



# THE FLEMISH ODA REPORT 2014

OFFICIAL DEVELOPMENT ASSISTANCE OF THE FLEMISH GOVERNMENT IN 2014



**Flanders**  
State of the Art



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# 1. INTRODUCTION

The Flemish ODA Report 2014 provides an overview of all payments made by the Government of Flanders for development cooperation. ODA is the abbreviation of Official Development Assistance. The Development Assistance Committee (DAC) defines ODA as those flows to countries and territories on the DAC List of ODA Recipients which are:

- i. provided by official agencies, including state and local governments, or by their executive agencies; and
- ii. each transaction of which:
  - a) is administered with the promotion of the economic development and welfare of developing countries as its main objective; and
  - b) is concessional in character and conveys a grant element of at least 25 per cent (calculated at a rate of discount of 10 per cent).<sup>1</sup>

Under the terms of the Framework Flemish Parliament Act on Development Cooperation, the annual ODA report is regarded as a mandatory report to be delivered to the Flemish Parliament. The report lists the measures taken by the Government of Flanders to contribute to the international target of spending 0.7% of the Gross National Income on ODA (Framework Flemish Parliament Act, Art. 23 and 24).

The Government of Flanders delivers this report to the federal authorities, more specifically the Directorate-General for Development Cooperation and Humanitarian Aid (DGD). This Directorate then bundles together all ODA originating from the Belgian territory and submits a complete report to the Organisation for Economic Cooperation and Development (OECD).

## 1.1 FLEMISH ODA ≠ BUDGET EXPENDITURE FOR DEVELOPMENT COOPERATION

The total ODA is the sum of the budget expenditure for development cooperation and other expenditure by the Government of Flanders that may be charged as ODA. The expenditure from the budget for development cooperation is a subset of total ODA.

The management of the Flemish development policy is managed by the Flanders Department of Foreign Affairs. The Framework Flemish Parliament Act on Development Cooperation provides a separate budget programme for development cooperation, the amount of which is annually determined by the Flemish Parliament. All expenditure from this budget programme must meet the international ODA criteria. By means of this publication the Government of Flanders reports on the expenditure from this budget programme (Framework Flemish Parliament Act, Article 22).

<sup>1</sup> More information is available at <http://www.oecd.org/dac/stats/methodology.htm>

Apart from the expenditure from the Flemish development policy, other Flemish public entities also give support to organisations, projects and programmes that are aimed at promoting development in the South. Whenever this expenditure fulfils the ODA criteria, it is included in this report.

To avoid confusion between the set of ODA and the subset of the budget expenditure for development cooperation, the ODA report breaks down both sets by chapter. The heading indicates whether the chapter deals with:

- An overview of total ODA (blue colour)
- An overview of the budget expenditure for development cooperation (red colour)
- An overview of the Flemish contribution for climate finance (green colour).



On specific request of the government of Mozambique, Flanders supports Apopo. APOPO is a social enterprise that researches, develops and implements detection rats technology for humanitarian purposes such as Mine Action and Tuberculosis detection.

1.2 CONSULTING THE ONLINE DATABASE FOR PROJECT INFORMATION

To consult data on Flemish ODA in a targeted manner, interested parties can refer to the online database mentioned below. A search strategy can be developed using several parameters. Apart from the financial information, the search results also offer the logical framework and (if available) the actual documents of the projects. As such, this digital module increases the transparency of the Flemish development policy.

The search module is also available via the website of the Flanders Department of Foreign Affairs; link: <http://www.vlaanderen.be/int/vlaamse-oda>. This website contains hyperlinks to the database.

KEUZE VAN DE ZOEKINDICATOR	WEBADRES
<b>Recipients:</b> sorted according to recipient status	<a href="http://www.vlaanderen.be/int/oda/recipients">http://www.vlaanderen.be/int/oda/recipients</a>
<b>Sector:</b> sorted according to sectors to which the flow of aid is directed	<a href="http://www.vlaanderen.be/int/oda/sectors">http://www.vlaanderen.be/int/oda/sectors</a>
<b>Region:</b> sorted according to recipient region	<a href="http://www.vlaanderen.be/int/oda/region">http://www.vlaanderen.be/int/oda/region</a>
<b>Country:</b> sorted according to recipient country	<a href="http://www.vlaanderen.be/int/oda/countries">http://www.vlaanderen.be/int/oda/countries</a>
<b>Expenditure type:</b> sorted according to policy purpose (bilateral, indirect, multilateral aid, etc.)	<a href="http://www.vlaanderen.be/int/oda/cooperationform">http://www.vlaanderen.be/int/oda/cooperationform</a>
<b>Year: (ODA year)</b> sorted according to year of disbursement	<a href="http://www.vlaanderen.be/int/oda/year">http://www.vlaanderen.be/int/oda/year</a>
<b>Policy area:</b> sorted according to Flemish policy area from which the ODA originated	<a href="http://www.vlaanderen.be/int/oda/policydomain">http://www.vlaanderen.be/int/oda/policydomain</a>

