

THE FLEMISH **ODA REPORT 2013**

Official Development Assistance
from the Government of Flanders
in 2013



Flanders
State of the Art

The Flemish ODA Report 2013

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1. Introduction

The Flemish ODA Report 2013 compiles all of the expenditures on development assistance made by the Government of Flanders during the 2013 calendar year. The Flemish ODA provides an overview of the Government of Flanders' expenditure on development assistance. This expenditure complies with the official criteria for development cooperation (or ODA). A financial transaction is eligible for ODA-registration if it meets each of the following conditions:

Grants or loans to countries and territories on the DAC List of ODA Recipients¹ (developing countries) and to multilateral agencies which are:

- (a) undertaken by the official sector;
- (b) with promotion of economic development and welfare as the main objective;
- (c) at concessional financial terms (if a loan, having a grant element of at least 25 per cent).

Under the terms of the Framework Flemish Parliament Act on Development Cooperation, the annual ODA report is regarded as a mandatory report to be delivered to the Flemish Parliament. The report has a twofold purpose: on the one hand, it enumerates the measures taken by the Government of Flanders to contribute to the international target of spending 0.7% of the GNI on ODA (Framework Flemish Parliament Act, Art. 23, 24). On the other hand, it serves as a policy instrument for putting the objective of coherent development policy to the test (Framework Flemish Parliament Act, Art. 3 §1).²

The information contained in this report is provided annually to the Belgian Directorate General for Development Cooperation and Humanitarian Aid, which reports the annual ODA originating in Belgian territory to the Organisation for Economic Cooperation and Development (OECD).

1.1. Digital access: faster access to more information

To consult specific data on Flemish ODA, digital access is provided on the basis of search parameters. These parameters help users develop an accurate search strategy. Search results will not only represent relevant financial information, but also the framework of objectives and (if available) the actual planning documents of the projects. Therefore, this digital access also helps to maximise the transparency of Flemish development policy.

Search parameter	Web address
Recipients: sorted according to recipient status (government, NGO, multilateral institution, scientific institute, ECT)	http://www.vlaanderen.be/int/oda/recipients
Sector: sorted according to sectors to which the flow of aid was directed	http://www.vlaanderen.be/int/oda/sectors
Region: sorted according to recipient region	http://www.vlaanderen.be/int/oda/region
Country: sorted according to recipient country	http://www.vlaanderen.be/int/oda/countries
Expenditure type: sorted according to policy goal (bilateral, multilateral, scientific research, etc.)	http://www.vlaanderen.be/int/oda/cooperationform
Year: (ODA year) sorted according to payment year	http://www.vlaanderen.be/int/oda/year
Policy area: sorted according to Flemish policy area (and its underlying entities) from which the ODA originated	http://www.vlaanderen.be/int/oda/policydomain

¹ A list of countries and organisations is available at www.oecd.org/dac/stats/daclist

² Framework Flemish Parliament Act of 22 June 2007 on Development Cooperation

The website of the Flemish Department of Foreign Affairs also includes hyperlinks in accordance with these search parameters: <http://www.vlaanderen.be/int/vlaamse-oda>.

In addition users can, once they are connected to the SharePoint site, use the ribbon menu at the top to browse through the different search lists.

Finally, SharePoint offers a search function at the top right, so that a project can be searched using words from the title, the recipient, etc.

1.2. Worldwide decrease in ODA

In 2012, expenditures on official development assistance by the international community totalled USD 125.6 billion - a decrease in real terms of 4% compared to 2011. This is the second consecutive year in which ODA decreases. As a result, the decrease in real terms compared to 2010 amounts to 6% in total. This would seem to signal a formal end to what has been a period of consistent growth in ODA; between 2000 and 2010, ODA increased by 63%.

The reason for this decrease is the increased pressure on public spending in many donor countries. Spending on the part of the European countries combined decreased in real terms by 4% (from EUR 52.8 billion in 2011 to EUR 50.6 billion in 2012). The effects of the economic crisis on the development spending of governments have been especially felt in Spain (-49.5%), Italy (-34%) and Greece (-17.3%). A total of 16 EU Member States reduced their contributions for a total amount of EUR 3.2 billion, whereas the contribution of 11 EU Member States increased by EUR 966 million in total.

The overall ODA originating in Belgian territory reached EUR 1.792 billion in 2012, or 0.47% of the Gross Domestic Product. In the donor ranking according to the share of GDP that was spent on ODA, Belgium was placed 8th behind the Scandinavian countries, Luxembourg, the Netherlands, the United Kingdom and Ireland. These countries - with the exception of the United Kingdom and Ireland - also attained the international target of setting aside 0.7% of GDP for development cooperation.³ During the period 2013-2014, the United Kingdom hopes to join the 0.7%-group.

A survey into 2013-2016 expenditures points to a slight increase in the country programmable aid⁴ (CPA) provided by the international community, and to a further stagnation in the period 2014-2016.⁵

³ More information is available at:

<http://www.oecd.org/development/aidstatistics/statisticsonresourceflowstodevelopingcountries.htm>.

⁴ More information is available at:

<http://www.oecd.org/development/aideffectiveness/cpa.htm>.

⁵ OECD DAC, Outlook on Aid: Survey on Donors' Forward Spending Plans 2013-2016, Paris, April 2013.

Available online at: <http://www.oecd.org/dac/aid-architecture/OECD%20Outlook%20on%20Aid%202013.pdf>

1.3. Looking for a new definition of assistance?

- Current status: ODA is growing smaller in relative terms

Whereas half a century ago official development assistance (ODA) still accounted for 70% of all capital flows to developing countries, this share has today been reduced to 13%. This is owing to the emergence of the private sector, the expansion of trade, an increase in domestic funds, wage transfers, export credits and other capital flows. In addition, ODA in real figures is falling in a number of donor countries due to the international economic crisis. Still, ODA continues to be an important source of income for the least developed countries. Also, a number of the new emerging economies are entering the donor landscape and economic South-South cooperation has increased.

Within ODA itself, the interpretations of the concept 'concessionality' strongly differ, which jeopardises the uniformity of the measurement.⁶ For some expenditures within the ODA concept the impact on the developing countries is very unclear. When these funds obscure the overview of 'actual' development funds, this is referred to as 'aid pollution'. To counter this, civil society already launched alternative concepts like Real Aid and Genuine Aid. During these past years, the OECD itself also developed 'country programmable aid' (CPA), an indicator which separates real development funds from emergency aid, funding of actors within the donor country itself, relief for asylum seekers, debt cancellations,...

- Some lines of thinking for effecting change

The OECD is increasingly aware that loopholes for 'aid pollution' may impugn the political credibility of the ODA concept. One way of closing this loophole would be to measure the benefits (for recipient countries) instead of the budgetary burden (for donors). This will allow the recipient countries themselves to demonstrate the relevance of these funds.

In view of the diminishing role of ODA in middle-income countries the OECD is examining whether it can also indicate non-ODA flows in the future. Certain financing mechanisms (including shares in development funds) may have an impact on the development of the private sector and realise a great leverage effect through private funds. These innovative mechanisms do not always mesh with the traditional ODA concept. However, they can still be relevant to the economic development of the countries concerned. For this reason, a broader measurement by the OECD could provide a more complete picture of the evolutions in 'broad' development funding. It is important for this broader measurement to be conceived as a supplement to ODA and not as a replacement for ODA.

