REPORT

THE FLEMISH ODA REPORT 2018

Flanders
State of the Art

FLANDERS
DEPARTMENT OF
FOREIGN AFFAIRS

COLOPHON

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THE FLEMISH 2018 ODA REPORT

11 graphs on the official development assistance by the Government of Flanders in 2018

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INTRODUCTION

WHAT IS FLEMISH ODA?

The Flemish 2018 ODA Report sets out an overview of all the payments made by the Government of Flanders for the purpose of development co-operation. ODA is the acronym of '*Official Development Assistance*'. An expenditure is qualified as ODA if it complies with the following criteria:

1. **O**fficial: the money is intended for the purpose of development assistance, and is funded by government institutions.
2. **D**evelopment: the main aim is to further economic and social development.
3. **A**ssistance: the contribution constitutes genuine aid – it is not a commercial transaction against market conditions.
4. The aid goes to a country or international institution that is included in the list of recipient countries.

The Framework Decree on development co-operation views the annual ODA report as a compulsory report to the Flemish Parliament, as required by Decree. The report lists the measures taken by the Government of Flanders which go towards meeting the international target of spending 0.7% of the Gross National Income on ODA (Framework Decree, art. 23, 24).[3]

The Government of Flanders transmits the report to the Federal Government's General Directorate for Development Co-operation and Humanitarian Aid (DGD). In turn, the latter pools all ODA deriving from Belgium, and prepares a full report that is submitted to the Organisation for Economic Co-operation and Development (OECD).

BROADER INTERNATIONAL CONTEXT: THE SUSTAINABLE DEVELOPMENT GOALS

Flanders is committed to actively working to achieve the 2030 Sustainable Development Agenda. The expenditures detailed in the present report contribute to the accomplishment of sustainable development in developing countries.

On 1 January 2019, the Decree amending the Framework Decree on Development Co-operation came into force The aim of said Decree is to gear the statutory framework as closely as possible to the worldwide 2030 Sustainable Development Agenda.[4]

In March 2018, the Government of Flanders officially gave its in-principle approval of the '*Vizier 2030 - A 2030 target framework for Flanders*' vision paper. Through Vizier 2030, Flanders is seeking to achieve a total of 49 targets by 2030. Target 48 is 'Flanders will make efforts to raise its contribution to achieve the 0.7% norm for development co-operation.'

DIGITAL DATA ACCESS: RETRIEVING MORE INFORMATION QUICKER

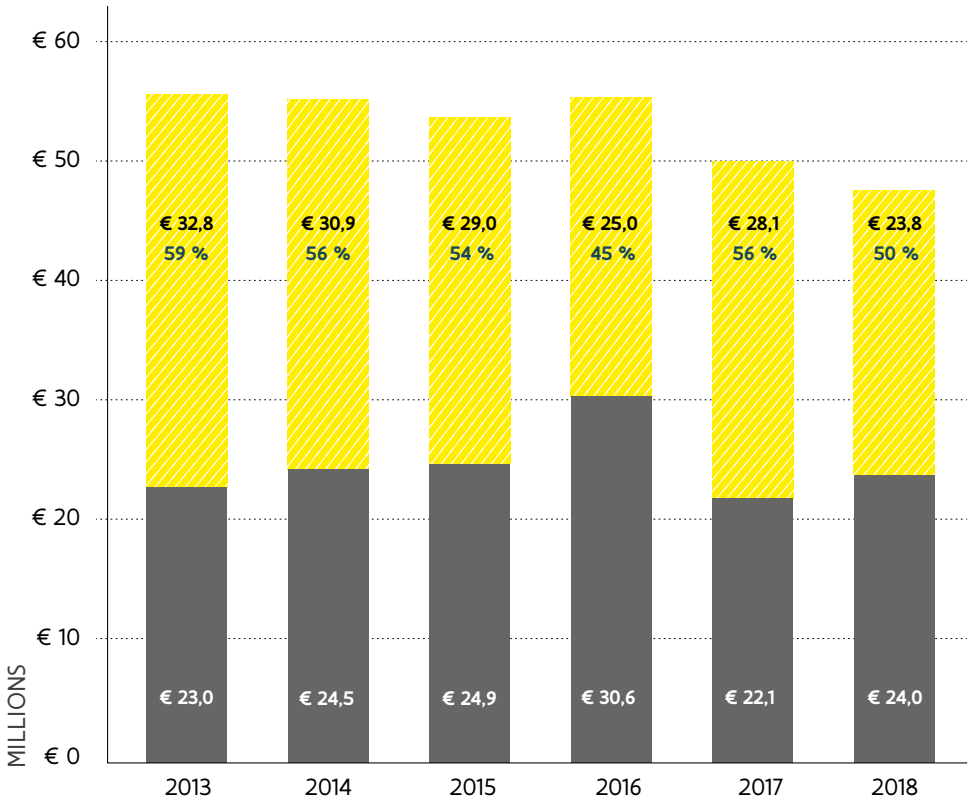
This report documents the global trends seen in Flemish ODA in 2018 by way of 11 graphs. The underlying detailed project data are available to be consulted online at the Department of Foreign Affairs' web page about Flemish ODA www.fdfa.be/en/oda.

3 Framework Decree of 22 June 2007 on Development Co-operation
4 The consolidated version of the Framework Decree is available to be consulted at: https://codex.vlaanderen.be/portals/codex/documenten/1016071.html

OVERVIEW OF ODA TRENDS ON THE BASIS OF 11 GRAPHS

1. CHANGES IN TOTAL ODA: BREAKDOWN OF DEVELOPMENT CO-OPERATION POLICY AND OTHER ODA

{Data set: total ODA}



Development co-operation policy expenditure
Other ODA
% Development co-operation policy on total ODA

Total ODA consists of two major flows:

1/ **Expenditures as part of the development co-operation policy,** administered by the Department of Foreign Affairs of the Flanders Foreign Affairs Policy Area (Internationaal Vlaanderen or IV). In 2018, these expenditures derived from two sources of funding:
- the budget for development co-operation
- the Flemish Climate Fund.

