood, Development and International Cooperation Instrument will also streamline the current blending platforms and external action financial guarantees.

It is important to underline that the contribution to achievements of the DCI in wider EU international and development cooperation policy objectives are presented in many different reporting documents:

- (1) in a reporting exercise covering EU funded interventions ending in the previous year i.e. '2019 Activity Report on the implementation of the European Union's instruments for financing external actions' with accompanying documents ⁽⁹⁾;
- (2) assessments of a particular implementation modality e.g. 'Budget Support – trends and results 2019' ⁽¹⁰⁾;

⁽⁹⁾ COM(2019) 604 final <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2019:0604:FIN:EN:PDF> and SWD/2019/409 final <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52019SC0409>

⁽¹⁰⁾ https://ec.europa.eu/international-partnerships/system/files/budget-support-trends-and-results_en.pdf

(3) or assessments of thematic objectives achievement e.g. ‘Action plan on nutrition: Fourth progress report on action plan on nutrition (April 2018 – March 2019)’⁽¹¹⁾ or ‘2018 Implementation Report on Gender Action Plan II’⁽¹²⁾.

In terms of efficiency, the DCI appropriations 2014-2019 were fully used and implemented as planned, through a comprehensive programming process; there is no need for corrective action at this stage. The result of the process has been a set of programming documents that define per bilateral/regional/thematic programme: the priority areas for financing, the specific objectives, expected results, indicators and indicative allocations.

DCI is implemented both via direct management (including when it acts through the EU Delegations or an executive agency of the EU) and indirect management. For indirect management the EU relies on a variety of partners such as international organisations, Member States agencies and organisations, civil society organisations, national, regional and local authorities, international and development financial institutions in situations where they have a clear added-value, building on the experience achieved and the lessons learned.

In many cases, DCI is only one of the contributors to larger thematic or geographic activities (e.g. Erasmus+, EU/World Bank/UN Trust Funds, EUROCLIMA+, blending facilities or other financial instruments). Contributions from EU external action instruments (in particular DCI and EDF) and different donors complement each other. They also leverage investments from financial institutions or private sector. Our implementing partners follow different results frameworks. For all those reasons results attribution represents a challenge. The instruments’ objectives are very ambitious (in line with the TEU) and depend on partner countries willingness and implementation capacities, broader international context and other donors. Data collection can depend on sources outside of the EU with implication for example, on the timeliness of data.

The proposal for draft NDICI regulation includes a number of key performance indicators to show how success towards the specific objectives will be measured. To help improve its collection of data, the Commission keeps updating the EU international cooperation and development results framework. This effort aims at harmonising (as much as possible) the common provisions with the ones agreed at international level and used for other EU budget programmes.

In parallel to the broad instrument, a new IT platform is being created that will facilitate the encoding of results data at project level. This would help increase the availability of results data for monitoring, reporting and evaluation purposes. This tool will use a consistent framework of indicators to assess performance and identify results across the broad instrument. Work on the portal is underway with on-going pilot testing, including with EU Delegations and implementing partners.

General objectives

General Objective 1: Fostering the sustainable and inclusive development in partner countries and regions and the promotion of democracy, the rule of law, good governance and respect for human rights, as foreseen in the TEU, with the primary aim of eradicating poverty.

Indicator 1: SDG 1.1.1 Proportion of population below international poverty line								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
1990	Milestones foreseen							2030
With graduated countries: 47.7 %	Decreasing trend	Decreasing trend	Decreasing trend	Decreasing trend	Decreasing trend	Decreasing trend	0.0 %	Zero poverty
	Actual results							
	11.6 %	9.8 %	9.5 %	9.00 %	8.8 %	8.7 %		
1990	Milestones foreseen							2030
Without graduated countries: 47.7 %	Decreasing trend	Decreasing trend	Decreasing trend	Decreasing trend	Decreasing trend	Decreasing trend	0.0 %	Zero poverty
	Actual results							
	11.5 %	11.0 %	11.2 %	10.0 %	9.2 %	9.1 %		

Methodology: Indicator calculated on the basis of DCI eligible countries. The 2014 value was computed on country level data from 2012 or before, the 2015 value considers country level data from 2013 or before, the 2016 value considers data from 2014 before the 2017 value considers data from 2016 or before and the 2018 value considers data from 2017 or before. All values since 2014 were updated with World Bank data extracted in January 2019 to consistently consider latest available data.

https://europa.eu/capacity4dev/sites/default/files/1._2016_update_final_1_90_a_day_feb_2016.doc

⁽¹¹⁾ <https://op.europa.eu/en/publication-detail/-/publication/0abb4a4c-e8e2-11e9-9c4e-01aa75ed71a1>

⁽¹²⁾ https://webgate.ec.europa.eu/multisite/devco/sites/devco/files/gap-ii-annual-implementation-report-joint-staff-working-document-2018_en.pdf

Narrative: The indicator Proportion of population below the international poverty line is defined as the percentage of the population living on less than USD 1.90 a day at 2011 international prices. The ‘international poverty line’ is currently set at USD 1.90 a day at 2011 international prices. Monitoring poverty is important on the global development agenda as well as on the national development agenda of many countries.

Comment: 2030 is the target date set by world leaders for achieving Sustainable Development Goals (UN). Baseline taken from the previous MDG 1.1 Proportion of population below USD 1.25 (PPP) per day. All DCI budget contributes to this SDG. Eradicating poverty in all its forms remains one of the greatest challenges facing humanity. While the number of people living in extreme poverty has dropped by more than half – from 1.9 billion in 1990, to 836 million in 2015 – too many are still struggling for the most basic human needs. Globally, more than 800 million people are still living on less than USD 1.25 a day; many lacking access to adequate food, clean drinking water and sanitation. Rapid economic growth in countries like China and India has lifted millions out of poverty, but progress has also been uneven. Women are disproportionately more likely to live in poverty than men due to unequal access to paid work, education and property. Progress has also been limited in other regions, such as South Asia and sub-Saharan Africa, which account for 80 percent of the global total of those living in extreme poverty. This rate is expected to rise due to new threats brought on by climate change, conflict and food insecurity. Through to 2030, SDG 1 foresees a world where extreme poverty will have been eliminated, such as through social protection for all, access to land and economic resources, and their protection against the impacts of climate change and other economic, social and environmental disasters.

Source: World Bank (poverty rate); UN population division (population’s weights)

Unit of measure: Percentage

Specific objectives

Specific Objective 1: Poverty reduction and fostering sustainable economic, social and environmental development.

