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## REPORT FROM THE COMMISSION

on cooperation with European  
non-governmental development  
organizations (NGDOs) in those fields  
of importance to developing countries

(1994 financial year)

## EXPLANATORY MEMORANDUM

1. At its meeting on 28 November 1977, the Council approved the procedure to be followed in using appropriations under Item B7-5010 of the Community budget for cofinancing operations with non-governmental development organizations (NGDOs).<sup>1</sup>

Under this procedure the Commission has to present an annual report to the Council on the use of the appropriations allocated during the preceding year.

Accordingly, the Commission is presenting this report for 1994.

2. Although the Council's agreement concerns only appropriations under Item B7-5010, the report also covers other major spheres of cooperation with NGDOs, such as food aid, humanitarian aid, special programmes and coordination between NGDOs. The various contributions made by the relevant Commission departments provide an overview.

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<sup>1</sup> See Council document R/207/78 (GCD) of 26 January 1978.

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## INTRODUCTION

Since its inception 20 years ago, cooperation between NGDOs and the Community has given tangible expression to the Community's part in the support provided by Europe's citizens to the poorest groups in the Third World. It mainly involves the cofinancing of development programmes in the developing countries, campaigns to heighten public awareness in Europe, food aid and humanitarian aid. In recent years cooperation between the Community and NGDOs has been diversified further with the introduction of new budget headings as indicated in this report and an increase in the funds available.

In 1984 the Commission had just three budget headings for NGOs with total financing of ECU 137 million. Ten years on, there are more than thirty, and the modest budget of some ECU 130 million has swollen to over ECU 800 million. Thus, in less than a decade, NGDOs' involvement in directly administering funds from the Community's development budget has grown appreciably, making them the institutional category outside the Community institutions administering the largest budget in absolute terms.

This shows that the Community's confidence in these organizations has grown steadily. NGDOs help create the basic conditions for self-reliant development besides being capable of acting effectively in dealing with emergencies and rehabilitation work.

The NGDOs' key role as EC partners calls for high standards of internal management and organization, and compliance with the management and control rules laid down by the Commission and the Court of Auditors.

This 1994 annual report devotes special attention to the results of NGDO operations cofinanced by the Commission under heading B7-5010. Owing to the large number of such operations, and with an eye to keeping the report within manageable proportions, the lists of development projects and information campaigns has been attached to the report. These are obtainable from the Directorate-General for Development (VIII/B/2).

## EC COOPERATION WITH NGDOs IN 1994

In 1994 the European Community's contribution to operations carried out by NGDOs amounted to ECU 803.3 million, broken down as follows:

ECU 129.6 million for cofinancing development schemes in the developing countries (Item B7-5010), an increase of 7.3% on 1993;

ECU 14.5 million for cofinancing public information campaigns in the Community on development issues (Item B7-5010), 7.4% up on 1993;

ECU 174.0 million for food aid (Title B7-2 of the budget), up 3% on 1993;

ECU 4 million for the purchase of food products by NGOs (Item B7-5011), down 20% on 1993;

ECU 320.0 million for humanitarian aid (ECHO), up 60% on 1993;

ECU 32.2 million for refugees and displaced persons (Article B7-302), down 19% on 1993;

ECU 3.8 million for aid to NGOs operating in Chile, with a view to strengthening the democratic process (Item B7-5013), down 11% on 1993;

ECU 5.0 million for drug abuse control (Item B7-5080), down 12% on 1993;

ECU 66.7 million for the programme of measures for South Africa (Item B7-5070), down 24% on 1993;

ECU 14.2 million for assistance towards rehabilitation programmes in southern Africa (Item B7-5071), down 11% on 1993;

ECU 6.0 million to help further the peace process in the Middle East (Item B7-4083);

ECU 2.0 million for aid to NGOs operating in Vietnam (Item B7-5014), same amount as 1993.



ECU 1.0 million for aid to NGDOs operating in Cambodia (Item B7-5015), same amount as 1993.

ECU 30.0 million for rehabilitation and reconstruction projects in developing countries (Item B7-5076).

This overall contribution of ECU 803 million in 1994 represents an increase of 14% over 1993 (ECU 702 million) and a 27% increase over 1992 (ECU 632 million).

The wide array of budget headings open to NGDOs reflects their ability to work in many different sectors, particularly in fields where official Community aid cannot operate or where it is preferable to encourage schemes via NGDOs. NGDOs also have an important role to play in the follow-up to humanitarian operations financed by the Community in connection with reconstruction and rehabilitation and in fostering human rights and democracy.

The above list covers only the most significant spheres of cooperation with NGDOs, and those in which NGDO activities are financed for sizeable amounts. In recent years pilot schemes and one-off operations have also been carried out by NGDOs to help developing countries. These have been financed either from other budget headings or by the European Development Fund (EDF). Such operations are administered on a decentralized basis by a large number of Commission departments, so it has not been possible to compile a detailed list for the purposes of this report.

The following chapters give a detailed account of the various areas of cooperation with NGDOs in 1994.

**I. COFINANCING OF DEVELOPMENT SCHEMES AND PUBLIC Information  
CAMPAIGNS (Item B7-5010 of the Budget)**

**1.1 Overview**

In 1994 NGDOs again proved well able to absorb the funds made available to them through EC cofinancing. The large number of requests was a direct consequence of initiatives and requests put to European NGDOs by partners in the South, and of the former's success in mobilizing other financial public and private funds, the net result being a significant multiplier effect.

A sum of ECU 145 million was entered in the 1994 budget as appropriations for commitment under Item B7-5010, a marked increase over previous years. As in previous years, virtually the whole amount had been committed by the end of the year, as the table below illustrates:

YEAR	AVAILABLE APPROPRIATIONS	COMMITMENTS (ECU m)	COMMITMENT RATE ( %)
1976	2.5	2.5	100
1984	35.0	34.4	98
1986	46.0	45.0	98
1988	80.0	79.8	100
1989	80.0	79.6	99.5
1990	90.2	90.2	100
1991	104.6	104.1	99.5
1992	110.0	109.9	100
1993	135.0	135.0	100
1994	145.0	145.0	100

In 1994, the overall figures for cofinanced operations (development schemes and public information campaigns) were as follows:<sup>1</sup>

1 458 cofinancing applications dealt with by the Commission's departments, requesting a total Community contribution of ECU 366.4 million (not including a large number of applications submitted informally for the purpose of verifying whether a formal request would be eligible and ruled out following preliminary discussions with Commission staff);

769 operations cofinanced for a total Community contribution of ECU 144.2 million (in financial terms, 39.4% of the applications handled);

359 applications, corresponding to requested funding of ECU 72.9 million, which were turned down or withdrawn (20%);

330 applications, representing financing of ECU 149.3 million, still under appraisal at the end of 1994 (40.7%).

The Commission was able to meet more requests in 1994 as the budget had increased by ECU 10 million compared with 1993.

Commission departments continued to handle this large number of requests in accordance with the criteria and rules laid down in the General Conditions for Cofinancing.<sup>2</sup> In examining each dossier, they considered the professionalism and financial soundness of the NGDO; the quality of the project; the Southern partner's operational capacity and the quality of the ties between it and the European NGDO; the impact of the project and its viability; and the potential multiplier effect for the target groups concerned.

As in the past, the Commission has sought to uphold the basic principles on which cofinancing is founded among other things so as to maintain a high standard for the schemes cofinanced and to ensure that "small" NGDOs have access to funds.

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<sup>1</sup> A full list of development operations in the developing countries and campaigns to educate public opinion in Europe which the Commission cofinanced in 1994 can be obtained from the "Decentralized Cooperation and Cofinancing with NGOs" Unit (VIII/B/2), 200 rue de la Loi, 1049 Brussels.

<sup>2</sup> Commission of the European Communities, General Conditions for the Cofinancing of Projects undertaken in Developing Countries by Non-Governmental Organizations (reference VIII/764/87) and General Conditions for the Cofinancing of Projects to Raise Public Information of Development Issues Carried Out by Non-Governmental Organizations in the European Community (reference VIII/271/87).