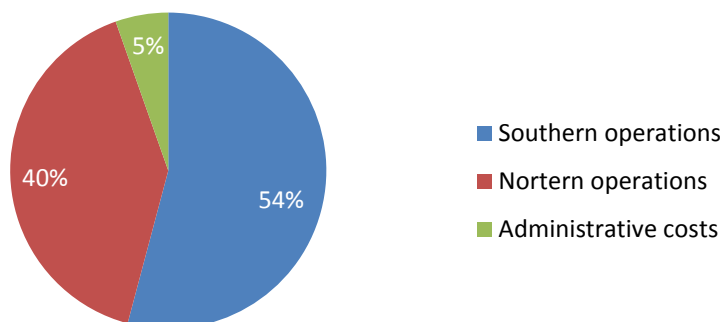
In addition, the OECD wants to make its methodology available to a larger group of countries besides its own OECD member countries. To that end, it works together with the United Nations, for instance, to contribute to criteria that are used for monitoring the global post-2015 sustainable development framework. Great potential is still available for a better documentation of aid efforts and realisations for new South-South forms of cooperation⁷ as well, so that lessons can be learned from these types of aid as well. The OECD can offer its expertise to these new players and at the same time provide a more complete picture of current development funds and trends.

⁶ Donors can contract long-term loans on the basis of their own credit rating, which they can subsequently lend on to developing countries at slightly higher interest rates. Although these loans do not entail any budgetary burden for donors (they even earn a profit from them), they can still be entered as ODA because of one of the concessionality criteria (10% discount rate).

⁷ The Centre of Expertise on Foreign Policy, International Enterprise and Development Cooperation is carrying out a study into the trends regarding South-South cooperation in the Flemish partner countries.

2. Flemish ODA spending pattern

2.1 ODA breakdown between projects in the North and South



Flemish ODA amounted to EUR 56,090,186 in 2013.⁸ Of this amount, EUR 30,367,811 - or 56% - are **projects in the South**. Flanders uses these funds to invest in projects, programmes and sectoral funds in the South. Roughly 82% of the loans for projects in the South were committed to the high-priority region of Southern Africa.⁹

Spending on **projects in the North** totalled EUR 22,691,810 - or 41% - of total ODA. These contributions benefit domestic actors who play a major role in the field of development cooperation. In the first instance, these funds do not leave the country, although they can have an indirect effect on socio-economic development in the South.¹⁰

Lastly, **administrative costs** were recorded by both the Flemish Department of Foreign Affairs and the Flanders International Cooperation Agency (FICA), which were essential for the policy and the implementation of development cooperation. In 2013, these costs accounted for 5.4% of total ODA. This percentage corresponds to the average administrative cost of OECD-DAC donors.

The composition of the spending on projects in the South (2.1.1) and projects in the North (2.1.2) is given below.

⁸ To calculate the total ODA the reclamations were deducted. This concerns a total of EUR 1.5 million in 2013.

⁹ The expenditures flowing to the region of 'Southern Africa' in 2013 (a total of almost EUR 24.8 million) can be found at <http://www.vlaanderen.be/int/oda/region>

¹⁰ One example of this is the structural funding of the Antwerp Institute of Tropical Medicine to the development of medication and applied treatment methods for combating tropical diseases.

2.1.1 Projects in the South

Projects in the South				Total: € 30,367,811
Types of expenditures for projects in the South				
	Bilateral (direct)	Bilateral (indirect)	Bi-Multi	Total
	€ 7,679,291	€ 4,936,030	€ 12,674,793	€ 25,290,115
South Africa	1,291,751	332,500	2,789,741	4,413,992
Mozambique	3,679,042	3,591,925	1,617,993	8,888,960
Malawi	2,708,498	1,011,605	2,750,621	6,470,724
Southern Africa (region)			3,136,685	3,136,685
Other			2,379,753	2,379,753
Multilateral cooperation (unearmarked contributions)				€ 1,677,141
Central Emergency Response Fund (CERF)				600,000
UN Relief and Works Agency for Palestine Refugees (UNRWA)				150,000
UNICEF International				250,000
Joint United Nations Programme on HIV/AIDS (UNAIDS)				250,000
UN World Food Programme (WFP)				200,000
Funding for environmental conventions (UNFCCC, UNEP, UNECE)				221,805
International Seed Testing Organisation (ISTA)				5,336
Indirect cooperation				2,911,269 €
Applied scientific research in developing countries				234,612
Trade, enterprise and development				875,081
Vlaams Partnerschap Water voor Ontwikkeling (Flemish Partnership 'Water for Development')				861,956
Scholarships and training (administered in developing countries)				243,879
Vlaams Fonds Tropisch Bos (Flemish Fund for Tropical Forests)				245,646
Miscellaneous (mainly the transport and storage sector)				450,095
Humanitarian aid (excluding multilateral contributions to CERF, WFP, UNRWA)				€ 489,286

Bilateral cooperation includes modes of cooperation that are based on an agreement between the Government of Flanders and a partner country of the Flemish Development Cooperation. Flanders concentrates its policy on South Africa, Mozambique and Malawi. For cross-border and regionally oriented programmes the focus is on Southern Africa.

The **direct bilateral cooperation**, government-to-government support, amounts to EUR 7.7 million. In **indirect bilateral cooperation** (EUR 4.9 million) local, international or Flemish organisations are called on to implement the strategy paper with a partner country. Apart from that, programmes of multilateral institutions can also contribute to the targets specified in the strategy papers: this is the category **Bi-Multi**. About 10.3 million was invested in Southern Africa through the United Nations. The remaining 2.4 million for Bi-Multi pertains to programmes that are not geographically but thematically earmarked, such as the Trust Fund with the International Labour Organisation and UNESCO.

Bi-Multi: funds earmarked per UN organisation in 2013		€ 12,674,793
International Labour Organisation (ILO)		3,317,743
World Health Organisation		1,841,169
UNICEF		1,599,934
Food and Agricultural Organisation of the United Nations (FAO)		1,520,687
United Nations Educational, Scientific and Cultural Organisation (UNESCO)		1,192,075
United Nations World Food Programme (WFP)		800,000
United Nations System Standing Committee on Nutrition (UNSCN).		516,500
Joint United Nations Programme on HIV/AIDS (UNAIDS)		500,000
One UN Fund Malawi		420,000
United Nations Development Programme (UNDP)		385,000
World Agroforestry Centre (ICRAF)		195,485
Office of the United Nations High Commissioner for Human Rights (OHCHR)		106,200
Organisation for Economic Cooperation and Development (OECD)		90,000
United Nations Development Programme (UNDP)		80,000
International Renewable Energy Agency (IRENA)		75,000
United Nations World Tourism Organisation (UNWTO)		35,000

Multilateral cooperation - whereby contributions are fully absorbed into the budget of a multilateral organisation - totals EUR 1,677,141. Unearmarked aid affords these organisations flexibility when utilising Flemish contributions to meet ever-changing needs.

Indirect cooperation deployed in the South in 2013 amounts to EUR 2.9 million. With indirect cooperation, the expertise of an organisation (NGOs, non-profit organisations, scientific institutions, and private actors) is consigned to the implementation of specific projects outside the framework of the strategy papers. Within the context of projects in the South, we can discern a number of cooperation initiatives that are geared toward the pursuit of a specific target. Expenditures on 'trade and development' are aimed at improving the living conditions of inhabitants by enhancing productivity as well as access to the means of production and the market. The Flemish Partnership Water for Development works to achieve water-related targets as outlined in Millennium Development Goal 7. The Flemish Fund for Tropical Forests emphasises the benefits of forestry and forest management in the course of combating climate change, biodiversity loss and desertification in developing countries.

In the context of international cooperation, Flanders also provides aid for areas affected by natural or man-made disasters. The remaining category of emergency aid represents EUR 489,286.¹¹ To avoid double counting, the contributions to UN institutions relevant to emergency aid - which can be found in the 'bi-multi' and 'multilateral aid' categories - are not included again in this category.

¹¹ All amounts in the tables are inclusive of reclamations. In 2013, a contribution for an emergency aid project was reclaimed, totalling EUR -282,600.