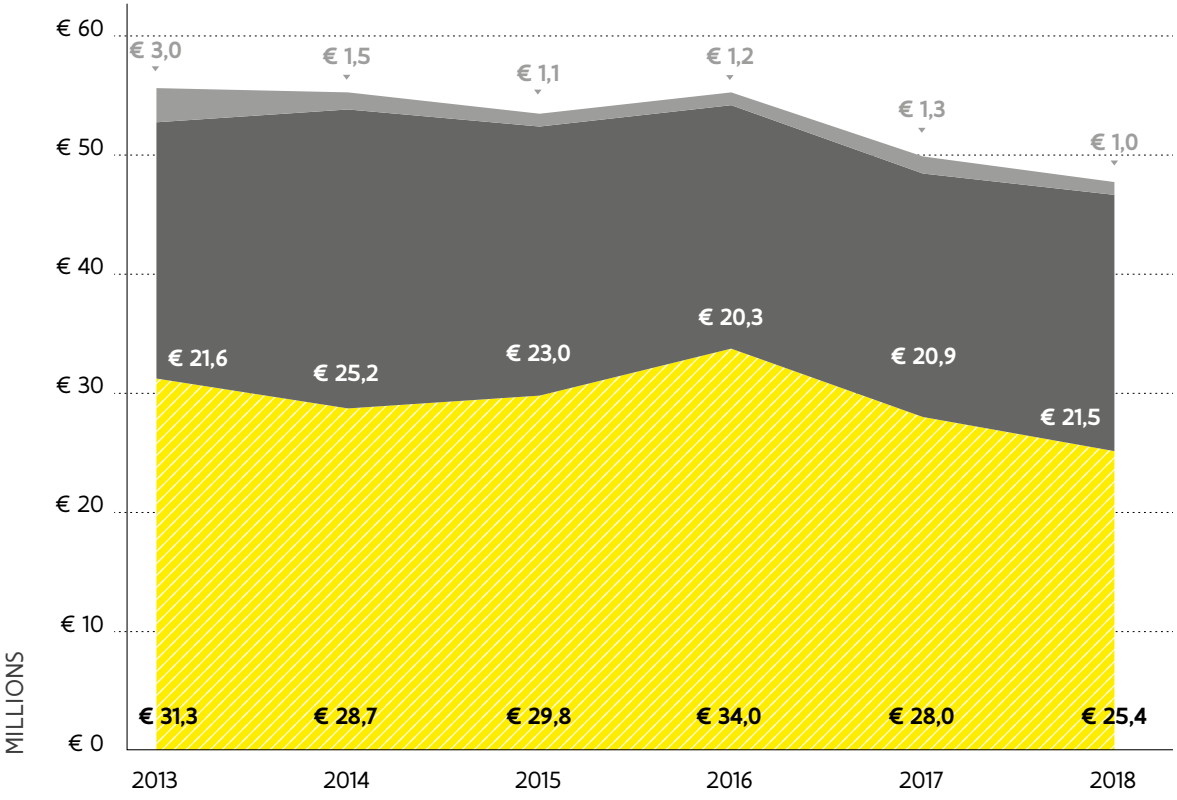
2/ **Other ODA:** other Government of Flanders policy areas also disbursed resources for projects, programmes or funds that have a positive impact on developing countries. The origin of ODA per policy area is shown in graph 4.

The text in curly brackets at the top of each chapter in this report shows which data set the analysis is based on. Graphs based on the 'total ODA' data set may be broken down further into 'development co-operation policy' and 'other ODA'. The legend in each graph shows the source of the data rendered.

- In 2018, total ODA stood at 47.85 million euros, i.e. a 5% fall compared against 2017.
  - The expenditures for development co-operation policy fell by 4.2 million euros against 2017.
  - Other ODA went up by 1.9 million euros from 2017.
- Average ODA during this legislature (2014-2018) stands at € 52,578,265 per annum, which is € 798,161 (or 1.5%) more than the annual average during the previous legislature (2009-2013). The share of the development co-operation policy expenditures remains unchanged at an average 52% of total ODA for both legislatures.

2. CONTRIBUTIONS FOR DEVELOPING COUNTRIES, FLANDERS AND ADMINISTRATIVE EXPENSES

{Data set: total ODA}



Developing countries
Flanders
Administrative costs

Flemish ODA in 2018 stood at 47.847.811 euros.

Of this, 25.4 million euros, or 53%, went to projects, programmes and funds **aimed at developing countries**. This is the geographical breakdown of these expenditures:

- 17.3 million euros to Southern Africa
- 6.5 million euros other regions around the world
- 1.6 million euros is not geographically earmarked

Contributions in Flanders stood at 21.5 million euros, or 45% of total ODA in 2018. These expenditures benefit domestic actors who play a major role in the area of development co-operation. Among other things, these expenditures go towards:

- raising public support for development co-operation,
- grants for students from developing countries to enrol in study programmes in Flanders,
- non-earmarked support for NGOs and scientific institutions that are relevant to developing countries.

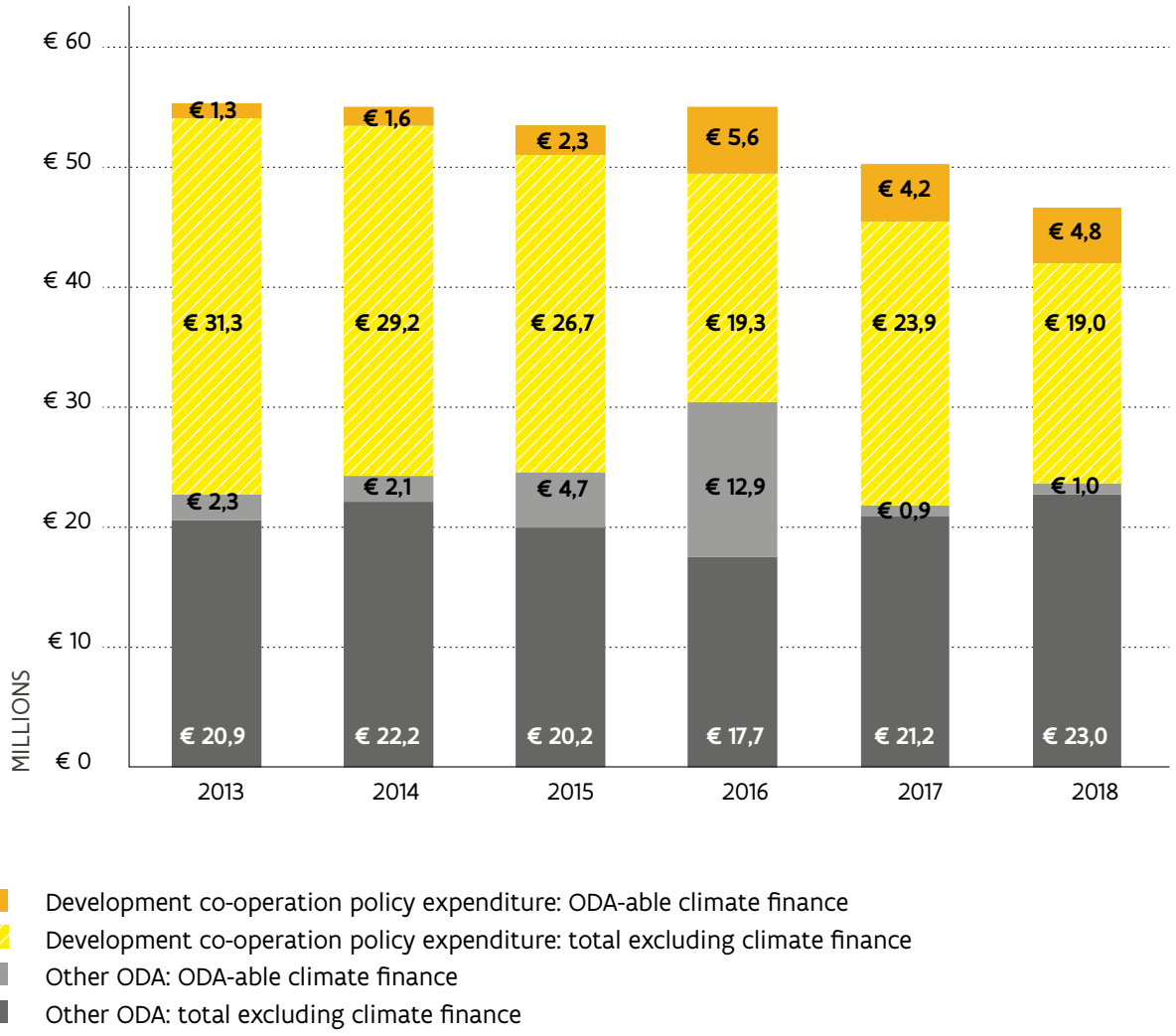
The funds do not leave the country in the first instance, although they may have an indirect effect on the socioeconomic development in developing countries. Students who have followed a study programme in Flanders are able to contribute to the socioeconomic development in their home countries. The Institute of Tropical Medicine can contribute to combating tropical diseases in developing countries.