OVERVIEW OF THE FLEMISH ODA

## 2. OVERVIEW OF FLEMISH ODA

### 2.1 ODA BREAKDOWN: PROJECTS IN THE NORTH AND PROJECTS IN THE SOUTH



In 2014, the Flemish ODA amounted to EUR 56,547,182.<sup>1</sup> Of this amount EUR 29,002,023 - or 51% - falls under projects in the South. Flanders uses these financial resources to invest in projects, programmes and funds in developing countries. 60% of the appropriations for projects in the South are committed to the priority region of Southern Africa.<sup>2</sup>

The activities in the North total EUR 26,073,748 or 46% of total ODA. These contributions benefit domestic actors who play an important role in the field of development cooperation. In the first instance, these funds do not leave the country. They can have an indirect effect, however, on the socio-economic development in the South.<sup>3</sup>

Finally, the Flanders Department of Foreign Affairs charged administrative costs that are necessary to develop and implement development cooperation. Because it is not always clear for administrative costs whether the expenditure is related to projects in the South or projects in the North, this cost category is indicated separately in the analyses. In 2014, these costs accounted for 2.7% of total ODA.

Below, an overview is given of the expenditure for projects in the South (2.1.1) and projects in the North (2.1.2).



1 The total ODA is the sum of all development-oriented expenditure, reduced by all the amounts recovered.  
2 The expenditure flowing to the region of 'Southern Africa' in 2014 (a total of EUR 17,325,875) can be consulted at <http://www.vlaanderen.be/int/oda/regio>.  
3 The structural funding of the Antwerp Institute of Tropical Medicine, for instance, contributes to the development of medication and adjusted treatment methods for combating tropical diseases.

#### 2.1.1 Southern cooperation

The table below gives an overview of all expenditure which directly benefits developing countries. These contributions fall within the category "Southern cooperation".

Southern cooperation				Total: 29 002 023 €
Types of expenditure for Southern cooperation				
	Bilateral (direct)	Bilateral (indirect)	Bi-Multi	Totaal
	4.992.119 €	4.012.226 €	11.832.126 €	20.836.471 €
South-Africa	-540.487	1.699.594	953.400	2.112.507
Mozambique	3.000.000	618.880	928.948	4.547.828
Malawi	2.532.606	1.215.000	2.319.631	6.067.237
Southern Africa (regional)		460.000	3.566.300	4.026.300
Other		18.753	4.063.847	4.082.600
Multilateral cooperation (unearmarked contributions)				2.525.725 €
Adaptation Fund				1.000.000
Central Emergency Response Fund (CERF)				300.000
United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)				300.000
Unicef International				250.000
Joint United Nations Programme on HIV/AIDS (UNAIDS)				250.000
UN World Food Programme (WFP)				200.000
Funding for environmental conventions (UNFCCC, UNEP, UNECE)				220.415
International Seed Testing Organisation (ISTA)				5.310
Indirect cooperation				3.760.380 €
Applied scientific research in developing countries				80.213
Trade, entrepreneurship and development				2.324.357
Flemish Partnership Water for Development				781.257
Scholarships and training (implemented in developing countries)				295.920
Flemish Fund for Tropical Forests				69.406
Miscellaneous (mainly the transport and storage sector)				209.227
Humanitarian aid (excluding Bi-Multi or multilateral contributions to WFP, CERF, UNRWA)				1.879.447 €



**Bilateral cooperation** concerns types of cooperation that are based on an agreement between the Government of Flanders and a partner country of Flemish development cooperation. Flanders concentrates its policy on South Africa, Mozambique and Malawi. This cooperation is described in the five-year strategy papers which lay down the priorities for cooperation. As far as the regionally-oriented and cross-border programmes are concerned, the focus is on Southern Africa.

**Direct bilateral cooperation**, i.e. government-to-government support, amounts to EUR 5 million. In **indirect bilateral cooperation** (EUR 4 million) local, international or Flemish organisations are called on to implement the strategy paper with a partner country. The **Bi-Multi** category (EUR 11.8 million) includes all contributions to multilateral institutions which are earmarked either geographically or thematically. Bi-Multi encompasses all UN programmes as part of the bilateral cooperation, as well as regional initiatives.