In 1994 the amount of payment appropriations under Item B7-5010 rose to ECU 125 million. Payments made over the year amounted to ECU 124 927 000, of which ECU 68.7 million to finance commitments made in preceding years.

## **1.2 Cofinancing of development schemes in developing countries**

### **1.2.1 European NGDOs' sustained support for partners in the South**

As in previous years, the Commission channelled approximately 90% of the appropriations under Item B7-5010 into the cofinancing of operations conducted in developing countries, the balance being earmarked mainly for cofinancing campaigns to heighten public awareness in the European Community.

For operations in developing countries, the situation regarding requests and commitments was as follows:

1 205 applications handled by the Commission for a total Community contribution of ECU 337.5 million (an increase of 26% in financial terms over 1993);

599 operations cofinanced with a Community contribution of ECU 129.7 million (an increase of 7.3% over 1993);

307 applications, requiring financing of ECU 67.2 million, turned down or withdrawn;

299 applications, representing financing of ECU 140.6 million, still at the appraisal stage at the end of the year.

It should be stressed that the Community continues to abide by the principle of giving special consideration to applications from new NGDOs. It helps them to increase their level of professionalism, either directly or with the help of experienced NGDOs.

There was a modest increase in the average Community contribution to the schemes cofinanced: it rose to ECU 216 456 per project in 1994 from ECU 207 452 in 1993.

### **1.2.2 Block grants**

If a European NGDO has cooperated satisfactorily with the Commission for a number of years, it may be offered an additional facility: access to the block-grant system.

NGDOs set great store by this system as it offers them rapid and flexible financing for a wide range of mini-operations (e.g. the purchase of equipment, construction of small-scale infrastructure, training assistance and health) and enables them to meet the needs of the recipient groups with finely-tuned schemes. Such operations are often identified by NGDOs to complement the larger projects they are supporting or they may serve to establish the initial contacts for cooperation with new partners in the South.

Between 1984 and 1994, the Commission cofinanced 1 014 block grants relating to 13 352 mini-operations accounting for a total of ECU 122.3 million. The average Community contribution was ECU 9 160. The table below shows the trend over the period in question.

Year	Amount of Block Grants	% OF Commitments under article	No of Block Grants	No of Mini-Operations	Amount given by the Community per Mini-Operation (ECU)
1984	3.1	9	39	383	8 202
1985	3.7	11	43	450	8 146
1986	5.7	13	50	671	8 507
1987	6.8	11	59	822	8 272
1988	8.8	11	79	961	9 153
1989	9.9	12.4	96	1 082	9 105
1990	9.7	10.8	97	1 099	8 857
1991	13.1	12.6	118	1 447	9 061
1992	18.1	16.5	140	1 935	9 363
1993	21.9	16.2	159	2 263	9 666
1994	21.5	14.8	134	2 239	9 606

### 1.2.3 Development projects: recipient groups and sectors

A wide array of development projects were cofinanced in 1994. Examples of such projects have been chosen to illustrate the recipient groups and the various sectors.

NGDOs have been attaching considerable importance to projects aimed specifically at women and the Commission has cofinanced a number of projects that enhance their role in productive and income-generating activities in both urban and rural areas.

Street children are another important group of beneficiaries. In recent years they have become a particularly vulnerable group in the large cities of the South.

There are also development projects under way for, and involving, indigenous peoples and their representative organizations in fields such as protection of fundamental rights, productive development, bilingual education and environmental protection. The countries concerned included Bolivia, Colombia, Peru, Mexico, Thailand and India.

Disabled people form another key group of beneficiaries in the developing countries (training, reintegration and other projects).

As regards the sectors of activity, NGOs continued to give priority to rural development, training and health in 1994. These are sectors that are important both in terms of basic needs and the large number of initiatives emanating from people in the South themselves.

A substantial number of integrated development projects were carried out, this being a feature of NGDOs' work and one of the best ways of triggering grassroots development. Integrated development projects generally involve various types of groupings (peasant associations, small cooperatives, village associations, women's organizations, etc.) and embrace more than one sector, for instance combinations of agriculture, craft trades, training, health, environmental protection and the building of infrastructure.

Productive projects have assumed growing importance among the projects cofinanced in recent years.

Training retains a high profile: projects covered vocational training, training of instructors, training in appropriate technologies and the like.

#### 1.2.4 Recipient groups and countries

The 599 development projects cofinanced in 1994 were carried out in 105 developing countries.

The geographical breakdown of the Community's contributions was as follows:

	1994		1993 (%)	1992 (%)
	(ECU m)	(%)		
- Sub-Saharan Africa	44.0	33.9	38.3	36.3
- Latin America	52.7	40.6	34.6	41.3
- Asia	20.7	16.0	18.5	15.5
- Caribbean	4.8	3.7	3.0	2.2
- Mediterranean	6.9	5.3	4.0	3.8
- Pacific	0.1	0.1	0.4	0.4
- Other	0.5	0.4	1.2	0.5
<b>TOTAL</b>	<b>129.7</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

And the breakdown between ACP and non-ACP countries was as follows:

	1994		1993 (%)	1992 (%)
	(ECU m)	(%)		
ACP countries	47.2	36.3	42.5	38.5
Non-ACP	82.5	63.7	57.5	61.5
<b>TOTAL</b>	<b>129.7</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

It is difficult to give an exhaustive explanation for these fluctuations because differences in geographical breakdown from one year to the next stem from a multitude of factors. Nevertheless, we can pick out some which illustrate the overall picture. In the case of Africa, political conflicts, dictatorships and civil wars have reduced the scope for project implementation by grassroots organizations.

Looking at the trends for individual countries in recent years, we see that some African countries, such as Cameroon and Zaire (where NGO cofinancing is a way of continuing humanitarian aid to a country where official development assistance has been suspended), have seen an increase in contributions, while those of Burundi and Rwanda have gone down. There has been a large increase in countries such as Ethiopia, Uganda and Mali.

In Latin America, Brazil, Peru and Nicaragua, for example, remain major recipients.

In Asia, India, traditionally a leading recipient, saw a further increase in cofinanced projects in 1994.

### 1.3 Cofinancing of public information campaigns in the Community

#### 1.3.1 Sustained Community support for NGDOs and the situation in 1994

From a modest beginning of 17 projects cofinanced at a cost of almost ECU 200 000, the budget has increased appreciably in recent years. In 1994, 170 projects totalling ECU 14.5 million were cofinanced, which accounted for 10% of budget Item B7-5010.

In 1994, the situation regarding requests and commitments was as follows:

- 217 cofinancing applications handled by the Commission (not including multi-project programmes) requesting a total Community contribution of ECU 27.4 million;
- 134 projects cofinanced with a Community contribution of ECU 13 million (a 12.8% increase over 1993);
- 52 applications, requiring financing of ECU 5.7 million, turned down or withdrawn. These applications represented in financial terms 20.8% of the total handled;
- 37 applications, representing financing of ECU 8.7 million, still under appraisal at the end of the year;

In addition, the EC cofinanced 36 multi-project programmes with a Community contribution of ECU 1.5 million.

#### 1.3.2 Types of development education project

Schools are a key target of development education projects, the main aim of which is to produce teaching materials and train teachers to use the material and lead classroom discussion. The subjects are varied, although there is a preference for general topics on North-South relations, cultural or daily life, the social and economic situation in developing countries, the environment and so on. Curriculum reforms in some European countries have prompted NGDOs to get development education included.

Other target groups of information campaigns are policy-makers, NGDOs themselves (members and collaborators), trade unions, the media, etc. Some of the topics covered in projects cofinanced in 1994 include: international trade and North-South relations (in connection with GATT); democracy and development; environment and development, North-South intercultural relations, immigration and development, fair trade.



Most projects employed a mix of communication techniques such as: publications, audiovisual material, teaching materials, community activities, exhibitions, lobbying, etc.