Performance

MDG 3.1: Ratio of girls to boys in primary, secondary, tertiary education

This indicator is disaggregated by the level of education. Gender equality is a prominent component of all EU education support. Although there has been some progress in gender parity, according to Unesco estimates, 130 million girls between the age of 6 and 17 are out of school and 15 million girls of primary-school age – half of them in sub-Saharan Africa – will never enter a classroom. Every day, girls face barriers to education caused by poverty, cultural norms and practices (such as early marriage), poor infrastructure, violence, and fragility. The EU needs to continue working in a holistic way with partners to address these issues.

MDG 2.2: Proportion of pupils starting in grade 1 who reach last grade of the primary, gender disaggregated

Despite the considerable progress on education access and participation over the past years, 262 million children and youth aged 6 to 17 were still out of school in 2017, and more than half of children and adolescents are not meeting minimum proficiency standards in reading and mathematics. Rapid technological changes present opportunities and challenges, but the learning environment, the capacities of teachers and the quality of education have not kept pace. Refocused efforts are needed to improve learning outcomes for the full life cycle, especially for women, girls and marginalized people in vulnerable settings.

SDG 3.2.1 Under-five mortality rate (deaths per 1,000 live births)

In 2018, 5.3 million children under age 5 million died with 2.5 million deaths or 47 % occurring in the first month of life. These deaths reflect the limited access of children and communities to basic health interventions such as vaccination, antenatal care, skilled birth attendance, medical treatment of infectious diseases, adequate nutrition and clean water and sanitation. In 2018, 121 countries already had an under-five mortality rate below the SDG target of at least as low as 25 deaths per 1,000 live births. Among the remaining countries, progress will need to be accelerated in more than 50 countries to achieve the SDG target by 2030. As explained under section 5, all the geographic budget lines, GPGC (with its Human Development component) contribute to SDG 3.

SDG3.1.1 Maternal deaths per 100,000 live births

Maternal mortality was still unacceptably high in 2017 – an estimated 295 000 women died from pregnancy- or childbirth-related complications. Almost all maternal deaths (99 %) occur in developing countries. More than half of these deaths occur in sub-Saharan Africa and almost one third occur in South Asia. More than half of maternal deaths occur in fragile and humanitarian settings. To improve maternal health and reduce MMR, barriers that limit access to quality maternal health services must be identified and addressed at all levels of the health system. Within a country, major differences in MMR are often identified between regions and between urban/rural settings, and socioeconomic characteristics (such as education level and wealth quintile). Ensuring universal health coverage for comprehensive reproductive, maternal, and newborn healthcare will be essential to achieve the SDG MMR target.

SDG2.2.1 Prevalence of stunting (height for age <-2 SD from the median of the WHO Child Growth Standards) among children under five years of age

Target for 2025: The EU committed to meet at least 10 % of the World Health Assembly’s global target to reduce stunting of 70 million children by 2025, pledging to reduce this number by at least 7 million. The updates in global stunting rates come from the March 2019 JME Edition. The WHO updates stunting data on a regular basis. They do this to produce standardised estimates over time and to ensure comparability between countries. This has included reanalysis of data from previous years for various countries meaning that there have been slight changes to global data for these years. As well there maybe data not previously included in the JME e.g. Djibouti 2006 which was included in the most recent update – and which would also affect the global stunting prevalence for that year. The new data represents the most recent updates and are what is reported in the most recent JME database.

Indicator 1: MDG 3.1 Ratio of girls to boys in primary, secondary, tertiary education								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
Primary level: 0.97	Linear increase	Linear increase	Linear increase	Linear increase	Linear increase	Linear increase	1.00	1.00
	Actual results							
		0.98	1.00	1.01				
2012	Milestones foreseen							2020
Secondary education: 0.97	Linear increase	Linear increase	Linear increase	Linear increase	Linear increase	Linear increase	1.00	1.00
	Actual results							
		0.98	0.98	0.99				
2012	Milestones foreseen							2020
Tertiary education: 0.99	Linear increase	Linear increase	Linear increase	Linear increase	Linear increase	Linear increase	1.00	1.00
	Actual results							
		1.01	1.12	1.12				

Methodology: This estimate was calculated by the UN MDG team because it was the final year for the MDGs. In a ‘normal’ year, we would not have and will not have such estimate available. There’s a time lag of 3-4 years for data to be available at aggregate global level. This also implies that there will be no data available for 2018 and 2019. There is no reporting available on the new SDG 4.5.1 Parity indices. Therefore, we will continue using MDG 3.1 until new developments.

Source: MDG Report Statistical Annex 2014: Millennium Development Goals, Targets and Indicators, 2015.

<http://mdgs.un.org/unsd/mdg/Resources/Static/Products/Progress2015/Statannex.pdf>

Indicator 2: MDG 2.2 Proportion of pupils starting in grade 1 who reach last grade of the primary, gender disaggregated								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2011	Milestones foreseen							2020
Together: 72.7 %	Linear increase	Linear increase	Linear increase	Linear increase	Linear increase	Linear increase	100.00 %	100.00 %
	Actual results							
		73.1 %						
2011	Milestones foreseen							2020
Girls: 73.84 %	Linear increase	Linear increase	Linear increase	Linear increase	Linear increase	Linear increase	100.00 %	100.00 %
	Actual results							
		74.5 %						
2011	Milestones foreseen							2020
Boys: 71.60 %	Linear increase	Linear increase	Linear increase	Linear increase	Linear increase	Linear increase	100.00 %	100.00 %
	Actual results							
		71.8 %						

Methodology: These results are estimates calculated by the UN MDG Team provided for the Progress report of the MDGs being final in 2015. Updated results will not be published anymore. This indicator has been replaced by the new indicator SDG 4.1.1 ‘Percentage of children/young people at the end of each level of education achieving at least a minimum proficiency level in (a) reading and (b) mathematics (Disaggregation: sex, location, wealth and others where data are available)’, which is aligned to Target 4.1: ‘By 2030, ensure that all girls and boys complete free,

equitable and quality primary and secondary education leading to relevant and effective learning outcomes.’ However, it should be noted that this indicator is not available yet: methodology not defined, no data. It will take 3 to 5 years before this indicator can be used according to Unesco, which is leading on education SDG indicators. Baseline and targets to be set in the UN process.