Finally, the Department of Foreign Affairs also posts **administrative expenses**, necessary for the policy and implementation of the development co-operation. In 2018, these expenses amounted to 2.1% of the total ODA.

- In 2018, ODA expenditures to developing countries fell by 9.3 percent against 2017.
- ODA expenditures in Flanders went up slightly in 2018 from 2017.

3. CHANGES IN ODA-CHARGEABLE CLIMATE FUNDING IN PROPORTION TO TOTAL ODA

{Data set: total ODA}



- Development co-operation policy expenditure: ODA-able climate finance
- Development co-operation policy expenditure: total excluding climate finance
- Other ODA: ODA-able climate finance
- Other ODA: total excluding climate finance

Share of ODA-able climate finance on total ODA

	2013	2014	2015	2016	2017	2018
Total ODA in mio euros	55,8	55,4	53,8	55,6	50,2	47,8
Climate finance	6%	7%	13%	33%	10%	12%

Climate funding aims to support developing countries in tackling the climate challenges created by mankind. The funding can provide support for adaptation, mitigation or a combination of both of these goals. Through the intra-Belgian co-operation agreement for 2016-2020, Flanders committed to contribute 14.5 million euros per year towards international climate funding. Over the 2016 to 2018 time frame, the Government of Flanders allocated a total of 46 million euros, of which 15.2 million euros was allocated in 2018.

The actual pay-outs of these commitments are transacted in tranches. They largely relate to multi-year projects, as a result of which the pay-outs too are transacted over several years. Based on the current commitments, a further 23.6 million euros in payment tranches are scheduled over the next 5 years.[3]

In 2018, the Government of Flanders disbursed 5,955,385 euros in the context of international climate funding. Of this sum, 5,801,964 euros (or 97%) complies with the international criteria for ODA. A portion of these expenditures is funded by the Flemish Climate Fund: the fund that holds the proceeds from the sales of emission rights (ETS) within the Government of Flanders. The table below presents more details on the funding sources of ODA-chargeable climate funding:

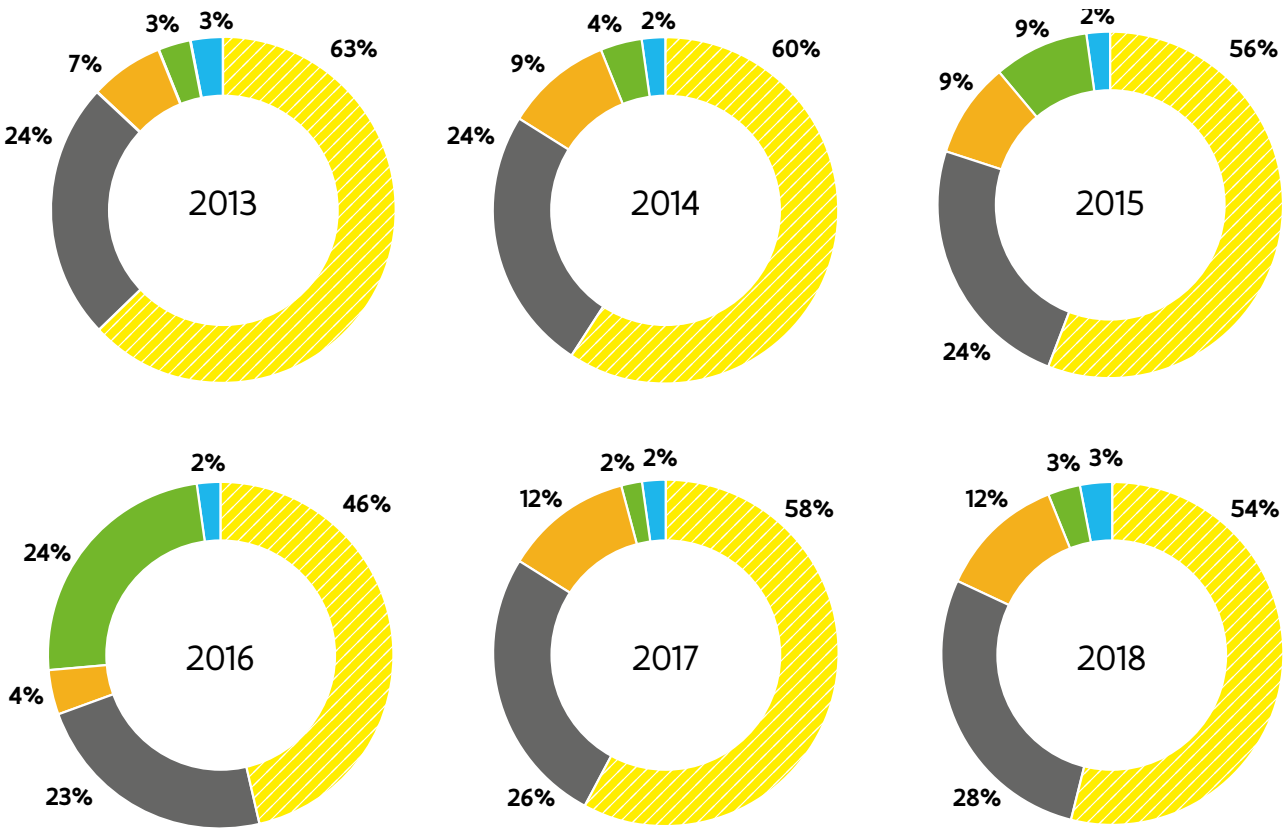
	Total ODA-chargeable climate funding	**Of which funded by the Flemish Climate Fund**
Development co-operation policy	€ 4.830.102	€ 1.667.447
Other ODA	€ 971.862	€ 0
Total	€ 5.801.964	€ 1.667.447

- Flanders has set aside sufficient resources to comply with the targets for international climate funding as agreed. The actual pay-outs of these commitments are transacted in tranches over several years.
- ODA-chargeable climate funding amounts to 12% of ODA and shows a slight increase in 2018 against 2017.

3 The summary of the payment tranches transacted and scheduled for climate funding is available from the online database at www.fdfa.be/en/climate.

4. BREAKDOWN OF ODA ACCORDING TO POLICY AREA

{Data set: total ODA}



- Flanders Foreign Affairs (IV)
- Education and Training (OV)
- Economy, Science and Innovation (EWI)
- Environment
- Sum of other policy areas

The Flanders Foreign Affairs Policy Area (IV) is in charge of implementing the development co-operation policy, among other things. The share of IV in 2018 stood at 54%, which approximately corresponds to the average share during the current legislature. In absolute figures, the expenditures of IV fell from 29.1 million euros in 2017 to 25.9 million euros in 2018.