2.1.2 Projects in the North

Projects in the North	Total: € 22,691,810
Types of expenditures for projects in the North	
Scientific research and education	€ 15,961,000
Instituut voor Tropische Geneeskunde Antwerpen (ITG) (Antwerp Institute of Tropical Medicine)	12,712,000
Instituut voor Ontwikkelingsbeleid en -Beheer (IOB) (Institute of Development Policy and Management)	2,184,000
United Nations University (UNU)	1,065,000
Development education and raising awareness	€ 2,292,622
Support for NGOs and/or non-profit organisations	€ 1,900,564
Municipal development cooperation	€ 1,584,148
Municipal covenants on development cooperation	1,439,056
Vereniging van Vlaamse Steden en Gemeenten vzw (npo Association of Flemish Cities and Municipalities)	145,092
Scholarships and training (administered in donor country)	€ 953,476

Roughly 70% of the funding allocated to projects in the North goes to development-relevant **scientific research and education**. The Antwerp Institute of Tropical Medicine specialises in research, education and services in the field of tropical medicine, as well as the organisation of health care services in developing countries. The Institute of Development Policy and Management provides secondary academic education, conducts scientific research and offers social services relating to the economic, political and social aspects of development policy and management. The United Nations University (UNU) conducts research into global problems that fall within the UN's sphere of interest: peace and good governance, development, environment, science and technology.

Around EUR 2.3 million is spent on **development education and raising awareness**. A positive attitude toward development cooperation forms a critical foundation for peace and solidarity in society. By increasing support for poverty reduction, the Flemish citizen gains a stronger sense of responsibility. **Cities and municipalities** are close to their citizens and are therefore in a unique position to raise awareness among difficult-to-reach target groups. EUR 1,5 million was spent on the support programme for municipal development cooperation.

The Government of Flanders also provides **support for NGOs** within the context of its projects in the North, primarily in the form of wage and project subsidies. As civil society actors in the field of development cooperation, they have a key role to play in strengthening acceptance, in maintaining a watchful eye over government activities and in developing innovative projects in the South.

By providing students in the South with the opportunity to follow specific training programmes in Flanders, an indirect contribution is made to capacity building in their own countries. **Scholarships** administered in the donor country account for EUR 953,476 of 2013 expenditures.

2.1.3 Like to learn more?

If you would like more details on the composition of the ODA based on the types of expenditures listed above, please consult the 'expenditure type' list at <http://www.vlaanderen.be/int/oda/cooperationform>

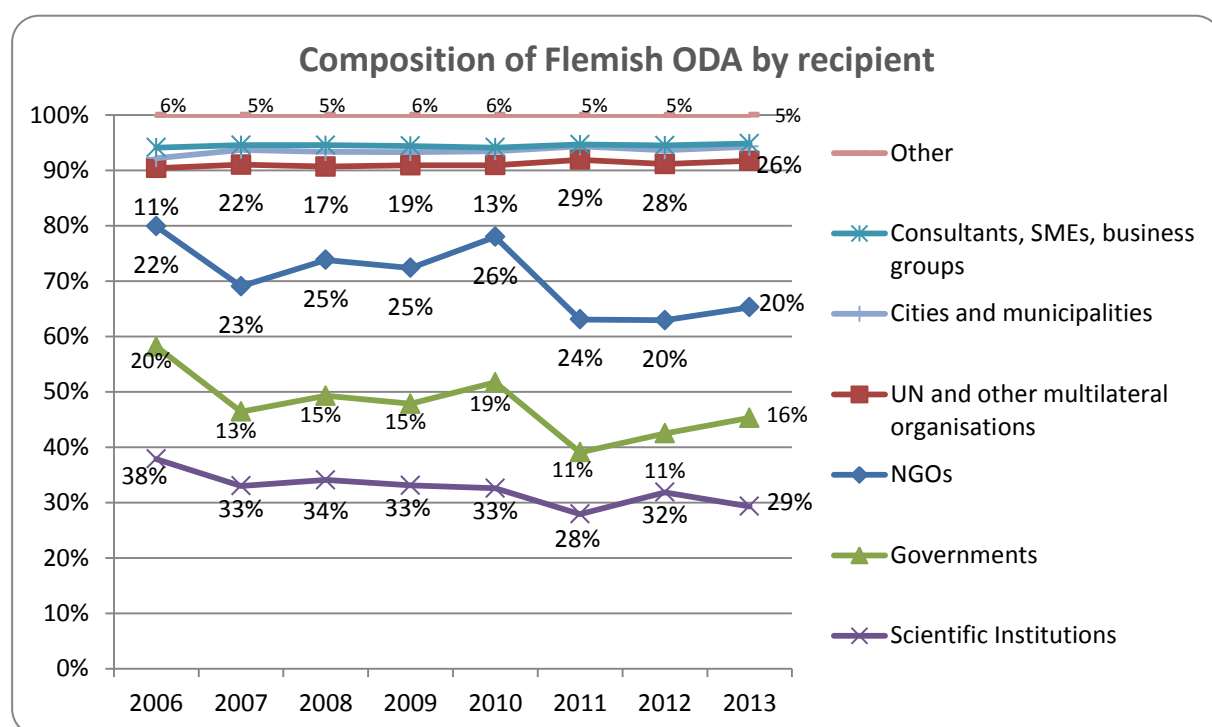
2.2 Flemish ODA policy indicators

The above breakdown - projects in the North/projects in the South/administrative costs - does not provide any insight into the sectoral distribution, the selection of partners, the origin of the funds, etc. This section takes a closer look at a number of policy-related indicators. Where possible, the evolution since 2006 is indicated.

2.2.1 Recipients

The diagram below ranks the recipients of Flemish ODA according to percentage.

You can access information on the specific projects and programmes online at <http://www.vlaanderen.be/int/oda/recipients>



Scientific institutions account for 29% of the 2013 Flemish ODA. Since 2009, this contribution has stabilised around EUR 16 million. As a result, any subsequent evolutions in this share are due to the evolution of total ODA. The Institute of Tropical Medicine received EUR 12.7 million in the form of structural support from the specialist Department of Education and Training and the Department of Economy, Science and Innovation. On average, the share of funding received by scientific institutions between 2009-2013 remained above 30%.

The ODA allocated to **multilateral institutions** increased to 27 to 28% of total spending during the 2011-2013 period. This involves both multilateral support and contributions that are linked to geographical and/or thematic earmarking (bi-multi). In order to maximise synergies between the bilateral development policies in the partner countries, the choice is often made to concentrate contributions on the countries in Southern Africa. UN agencies can also serve as the implementing partner of the bilateral cooperation with the partner countries.

NGOs and non-profit organisations together received 20% of the ODA. This percentage is the sum of the share of Flemish NGOs and non-profit organisations (13.3%), local NGOs (4.5%) and international NGOs (2.3%). These actors serve as implementing partners of the bilateral development programmes. Still, general wage and project costs are financed as well.

A total of 16% of Flemish ODA was paid out directly to the **governments** of South Africa, Mozambique and Malawi. Cooperation with governments in partner countries is funded almost entirely with resources from the development cooperation budget. Since the establishment of the Flanders International Cooperation Agency in 2006 until 2013 this share has been 14.8% on average.

Lastly, 2.5% of ODA goes to domestic **cities and municipalities** in order to strengthen support for development cooperation. These subsidies are also fully derived from the development cooperation budget.

The '**other**' category of recipient corresponds closely to administrative costs and has remained steady at 5%.