Comment: These results are estimates calculated by the UN MDG Team provided for the Progress report of the MDGs being final in 2015. Updated results will not be published anymore.

Source: MDG Report Statistical Annex 2014: Millennium Development Goals, Targets and Indicators, 2014 & 2015.

<http://mdgs.un.org/unsd/mdg/Host.aspx?Content=Products/ProgressReports.htm>

Indicator 3: SDG 3.2.1 Under-five mortality rate (deaths per 1,000 live births)								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2013	Milestones foreseen							2030
45.5							25.0	25.0
	Actual results							
	43.7	42.2	40.8	39.1	38.6			

Narrative: This indicator is aligned to SDG 3.2 which calls for an end to preventable deaths of new-borns and children under 5 years of age by 2030, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1 000 live births and under-five mortality to at least as low as 25 per 1 000 live births. The under-five mortality rate measures child survival. It also reflects more broadly the social, economic and environmental conditions in which children (and community) live.

Source: Baseline and Projected data obtained from <http://apps.who.int/gho/data/view.main.CM1300R>

Unit of measure: Per 1 000 live births

Indicator 4: SDG 3.1.1 Maternal deaths per 100,000 live births								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2013	Milestones foreseen							2030
246							less than 70	less than 70
	Actual results							
		216	214	211				

Narrative: The indicator 3.1.1 maternal mortality ratio (MMR=maternal deaths per 100,000 live births) is aligned to SDG 3.1: ‘By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births.

Source: Projected data obtained from <http://apps.who.int/gho/data/view.main.GSWCAH01REG>.

Unit of measure: Per 100 000 live births

Indicator 5: SDG 2.2.1 Prevalence of stunting (height for age <-2 SD from the median of the WHO Child Growth Standards) among children under five years of age								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2012	Milestones foreseen							2020
25.1 %			23.6 %	22.6 %	21.7 %	20.8 %	20.0 %	20.0 %
	Actual results							
	23.9 %	23.3 %	22.8 %	22.4 %	21.9 %			

Methodology: The joint global and regional estimates that make up the Unicef/WHO/World Bank Group Joint Child Malnutrition Estimates have been generated using a country-level dataset which is mainly comprised of estimates from nationally representative household surveys (e.g. DHS, MICS, SMART). These data are collected infrequently (every 3 to 5 years in most countries) and measure malnutrition at one point in time (e.g. during one or several months of field work), giving an estimate of prevalence. These data are received and reviewed by Unicef and WHO and checked for validity and consistency. The resulting raw data sets are analysed following a standard procedure to obtain comparable results.

Narrative: WHO maintains the WHO Global Database on Child Growth and Malnutrition (www.who.int/nutgrowthdb), a repository of standardized anthropometric child data which has existed for 20 years. The methods have remained unchanged since 2012, except for some minor refinements:

1. Year assigned to each survey. When data collection is split between two calendar years the year where most of the data collection is done is the year that is reported.
2. Final reports only. Since 2014 only final reports are presented (rather than preliminary reports)
3. Updated data sources. Data has been reanalysed to ensure consistency of reporting. Some results in the JME database may differ from the reported results.
4. Since 2014 population coverage has been calculated to alert the user to where the data should be interpreted with caution due to low population coverage.
5. Prevalence thresholds for stunting (and wasting and overweight in children under 5 years have been redefined since 2018 by the WHO-Unicef Technical Advisory Group on Nutrition Monitoring (TEAM).

Comment: As explained under section 5, all the geographic budget lines, GPGC (with its Food Security component) contribute to SDG 2.

Availability of Data: 2019: Data not available

Source: Figures are taken from the 2018 report on ‘ Joint Child Malnutrition Estimates ‘ by Unicef, WHO and World Bank: <https://www.who.int/nutgrowthdb/estimates2017/en/>.

Unit of measure: Proportion

Expenditure related outputs

Outputs	Budget line	Budget 2020	
		Number	EUR million
Cooperation actions aiming at poverty reduction and fostering sustainable economic, social and environmental development in Latin America	21 02 01	10	264
Projects and programmes Asia, focusing on a.o. capacity building, rural development, education	21 02 02	16	640.8
Projects and programmes Central Asia, focusing on a.o. capacity building, rural development, education	21 02 03	8	127.2
Projects and programmes Middle East, focusing on a.o. sustainable economic development and education	21 02 04	2	97.5
Projects and programmes Afghanistan, focusing on a.o. capacity building, rural development, education	21 02 05	2	99.7
South Africa Employment Sector Reform Programme and Education and innovation programmes	21 02 06	1	10
Global Public Goods and Challenges programme and projects focusing on Environment and Climate Change	21 02 07 01	8	203.5
Global Public Goods and Challenges programme and projects focusing on Sustainable Energy	21 02 07 02	2	110.2
Global Public Goods and Challenges programme and projects focusing on Human Development	21 02 07 03	8	187.4
Global Public Goods and Challenges programme and projects focusing on Food Security, Nutrition and sustainable agriculture	21 02 07 04	3	183
Global Public Goods and Challenges programme and projects focusing on Migration and asylum	21 02 07 05	2	25.1
Programme to enhance the role of civil society organisations	21 02 08 01	200	200
Programme to enhance the role of local authorities	21 02 08 02	10	38.5
Pan-African Programme projects focusing on a.o. capacity building, infrastructure, agriculture, higher education	21 02 09	1	117
Total		273	2,303.9

Specific Objective 2: Consolidating and supporting democracy, the rule of law, good governance, human rights and the relevant principles of international law.

Performance

Indicator 1: Average score in the Rule of law as measured by the World Bank’s Worldwide Governance Indicator (DCI countries eligible for geographic cooperation)

DG DEVCO monitors information for the countries available for DCI geographic funding under the Multi Financial Framework 2014-2020 (29 countries). The data shows the average index score for these countries. The index ranges from -2.5 (worst possible score) to +2.5 (best possible score) where ‘0’ means average score (across all the countries where the index is measured).

Indicator 2: Number of projects funded from the DCI to promote democracy, the rule of law, good governance and respect for human rights in the DCI beneficiary countries

The large number of projects is partly due to the large number of DAC codes used, corresponding to democracy, rule of law, governance and respect of human rights, and also to an increase in the 2014-2020 programming at bilateral level in DCI countries, that given the d+3 rule for contracting made the number of contracts rose as from 2016.