Other Government of Flanders policy areas too reported expenditures that comply with ODA criteria.

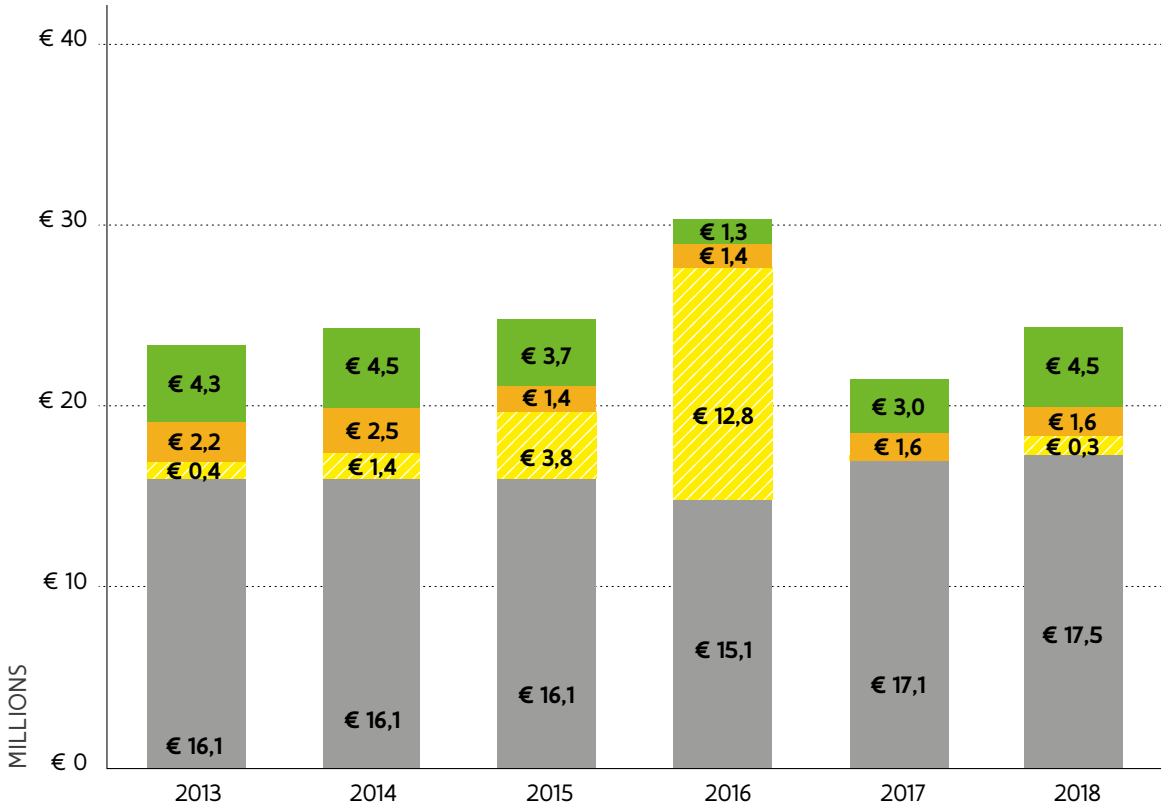
- Education and Training represented 28% of the expenditures. The contribution to the Institute of Tropical Medicine, worth 10.8 million euros, took up a large slice of this expenditure.
- Economy, Science and Innovation invests in scientific research intended to benefit developing countries, representing 12% of ODA. Among the parties the policy area works with are the Institute of Tropical Medicine, UNESCO and UNU-CRIS.
- In 2018, the share of the Environment Policy Area rose by 1% from 2017, to 3% of ODA. This rise is explained by, among other things, new commitments for the Flemish Fund for Tropical Forests.

Four policy areas account for 97.4% of ODA in 2018:

- Flanders Foreign Affairs (IV),
- Education and Training (OV),
- Economy, Science and Innovation (EWI)
- Environment.

5. GLOBAL COMPOSITION OF OTHER ODA

{Data set: other ODA}



- Other ODA: financing of scientific research and universities
- Other ODA: unearmarked aid (Adaptation Fund, Green Climate Fund, environmental conventions, ...)
- Other ODA: expenditure in Flanders: scholarships, aid to NGOs, support enhancement
- Other ODA: concrete projects in developing countries

Other ODA consists of all development-relevant contributions that are not administered by the development co-operation services within the Department of Foreign Affairs.

The **funding of scientific institutions and universities** has remained fairly constant at around 17 million euros over the past two years. This assistance is largely recorded in agreements that provide for annual index-corrections, which result in a more stable progression of expenditures. The subsidies are derived primarily from the policy areas of Education and Training (OV) and Economy, Science and Innovation (EWI).

The green bar chart refers to the **non-earmarked support for multilateral organisations**. This data bar particularly flares up over the 2014 to 2016 time frame, as a result of non-earmarked contributions to the Green Climate Fund and the Adaptation Fund. In 2018, 327,629 euros went from other ODA to non-earmarked support for multilateral environmental conventions.

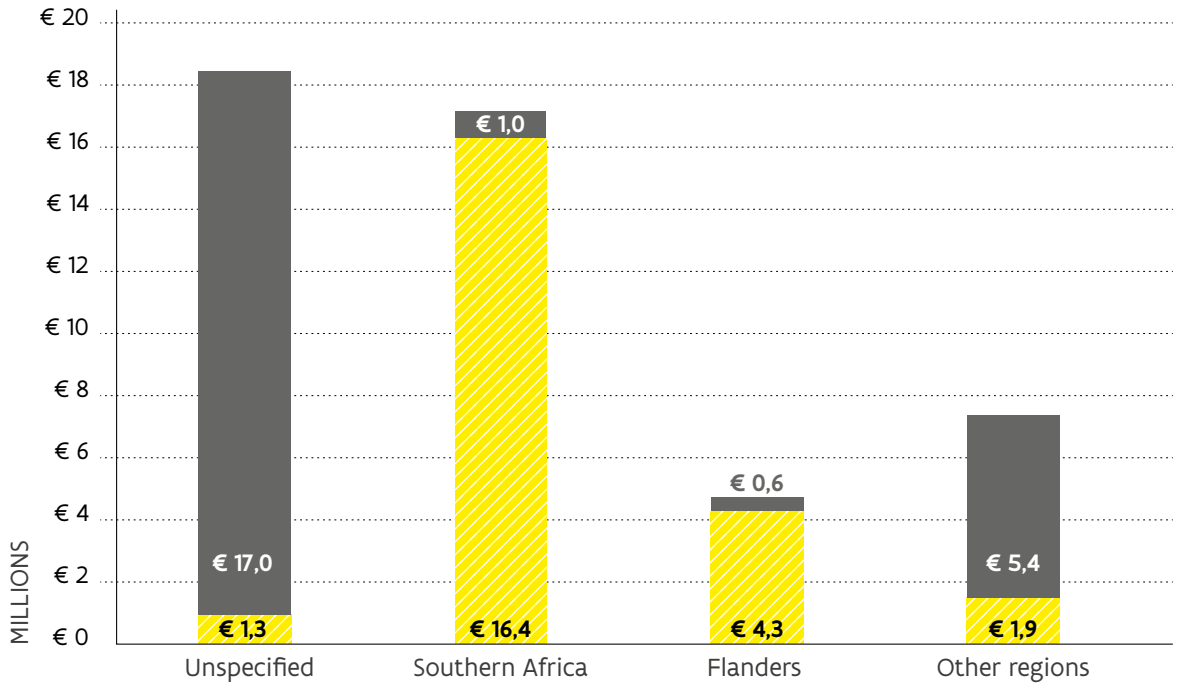
Student grants and support for NGOs represented 1.6 million euros in 2018, which corresponds to the contribution in 2017.