2.2.2 Recipient countries

The recipients listed above operate in a number of regions of the world. To gain an insight into the geographical distribution of ODA, the table below groups the recipient regions.¹²

The specific countries and projects in these regions can be viewed online at:

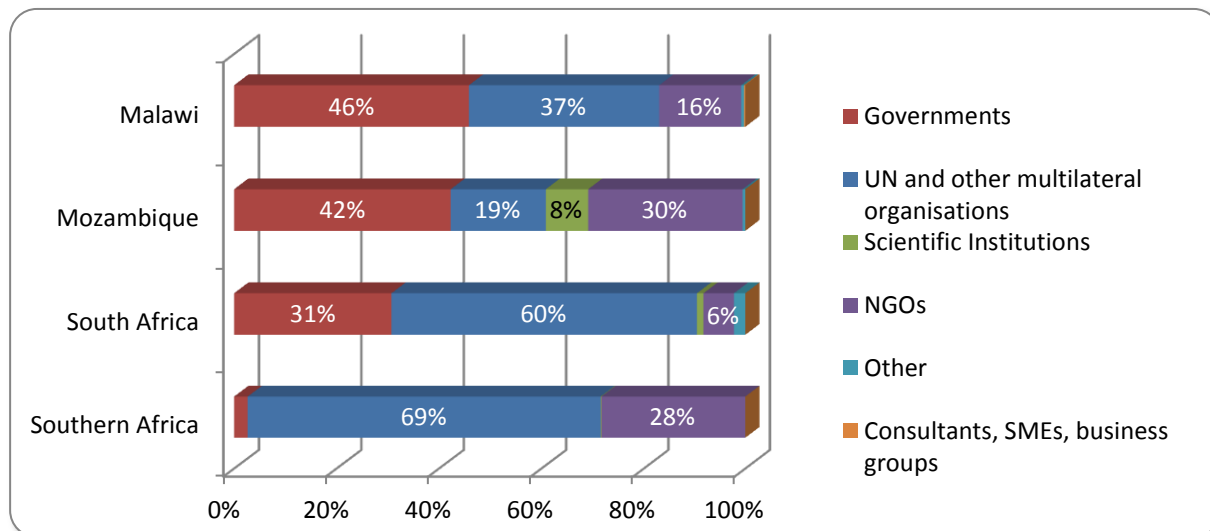
<http://www.vlaanderen.be/int/oda/region>

Top regions receiving Flemish ODA in 2013			% ODA	% projects in the South
Africa			%	%
Of which:	North Africa	65,280	0.1%	0.2%
	Sahel	207,692	0.4%	0.7%
	West Africa	290,312	0.5%	1.0%
	Central Africa	45,892	0.1%	0.2%
	East Africa	285,355	0.5%	0.9%
	Southern Africa	24,819,218	44.4%	81.7%
Of which:	Malawi	7,394,682	13.2%	24%
	South Africa	4,668,102	8.4%	15%
	Mozambique	8,713,647	15.6%	29%
	Subregional/ other countries in region	4,042,787	7.2%	13%
Latin America/Caribbean		1,161,166	2.1%	3.8%
Asia		729,850	1.3%	2.4%
Middle East / Middle East and North Africa (MENA)		538,023	1.0%	1.8%
Central and Eastern Europe		158,000	0.3%	0.5%

¹² These total amounts per country in Southern Africa include all ODA: for (in)direct bilateral cooperation, Bi-Multi, indirection cooperation and emergency aid. That is why this figure may be different from the figure in the table on page 7, since the latter figure only geographically breaks down expenditures for (in)direct bilateral cooperation and Bi-Multi.

The priority partner countries and region were the biggest recipients of Flemish ODA in 2013, accounting for 44% of total ODA. Aside from the projects in the North and administrative costs, these countries and this region represent 82% of total ODA for projects in the South.

The ODA flowing to the priority countries and region (Southern Africa) can be further examined according to recipient.



In **Malawi** and **Mozambique** more money has, relatively speaking, been invested in cooperation with the government. Together with other donors, Flanders harmonises its support here within sectoral funds (health and agriculture). In **South Africa** the share for direct bilateral cooperation has been strongly reduced by two reclaimed contributions in Free State Province.

In **Malawi** the UN organisations ICRAF, Food and Agriculture Organisation (FAO), One UN Fund, World Food Programme (WFP) and UNICEF were active. A lot of local NGOs concentrated on agriculture, livestock farming and sustainable marketing.

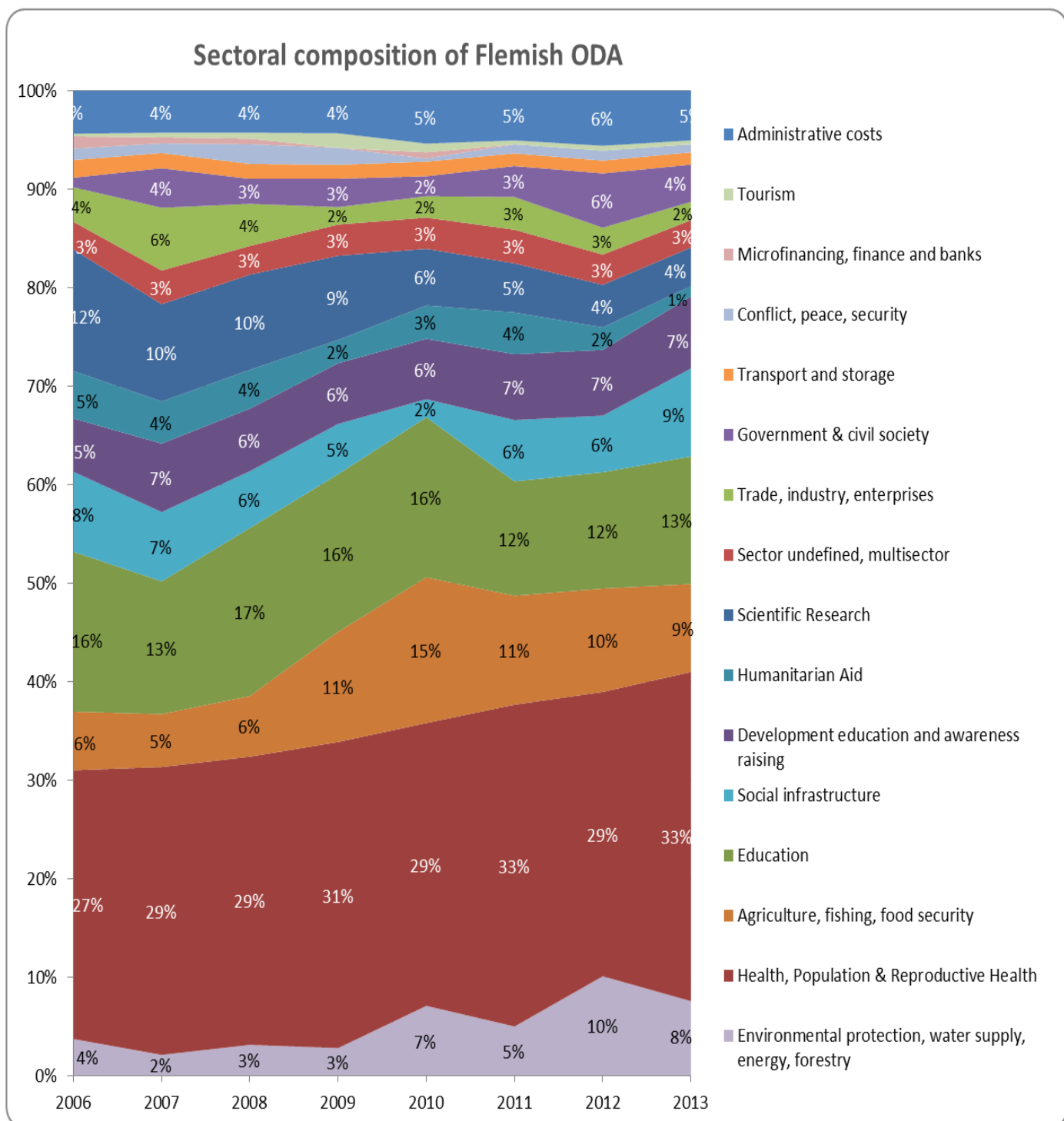
The high share for NGOs in **Mozambique** is mainly owing to the engagement of local and international NGOs, such as Sociedade Salesiana de Moçambique, Fórum Mulher, Pathfinder International and Clinton Health Access Initiative. There is also a striking presence of scientific institutions in Mozambique: the Instituto Nacional de Saúde (INS), the International Centre for Reproductive Health and the Institute of Tropical Medicine all contribute to realising the right to health.