Indicator 3: SDG 5.5.1 Proportion of seats held by women in national parliaments

Women face several obstacles to participating in political life. Structural barriers through discriminatory laws and institutions still limit women’ option to run for office. Capacity gaps mean women are less likely than men to have the education, contacts and

resources needed to become effective leaders. The EU supports activities to overcome these barriers and promote the democratic participation of women and men in the political decision-making process.

Indicator 1: Average score in the Rule of law as measured by the World Bank’s Worldwide Governance Indicator (DCI countries eligible for geographic cooperation)

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2008	Milestones foreseen							2020
-88		-82	-81	-8	-79	-78	-77	-77
	Actual results							
	-74	-75	-77	-77	-78			

Methodology: <https://info.worldbank.org/governance/wgi/Home/Documents>

https://europa.eu/capacity4dev/sites/default/files/4_final_rol_feb_2015.doc

Narrative: The Rule of Law indicator is one of the six aggregate indicators of the World Bank Worldwide Governance Indicators (WGI). It captures perceptions of the extent to which agents (i.e. firms, individuals and public officials) have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, the courts, as well as the likelihood of crime and violence. Actual consolidated figure for the year 2014 for the 29 DCI countries. Actual consolidated figure for the year 2015 for the 29 DCI countries. Actual consolidated figure for the year 2016 for the 29 DCI countries. Actual consolidated figure for the year 2017 for the 29 DCI countries. World Bank’s Worldwide Governance Indicator currently covers the period 1996-2017. The dedicated webpages of the World Bank provide information about the methodology used for the World Bank WGIs (<http://info.worldbank.org/governance/wgi/index.aspx#doc>) and updated annually Country Data Reports (<http://info.worldbank.org/governance/wgi/index.aspx#countryReports>).

Comment:

Source: <https://info.worldbank.org/governance/wgi/>

Unit of measure: Number of standard deviations relative to mean for standard normal distribution

Indicator 2: Number of projects funded from the DCI to promote democracy, the rule of law, good governance and respect for human rights in the DCI beneficiary countries

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2010-2012	Milestones foreseen							2020
70	70	70	75	80	85	90	100	100
	Actual results							
	96	84	310	391	76	352		

Methodology: In 2014, 96 projects were signed under the DCI excluding CSO&LA, on the DAC codes corresponding to democracy, rule of law, governance and respect of human rights (15100, 15110, 15111, 15112, 15113, 15130, 15150, 15151, 15152, 15153, 15160). In 2015: 84 contracts were signed in total under the DCI, with the following detail: Democracy: 17 contracts; Democratic participation and civil society DAC 15150: 170 projects (8+24); Anti-corruption DAC 15113: 5 contracts; Justice DAC 15130: 17 contracts; HR: 21 contracts. In 2016, using the following DAC sectors: 15110, 15111, 15112, 15113, 15114, 15130, 15150, 15151, 15152, 15153, 15160, 15170, 15180 to cover a broader range of sectors included in the indicator under ‘democracy, the rule of law, good governance and respect for human rights’: 310 contracts. In 2017, we used the same methodology of 2016, using the following DAC sectors: 15110, 15111, 15112, 15113, 15114, 15130, 15150, 15151, 15152, 15153, 15160, 15170, 15180 to cover a broader range of sectors included in the indicator under ‘democracy, the rule of law, good governance and respect for human rights’: 391 contracts. In 2018, we used the same methodology of 2016 and 2017, using the same DAC sectors: 15110, 15111, 15112, 15113, 15114, 15130, 15150, 15151, 15152, 15153, 15160, 15170, 15180 to cover a broader range of sectors included in the indicator under ‘democracy, the rule of law, good governance and respect for human rights’: 76 contracts. In 2019, we used the same methodology of 2017 and 2018, using the same DAC sectors: 15110, 15111, 15112, 15113, 15114, 15130, 15150, 15151, 15152, 15153, 15160, 15170, 15180 to cover a broader range of sectors included in the indicator under ‘democracy, the rule of law, good governance and respect for human rights’: 352 contracts.

Comment: Baseline is an average of 2010-2012

Source: CRIS Data Warehouse

Unit of measure: Number of contracts

Indicator 3: SDG 5.5.1 Proportion of seats held by women in national parliaments

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
2011	Milestones foreseen							2020
19.7 %			26.0 %				40.0 %	40.0 %
	Actual results							
		22.7 %	23.2 %	23.5 %	23.8 %	23.0 %		

Methodology: Seats in lower or single house of parliaments of sovereign states, excluding IPA countries.

Narrative: Baseline: 18.2 % excluding IPA countries.

Comment:

Source: Inter Parliamentary Union (IPU) <http://www.ipu.org/wmn-e/world.html>; UN Women data in ‘Facts and Figures on Democratic

Governance' <https://data.ipu.org/women-ranking>.
Unit of measure: Seats in parliament

Expenditure related outputs

Outputs	Budget line	Budget 2020	
		Number	EUR million
Cooperation actions aiming at consolidating and supporting democracy, rule of law, good governance, human rights and principles of international law in Latin America	21 02 01	5	117.3
Projects and programmes Asia, focusing on a.o. strengthening democratic government, human rights, judicial reform, civil society	21 02 02	8	180.7
Projects and programmes Central Asia, focusing on a.o. rule of law and border management	21 02 03	2	36.5
Projects and programmes Middle East focusing on a.o. rule of law and human rights	21 02 04	3	146.3
Projects and programmes Afghanistan, focusing on a.o. strengthening democratic government, human rights, judicial reform, civil society	21 02 05	1	99.7
South Africa Public administration and legislative support programmes	21 02 06	2	7
Global Public Goods and Challenges programme and projects focusing on Environment and Climate Change	21 02 07 01	2	19
Global Public Goods and Challenges programme and projects focusing on Sustainable Energy	21 02 07 02	0	0
Global Public Goods and Challenges programme and projects focusing on Human Development	21 02 07 03	1	13
Global Public Goods and Challenges programme and projects focusing on Food Security, Nutrition and sustainable agriculture, and more specifically on strengthened governance approaches for food and nutrition security at the global, continental and regional level	21 02 07 04	3	49.5
Global Public Goods and Challenges programme and projects focusing on Migration and asylum	21 02 07 05	3	31
Programme to enhance the role of civil society organisations	21 02 08 01	50	23.49
Programme to enhance the role of local authorities	21 02 08 02	9	36
Pan-African support to the fight against organised-crime and support to pan African Union	21 02 09	1	18.8
Total		90	778.29

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to mainstreaming of climate action

Relevant objective/output

Relevant objective/output	Budget 2019	Budget 2020
Poverty reduction and fostering sustainable economic, social and environmental development	1 103,4	837,2
Total	1 103,4	837,2

Programmation climate action

2014-2018					2019-2020 estimates		Total
2014	2015	2016	2017	2018	2019	2020	
379,9	503,8	646,5	773,0	762,0	1 103,4	837,2	5 005,8

(*The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Justification

Methodology for calculation of the amounts

For 2014 to 2018, the information is based on the OECD DAC CRS file, and has been quality checked by DG DEVCO. For 2019, the information is based on a preliminary CRS extraction. Data still uncompleted and not quality checked.