In 2018, the share of **concrete projects and programmes** rose by 1.5 million euros compared against 2017. This rise can be attributed to projects set up as part of the co-operation with UNESCO (EWI and IV), projects in connection with human rights (IV) and new projects under the Flemish Fund for Tropical Forests (Environment).

- Other ODA in 2018 increased by 1.9 million euros compared against 2017.
- Other ODA mainly consists of the structural funding of scientific institutions.
- The rise in other ODA in 2018 is largely to be attributed to higher expenditures for concrete projects in developing countries.
- The expenditures for student grants and support for NGOs have remained constant over the last four years.

6. GEOGRAPHICAL CONCENTRATION OF FLEMISH ODA, BROKEN DOWN ACCORDING TO DEVELOPMENT CO-OPERATION POLICY AND OTHER ODA

{Data 2017: total ODA}

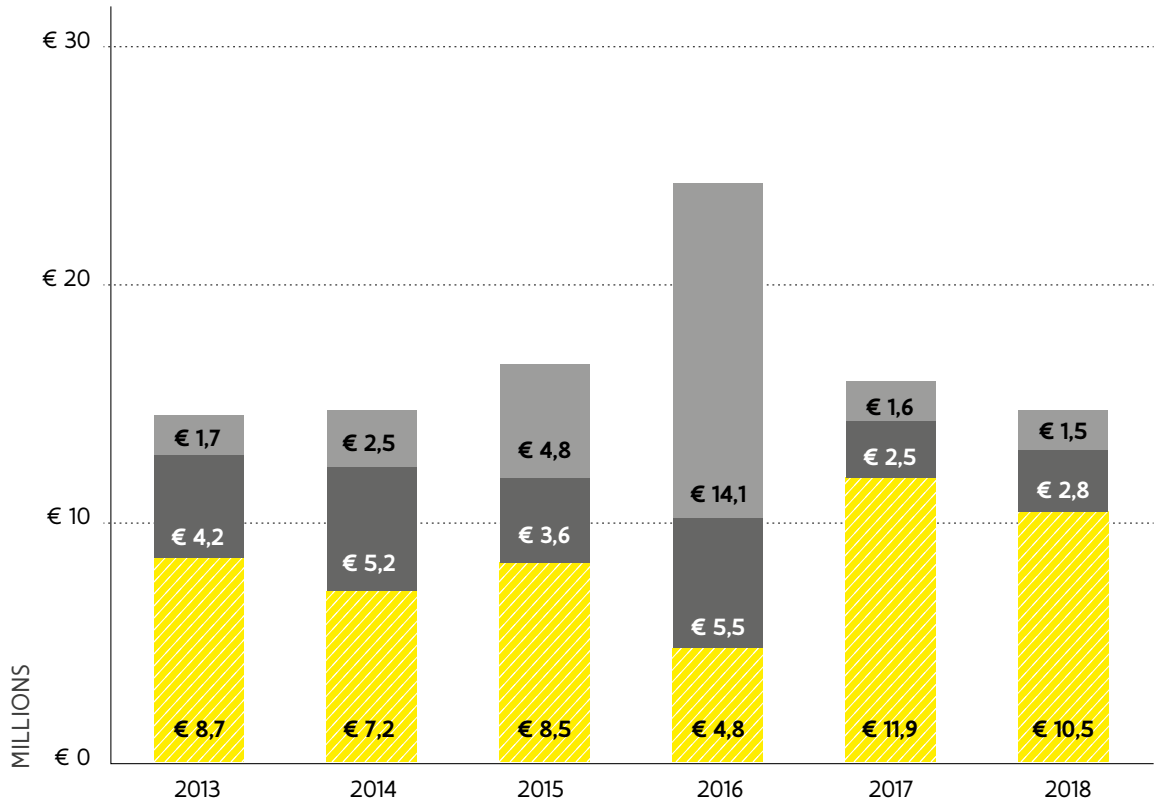


Development co-operation policy
Other ODA

- The development co-operation policy is strongly focused on Southern Africa. Only expenditures for humanitarian action are available to other regions, enabling us to act in response to urgent needs around the globe.
- Other ODA preponderantly consists of geographical non-earmarked contributions, including in the shape of general support for scientific institutions and NGOs.

7. CO-OPERATION WITH MULTILATERAL ORGANISATIONS[4]

{Data set: total ODA}



- Bi-Multi contributions, earmarked on projects (OECD types of aid C01, D01, D02)
- Bi-Multi contributions, earmarked on existing programmes and funds (OECD type of aid B03)
- Unearmarked, multilateral contributions

Share of co-operation with multilateral organisations on total ODA

	2013	2014	2015	2016	2017	2018
Total ODA in mio euros	55,8	55,4	53,8	55,6	50,2	47,8
Multilateral organisations	26%	27%	31%	44%	32%	37%

4 Further details of the OECD aid typologies are available online at: http://www.oecd.org/dac/stats/type-aid.htm

The co-operation with multilateral organisations partly takes place via non-earmarked (multilateral) and partly via earmarked (Bi-Multi) contributions. In 2018, multilateral institutions received 30% of Flemish ODA.

The **multilateral contributions** – whereby contributions are part of the general budget of a multilateral organisation – amounted to 1.5 million euros. Non-earmarked aid enables the organisations to flexibly commit the Flemish contributions in respect of the constantly changing needs in the organisation and in the developing countries.

The **Bi-Multi (**13.3 million euros) encapsulates all the contributions to multilateral institutions that have been earmarked either according to geographical territory or according to theme. Earmarked contributions consist of

- targeted funding of projects or programmes (typology C01, D01, D02), worth 10.5 million euros, as well as
- funding for existing funds, administered by multilateral institutions (typology B03), worth 2.8 million euros