#### 1.4 Cofinancing programme from 1976 to 1994

The cofinancing programme under Item B7-5010 was launched in 1976 on a trial basis with a small amount of commitment appropriations (ECU 2.5 million). In following years the appropriations were gradually increased, partly as a result of active support from the European Parliament, and in 1994 climbed to ECU 145 million. The table in point 1.1 shows the rise in the appropriations available under Item B7-5010 since 1976.

Over this period, 7 523 NGDO operations were cofinanced; the Community contribution to these operations was ECU 1 030 million.

The breakdown of operations in developing countries and public information campaigns was as follows:

1976-1994	NUMBER OF PROJECTS	EC CONTRIBUTION (ECU m)	%
Projects in developing countries	6 177	934.1	90.7
Public information	1 346	96.3	9.3
TOTAL	7 523	1 030.4	100

7 523 development operations were conducted by 463 NGDOs in 122 developing countries.

The geographical spread of Community contributions to these operations is as follows:

1976-1994	ECU m	%
Sub-Saharan Africa	372.8	39.9
Latin America	306.7	32.8
Caribbean	31.9	3.5
Asia	165.6	17.7
Mediterranean	49.6	5.3
Pacific	4.9	0.5
Other	2.6	0.3
TOTAL	934.1	100.0

ACP countries received 44% and non-ACP countries 56% of the total Community contribution.

Tables I and II in the Annex give breakdowns by recipient developing country and by EU Member State.

1 346 public information campaigns were run by 382 NGOs in the twelve Member States.

Roughly half of all operations cofinanced and 57% of all commitments took place during the last five financial years, from 1990 to 1994. The average Community contribution to operations in developing countries grew from ECU 123 000 in 1985 to ECU 216 348 in 1994, and the average contribution to public information campaigns from ECU 82 027 to ECU 85 495.

### 1.5 Relations with the NGO Liaison Committee

Over a period of 20 years the Commission has built up close relations with the NGO Liaison Committee, which is a democratic umbrella group for more than 800 European NGOs. There is a representative from each EU Member State, elected by national platform.

Once a year the Liaison Committee holds a General Assembly, which is the association's supreme body. To mark the twentieth anniversary of the NGOs' first meeting the general assembly was divided this year into two distinct parts:

- general assembly of the European NGO's delegates
- open conference on "Conflicts, development and military intervention: roles, positions and experiences of the NGOs".

NGDO representatives discussed these topics in four workshops on the principles behind intervention, the institutional players, effective means of action and non-governmental action.

The Commission has regular meetings with the Liaison Committee to discuss NGDO-related issues such as development policy and financing, development education, humanitarian aid, food aid and food security and in general any other Community policy which can affect development. Following a meeting between Mr Marín and the Liaison Committee in May 1994 it was decided to explore the problems encountered in relations between NGOs and the various Commission departments which manage the funds earmarked for them or to which they have access. This took place in the light of the growing role of NGOs in EC development cooperation and with the aim of seeking to identify principles and methods to guide these relations, while taking account of individual situations.

## 1.6 Outlook

In 1994, as in previous years, the results of cooperation between the European Union and NGDOs were fruitful and encouraging, and the amount of Community resources made available to the various NGDO schemes rose appreciably, from ECU 632 million in 1992 to ECU 702 million in 1993 and ECU 803 million in 1994.

Non-governmental development aid should play an increasingly important role in meeting the challenges stemming from greater commitment and a greater show of solidarity on the part of Europe vis-à-vis the developing world. To assume this role more fully, the NGDOs must try to become more professional as regards the nature and formulation of their objectives and their financial management, which should be sound and transparent.

Inter-organizational coordination also needs to be stepped up in the interests of increasing the impact of their projects in the South and involving the general public in the North in their objectives and tasks.

Although the EU's development cooperation is aimed at all developing countries, there are still some areas, such as the Maghreb, where NGDO activities are thin on the ground. Our historical, geographical and cultural links with those countries, and the seriousness of the socio-economic problems engendered by significant migration towards Europe, oblige us to act together to take practical steps to foster the development of their civil societies, a task for which the help of European NGDOs will be needed.

It is also important that European NGDOs strengthen their links with NGOs and grassroots organizations in the South so that they are more receptive to new initiatives from the South.

## II. OTHER AREAS OF COOPERATION WITH NGDOs

### 2.1 Food aid channelled through NGDOs (Title B7-2)

In 1994 Community food aid channelled through NGDOs totalled ECU 187 440 000.

This accounts for 33.65% of all EC-financed food aid.

Food aid allocated under the 1994 programme was up by 10.6% on the 1993 figure (ECU 169 421 000).

The programme of food aid channelled through NGDOs is run by EURONAIID, a service agency set up and managed by 24 European and international NGDOs which are among the principal handlers of Community food aid. The procedures governing the delivery and use of aid by NGDOs and the justifications they have to provide are decided by the Commission in consultation with EuronAid.

The third link in this chain are the Commission's desk officers and, above all, the Commission Delegations, which play an active "on-the-spot" role at every stage of the execution of food aid operations.

The overall total of products made available to the NGDOs under the programme breaks down as follows:

PRODUCT	QUANTITY (tonnes)	% VARIATION ON 1993
Cereals	355 000	- 3.5
Skimmed milk powder	14 200	- 14.9
Sugar	4 502	- 22.9
Vegetable oil	26 000	+17.2
(Other products)	(ECU 16 955 000)	

#### Some examples of these NGO schemes

Assistance to the people of the western Haraghe (East Central Ethiopia), badly affected by the disastrous harvests of 1993. CARE-United Kingdom

As a result of plagues of insects and irregular rainfall in August and September harvests in 1993 in western Haraghe were sharply down on the average, by 70% to 80% in some regions.

With the help of an information system it has developed in the region, CARE was rapidly able to assess cereal needs for 1994 and gauge the urgency of the situation. It requested from the European Community, via EURONAIID, aid of 5 000 tonnes of wheat to be distributed for 60 days, in July and August, to 166 667 inhabitants of Haraghe in the form of daily rations of 500 grammes.

This wheat was distributed free of charge. Setting up food for work programmes proved a non-starter owing to a lack of adequate infrastructure and the urgent nature of the operation.

Once the wheat arrived at the port of Assab it was transported in lorries to central warehouses in Asebeteferi and Meisso. From there, CARE lorries conveyed it to the nine distribution centres in line with needs.

Madagascar: agricultural rehabilitation programme in the Brickaville region , in the wake of cyclones Daisy and Gerelda. CARE-International.

In mid-January 1994, cyclone Daisy struck the east coast of Madagascar. In the region of Brickaville, 50% of dwellings were wrecked, breadfruit and banana trees destroyed and whole areas flooded. On 2 February a second cyclone, Gerelda, caused dramatic floods and ruined not only crops, in particular sweet potatoes and of manioc, but also previous harvest and seed stocks. 58 000 people in the area were deprived of food.

Once emergency aid in the form of food and medical care had been dispensed the most urgent need was to get agricultural production on its feet again in a region that is normally self-sufficient and a major supplier of the national market.

CARE called on the European Community, DG VIII and ECHO to mount an agricultural rehabilitation programme. CARE's task, in the immediate aftermath of the disaster, was to feed the 58 000 people in need with rations of 7.5 kilos of rice each for 15 days, some 235 tonnes in all. Rice, vegetable, beans and maize seeds were then distributed to 15 000 families in the region. In these two schemes, the Community financed the purchase, in neighbouring regions or countries, of 65 tonnes of rice and 121 tonnes of seeds. It also funded local transport by lorries, distribution and the storage of all the products.

Somalia: food for work operations for the personnel of the Ministries of Health and Education, and demobilized soldiers. Save the Children Fund, United Kingdom.

Following the civil war in northern Somalia, people who had taken refuge or been displaced by the fighting began to return to Somaliland (north of the country). To help them resettle, the health and education systems of the areas concerned had to be bolstered. To encourage the new Ministries of Health and Education in this task, Save the Children (SCF) organized, throughout 1994, food for work operations for the staff of these administrations. It also undertook, in cooperation with the government, to distribute food rations to young demobilized soldiers in exchange for their weapons. The latter operation's aim, in conjunction with education programmes, was to help the soldiers reintegrate into civilian life.