The annual estimates for 2019-2020 are based on the Financial Programming data for 2014-2020 for each of the DCI budget lines. For **geographic** cooperation budget lines, estimates are based on a weighted average of the percentages identified for the available RIPs and NIPs. For the **thematic** budget lines, estimates are based on the Rio-markable potential of the GPGC MIP.

The methodology for 2019-2020 is therefore the same as the one agreed with DG CLIMA and applied for the MTR report of the External Financing Instruments COM(2017) 720 final of 15.12.2017.

Contribution to financing biodiversity

Relevant objective/output

Relevant objective/output	Budget 2019	Budget 2020
Poverty reduction and fostering sustainable economic, social and environmental development	319,3	223,8
Total	319,3	223,8

Programming biodiversity

2014-2018					2019-2020 estimates		Total
2014	2015	2016	2017	2018	2019	2020	
89,8	119,2	100,8	201,4	275,4	319,3	223,8	1 329,7

(*)The appropriations for the year 2014 have been reviewed to take account of the transfer to subsequent years of the allocations not used in 2014 (reprogramming exercise carried-out in 2015 in accordance with Article 19 of the Multiannual Financial Framework Regulation).

Justification

Methodology for calculation of the amounts: For the period 2014-2018, the amount taken into account as contributions to biodiversity objectives for each commitment is proportional to the RIO markers used, as follows:

- 1) RIO marker 1 (significant objective) – 40 % of the amount of the commitment was counted;
- 2) RIO marker 2 (principal objective) – 100 % of the amount of the commitment was counted;
- 3) 0 % of the amount of the commitment is counted if no RIO marker is selected.

The use of RIO markers has been quality checked by DG DEVCO for the period 2014-2018, with support from the Environment and Climate Change Mainstreaming Facility. This control is consistent with the data reported to the OECD/DAC. For 2019 an early statistical estimate is provided based on final committed amounts at 31/12/2019. For 2020 estimates are provided using the multi-annual average of biodiversity commitments and in relation to the doubling target as per the Hyderabad commitment, and using the formula below.

Methodology for calculation of the 2020 amounts: 7.26 % of [operational chapter 21 02 – BL 21 02 40 Commodities agreements – BL 21 02 30 Agreement with the Food and Agriculture Organisation (FAO) and other United Nations bodies – BL 21 02 20 Erasmus+ – Contribution from the development cooperation instrument (DCI)

Gender mainstreaming

Relevant objective/output	Budget 2020 (EUR million)
Poverty reduction and fostering sustainable economic, social and environmental development	2,584.79

The EU Gender Action plan for External Action 2016-2020 (GAP II) sets a target by 2020 to have 85 % of new development projects supporting gender equality as a main objective (OECD Gender marker 1) or as a significant objective (OECD Gender marker 2). The indicator is a proportion of number of projects marked as OECD G marker 1 and 2 against all new projects financed in a given year.

According to the latest available information, (annual report 2018), 68.35 % of all new actions were gender mainstreamed e.g. marked as G marker 1 or 2 in our overall development cooperation portfolio. Over the last five years, there has been a consistent increase in the proportion of initiatives that promote gender equality (they were, 65.9 % in 2017, 58.8 % in 2016, 47.3 % in 2015, and 31.3 % in 2014.), but progress is slowing down.

Gender is mainstreamed across all sectors.

One example of a project which has gender equality and women empowerment as a main objective is the Spotlight Initiative which targets to eliminate all violence against women and girls. In 2019 we secured the funding for Asia which will cover three countries (Kyrgyzstan, Tajikistan and Afghanistan), a regional programme covering Central-Asia and an allocation to support the women's movement and women's organisations. The programme has been ongoing in Latin-America. In Argentina, for example, more than 2,500 young people in Buenos Aires province benefited from the Spotlight Initiative-supported 'Environ' programme, which teaches young boys and girls about online sexual abuse and violence. In El Salvador, more than 240 young people are now part of a municipal decision-making body in the City of San Martin. The local committees on the rights of children and adolescents ensures that young people's needs and ideas – including those of the most vulnerable – are incorporated into local decisions.

Another example is 'Women and Agriculture' (5 EUR million) that aims to remove structural, legal and institutional barriers to gender equality; and 'Promoting Responsible Supply Chains in the Garment sector with a focus on Decent Work, Traceability and Transparency' (19.1 EUR million) that focus in a sector characterised by the high prevalence of women and girls' employment.

Methodology for calculation of the amounts: 83.86 % of [operational chapter 21 02 – BL 21 02 20 Erasmus+ – BL 21 02 40 Commodities agreements – BL 21 02 30 Agreement with the Food and Agriculture Organisation (FAO) and other United Nations bodies- 21.0277 Pilot projects and preparatory actions]. The percentage is calculated based on the 20178 statistics on OECD, 100 % of gender marker ‘1’ and 100 % of gender marker ‘2’ (= gender equality is ‘main objective’ in the programme or project), according to the OECD criteria for the DAC gender equality policy marker.

5. Programme contribution to the Sustainable Development Goals

SDG 1 End poverty in all its forms everywhere

Considering its wide geographic and thematic scope, the DCI contributes to all 17 SDGs. Moreover, as stated in the Consensus, the implementation of the 2030 Agenda requires, when planning and implementing development cooperation, to pay particular attention to interlinkages between the SDGs and to integrated actions that can create co-benefits and meet multiple objectives in a coherent way. The DCI contributes to this approach by integrating in a balanced manner the three dimensions of sustainable development, i.e. economic growth, social inclusion and environmental protection.