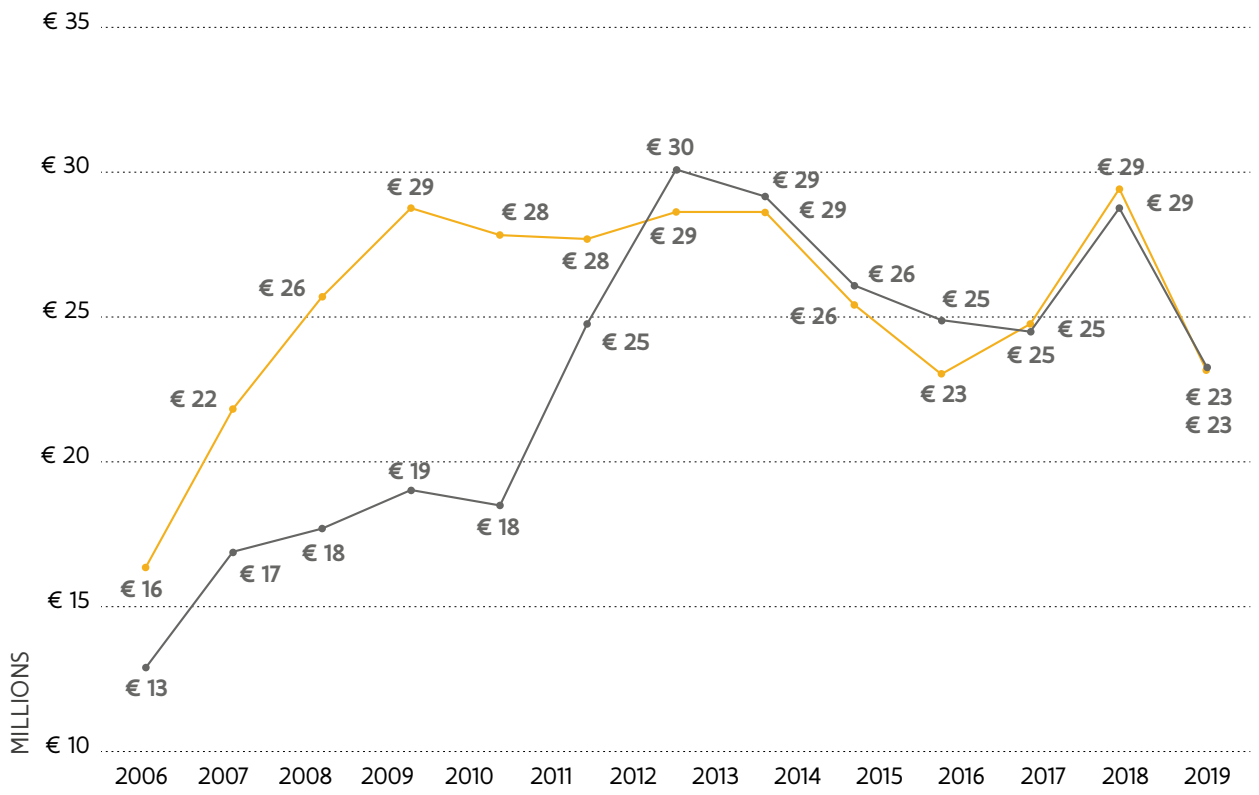
- In 2018, 30% of Flemish ODA went to multilateral organisations.
- In 2017 and 2018, earmarked aid took up a greater slice of the support delivered through multilateral organisations.

Multilateral co-operation (non-earmarked contributions)	**€ 1.471.995**
United Nations Relief and Works Agency for Palestine Refugees (UNRWA)	€ 650.000
Unicef International	€ 250.000
Joint United Nations Programme on HIV/AIDS (UNAIDS)	€ 250.000
Funding for environmental conventions (UNFCCC, UNEP, UNECE)	€ 244.646
International Renewable Energy Agency (IRENA)	€ 39.734
United Nations World Tourism Organization (UNWTO)	€ 37.615

Bi-Multi: earmarked resources in 2018 per international organisation	**€ 13.302.571**
International Bank for Reconstruction and Development (World Bank)	€ 2.500.000
United Nations Educational, Scientific and Cultural Organization (UNESCO)	€ 2.219.910
Food and Agricultural Organization of the United Nations (FAO)	€ 1.811.384
International Labour Organisation (ILO)	€ 915.557
World Food Programme (WFP)	€ 841.237
One UN Fund Malawi	€ 750.000
World Health Organisation (WHO)	€ 750.000
United Nations University Institute on Comparative Regional Integration Studies (UNU-CRIS)	€ 666.000
United Nations Environment Programme (UNEP)	€ 580.000
World Agroforestry Centre (ICRAF)	€ 511.210
Joint United Nations Programme on HIV/AIDS (UNAIDS)	€ 500.000
Unicef International	€ 500.000
United Nations Population Fund (UNFPA)	€ 347.723
United Nations Development Programme (UNDP)	€ 250.000
Organisation for Economic Co-operation and Development (OECD)	€ 60.000
Office of the United Nations High Commissioner for Human Rights (OHCHR)	€ 42.500
United Nations Relief and Works Agency for Palestine Refugees (UNRWA)	€ 38.280
International Renewable Energy Agency (IRENA)	€ 18.770

8. DEVELOPMENT CO-OPERATION POLICY: TRENDS OVER TIME[5]

{Data set: development co-operation budget}



Commitment appropriations (excluding administrative appropriations and variable appropriations)
Payment appropriations (excluding administrative appropriations and variable appropriations)

5 Methodological footnote:
- The budget appropriations for development co-operation are exclusively overhead appropriations (payroll and operating costs)
- The variable appropriation – 50,000 euros on an annual basis – has not been included for practical reasons (scale of graph). This is a recurrent amount which does not change over the years.

The budget margin (commitment appropriations) for development co-operation rose on a one-off basis in 2018 by 5.8 million euros, for the following contributions:

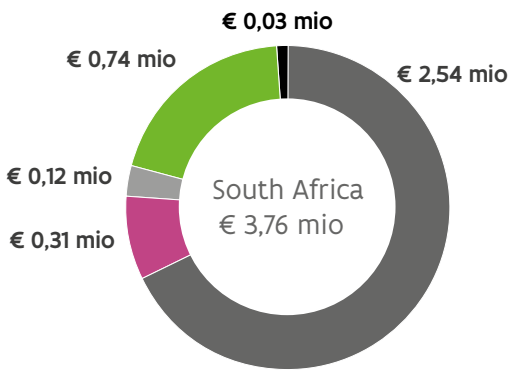
- 5,000,000 euros to the Green Climate Fund (GCF)
- 550,000 euros to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA)
- 250,000 euros to the Central Emergency Response Fund (CERF)

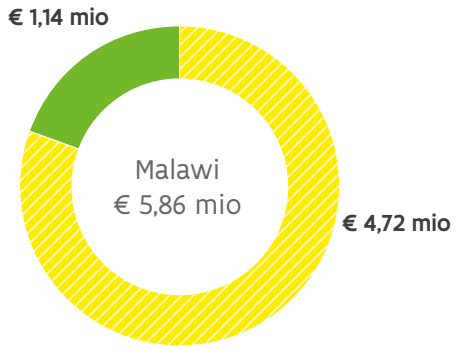
The settlement appropriations too were raised on a one-off basis, amounting to 28.75 million euros in 2018, of which 27.23 million euros (or 94.73% of the available settlement appropriation) has actually been paid out. Many payments from the 2018 budget were transacted in January 2019, as a result of which they do not appear in ODA report for 2018. For the development co-operation policy area, this explains the difference between the settlement appropriation (27.23 million euros) effectively appropriated and ODA for 2018 (23.8 million euros).

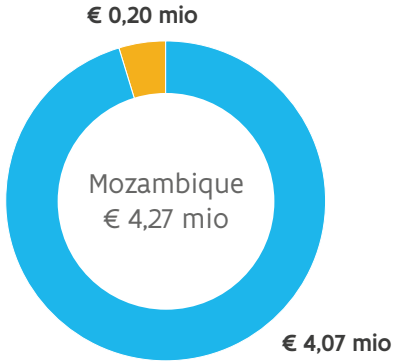
- The budget for development co-operation went up by 5.8 million euros on a one-off basis in 2018.
- The initial budget for 2019 is 23 million euros.