These operations were designed as provisional measures to last until the end of 1994. In the long term those in the sectors concerned would be encouraged to generate their own incomes.

The aid from the European Community involved the delivery of 4 188.42 tonnes of cereals (rice, wheat and sorghum), of legumes (beans and lentils), sugar and vegetable oil. Once these products got to Somalia (cereals and legumes were bought where possible in the country itself), they were conveyed to and distributed in the target regions by the Ministry of Health, with the help of SCF. In all, this programme will have benefited 7 500 demobilized soldiers and 15 000 Ministry officials, plus their families.

Social assistance for Zaire: sale and free distribution of food rations to the poor in urban areas of Kinshasa. CDI Bwamanda, Belgium.

Thousands of inhabitants of Kinshasa, the capital of Zaire, are unable to buy food at its local market price. They have therefore generally to go to nutrition centres, where they can obtain cheap or free food rations. The Belgian NGO, CDI-Bwamanda, has been running such social programmes for some years. In 1994 it once more asked the European Community to finance a food programme for the poor. 4 150 tonnes of maize, groundnuts and of rice, bought in the country itself, were sold or distributed, according to their financial resources, for a year. The recipients were by and large children being weaned, badly nourished children under the age of five, pregnant or nursing women, the sick and the elderly. CDI-Bwamanda took charge of transport to Kinshasa and distribution of the food via nutrition centres and local charity committees. The NGO also saw to the processing and storage of the maize and rice.

This programme helped feed the poorest citizens of the capital besides affording Zairian peasant farmers a guaranteed market for their food products.

## 2.2 The Community's contribution to storage programmes (budgetary article B7-202)

Given the importance of the storage schemes for improving the food security of the people concerned, a number of these operations were financed by the Community and implemented by NGOs or international organizations. In 1994, six countries (Niger, El Salvador, Ethiopia, Eritrea, Zimbabwe and Mozambique) received such aid via NGOs for a total of ECU 1 337 722.

### OK-Zimbabwe: warehouse construction

In 1994, the Commission financed, via the NGO HELP, the construction of three warehouses in three drought-prone districts of Zimbabwe. The effects on supplies are all the more serious as there is a severe lack of storage premises for the product of harvests (maize, groundnuts, sunflowers etc).

The warehouses built with Community funding enabled the storage and marketing of the local harvest and inputs (in particular seeds and fertilizers). They helped Zimbabwe's government in its decentralization efforts and could also be used to store food aid in the event of a serious crisis.

### OK-Salvador: network of storage hangars

Various NGOs are working in El Salvador on agricultural development programmes designed to increase yields, conserve the soil and diversify crops, etc. Unfortunately, these efforts have come up against a major obstacle: losses during the maize and bean harvests, which are sometimes as high as 40%.

To solve this problem, the Commission financed, via the NGO CRS, an aid programme in 250 communities in the west and north of the country. Hangars to dry and store the grain have been built and community leaders have been trained in handling methods from harvest to storage.

## 2.3. European Community Humanitarian Office (ECHO)

### 2.3.1 Activities in 1994

1994 was the second full year of ECHO's operations. Against a backdrop of new or worsening international humanitarian crises, the Community beefed up the funds allocated to humanitarian aid, which rose from ECU 605 million in 1993 to well over ECU 760 million in 1994. This international solidarity redounded to the benefit of 63 countries in the following regions: ACP (42.4 %), former Yugoslavia (35.3 %), Eastern Europe (0.4 %), former Soviet Union (11.9 %), rest of Asia, northern Iraq (6.3 %), Latin America (2.8 %) and North Africa (0.5 %).

About 85% of the Commission's humanitarian aid is distributed directly by its partners (41.9 % by NGOs, 32.7 % by United Nations agencies and 8.2 % by other international organizations). Some 150 partners signed the framework partnership agreement which took effect in September 1993. After a first year of running-in, it was universally agreed that the partnership agreement was an effective way of improving relations with the partners and that it had improved aid operations. The system will be further refined in 1995 on the strength of the outcome of the fruitful dialogue with the partners in 1994 on the experience gained in applying the agreement.

The institutional framework of humanitarian action underwent two key changes. In July 1994 the Commission sent the budgetary authority a communication in which it undertook to propose a legal basis for the budget headings used by ECHO for its humanitarian projects. A proposal defining the scope of humanitarian action and the methods of coordinating action with the Member States, international organizations and NGOs is to be tabled in the first half of 1995. The Commission has also decided to entrust to ECHO, from the beginning of 1995, the management of short-term food aid and humanitarian programmes worth some ECU 50 million, hitherto managed by the Directorate-General for Development (DG VIII). Large-scale food crises will be the subject of closer cooperation between the two Commission departments.

In addition to improving the coordination and effectiveness of aid, ECHO also has the task of publicizing Community humanitarian aid operations. Its strategy is to ensure, along with its traditional partners, the NGOs and international organizations that its work has a high profile. This cooperation has been largely satisfactory, but some organizations need to be regularly reminded that they are required by contract to ensure such publicity. Several publications that appeared in 1994 made the general public more aware of ECHO's work. Several media events, organized in close cooperation with the Member States in Madrid, Berlin and Zagreb, put the spotlight on the humanitarian dimension of the European Union.

Keen to draw lessons from past experience, ECHO carried out an evaluation of 33 humanitarian operations undertaken since November 1993. This exercise was by and large appreciated by humanitarian aid partners who view it as a means of helping all sides to do better. The bulk of the evaluations painted a favourable picture of the partners' work and the problems raised were discussed in a spirit of partnership. ECHO is now putting together an evaluation handbook to help lend more structure to the exercise.

### 2.3.2 Humanitarian aid operations in 1994

Throughout the year, the Commission met the urgent needs of the victims of natural or man-made disasters in some 70 countries by concluding 1002 humanitarian aid contracts for a total of ECU 764 million.



The Commission's humanitarian aid operations in 1994 were financed from the Community budget (ECU 501 million, including a reserve of ECU 233 million) and by the European Development Fund under the fourth Lomé Convention (ECU 263 million).

Approximately 85 % of the funds managed by ECHO are channelled through its partners, of which NGOs account for 41.9 %, UN agencies 32.7 % and other international organizations 8.2 %. Only about 14 % of these funds were the subject of direct action by the Commission, essentially in former Yugoslavia. Even "direct action" depends, in most cases, on NGOs (often local), which help distribute the aid on the ground. It is important that the Commission, through ECHO, is able to carry out direct action, but it has to be understood that this happens only when the traditional partners cannot cope in a given situation.

### 2.3.3 Cooperation with NGOs

Basic ECHO statistics for 1994 clearly reflect the partnership principle underlying all ECHO operations: 41.9% of the humanitarian aid funds managed by ECHO in 1994 on behalf of the European Union were the subject of contracts with NGOs. In 1994, 548 contracts were signed with a total of 147 NGOs for humanitarian aid programmes in 63 countries.

1994 was the first full year of operations undertaken with partners who had signed the framework partnership agreement launched in May and up and running since September 1993. At the end of 1994, 150 partners, including 144 NGOs, had signed.

From the outset all the parties concerned, ECHO and its partners, knew that the operation of this framework agreement during the first year would be subject to trial and error and that it would need to be reviewed. The conclusions of this review are currently being studied.

During the year, ECHO, the NGOs and other partners often had occasion to consult each other on current and planned operations. Such consultations made for more rational use of scarce human and material resources in the overall plans for ACP countries and for other operations.

Dialogue with the NGOs was not confined to operations. Several times during the year, the Commission and the NGOs discussed broader issues of common interest. Certain national NGOs' programmes were also the subject of frank and constructive debate. At Easter, the symposium organized by the Brussels-based NGO Liaison Committee on "Conflicts, development and military intervention" was the occasion for a lively debate within the international humanitarian community in which the issue of prevention figured prominently.