From the perspective of the **geographical programmes**, the programme will contribute to those SDGs related to human development (SDGs 1, 2, 3, 4, 5), (those linked to the fields of environment, sustainable energy, ocean conservation, biodiversity and climate change (SDGs 6, 7, 9, 11, 13, 14, 15), inclusive growth, job creation and reducing inequalities (SDGs 8, 9 and 10) and security-development nexus and governance (SDG 16) and partnership for the goals (SDG 17).

Support to implementing the SDGs in a crisis situation: the case of Yemen:

Yemen ranks 152 out of 156 in the SDG Index Dashboard Report 2018 and registered a critically insufficient score on 85 % of indicators in the SDG ranking for 2018. It has become the largest man-made humanitarian crisis in the world, with 20 million Yemenis under high risk of famine. In this volatile context, implementation of the SDGs has been severely compromised. At the same time, achieving progress on the SDGs, especially in the areas of People and Peace, is crucial to staving off the country’s humanitarian crisis and building up the potential for prosperity of the Yemeni population.

The EU’s sizeable development assistance is significantly contributing to the enhancement of resilience in Yemen. So far, our support has helped re-establish hundreds of local community councils and assisted communities to accomplish more than **500 self-help and self-reliance initiatives**, including on education and a range of community infrastructure projects. Through the EU-UNDP flagship initiative ‘Enhancing Rural Resilience in Yemen (ERRY)’, more than **22,000 individuals** benefited from community asset rehabilitation through ‘cash for work’ schemes and **870 micro-businesses** were created. About **700,000 households** have benefitted from the assistance provided by **community health workers** trained in the framework of a EU-Unicef joint initiative on health.

From the perspective of the thematic programmes related to **Global Public Goods and Challenges (GPGC)**, likewise a wide array of SDGs is targeted. The area of **environment and climate change** contributes to SDG 6 (clean water and sanitation), SDG7 (energy), SDG 12 (Sustainable consumption and production), SDG 13 (Climate change), SDGs 14 (Oceans) and 15 (Terrestrial ecosystems). Action on climate change and environment mainstreaming contributes to the environmental dimension of all the other SDGs.

A good example of action contributing to SDG 6 is **Promoting accession to the Water Convention**, which supports the accession of EU partner countries to the Convention on the Protection and Use of Transboundary Watercourses and International Lakes, which is especially important regarding sustainable and cooperative management of shared water resources both for its environmental impacts as well as for the livelihood and development of the 3 billion people living near transboundary basins.

The Electrification Financing Initiative (ElectriFI) is the EU’s flagship initiative to increase access to clean energy in developing countries, hence contributing to SDG7. With its unique business model, ElectriFI invests mainly in local markets in poorer economies and fragile situations. By combining technical assistance and risk capital, ElectriFI can take greater risks than other investors. ElectriFI’s activities de-risk investments and allow private investors and development finance institutions to deploy capital that they could not have invested otherwise, hence showing a strong additional value. ElectriFI is funded by the EU, with additional contributions from the US and Sweden. By improving renewable energy access, ElectriFI spurs not only job creation and economic growth but also helps saving greenhouse gas emissions, hence also contributing to both **SDGs 8 and 13**. Given the success of ElectriFI Global, four countries and one region (Nigeria, Côte d’Ivoire, Bénin, Zambia and the Pacific) have allocated additional funds to ElectriFI from their NIPs/RIPs in order to mobilise additional private investments in renewable energy.

SWITCH Africa Green, a partnership between the EU, the United Nations, and 7 African countries, particularly supports **SDG 12** (sustainable consumption and production): through technical assistance to government institutions and the funding of green business projects, the first phase of the programmed delivered support to 3,000 Micro, Small & Medium Enterprises (MSME) and contributed to create or secure 10,000 green jobs. A second phase is ongoing, providing further technical assistance, supporting policy and business dialogue, and financing green business projects in sectors such as sustainable tourism, food production, industrial manufacturing and waste management.

Directly contributing to **SDG 13**, the Global Climate Change Alliance Plus initiative (GCCA+) aims to foster dialogue and

cooperation on climate change between the EU, LDCs and SIDS as well as middle-income countries. It focuses on increasing capacities to adapt to the effects of climate change and developing and implementing NDCs to achieve mitigation objectives and adaptation co-benefits.

A good example of a project contributing to **SDG 14** is the project Marine biodiversity and support of Coastal Fisheries in the Coral Triangle (2019/410-230), focusing on seascape management for sustainable development of local communities, combining activities addressing Marine Protected Areas, sustainable small-scale fisheries, and ecosystem management for climate change adaptation.

The Critical Ecosystem Partnership Fund (CEPF), a multi-donor fund hosted by Conservation International, supports biodiversity hotspots and in particular the role of civil society organisations and local populations to preserve, restore and sustainably use local ecosystems – which is directly related to **SDG 15**. In 2019, the CEPF was particularly active in the Amazon, Mediterranean, Indo-Burman and Central Asian hotspots.

In the area of **Human Development**, **SDG 4** is at the core of the vision of the Global Partnership for Education (GPE), which remains the main recipient of funding in the education sub-programme. The programme will contribute to all targets of **SDG 3**, including what is considered a key target, namely universal health coverage through comprehensive support to health systems strengthening.

A good example of a project contributing to **SDGs 3, 5 and 17** is the EU collaboration with UNFPA Supplies that is the lead partner in **sexual and reproductive health and rights** and family planning at both global and country levels. UNFPA provides over 40 per cent of all contraceptives donated to developing countries and helps strengthen health systems to deliver them, with a particular focus on 46 countries with the highest unmet need for family planning. Nearly 1.3 million lives have been saved through the use of family planning methods since 2007.

In the area of **education**, with a particular focus on **SDGs 4 and 5**, the programme 'Building Resilience in Crises through Education' (BRICE) delivers safe quality basic education in DRC, Ethiopia, Niger, Somalia, South Sudan, Tanzania, and Uganda. BRICE aims to strengthen societal and institutional resilience to make these actions sustainable over time. Research on teaching and learning in safe learning environments is an important component of BRICE and will help building the evidence base of what works best in crises.

All of the 17 SDGs are directly related to and impacting on **women and children**. Out of the 232 global SDG indicators, 44 directly concern children. At the global level, through GPGC, activities are geared towards the elimination of violence against women, girls and children as well as setting up protection mechanism for children. This entails we primarily address SDGs 3, 4, 5 and 16, including targeting the elimination of harmful practices, the access to sexual and reproductive health and rights, and contributing to ending discrimination and violence towards women and girls. Actions aiming at ensuring the wellbeing of children contribute, among others, to SDG 16.