The largest share of Bi-Multi was spent in **South Africa** through the International Labour Organisation for the implementation of the strategy paper relating to job creation and decent work.

ODA flowing to the **region of Southern Africa** (both the region itself as well as individual countries in the region, excluding the three bar graphs above) is implemented mainly by multilateral institutions and NGOs. This often involves cross-border programmes for which these players are able to offer specific expertise. The residual category 'governments' (3%) includes an agricultural research project by ILVO which is being implemented both in Malawi and in Zambia.

2.2.2 Sectors

Flemish ODA spending per sector is detailed below. The sector coding system was fine-tuned by the OECD Development Assistance Committee and allows for comparisons between the sectoral information of all donors. This distribution per sector (and the projects associated with each sector) can be viewed here <http://www.vlaanderen.be/int/oda/sectors>

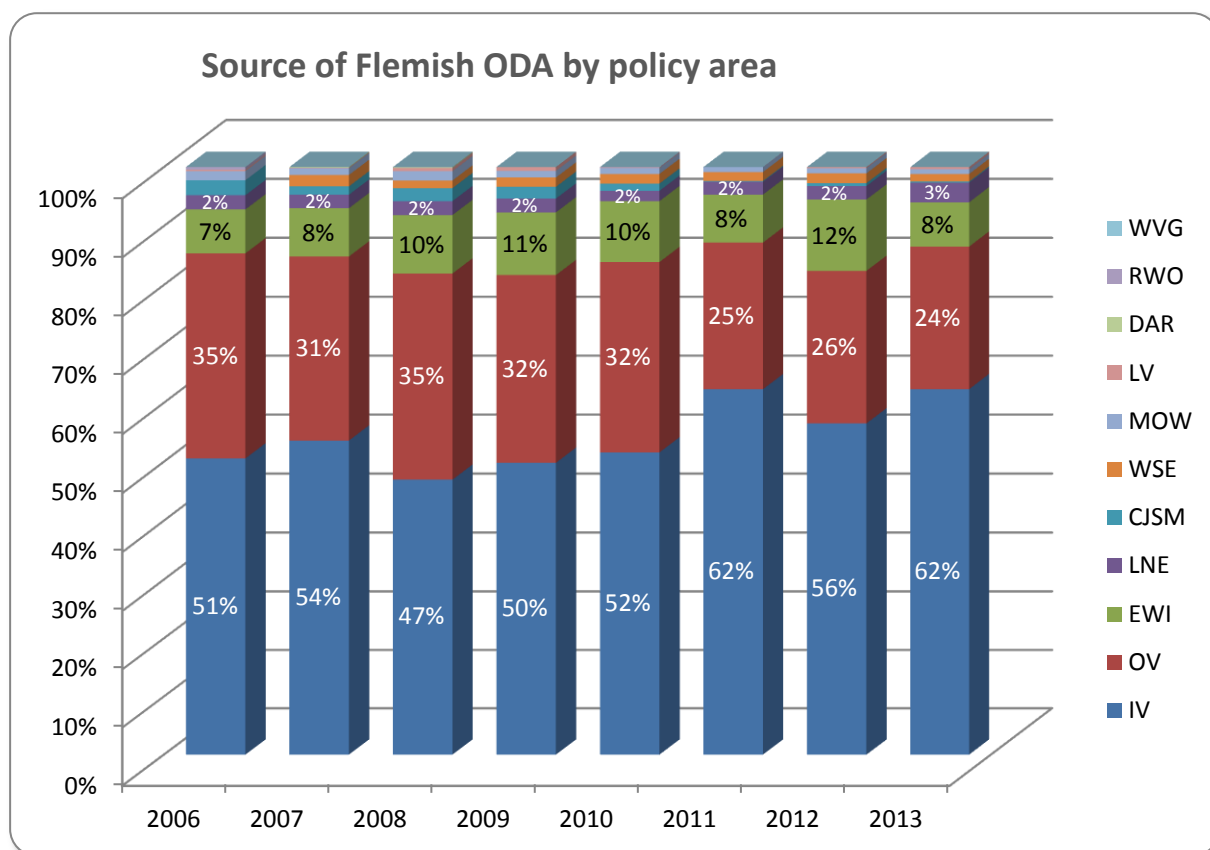


Flemish ODA in 2013 is concentrated on the sectors of health (33%), education (13%) and agriculture and livestock farming (9%). Social infrastructure (9%) and development education and awareness raising (7%) also prove to be relatively important sectors. The five largest sectors combined account for 72% of total ODA.

The sectors indicated at the bottom (energy, environmental protection, forestry, water supply) - which are associated with the 7th Millennium Development Goal - accounted for 2.9% of spending in the period 2006-2009, whereas this share rose to an average of 7.4% during the period 2010-2013.

2.2.3 Source and composition of Flemish ODA contributions

Together, three policy areas accounted for 94% of ODA in 2013: Flemish Foreign Affairs, Education and Training, and Economy, Science and Innovation. This share has remained steady over the past four years. In 2013, a small decrease in the share of the Education and Training policy area and the Economy, Science and Innovation policy area was coupled with an increase in the share of the Flemish Foreign Affairs policy area.