2.4 Cooperation with NGOs on self-sufficiency for refugees, displaced persons and returnees in Asia and Latin America (Budgetary article B7-302)

This budget heading was created at the initiative of the European Parliament in 1984 to help refugees, displaced persons and returnees become self-sufficient in the period between the end of the emergency and the longer-term development phase.

Heading B7-302 appropriations have increased steadily since 1984. In the period 1984-94 a total of ECU 318 593 000 was spent on over 300 projects implemented by a host of NGOs (European and local), international organizations (primarily the UNHCR) and government agencies.<sup>1</sup>

In 1994, 66 projects were financed under Article B7-302 for a total of ECU 70 000 000: ECU 52 220 000 (60%) in Asia and ECU 22 780 000 (40%) in Latin America. Of these, 35 were cofinanced with NGOs, of which 17 (ECU 22 507 550) in Asia and 18 (ECU 9 650 000) in Latin America., making a total of ECU 32 157 550, i.e. 45% of the total committed in 1994.

The programmes implemented in 1994 for refugees, displaced persons and returnees were broad in scope and geographical spread. They were in line with the action plans adopted at the international conferences on refugees in Central America (CIREFCA, Guatemala, 1989) and on Indochinese refugees<sup>2</sup> (Geneva, 1989). The international institutions also receive aid for care and maintenance (UNHCR) and repatriation (UNOCHA,<sup>3</sup> UNHCR<sup>4</sup>) operations.

In Asia, operations focused on three key regions: Afghanistan/Pakistan, where the Commission supported integrated rural development projects to assist the return of refugees, Bangladesh where there are still many Rohingya refugees, and Cambodia, which received funds via NGOs for its reconstruction programme. In addition, there were one-off schemes in Thailand for Karen refugees and in Laos for returnees.

In view of the peace process under way in Central America, Community aid in 1994 focused on reconstruction and the socio-economic reintegration of displaced people, returnees and demobilized soldiers. Projects cofinanced and executed by European or local NGOs in 1994 in the region involved the promotion of agriculture and livestock production, vocational training, the development of basic health services/health staff training, improvement of infrastructure and protection of the environment.

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<sup>1</sup> A Commission working paper, SEC(92) 2426 - "Community aid to refugees, displaced persons and returnees in the developing countries of Asia and Latin America" outlines the aid granted in 1990-91.

<sup>2</sup> Vietnam and Laos.

<sup>3</sup> Afghanistan.

<sup>4</sup> Cambodia.

Of the 18 projects executed in Latin America, six concerned returnees and demobilized soldiers in Nicaragua and El Salvador and 12 were for the resettlement of returnees (Guatemala).

## 2.5 Aid for NGDOs operating in Chile (Item B7-5013)

Item B7-5013, first included in the Community budget in 1986, was allocated ECU 3 850 000 million in 1994. Its aim is to help the people of Chile through NGO projects, chiefly those groups deemed to be poor, in distress or in difficulties.

The breakdown of operations cofinanced under Item 5013 in 1994 was as follows:

### BREAKDOWN OF OPERATIONS COFINANCED IN 1994 UNDER ITEM B7-5013 OF THE BUDGET

	Number of operations	Cost	Commission contribution (ECU)
Human rights, decentralization, democratization	6	1325594	435871
Health	1	65156	35300
Rural productive activities	8	891179	501495
Unions	4	205458	179398
Ethnic minorities	6	585035	341456
Promotion of women	2	167393	122322
Young people	6	1407382	567074
Training	8	1145441	588301
Improving living conditions	6	1168114	724135
Urban productive activities	4	398020	187521
TOTAL	51	7358772	3682873
Audit			15000
Monitoring of B7-5013			150000
T O T A L			3847873

2.6 North-South cooperation projects in the campaign against drug abuse  
(Item B7-5080)

In 1994, more than 30 operations carried out by NGOs were financed for more than ECU 5 million, i.e. more than 54% of the total commitments concluded (ECU 9.3 million) for 35 projects in all.

Cooperation with NGOs was most intense in Latin America and Asia, two regions in which the projects financed in 1994 under this heading were devoted almost exclusively to prevention, reduction in demand and rehabilitation of addicts. The distribution of the projects financed was as follows:

Latin America:	34%
Asia:	27%
Mediterranean:	37%
ACP States:	2%

2.7 Cooperation with NGOs on rehabilitation in 1994

Developing countries emerging from war or a serious crisis with fragile economies, ruined infrastructure and a social fabric in tatters need an interim period of "rehabilitation". Rehabilitation aid bridges the gap between relief operations and the resumption of programmes to promote long-term development.

Rehabilitation must gradually take over from humanitarian aid, reducing the need for it while paving the way for economic revival and political and social transition.

2.7.1 Design, scope, eligibility criteria and financing of rehabilitation programmes

The precise nature of rehabilitation aid programmes was spelled out by the Council in December 1993. Such programmes began to be implemented in 1994 and represent a stepping-stone between humanitarian/emergency aid and the resumption of long-term development programmes. Candidates for rehabilitation are countries emerging from a serious crisis or war or whose economies have been ruined by other factors such as natural disasters.

At the end of 1993 the following countries were receiving rehabilitation aid: Somalia, Ethiopia, Eritrea, Mozambique, Angola, Liberia, Cambodia, Lebanon, El Salvador, Guatemala and Nicaragua. Other countries were added to the list in 1994: Madagascar, Rwanda and certain neighbouring countries (Uganda, Burundi, Tanzania and Zaire), Haiti and the Occupied Territories.

Rehabilitation programmes may embrace a wide variety of activities that come under four broad headings:

- getting productive plant running again;
- repairing essential infrastructure;
- reintegrating groups such as refugees, demobilized soldiers and displaced people back into society;
- rebuilding institutions.

Eligibility criteria have not been formally defined. However, certain crucial requirements were laid down by the Council on 2 December 1993:

- request from partners in the country concerned;
- a disaster situation that prevents essential needs being met;
- setting in train by the authorities of a transition process in which democratic values and fundamental freedoms are upheld;
- capacity of the administration and/or partners concerned to implement rehabilitation operations.

Having weighed up these different factors the Commission decides on the need for a rehabilitation programme and on its content.

There are various sources of funds for these programmes.

For ACP countries the main source is the EDF. Funds available under the National Indicative Programme, Stabex or Article 255 can be topped up with funds from certain budget headings that can be used for rehabilitation aid.

Preference is given to NGOs for the rehabilitation of social services and small-scale infrastructure, which is the case of most operations financed under Article 255 (aid for refugees, demobilized soldiers and displaced persons), heading B7-5071 (rehabilitation in southern Africa), heading B7-5011 (purchase of food, seeds and tools) and heading B7-5010 (cofinancing of NGO operations). Funds for non-ACP countries come from the EC budget.

### 2.7.2 Role of NGOs

NGOs play a key role in running Community-funded rehabilitation programmes. Their intimate knowledge of the countries concerned, their flexibility, the various approaches they bring to bear and their contact with local people are crucial factors in individual situations and in dealing with post-emergency needs.

Since the Council's decision of 25 May 1993 to finance the special initiative, the NGOs' role has also been boosted as regards the design of the rehabilitation programmes.

### 2.7.3 Rehabilitation schemes in 1994

In 1994 the Commission continued, notably on the basis the Council's conclusions of 2 December 1993 and the Council's discussions at its meeting on 6 May 1994, the implementation of the rehabilitation schemes, in particular those taken as part of the Special Initiative for Africa.

A detailed list of the schemes under way in the eight countries covered by the special initiative was presented to Member States at the Council meeting (development) of 25 November 1994. It shows that the overall amount earmarked for rehabilitation schemes since 1991/92 is already sizeable (ECU 520 million). ECU 287 million has been made available since the launching of the special initiative in May 1993, with payments amounting to ECU 227 million. New decisions taken in 1994 as part of the rehabilitation programmes in Africa amounted to ECU 238 million.

### 2.7.4 Budgetary Item B7-5076

This new heading was included in the 1994 budget for the purpose of financing rehabilitation programmes in all developing countries. It covers the ALA and MED countries as well as the ACP States and is administered jointly by Directorates-General I and VIII. Commitment appropriations in 1994 total ECU 44.8 million and payment appropriations stand at ECU 25 million.