The **Culture** component of the GPGC Human Development equally aims at **SDGs 4, 5, 8, 11 and 16**, through the promotion of culture, heritage and creativity as resources to economic growth, jobs creation and identity building, with particular focus on youth and women.

In the area of **Social inclusion and protection**, **SDGs 1, 8 and 10** are at the core of EU action under the Human Development component of the GPGC related to employment and decent work, social protection, social inclusion and the reduction of inequalities.

An excellent example of a project contributing to **SDG 8** and more particularly to target 8.7 on the elimination of child labour and forced labour), praised by the Court of Auditors, was the Ship to Shore project to combat unacceptable forms of work in the Thai fisheries and fishing industry sector. With the objective to **reduce inequalities (SDG 10)**, the Research Facility on Inequalities is allowing the development of research to better understand the determinants of rising income inequalities, and of public policies to reduce them.

In the area of **Growth, jobs and private sector engagement**, and specifically regarding private sector engagement and trade, the priorities are strictly linked to the United Nations 2030 Agenda for sustainable Development and its SDGs (mainly **SDGs 8, 9, 12 and 17**). In the area of **decent work (SDG 8)**, two projects aimed at enhancing transparency and traceability of sustainable value chains in the garment and footwear industry implemented by UNECE and ITC respectively, by establishing an enabling environment for all actors of textile and apparel industry in terms of transparency and traceability and policy and regulatory frameworks. Both projects envisage support to self-assess these private sector actors against recognised international initiatives, standards, codes of conduct and audit protocols, hence facilitating the connection between the demand (consumers, brands, retailers) and supply side (factories, producers).

In the area of **Food security**, **SDG 2** is the foundation of the GPGC-food and nutrition security and sustainable agriculture programme. All forthcoming actions will be designed to be fully relevant for SDG 2, whilst also contributing to SDG 5, to SDG 8 and to SDG target 13.1 in all countries. A good example of a project contributing to SDG 2 is the Global network against Food Crises, a partnership created in collaboration with FAO and WFP to identify durable solutions to food crises. The objective is to prevent, prepare and respond to food crisis, reducing needs, risks and vulnerabilities associated with acute hunger, achieve food security and improved nutrition and promote sustainable agriculture and food systems. The Global Network was instrumental for responding to crises of different nature, lasting from El Niño in 2016 to the Desert Locusts in 2020.

The **migration** programme aims in particular at SDG targets 5.2, 8.8, 10.7, 16.2 and 17.18. A good example of a project contributing to both **SDGs 5 and 16** is ‘Safe and Fair: Realizing women migrant workers’ rights and opportunities in the ASEAN region’. This project is part of the EU-UN ‘Spotlight Initiative’ to eliminate all forms of violence against women and girls, funded by the EU with a total budget of EUR 500 million. By ensuring that labour migration is safe and fair for all women in the ASEAN region, this innovative and inclusive project covering the ten ASEAN countries will contribute to significantly reduce violence (SDG target 16.1), abuse, exploitation and trafficking (16.2), as well as ensure participatory and representative decision-making (16.7) and promote non-discriminatory laws and policies (16.B).

Regarding **Civil Society Organisations and Local Authorities in development (CSO-LA)**, the wide-ranged roles of CSOs and LAs make them key partners in the achievement of a range of goals, including SDG 1, SDG 4, SDG 5, SDG 6, SDG 8, SDG 11, SDG 16 and SDG 17.

SDG 17 is particularly addressed by the initiative ‘Diálogos consonantes’ (DC) led by the ‘Articulación Feminista Marcosur’ through a regional Framework Partnership Agreement (FPA). With the objective to step up action on women’s empowerment actions and gender equality in the Latin American region (**SDG 5**), it is an original and unique initiative to promote dialogue between donors and stakeholders. Some concrete results of these dialogues are the continuous support to the ‘Encuentros Feministas de America Latina y Caribe’ and the agreement to create the Regional Fund to support women’s organisations in the framework of the Regional Conference on Women of the Economic Commission for Latin America and the Caribbean (ECLAC).

The **Pan-African** programme with its wide thematic scope contributes among others to SDG 4 (through higher education projects), SDG 8 (contributing to trade and economic growth and improving youth employability through knowledge and skills projects), SDG 9 (through the support to infrastructure and connectivity and to science, technology and innovation), SDGs 13, 14 and 15 (through the earth observation project) and SDG 16 (supporting the African Union Commission, the political dialogue, including migration, and the role of Non-State actors).

6. Information about financial instrument(s) and trust fund(s) financed by the Programme

DCI contribution to Investment Facilities

Latin America is benefitting from the **Latin America Investment Facility (LAIF)**. Since its creation in 2009 until 2019, EUR 444 million (EUR 357 million to Regional Latin America, EUR 50 million earmarked for Nicaragua, EUR 14 million earmarked for central America, EUR 6 million earmarked for El Salvador and EUR 17 million for a Climate Change Window) have been allocated to LAIF.

50 blending projects proposals have been approved by the Board by the end of 2019. Out of the 50 projects, 46 were contracted, with a LAIF contribution of EUR 408 million including fees. These contributions are expected to leverage investments amounting to EUR 10.6 billion. 39 % of the facility contribution to the projects was made in the form of investment grant, 50 % as technical assistance, 8 % in the form of risk-sharing instruments and guarantees and 3 % as fees.

The EU Trust Fund for Colombia supports the implementation of the peace agreement with FARC and was launched end of 2016. Having at its disposal approximately EUR 124 million at the end of 2019, The Trust Fund focusses on i) integrated rural development that will bring major economic, political and social benefits, including for the stability of its neighbouring countries and the larger region and ii) the social and economic reincorporation of former FARC combatants. During its first three years of operations, the Operational Committee of the Fund approved 28 projects amounting to EUR 108.4 million, out of which EUR 74 million were contracted and ongoing at the end of 2019.

Asia:

Central Asia is benefitting from the **Investment Facility for Central Asia (IFCA)**. Since its creation in 2010, EUR 217.95 million have been allocated to this investment facility by the end of 2019, out of which EUR 150 million under the 2014 – 2020 DCI. So far, IFCA contributions worth EUR 205.97million – including fees – are supporting 29 investment projects and are expected to catalyse investments worth EUR 2.13 billion. Based on the current IFCA pipeline, approximately EUR 32,40 million were contracted in 2019, to support investments notably in the water, renewable energy and agricultural sectors. EBRD is the main contracting partner for blending projects in Central Asia (90 % of contracting value at the end of 2018). However, the Commission has started reaching out to other partners, including private sector arms of European development financial institutions such as, for example, the French PROPARCO.