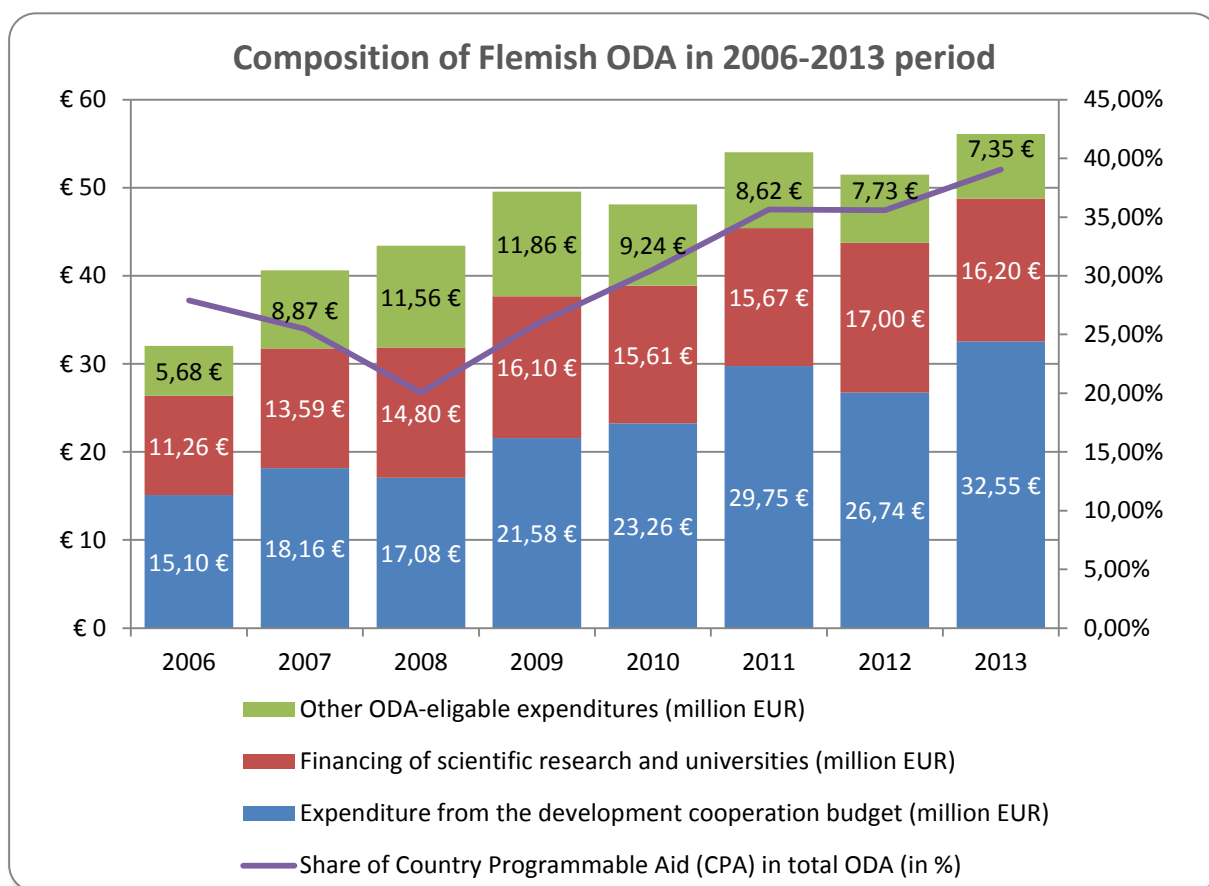


This breakdown by policy area can also be viewed online at:

<http://www.vlaanderen.be/int/oda/policydomain>

The Flemish Department of Foreign Affairs is the policy area to which the Flanders International Cooperation Agency (FICA) belongs. This agency administers the funds from the development cooperation budget.

Based on the ODA expenditures of the policy areas of Economy, Science and Innovation, Education and Training, and Flemish Foreign Affairs on the one hand, and the other policy areas on the other, we can divide the ODA into three general groups.



The funds originating from the **development cooperation budget** (FICA) are represented in blue in the bar graph above. Since 2008, a continuous increase has been recorded, except for the year 2012.

Funding for **scientific institutions and universities** (shown in red in the bar graph) has been rising since 2006. This aid is largely laid down in agreements that provide for an annual indexation, resulting in a more stable level of expenditures. The subsidies come primarily from the policy areas of Education and Training and Economy, Science and Innovation. Scientific research is conducted mainly in the health and agriculture sectors.¹³

All expenditures which are not administered within the development cooperation budget and which are not destined for scientific research are represented in green in the bar graph. This portion, paid by several policy areas, has experienced a continuous downward trend since 2009 as the result of budget cuts within the Government of Flanders.

The purple line indicates changes in the share of **country programmable aid** (CPA)¹⁴. These are funds that can be programmed in developing countries and which are administered by the main agency (FICA). This indicator focuses on the essence of development cooperation and excludes non-CPA expenses such as humanitarian aid, emergency food aid, administrative costs and projects in the North. The share of CPA has increased since 2008 to 39% in 2013.

¹³ Scientific research in the health and agriculture sectors is included in the sectoral overview for health and agriculture (see 2.2.2).

¹⁴ More information is available at <http://www.oecd.org/development/aideffectiveness/cpa.htm>.

2.2.4 Aid typologies

Since the Paris Declaration on Aid Effectiveness (2005), a greater priority has been placed at the international level on coordinating donor aid with the existing policy aims of recipient countries. The harmonisation of procedures for implementing aid among donors is also high on the international community's agenda. In order to measure donor progress on this front, measuring tools were developed that also contain information on the way in which the projects, programmes and funds are established.

This allows us to ascertain whether a donor is primarily making use of project aid that has been separately furnished, or whether the donor is deploying its aid via pre-existing programmes or funds of the recipient government and/or a group of donors. Project aid that is set up separately is often associated with relatively high costs related to its identification, follow-up and other administrative tasks. The table below shows the distribution for 2011, 2012 and 2013.

Aid typologies		ODA 2011	ODA 2012	ODA 2013
A02	Sectoral budget support	€ 3,965,000	€ 3,000,000	€ 4,700,000
B01	Unearmarked contributions to NGOs, other private entities, public-private partnerships and research institutions	€ 16,668,229	€ 16,515,407	€ 16,796,564
B02	Unearmarked contributions to multilateral institutions	€ 2,319,023	€ 1,954,042	€ 2,742,141
B03	Contributions to specific programmes and funds administered by international institutions (international NGOs and multilateral institutions)	€ 3,836,480	€ 2,450,000	€ 3,215,000
B04	Pooled contributions (not administered by multilateral institutions)	€ 170,000	€ 0	€ 500,000
C01	Project assistance	€ 18,430,031	€ 18,597,568	€ 19,060,187
D0	Experts and technical assistance			
	Of which: DO1 Technical assistance: provision of experts, consultants, academics, etc. from the donor country	€ 1,223,103	€ 434,485	€ 906,222
	And of which: DO2 Other technical assistance: joint research by donor and recipient, local scholarships, development-related social and cultural programmes, etc.	€ 417,629	€ 1,357,592	€ 309,261
E01	Scholarships/training in the donor country	€ 846,699	€ 961,616	€ 1,098,568
G01	Administrative costs	€ 2,725,624	€ 2,875,849	€ 3,030,565
H01	Increasing support for development cooperation	€ 3,435,550	€ 3,324,354	€ 3,731,678

The high percentage for B01 is due to the unearmarked contributions to the scientific institutions 'Institute of Tropical Medicine' and the 'Institute of Development Policy and Management'¹⁵ (EUR 14.9 million) as well as the wage subsidies for Flemish NGOs (EUR 1.9 million).

For subsidies within typology B03 (specific programmes and funds), it is safe to say that the donor has not exercised any influence on the way that project assistance is ultimately allocated. Flanders supports two of UNICEF's thematic priorities (survival of children + HIV/AIDS and children) via these subsidies, and does so without making any prior agreements with UNICEF as to the individual projects that must be funded with these resources.

This is not the case for projects funded by the Flanders UNESCO Trust Fund, the Flanders UNESCO Science Trust Fund and the ILO/Flanders Trust Fund. Because the allocation of funds to actual projects is agreed upon between the Government of Flanders and the UN institution, the

¹⁵ *Instituut voor Tropische Geneeskunde and Instituut voor Ontwikkelingsbeleid en –beheer* in Dutch

projects themselves are categorised under typology C01. Project assistance forms the largest aid category within Flemish ODA.

Lastly, use is made of technical assistance (international cooperation via experts), scholarships and increasing support in the donor country.

2.3 Flemish ODA in an international context

The contribution made by Flanders to the partner countries of the Flemish Development Cooperation can be compared to that of other bilateral donors. Because figures for the 2013 ODA of other donors were not yet available at the time of writing, this comparison runs to 2012.

Flemish ODA in the partner countries				
	2009	2010	2011	2012
South Africa				
Flemish ODA (€)	3,921,056	3,853,365	3,540,573	5,455,376
Rank among donors	12	15	16	12
% of total ODA	0.65%	0.64%	0.51%	0.81%
Mozambique				
Flemish ODA (€)	5,325,919	4,972,225	7,930,012	2,952,536
Rank among donors	19	20	18	21
% of total ODA	0.57%	0.52%	0.64%	0.25%
Malawi				
Flemish ODA (€)	5,572,745	7,819,937	4,924,518	9,308,656
Rank among donors	9	8	9	8
% of total ODA	1.70%	1.98%	1.51%	1.85%

The portion of the Flemish contribution to South Africa and Malawi relative to overall bilateral development cooperation (excluding the European Commission) increased between 2011 and 2012, and its ranking among bilateral donors rose as well. During that same period, the Flemish ODA in Mozambique dropped in relation to both the overall ODA in Mozambique and its rank among other donors.