As regards the ACP countries, which received ECU 17.8 million in all under this heading - including ECU 0.85 million from an exceptional contribution from Luxembourg - the role of NGOs has been particularly important. In 1994 in the ACP countries, 22 NGOs from nine EU countries received a total of ECU 12 327 369 for rehabilitation projects, notably in the basic sectors (health, education, agricultural production). This accounts for 70% of the ECU 17.7 million allocated to the heading for the ACP countries, which represents a major contribution from NGOs to the design, programming and implementation of rehabilitation projects.

## 2.8 Special programme for South Africa (budgetary Item B7-5070)

### Overall objectives

This heading is designed to finance programmes to improve the lot of the most disadvantaged sections of South African society. The priorities were defined by the European Parliament in its resolution of 15 December 1993 on development prospects in South Africa and in southern Africa (OJ No C 20 of 24 January 1994, p. 120) and take account of the Council Decision on the conclusion of the interim cooperation agreement between the European Community and the Republic of South Africa (OJ No L 341 of 30 December 1994, p. 61).

Sir Leon Brittan signed the interim agreement with South African Vice-President, Mr Yhabo Mbeki, on 10 October 1994. The Commission has since embarked on negotiations with the South African government on future ties between the European Union and South Africa.

The special programme for South Africa, first proposed by the European Parliament in 1985 and confirmed several times by the European Council, was renamed the "European Programme for Reconstruction and Development" in order to underscore the EU's support for the South African government's drive to implement a reconstruction and development programme. The changes compared with past years reflect the strides made by South Africa towards democracy since the elections held in April 1994.

In 1994, the electoral process in South Africa received financial backing from the European Union for activities such as voter education, financing the electoral campaigns of registered parties through the Independent Electoral Commission's election fund and the financing of observer missions by two NGOs.

The ECU 110 million budgeted was fully committed at the end of the year.

The special programme has financed the following schemes:

- projects to support the reconstruction and development programme;
- development programmes for local authorities implemented by the Kagiso Trust, the trade unions, the Southern African Catholic Bishops' Conference (SACBC) and the South African Council of Churches (SACC);
- programmes to improve training and education in rural areas and in less advanced urban regions;
- support programmes in the vocational training sector, in particular with regard to the teacher training and student grants;
- programmes and projects in the health sector in rural areas and in the less advanced urban regions;
- programmes to support micro-enterprises and boost job creation.

### Specific objectives

Programmes and projects under this budgetary item are financed by the Community for an amount in excess of 80%. They generally run for one to three years.

Administrative expenditure necessary for implementing the programmes and projects are also covered, as are appraisal and evaluation costs.

In 1994, aid was targeted on:

<u>Sector</u>	No. of projects	ECU million
Development of communities	25	18.7
Education	32	55.1
Good governance and democratization	4	18.2
Elections	4	5.7
Health	12	23.8
Institutional support	2	1.6
SMEs	7	2.6
Trade unions	1	0.05
Other	7	10.6
Total	90	136.5

The partners involved were:

<u>Partner</u>	No. of projects	ECU million
Kagiso Trust	47	60
SACC	9	3.3
SACBC	6	3.4
South African government	5	35.9
Independent Electoral Commission	2	5.4
Other	21	28.5
Total	90	136.5

Education and vocational training remain the principal development sector in South Africa, closely followed by health. The government's White Paper on reconstruction and development accords these two sectors high priority.



### Outlook for 1995

The 1995 programme will be drawn up in close cooperation with the government. The project-oriented approach is to be abandoned in favour of a more programme-oriented approach. This will enable the number of schemes per annum to be reduced and make for closer scrutiny of their progress.

Wherever possible and appropriate the Commission will continue to lay stress on the involvement of the target group or institution.

### 2.9 Assistance for rehabilitation programmes in southern Africa (item B7-5071)

In June 1988 the Commission introduced a special budgetary item, 9531, to support the front-line states and Southern Africa Development Community (SADC) member states suffering the effects of war and destabilization activities in the region.

In 1993, with the changing scene in southern Africa, this heading, now B7-5071, was geared towards assistance for rehabilitation programmes in the region. Given the changes that have taken place in the region, the focus of the budgetary item was switched to rehabilitation schemes so as to contribute to the democratization process under way in southern Africa.

The budgetary authority allocated, for financial year 1994, a commitment appropriation of ECU 15 million (payment appropriation of ECU 12 million) to heading B7 -5071 in order to maintain the Commission's scope for action in the rehabilitation programmes being carried out or envisaged in southern Africa, notably in Angola and in Mozambique. Thirty-five projects received funding to the tune of ECU 15 million. Virtually all the approved projects were financed in their entirety (100%) by the Commission.

Priority went to rehabilitation and the rebuilding of basic infrastructure (73.7% of the appropriations) to allow refugees, displaced persons, and demobilized soldiers to go back to their regions of origin and to enable the population as a whole to resume normal civilian life. Five social rehabilitation projects, totalling ECU 2 260 176, were aimed at boosting help for women and street children.

The spotlight is on four key sectors:

- rehabilitation of basic infrastructure;
- integrated humanitarian schemes;
- training and education;
- information and documentation programmes.

#### BREAKDOWN OF FUNDS BY SECTOR (1994)

	No. of projects	ECU	%
1. Rehabilitation	21	11 060 725	73.7
- Health infrastructure	9	5 092 783	33.9
- Social rehabilitation	5	2 260 176	15.1
- Education infrastructure	4	2 160 323	14.4
- Agriculture/fisheries	3	1 545 443	10.3
3. Information/documentation	3	582 000	3.9
4. Humanitarian	9	1 711 275	11.4
5. Small-scale rehabilitation	1	646 000	4.3
	1	1 000 000	6.7
Total	35	15 000 000	100

As regards the breakdown of appropriations by recipient country, the Commission's financial contribution has been earmarked, as in previous years, for priority rehabilitation projects in Angola and Mozambique, the two countries on which the aid is being focused, with more than 94% of the total funds available in 1994 for 27 projects (77%). The rehabilitation schemes account for the lion's share of the projects financed in these two countries where the risk of insecurity or instability is ever-present.

Breakdown by recipient country (1994):

Recipient	No. of projects	ECU	%
Angola	13	7.283.532	48,6
Mozambique	14	6.934.736	46,2
Zimbabwe	1	100.000	0,7
Tanzania	1	30.000	0,2
Europe	1	452.000	3,0
Réfugiés	5	199.732	1,3
Total 1994	35	15.000.000	100

The main agencies to receive financial support for programmes from budgetary item B7-5071 in 1994 were European NGOs with 88.1% of the funds allocated, i.e. ECU 13 218 268 for a total of 26 projects.

Breakdown by agency:

Agency	No. of projects	ECU	%
European NGos	26	13 218 268	88.1
Local NGos	1(*)	1 000 000	6.7
Instituts/universities	8	781 732	5.2
Total	35	15 000 000	100

(\*) A programme (QDF-Quick Disbursement Fund) managed directly by the EC Delegation in Mozambique to finance the small-scale rehabilitation schemes run by local NGos.

Breakdown of agencies by country of origin:

country	No. of projects	ECU	%
United Kingdom	5	199.732	13,
Spain	2	1.471.100	9,8
Portugal	2	834.000	5,6
Netherlands	1	452.000	3,0
Italy	15	7.844.909	52,3
Ireland	1	263.766	1,8
Germany	1	743.000	5,0
France	1	432.773	2,9
Belgium	4	1.628.720	10,8
Africa	2	130.000	0,9
Mozambique Del.	1	1.000.000	6,6
Total	35	15.000.000	100

Southern African NGos received only around 7.5% of the 1994 budget funds while Italian NGos had 15 projects approved by the Commission for a total of ECU 7.8 million, i.e. 52.3% of the funds available.