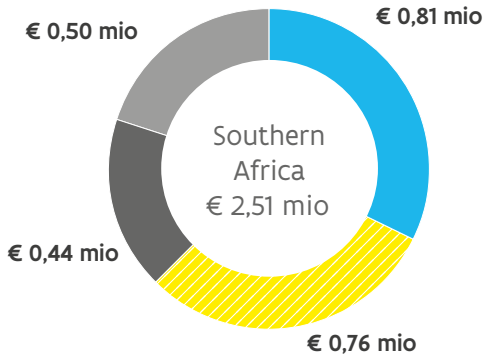
9. SECTORAL BREAKDOWN OF THE EXPENDITURES FOR THE DEVELOPMENT CO-OPERATION POLICY IN THE FLEMISH PARTNER COUNTRIES

{Data set: development co-operation policy}









- Social infrastructure (employment policy)
- Environmental protection, forestry and water
- Health, population & reproductive health
- Humanitarian action, conflict, peace, safety
- Government & civil society
- Agriculture, fisheries, food aid
- SMME development, enterprises
- Other sectors

In the 2014-2019 policy memorandum, the Minister for Development Co-operation opted to focus the aid as much as possible on a limited number of sectors per partner country. The above graph shows that these sectoral and geographical policy choices are also reflected in the actual disbursements.

The third country strategy memorandum Flanders-South-Africa (2012-2016) focuses on **employment policy and job creation by encouraging entrepreneurship.** The contributions in 2018 were the upshot of current commitments arising from this country strategy memorandum. The fourth country strategy memorandum (2017-2021) focuses on **climate adaptation**. In this context, the Department of Environmental Affairs and UNEP (the United Nations Environment Programme) jointly received 740.000 euros in 2018.

Health is the main sector as in the co-operation with Mozambique. The aid primarily went to the sector fund for **health** (SWAp, 2 million euros) and the co-operation with the national health institute INS (468.593 euros) and the Clinton Health Access Initiative (152.000 euros). In addition, aid has been pledged to several projects in the area of **sexual and reproductive health and rights** (€ 1.449.470).
€ 200.000 went to the COSACA Co-ordination Unit (CU), which works to deliver a timely response to **humanitarian crises** in Mozambique.

Agriculture & food security is the concentration sector in the bilateral co-operation with Malawi. A large portion of the aid, 2.5 million euros, went to the Multi-Donor Trust Fund in the sector-wide aid for Agriculture (ASWAp-SP), in which Flanders acts as the lead donor in the area of agricultural advisory services. The One UN Fund received 625.000 euros to strengthen the **climate resilience** of vulnerable families in the Mzimba and Kasungu districts.
In the **forestry sector**, Flanders worked with ICRAF in the area of agroforestry (511.210 euros).

The co-operation in the wider Southern Africa region mirrors the bilateral concentration sectors.

- 0.8 million euros went to the FAO for integrated adaptation planning and implementation in small-scale agricultural systems in Malawi, Mozambique and Zambia (**agriculture**);
- 0.5 million euros were intended for the co-operation with UNAIDS in 8 countries in Southern Africa. International Partnership for Microbicides helps to raise awareness of microbicides for HIV prevention in South-Africa, Malawi, Zimbabwe and Uganda (180.000 euros) (**sexual and reproductive health and rights**)
- 0.5 million euros went towards the implementation of UNICEF's priority 6 on child protection in Malawi and Mozambique;
- Adelphi research encourages the transition towards an inclusive green economy in Southern Africa (450.000 euros) (**entrepreneurship and job creation**)

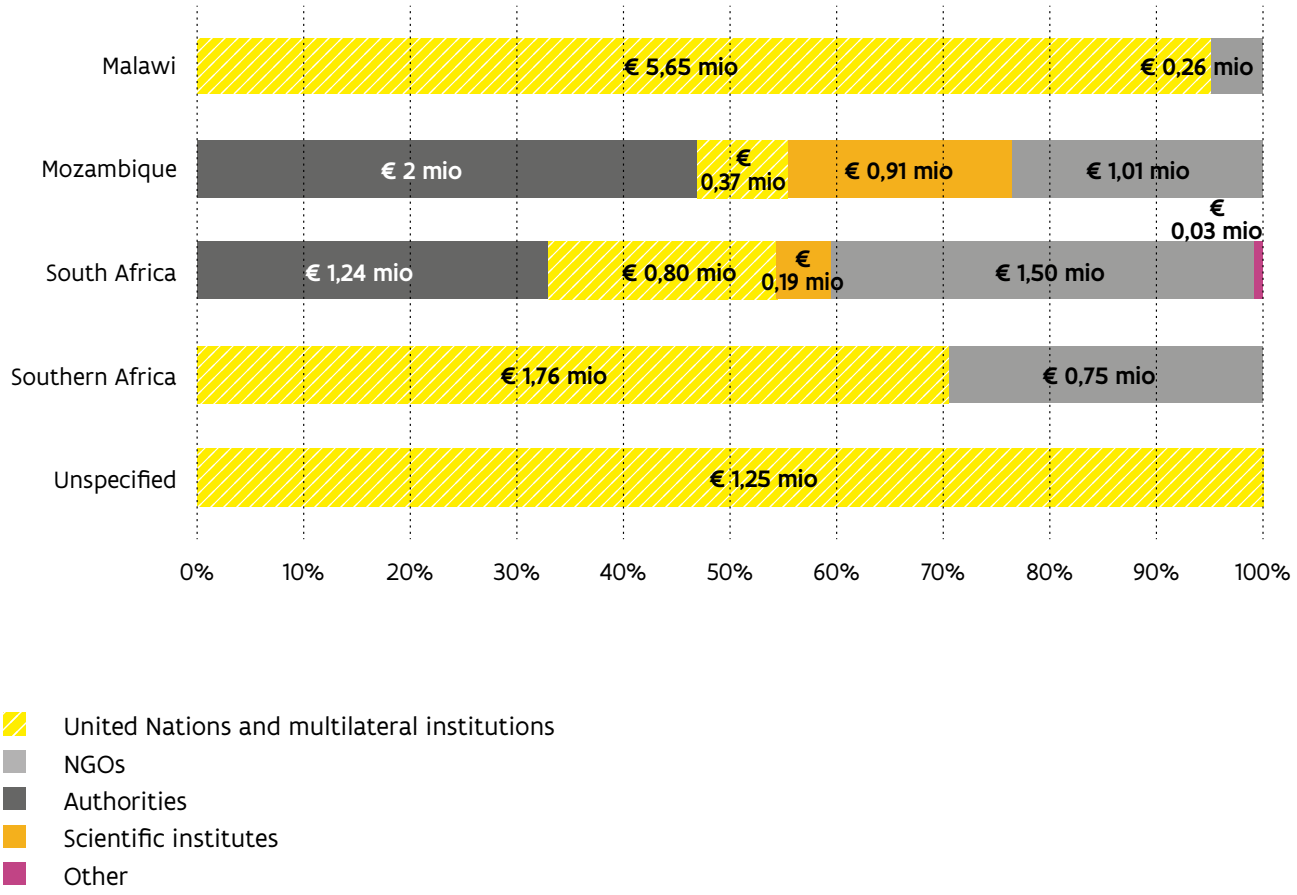
Non-earmarked aid went to:

- Special research programme into human reproduction of the Department for
- Reproductive Health and Research (World Health Organisation): 750.000 euros
- UNAIDS: 250.000 euros
- UNICEF International: 250.000 euros

- The development co-operation policy is strongly focused on a limited number of sectors per partner country, in line with the priorities which Flanders established in joint consultation with the partner countries concerned.
- Flanking initiatives in the Southern Africa region and non-earmarked aid are geared as closely as possible to the bilateral development priorities.