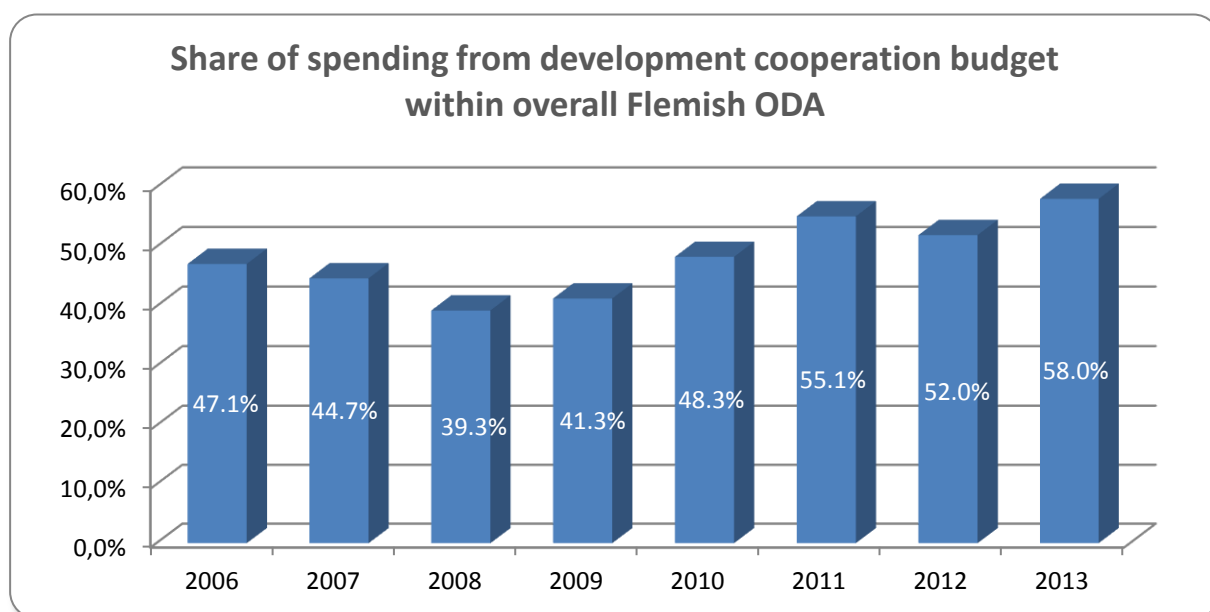
Compared to traditional OECD-DAC member states, Flanders is a modest donor. The lion's share of ODA originating in Belgium comes from the Federal Public Service Foreign Affairs, Foreign Trade and Development Cooperation. In 2012, Flanders accounted for 2.9% of total Belgian ODA.

It can be deduced from the graph below that Flemish ODA corresponds to the average of the new EU donors (who are currently not a member of the OECD Development Assistance Committee). Upon their accession to the European Union in 2004 and 2007, these countries promised to allocate 0.33% of their GDP to development cooperation by 2015.

ODA of non-DAC EU donors and Flanders								
	2009		2010		2011		2012	
	Million €	% GNI	Million €	% GNI	Million €	% GNI	Million €	% GNI
Romania	99	0.08	86	0.07	118	0.09	113	0.08
Hungary	84	0.10	86	0.09	100	0.11	93	0.10
Slovakia	54	0.09	56	0.09	62	0.09	61	0.09
Flanders	50	/	48	/	54	/	51	/
Slovenia	57	0.15	44	0.13	45	0.13	45	0.13
Lithuania	30	0.11	28	0.10	38	0.13	40	0.13
Cyprus	33	0.20	39	0.23	28	0.16	20	0.12
Estonia	13	0.10	14	0.10	18	0.11	18	0.11
Bulgaria	12	0.04	31	0.09	35	0.09	30	0.08
Latvia	15	0.08	12	0.06	14	0.07	16	0.08
Malta	10	0.18	10	0.18	14	0.25	14	0.23

3. Spending pattern of Flemish Development Cooperation

The ODA statistics and the expenditures from the development cooperation budget should not be confused with one another. Flemish spending on development cooperation constitutes a portion of overall Flemish ODA. This portion saw an increase in 2013.



The development cooperation budget is administered by the Flanders International Cooperation Agency (FICA), which operates within the Flemish Foreign Affairs policy area. In late 2013, the Government of Flanders decided to integrate the agency into the policy area. However, the development cooperation budget is maintained, which means that these funds can still be studied separately in the future.

In this section, we delve deeper into the spending pattern of the budget for development cooperation. In 2013, a total of EUR 32,547,657 in development-related contributions was spent by FICA. This ODA can be further broken down - along the same lines as the overall ODA - according to spending channel and sectoral focus.

3.1 Introduction: a policy focused on development cooperation

The Flemish Development Cooperation is focused on cooperation with the countries of South Africa, Mozambique and Malawi. Cooperation with a partner country is always formalised in a Memorandum of Understanding (MoU), which provides the framework within which Flanders commits itself to the development priorities of the partner country. The strategy papers specify what the cooperation priorities will be over a five-year period. These documents are an important means of optimising the predictability of the aid.

The Flemish Development Cooperation is affected by the international discourse on the enhancement of aid effectiveness.

In the course of establishing this cooperation, Flanders aims at donor coordination and cooperation with other donors. Some of these coordinated efforts include the deployment of sectoral aid for the right to health in Malawi and Mozambique, and the deployment of sectoral aid for agriculture in Malawi.

South Africa became the first partner country of the Flemish Development Cooperation in 1994. On 15 July 2011, the Government of Flanders approved the second 2012-2016 strategy paper on development cooperation. Focus is being given to two sectors that have been designated as priorities by the South African government: *agriculture and food security, and job creation and entrepreneurship*.

Development cooperation between Flanders and **Mozambique** was formally initiated in 2002. The second strategy paper (2011-2015) focuses entirely on advancing the right of the Mozambican population to *health*. Efforts within the health sector are primarily focused on making a contribution to:

- (1) the further development of a critical mass of well-trained and highly-motivated health workers;
- (2) the provision of solid health research and efficient monitoring of diseases and epidemics;
- (3) the promotion of sexual and reproductive health and rights; and
- (4) the promotion of good nutrition and nutritional practices.

On 28 April 2006, the Government of Flanders selected **Malawi** as the third partner country for the Flemish Development Cooperation. The second strategy paper (2014-2018) is entirely focused on agriculture and food security. Within the sector-wide approach for agriculture and food security (ASWAp) Flanders acts as lead donor with regard to agricultural extension services. The ASWAp is mainly concentrated on:

- (1) food security and risk management;
- (2) commercial agriculture, the processing of agricultural products and market development;
- (3) the sustainable management of agricultural land and water.