**2.10 Community operations linked to the Middle East peace process**  
**(Item B7-4083)**

In the wake of the Council's conclusions at its meeting of 27 October 1986, a new Article (966) was created in the 1987 budget to finance development projects in the occupied territories of the West Bank and Gaza. Up to then, the Community had implemented an ad hoc aid programme for the territories comprising rural development, grants and other projects cofinanced with European NGOs. Total financing from 1981 to 1986 amounted to some ECU 9 million (including NGO schemes cofinanced under Article 941 for a total of ECU 4 million).

From Item B7-4083 (ex 966, B7-406) the Commission was able to finance a broader array of development operations: 139 between 1987 and 1994 with a total EC contribution of some 139 million ECU (1987: ECU 2.97 million, 1988: ECU 3 million, 1989: ECU 5 million, 1990: ECU 6 million, 1991: ECU 10 million, 1992: ECU 17 million, 1993: ECU 35 million, 1994: ECU 60 million). In 1994, 50% of the funds available were allocated to support the current expenditure of the Palestinian administration (in particular for the Palestinian police force), 16% for education schemes, 16% for a subsidized house building programme, 8% for other projects and 8% for technical assistance.

For 1995, ECU 52 million has been allocated from heading B7-4083. The priority fields are, in the short term, to develop the projects currently under way in the fields of housing, credit and assistance to firms, construction and refurbishment of schools, all of which generate jobs. In the medium term, the purpose of this heading is to improve the economic and social infrastructure of the West Bank and Gaza: telecommunications, road networks, electricity, industrial estates and the like. This entails providing the technical assistance necessary for developing the technical and financial mechanisms needed for the smooth operation of Palestinian government institutions. All these operations were identified and prepared after consultations with the Palestinian institutions to ensure that they respond closely to needs and initiatives on the ground.

**2.11 Programme for NGOs operating in Vietnam (B7-5014)**

This Item was introduced in 1991 with the aim of helping the Vietnamese population via NGO operations. In 1994 it had an appropriation of ECU 2 million, which financed seven schemes. The sectors concerned are representative of the approach adopted under this heading: development of rural credit, urban and rural social projects. Work will continue along those lines in 1995.

**2.12 Programmes for NGOs operating in Cambodia (B7-5015)**

This heading was created in 1991 to help the Cambodian population through the work of NGOs. The 1994 appropriation of ECU 1 million financed two health projects, both of which are running according to plan.

2.13 Decentralized cooperation in developing countries  
(item B7-5077)

General thrust

The prime objective is the promotion and gradual extension of the Community decentralization cooperation approach initiated under Lomé IV and built into cooperation with Asian and Latin American developing countries (PVD-ALA) and the Mediterranean.

Typical objectives include:

- information, awareness-raising and mobilization of the key agents concerned (NGO networks, local authorities, professional associations and cooperatives, etc.). This chiefly entails:
  - seminars, conferences and specialized one-day events: Harare, UTO/IULA congress, ESC meetings, NGO Liaison Committee working parties,
  - publication of the practical guide to decentralized cooperation for NGOs
- an awareness-raising and methodology advisory service for area desks and delegations. This comes into play at the programme appraisal stage (EDF, PVD-ALA or B7-5077) with the aim of systematic cooperation. It can also be the subject of ad hoc schemes:
  - subject or methodology information memos, survey and publication of an inventory of the state of decentralized cooperation under Lomé IV, participation in evaluation work (women, institutional development, culture, urban development, etc.), preparation of a methodological guide to decentralized cooperation under way,
- the operational task of preparing and appraising decentralized programmes financed from official funds (chiefly EDF) complementing Item B7-5077: in the case of the EDF, ten countries are concerned. Countries of Central America and Mediterranean (MED programmes) are mainly affected by non-EDF funds.
- monitoring and follow-up of the policies and methods used by multilateral and bilateral cooperation agencies involved in decentralized cooperation and the various EDF instruments (such as micro-project programmes ).

The priorities for using Item B7-5077 arise out of this strategy. As the funds are limited, priority is accorded to pilot or trial schemes achieving maximum leverage in terms of the mobilization and impact of decentralized cooperation as part of official cooperation.

#### Assessment of Item B7-5077 in 1994

23 projects: overall amount of ECU 4 863 948 for a total cost of ECU 9 302 766 (cofinancing rate: 52%).

Breakdown by type of scheme:

- upstream projects (studies and promotion): 10%
- projects chiefly aimed at boosting the technical and institutional capacity of the agents of decentralized cooperation in the developing countries: 31.5%
- pilot programmes and projects: 59%.

These programmes generally consist of an institutional support component and an operational component. According to their pilot scheme status hinges on the innovatory nature of the type of partnership involved (e.g. local authorities and NGOs), the methods employed (participatory support from European partners, research scheme, etc.) and the topic (marginalized young people, municipal development, etc.).

Special mention should be made of three regional programmes (Central America and West Africa) which have the following features in common:

- involvement of North-South and South-South NGO and local authority exchange and support networks,
- action to strengthen and lend structure to the decentralized bodies (national urban associations, NGO networks, etc.)
- earmarking of funds to back local initiatives enabling such partnerships to be tested in real-life situations.

Targets: 44% of the schemes concern mainly local authorities and cooperation in the municipal field; the rest concern NGOs and a variety of sectors (rural development, the economy, etc.).

For the most part these projects are based on partnerships with European decentralized cooperation agents.

Breakdown by region:

- ACP States: 53%
- Latin America: 35%
- Asia and Mediterranean: 3%
- Other: 9%

#### The way ahead

Over the period 1992-94, following a major awareness-raising and mobilization campaign, increased efforts were made to promote projects and pilot programmes liable to produce tangible results and exemplify the contribution of decentralized cooperation (for example by setting up channels of support for local initiatives).

These efforts should be stepped up in the field of local development in general, and in the field of municipal and urban development in particular. Those are the sectors currently gaining prominence in official programmes. Priority should be given to network schemes (in Europe and in the South), involving local authorities and NGOs, making for a knock-on effect in terms of sources of financing, and operating on a national or regional scale (e.g. Central America). Bilateral projects (city to city) of more traditional technical assistance can be examined only on a case-by-case basis depending on how innovative they are and on their potential impact at the level of official programmes (the budgetary Item cannot stretch to systematic cofinancing).

In particular, support should go to framework programmes negotiated with adequately qualified and representative associations (national city associations, etc.) on the basis of multiannual objectives (e.g. Central America with CUD, West and Central Africa and the Municipal Development Programme).

Coordination with Member States which have policies to support decentralized cooperation is envisaged with a view to underlining the budgetary Item's role to provide incentives.

**TABLE I**  
**BREAKDOWN BY RECIPIENT COUNTRY OF**  
**DEVELOPMENT PROJECTS COFINANCED BY THE EC**  
**FROM 1976 TO 1994 INCLUSIVE**

	Number of projects	EC contribution in ECU
AFGHANISTAN	31	1 611 530
SUB-SAHARAN AFRICA	10	1 787 333
ALGERIA	63	2 320 003
ANGOLA	82	3 112 422
ANTIGUA AND BARBUDA	8	285 189
NETHERLANDS ANTILLES	1	59 226
ARGENTINA	290	14 856 797
BANGLADESH	292	17 464 579
BARBADOS	17	681 358
BELIZE	38	1 414 795
BENIN	104	3 601 230
BHUTAN	16	291 890
BOLIVIA	602	31 143 451
BOTSWANA	34	2 916 275
BRAZIL	1216	62 866 506
BURKINA FASO	757	25 217 918
BURUNDI	73	5 476 133
CAMEROON	266	11 259 168
CAPE VERDE	102	5 201 992
CARIBBEAN	15	1 128 095
CENTRAL AFRICAN REPUBLIC	101	6 376 430
CHILE	627	31 053 118
CHINA	41	3 131 599
CYPRUS	2	57 584
COLOMBIA	265	11 939 151
COMOROS	14	644 494
CONGO	41	1 574 628
COSTA RICA	49	1 484 426
CÔTE D'IVOIRE	95	4 561 214
CUBA	56	3 368 442
DJIBOUTI	10	628 658
DOMINICA	41	1 113 386
EGYPT	67	4 312 605
EL SALVADOR	302	11 702 935
ECUADOR	331	15 501 898
ERITREA	24	3 248 478
ETHIOPIA	397	30 210 145
FIJI	16	890 570
GABON	11	512 930
GAMBIA	85	2 069 585
GHANA	130	5 458 468