10. DISBURSEMENT CHANNEL OF THE DEVELOPMENT CO-OPERATION POLICY EXPENDITURES IN THE FLEMISH PARTNER COUNTRIES

{Data set: development co-operation policy}



Multilateral institutions represent 44% of the disbursements from the development co-operation policy in 2018. These actors operate as implementers in all partner countries and the Southern Africa concentration region of. In the event of general budget support (WHO, UNAIDS, UNICEF) no geographical earmarking can be applied.

Authorities in Mozambique and South-Africa account to 13.3% of all disbursements from the 2018 development co-operation budget.

- In Mozambique, this relates to support for the sector fund for health (Prósaude).
- In South-Africa, this concerns support for the development of the fund for social economy in South-Africa (SEF) and direct bilateral co-operation with the Department of Environmental Affairs.
- 2.5 million euros to the Multi Donor Trust Fund in the sector-wide aid for Agriculture (ASWAp-SP) in Malawi goes to the government, but the resources are administered by the World Bank, which is a multilateral institution.

Scientific institutions contribute to a due understanding of public health care in Mozambique and evidence concerning effective strategies for social entrepreneurship in South-Africa.

NGOs at home and abroad jointly represent 31% of the total disbursement. Alongside serving as implementers in the partner countries and the focus region, NGOs also received subsidies for emergency aid projects, general aid and subsidies for the implementation of projects in Flanders concerning Global Challenges.

Administrative expenses (5.9%) are shown in the '**Other**' category.

The Flemish development co-operation policy adopts a portfolio approach, whereby various actors play a role in the implementation of the priority development targets in the partner countries and the focus region.

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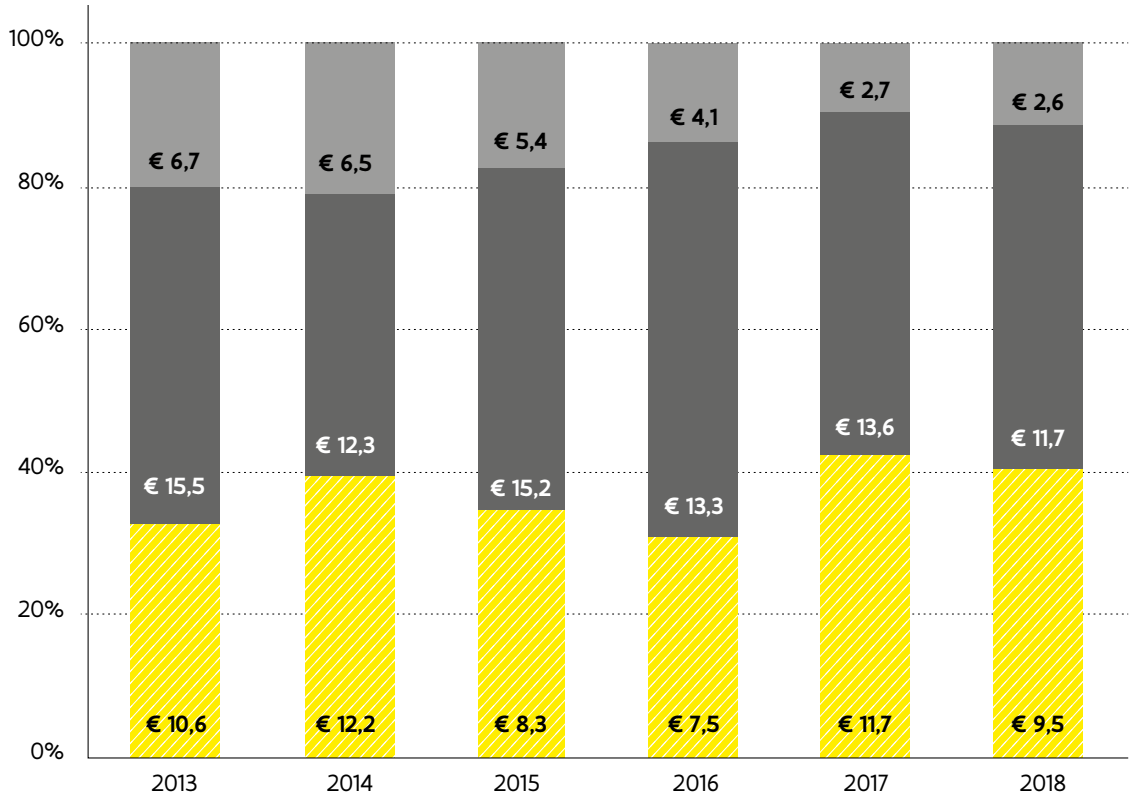
11. MODALITIES OF FLEMISH DEVELOPMENT CO-OPERATION

{Data set: development co-operation policy}



- Expenses aligned to existing funds and institutions (A02, B01, B02, B03, B04)
- Project aid and technical assistance (C01, D01, D02)
- Administrative expenses or raising awareness in Flanders (E01, E02, G01, H01)

Amounts in million euros

In order to establish the extent to which donors align their contribution to partner countries, multilateral organisations, existing funds, etc. the OECD asks donors to report the typology for each contribution. This provides insight into the modalities of donor aid and fits with the global agenda on the efficacy of the aid.[6]

In 2018, 39.7% of the expenditures under the development co-operation policy went to:

- sectoral budget support (A02): the support for the Prósaude Fund (healthcare) in Mozambique, administered by the Mozambican Public Health Ministry
- general budget support for NGOs and multilateral institutions (B01 & B02),
- specific funds administered by multilateral institutions (B03), such as support for the UNICEF priority funds, the country branches of UNAIDS and the Special Research Programme on human reproduction of the Department for Reproductive Health and Research (HRP)
- joint funding among donors (B04), such as the donor aid to the Malawian agricultural sector, which comes under the financial administration of the World Bank.

In 2017-2018, the share of these typologies was markedly higher (average 41%) than in the previous 2013-2016 time period (average 33%).

49.2% of the expenditures under the development co-operation policy in 2018 was intended for projects, programmes and technical assistance (C01, D01, D02). This relates to a set of activities, targets or intervention areas that are (co-)defined by Flanders and are linked to a specific budget and implementation period.

Finally, 11.1% of the expenditures went to administrative expenses (G01) and projects in Flanders (H01), e.g. in the context of the call to embed the global development agenda in Flanders. As the resources for municipal development co-operation were transferred to the Municipal Fund in 2016, the share of these typologies in the total expenditures fell by half.

- The policy of the Flemish development co-operation increasingly seeks to align with existing (sector) funds and institutions
- Around half of the expenditures are disbursed through project aid in developing countries. This remains the main implementation form of the Flemish development co-operation.

6 Further details of the OECD aid typologies are available online at: http://www.oecd.org/dac/stats/type-aid.htm