The regional investment facility for **South and South East Asia**, i.e., the **Asian Investment Facility (AIF)**, has benefitted from DCI allocations of EUR 343.63 million by the end of 2019. Through the AIF, the DCI is funding 39 blending projects by the end of 2019. The EU grant contribution to these 39 projects amounts to EUR 256.76 million including fees for a total expected investment volume of around EUR 5.37 billion. AIF contributions worth approximately EUR 38,70 million were contracted in by the end of 2019.

The importance of investments in reaching the SDGs is increasingly recognized in development cooperation. It is against this background that the opportunity of the Mid-term Review (MTR) has been used to increase funds available to boost investments in Asia and Central Asia, notably by the establishment of investment allocations for a large majority of countries in these regions.

Following the MTR, investment funds cannot only be channeled through above-mentioned regional blending facilities, but could be used for joint and parallel investment operations with other development partners or for stand-alone capacity building measures and advisory services contributing to an improved business environment and/or technical or financial know-how of SMEs and local banking sectors. Eligible activities are activities boosting investments contributing to the achievement of the SDGs. In 2019, EU contributions totaling close to EUR 37 million have been committed for this type of investment projects benefitting Afghanistan, Pakistan, Nepal, and Indonesia, Kyrgyzstan and Tajikistan. This number is expected to increase in the future.

The **Global Energy Efficiency and Renewable Energy (GEEREF)** investment facility is an innovative financing vehicle aiming at promoting energy efficiency and renewable energy in developing countries and economies in transition. Structured as a Fund-of-Funds, GEEREF strategy is to invest in – and thus help develop – regional private equity funds, the investments of which target small and medium-sized energy efficiency and renewable energy projects. The DCI contributed to the fund with EUR 81 million. Since its launch in 2008, the DCI contribution was catalytic in mobilising project finance to 129 renewable energy and energy efficiency projects in Africa, Asia and Latin America.

The **Agriculture Financing Initiative (AgriFI)**, launched at the end of 2015, has used public money to de-risk and thereby increase investment in smallholder agriculture and agri-businesses in developing countries, with the aim of achieving inclusive and sustainable agricultural growth. Under AgriFI, the following financial instruments were signed: the EDFI AgriFI with ‘FMO – Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden’ (2017) and the African Agriculture Trade and Investment Fund (AATIF, 2017) with ‘KfW Kreditanstalt für Wiederaufbau’.

In 2019, a EUR 20 million contribution to the ‘**HURUMA Fund**’ was concluded, managed by the Spanish Development Finance Institution COFIDES (Compañía Española de Financiación del Desarrollo) and cofinanced by the Spanish agency for international development cooperation AECID (Agencia Española de Cooperación Internacional para el Desarrollo). This fund, of worldwide scope, will address the traditional constraints of agriculture finance as well as smallholders and underserved farmers’ financing needs.

The **Electrification Financing Initiative (ElectriFI)**, launched in 2014, aims at accelerating access to electricity and modern energy services through intervention at the development stage of a project. Under ElectriFI, the following 6 initiatives have been signed so far: the EDFI ElectriFI with FMO (2015, 2016); the Africa Renewable Energy Scale-Up Facility (ARESUF, 2015) with AFD (Agence française de développement) and its subsidiary Proparco; Climate Investor One (CIO, 2017) with FMO; the Transferability and Convertibility Facility with Proparco (T&C Facility, 2017); the Facility for Energy Inclusion (FEI, 2018) with AfDB (African Development Bank); and the Digital Energy Facility (DEF 2019), with AFD.

Under the envelope ‘**Women Economic Empowerment**’ the initiative **Women’s Financial Inclusion Facility** (‘WFIF’), 2018, is a blended finance operation to promote women’s economic empowerment and financial inclusion in Sub-Saharan countries. With KfW as the Lead Financial Institution, the EU contribution consists of first loss risk capital (EUR 7 million) in the Women’s World Banking Capital Partners fund II and grant contribution to Technical Assistance Programme (EUR 3 million). The EU contribution has already had significant first results, by playing an important catalytic role and helping bring in other investors to participate in the Fund. The Fund is set to have the first closing in early 2020. The WFIF invests in emerging market financial service providers that incorporate low-income women into their client base, expand gender diversity within their management teams, and utilise new technology solutions to reach and serve women. The technical assistance assesses gender-lens investment strategies, suitability of financial products and services and corporate governance structures of the financial institutions.

Under the envelope ‘**Support to Developing Countries for innovative Climate Finance**’ the initiative **Cities and Climate in Africa** was signed with AFD (CICLIA, 2016).

DCI contribution to Trust Funds

In 2019, the DCI GPGC programme on migration and asylum paid a EUR 50 million contribution to the **European Union Emergency Trust Fund for stability and addressing the root causes of irregular migration and displaced persons in Africa**. In 2018, the DCI GPGC programme on migration and asylum contributed with EUR 50 million to the **European Union Emergency Trust Fund for stability and addressing the root causes of irregular migration and displaced persons in Africa**, while the DCI Food programme has contributed to EUR 10 million. In 2017, the DCI GPGC made a EUR 48 million contribution to the **European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa**. In 2016 and 2017, the DCI PanAfrica programme contributed to the **European Union Emergency Trust Fund for stability and addressing the root causes of irregular migration and displaced persons in Africa** for a total of EUR 25 million. Since 2016, the total DCI contribution to the **European Union Emergency Trust Fund for stability and addressing the root causes of irregular migration and displaced persons in Africa** has amounted to EUR 352.5 million from which EUR 193 million have been paid.

In 2019, the CSO-LA thematic programme financed the **Bêkou Trust Fund** with EUR 24.3 million. In 2018, EUR 14.7 million were allocated by the Migration and asylum programme to the **Bêkou Trust Fund** in order to support durable solutions to forced displacement in the Central African Republic, in the context of commitments made during the donor conference for the Central African Republic held on 17 November 2016. The DCI Food programme also financed a EUR 6 million contribution to **Bêkou Trust Fund** in 2018. Since 2015, the total DCI contribution to the **Bêkou Trust Fund** has amounted to EUR 65.46 million from which EUR 54.9 million have been paid.