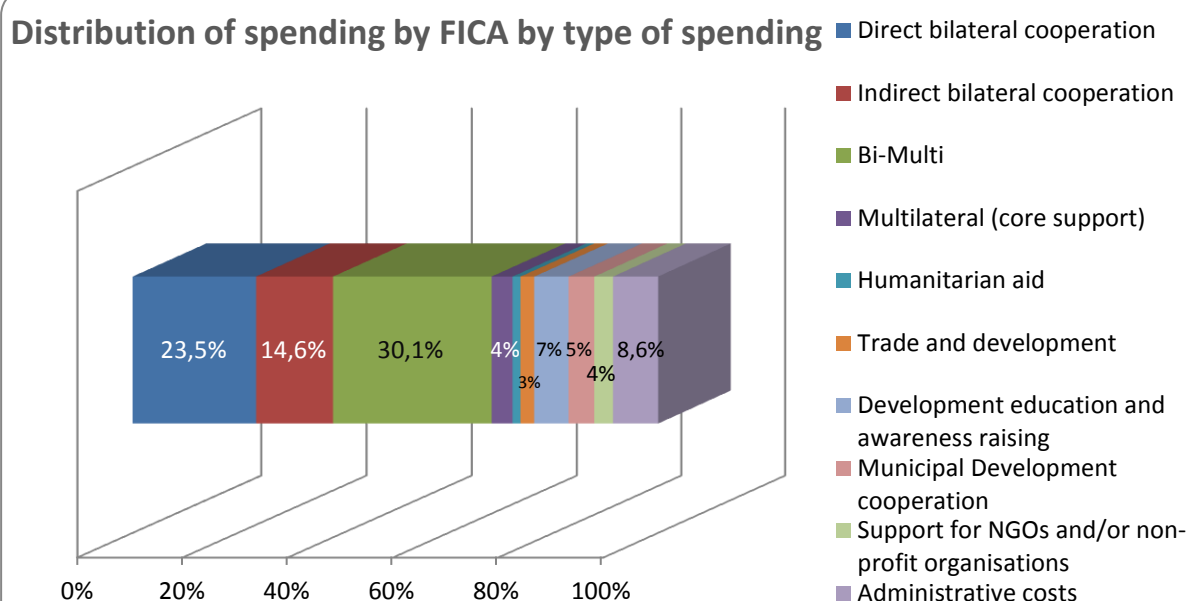
3.2 Policy indicators with respect to Flemish development cooperation

3.2.1 Spending categories of the Flanders International Cooperation Agency

FICA carries out the following duties in accordance with its decree of establishment:

- bilateral cooperation with partners in the South;
- support for measures and activities of indirect actors;
- cooperative measures via multilateral organisations;
- increasing support and raising awareness;
- emergency relief and humanitarian aid.

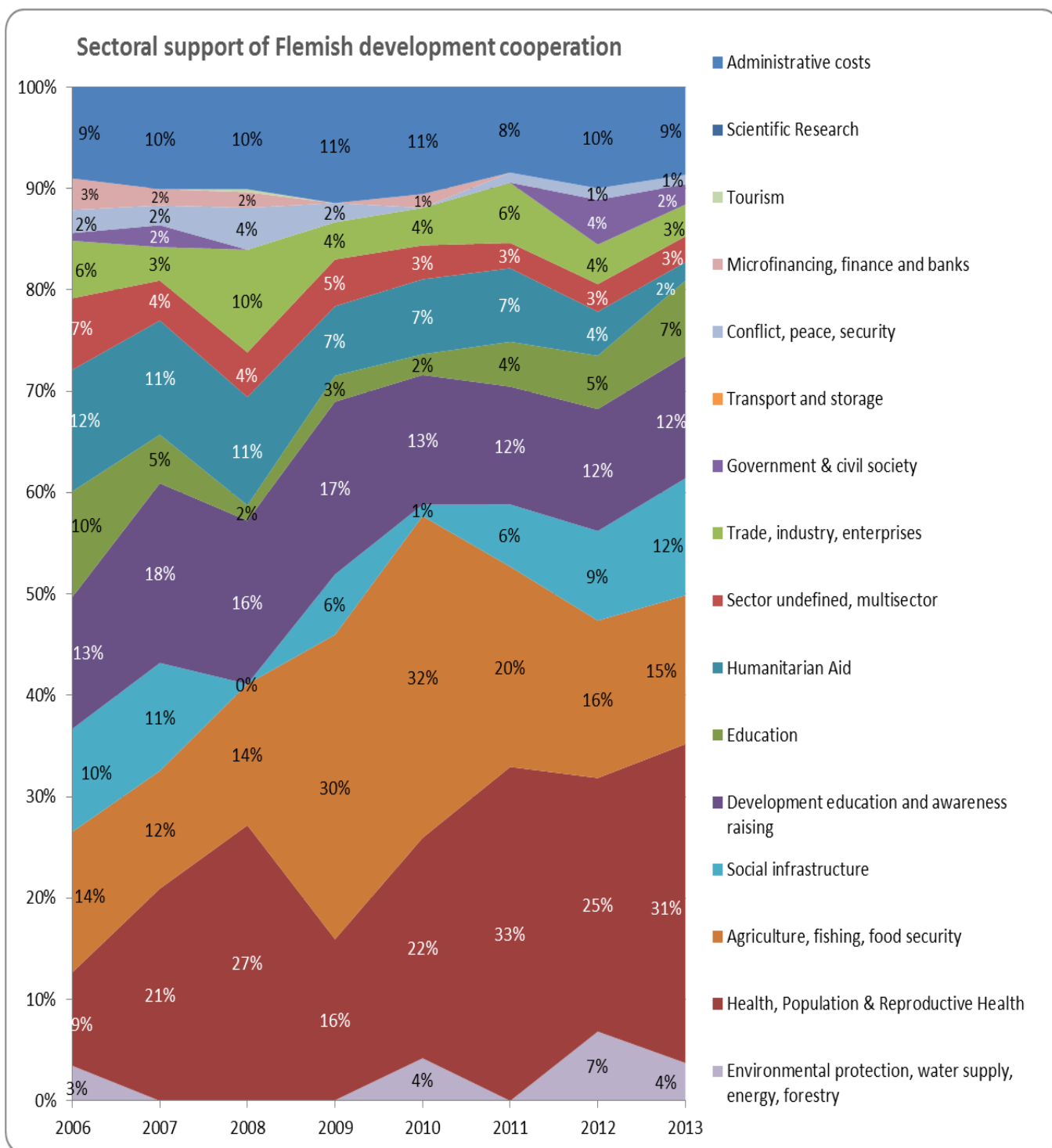
The graph below shows that these duties were taken up and converted in actual spending in 2013.



- Three fourths of the spending is devoted to projects and programmes in the South; 38% comes under 'bilateral cooperation'.
- 30% of expenditures go to programmes and projects administered by multilateral institutions in the partner countries and in the priority region of Southern Africa. The general budgetary support provided to multilateral institutions accounts for 2% of expenditures.
- NGOs are given general support by way of wage subsidies (4% of expenditures). They are also used in the effort to increase support and for projects in the South.
- FICA spends 7% on raising awareness in Flanders and 5% on raising awareness via local authorities through its support for municipal development cooperation.
- Humanitarian aid accounts for 2% of FICA expenditures in 2013.
(excluding general budgetary support for UN agencies that provide humanitarian aid).

3.2.2 Sectors

The focal sectors of bilateral cooperation can be linked to the actual payments: health (31%), agriculture & livestock farming (15%) and boosting the creation of decent jobs (12%). In addition, there are a number of core tasks carried out by FICA, i.e. raising awareness (12%), the processing of humanitarian aid files (1.8%) and the general support of NGOs by way of subsidies to cover the cost of wages paid to staff employed under the former DAC status (under sector code 'sector undefined': 2.6%). Total administrative costs represent 8.6% of expenditures.



3.2.3 Recipients

Multilateral institutions account for 32% of FICA spending in 2013. NGOs - both domestic and foreign - receive roughly 27% of total spending, while governments in South Africa, Mozambique and Malawi lay claim to 25% of spending.

Cities and municipalities receive 4% of expenditures from the development cooperation budget. The small share provided to scientific institutions (2%) stands in contrast to the large share accorded within the overall ODA (29%), which mainly originates from the specialist departments of Economy, Science and Innovation and Education and Training. Consultants were deployed to conduct evaluations of the cooperation - an administrative cost corresponding to 1% of spending. The remaining administrative costs (7%) fall under the 'Other' category.