	Number of projects	EC contribution in ECU
GRENADA	22	810 567
GUATEMALA	214	9 915 062
GUINEA	44	4 767 314
GUINEA BISSAU	130	8 406 891
EQUATORIAL GUINEA	15	1 066 782
GUYANA	17	856 447
HAITI	269	14 821 938
HONDURAS	97	2 691 527
HONG KONG	9	94 783
COOK ISLANDS	1	8 124
INDIA	1728	59 437 606
INDONESIA	136	5 538 849
IRAQ	13	565 565
ISRAEL	11	1 488 782
JAMAICA	56	2 605 470
JORDAN	23	2 835 071
CAMBODIA	174	14 220 275
KENYA	456	22 277 098
KIRIBATI	2	13 279
LAOS	87	3 785 561
LESOTHO	72	2 231 666
LEBANON	214	14 985 737
LIBERIA	21	843 029
MADAGASCAR	157	8 857 278
MALAYSIA	15	361 015
MALAWI	110	5 503 522
MALDIVES	2	760 277
MALI	389	18 258 818
MOROCCO	29	1 780 918
MAURITIUS	33	1 042 389
MAURITANIA	64	4 105 507
MEXICO	177	11 401 630
MONGOLIA	1	4 847
MONTSERRAT	2	21 438
MOZAMBIQUE	327	14 619 566
MYANMAR (BURMA)	7	249 054
NAMIBIA	117	7 780 769
NEPAL	71	3 205 808
NICARAGUA	749	39 410 989
NIGER	85	4 899 754
NIGERIA	77	2 648 606
UGANDA	235	14 168 367
PAKISTAN	139	4 124 591
PANAMA	26	1 305 246
PAPUA NEW GUINEA	40	864 837
PARAGUAY	97	4 390 818
PERU	718	37 594 069
PHILIPPINES	462	24 602 030

	Number of projects	EC contribution in ECU
REGION: SOUTHERN AFRICA	75	1 379 948
REGION: EAST AFRICA	6	908 216
REGION: WEST AFRICA	15	1 314 376
REGION: SAHEL	9	1 241 934
REGION: CENTRAL AMERICA	4	1 014 175
REGION: SOUTH AMERICA	9	1 837 147
REGION: ASIA	9	512 934
REGION: HORN OF AFRICA	1	15 000
REGION: AFRICA	2	21 031
REGION: MEDITERRANEAN	1	396 284
REGION: PACIFIC	10	1 401 411
DOMINICAN REPUBLIC	134	5 911 998
RWANDA	384	13 750 048
SAINT VINCENT & THE GRENADINES	6	56 272
SAINT LUCIA	7	225 548
SOLOMON ISLANDS	17	926 498
WESTERN SAMOA	4	285 289
SÃO TOMÉ & PRÍNCIPE	10	1 816 434
SENEGAL	404	15 561 683
SEYCHELLES	4	113 827
SIERRA LEONE	118	3 602 368
SOMALIA	58	5 484 220
SUDAN	137	9 545 261
SOUTH KOREA	20	984 521
SRI LANKA	206	6 618 552
SURINAME	6	146 095
SWAZILAND	24	1 545 326
SYRIA	4	241 195
TAJIKISTAN	2	10 701
TANZANIA	481	19 896 237
CHAD	171	8 439 034
THAILAND	154	8 700 244
TOGO	94	3 405 952
TONGA	3	128 990
ALL COUNTRIES	33	2 552 777
TRINIDAD & TOBAGO	12	867 094
TUNISIA	43	1 777 869
TUVALU	1	6 127
URUGUAY	200	9 741 695
VANUATU	6	390 075
VENEZUELA	58	4 476 484
VIETNAM	186	10 041 514
WEST BANK & GAZA	224	16 435 699
YEMEN (NORTH AND SOUTH)	32	2 398 519
ZAIRE	703	26 687 213
ZAMBIA	138	7 017 569
ZIMBABWE	304	15 580 650
Total	19 191	934 079 216

TABLE II

## BREAKDOWN BY MEMBER STATE OF COMMUNITY FUNDS ALLOCATED FROM 1976 TO 1994 INCLUSIVE

NATIONALITY OF CONTRACTOR	Development projects in developing countries			Information campaigns for European public opinion			TOTAL		
	No. of schemes	EC contribution		No. of schemes	EC contribution		No. of schemes	EC contribution	
		in ECU	in %		in ECU	in %		in ECU	in %
Belgium	934	129 129 375	13.8	169	10 370 458	10.8	1103	139 499 833	13.5
Consortium	76	49 790 292	5.3	14	4 458 606	4.6	90	54 248 898	5.3
Denmark	107	15 958 211	1.7	43	3 254 788	3.4	150	19 212 999	1.9
France	1013	140 904 947	15	207	11 170 192	11.6	1220	152 075 139	14.8
Germany	913	155 554 086	16.7	172	13 517 037	14.1	1085	169 071 123	16.4
Greece	23	3 866 877	0.4	13	1 346 657	1.4	36	5 213 534	0.5
Ireland	274	22 195 066	2.4	48	2 600 353	2.7	322	24 795 419	2.4
Italy	834	140 303 117	15	160	12 643 483	13.2	994	152 946 600	14.8
Luxembourg	198	11 723 525	1.3	8	225 211	0.2	206	11 948 736	1.2
Netherlands	381	52 232 876	5.6	155	11 321 603	11.8	536	63 554 479	6.2
Portugal	30	4 579 329	0.5	25	2 020 546	2	55	6 599 875	0.6
Spain	251	52 220 551	5.6	77	5 078 641	5.2	328	57 299 192	5.5
U.K.	1136	155 570 799	16.7	256	18 255 920	19	1392	173 826 719	16.9
TOTAL	6170	934 029 051	100%	1347	96 263 495	100%	7517	1030 292 546	100%

**TABLE III**  
**BREAKDOWN BY MEMBER STATE OF COMMUNITY FUNDS ALLOCATED IN 1994**

Member States	Development projects in the developing countries			Information campaigns for European public opinion			TOTAL		
	No. of schemes	EC contribution		No. of schemes	EC contribution		No. of schemes	EC contribution	
		in ECU	in %		in ECU	in %		in ECU	in %
Denmark	5	1 317 799	1.0	6	792 582	5.5	11	2 110 381	1.5
France	99	19 469 301	15.0	22	1 671 114	11.5	121	21 140 415	14.7
Greece	3	812 404	0.6	4	166 649	1.1	7	979 053	0.9
Ireland	8	1 538 313	1.2	6	429 826	3.0	14	1 968 139	1.4
Italy	102	20 558 852	15.9	29	2 089 027	14.4	131	22 647 879	15.7
Luxembourg	26	1 685 812	1.3	2	33 045	0.2	28	1 718 857	1.2
Netherlands	34	6 743 907	5.2	16	1 262 765	8.7	50	8 006 672	5.5
Portugal	3	756 756	0.6	4	272 375	1.9	7	1 029 131	0.7
Spain	38	10 867 652	8.4	14	1 305 719	9.0	52	12 173 371	8.4
U.K.	100	20 898 456	16.1	23	1 921 772	13.2	123	22 820 228	15.50
Belgium	69	13 701 651	10.6	20	1 519 979	10.5	89	15 221 630	10.5
Germany	93	20 350 018	15.7	21	2 264 865	15.6	114	22 614 883	15.7
Consortium	19	10 956 437	8.5	3	804 419	5.5	22	11 760 856	8.2
TOTAL	599	129 657 358	100%	170	14 534 137	100%	769	144 191 495 (*)	100%

(\*) Plus ECU 756 000 for miscellaneous.

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