**Multilateral actors** spent a total of EUR 7.8 million in the partner countries or the Southern African region. The remaining 4 million for Bi-Multi pertains to programmes that are not geographically but thematically earmarked, such as the Trust Fund with the International Labour Organisation and UNESCO



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Bi-Multi: in 2014 geoormerkte middelen per VN-organisaties	11.832.126 €
United Nations Educational, Scientific and Cultural Organization (UNESCO)	2.758.848
World Health Organisation	2.655.948
United Nations World Food Programme (WFP)	1.010.000
International Fund for Agricultural Development (IFAD)	1.000.000
World Agroforestry Centre (ICRAF)	810.804
One UN Fund Malawi	775.000
International Labour Organisation (IAO)	640.000
Food and Agricultural Organization of the United Nations (FAO)	634.631
Joint United Nations Programme on HIV/AIDS (UNAIDS)	500.000
Unicef	500.000
United Nations Environment Programme (UNEP)	250.895
United Nations Development Programme (UNDP)	150.000
Organisation for Economic Cooperation and Development (OESO)	80.000
Council of Europe	66.000

**Multilateral cooperation** - whereby contributions are fully absorbed into the budget of a multilateral organisation - totals EUR 2.5 million. Unearmarked assistance allows for flexibility for organisations to disburs according to ever-changing needs, globally and on regional or national level.

**Indirect cooperation** deployed in the South in 2014 amounts to EUR 3.8 million. With indirect cooperation, the expertise of an indirect actor (like NGQ scientific institute, non-profitmaking organisation) contributes to the development and implementation of an actual project outside the framework of the bilateral strategy papers with the partner countries. Within the context of projects in the South, we can discern a number of cooperation initiatives that are geared toward the pursuit of a specific target. Expenditure on 'trade and development' is aimed at improving the living conditions of inhabitants by increasing productivity as well as improving access to the inputs and the market. The Flemish Partnership Water for Development works to achieve water-related targets as outlined in Millennium Development Goal 7. The Flemish Fund for Tropical Forests concentrates on the benefits of forestry and forest management in the course of combating climate change, the loss of biodiversity and desertification in developing countries.

In the context of international cooperation, Flanders also provides assistance for areas affected by natural or man-made disasters. The remaining category of **emergency aid** represents EUR 1.9 million. To avoid double counting, the contributions to UN agencies relevant to emergency aid are not included again in this category. Contributions to the World Food Programme, the UN Relief and Works Agency for Palestine Refugees, CERF and others are already presented in the tables for Bi-Multi and multilateral cooperation.



2.1.2 Northern cooperation

The table below gives an overview of all expenditure benefiting domestic actors, which have an indirect positive influence on development issues.

Northern cooperation	Totaal: 26.073.748 €
Types of expenditure for projects in the Northern cooperation	
Scientific research and education	17.257.000 €
Antwerp Institute of Tropical Medicine (ITG)	13.449.000
Institute of Development Policy and Management (IOB)	2.751.000
United Nations University (UNU)	1.057.000
Development education and awareness-raising	2.269.514 €
Assistance to NGOs and/or non-profitmaking organisations	2.715.405 €
Municipal development cooperation	2.808.530 €
Support for municipal development cooperation	2.603.945
Association of Flemish Cities and Municipalities	204.585
Studiebeurzen en opleiding (uitgevoerd in donorland)	1.023.300 €

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

The expenditure within the framework of **development education and awareness-raising** amounts to EUR 2.3 million. A positive attitude toward development cooperation forms a critical foundation for peace and solidarity in society. By increasing support for poverty reduction, the individual Flemish citizen gains a stronger sense of responsibility. **Cities and municipalities** maintain direct access to their citizens and are therefore in a unique position to raise awareness among difficult-to-reach target groups. EUR 2.8 million was spent on the incentives policy for municipal development cooperation.

The Government of Flanders also provides **support for NGOs** within the context of its projects in the North, in the form of wage and operating subsidies. As civil society actors in the field of development cooperation, they

have a key role to play in increasing public support, as well as watchdog over government action and in developing innovative projects in the South.

By providing students in the South with the opportunity to follow specific training programmes in Flanders, an indirect contribution is made to capacity building in their own countries. Scholarships implemented in the donor country account for EUR 1 million of 2014 expenditures.

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

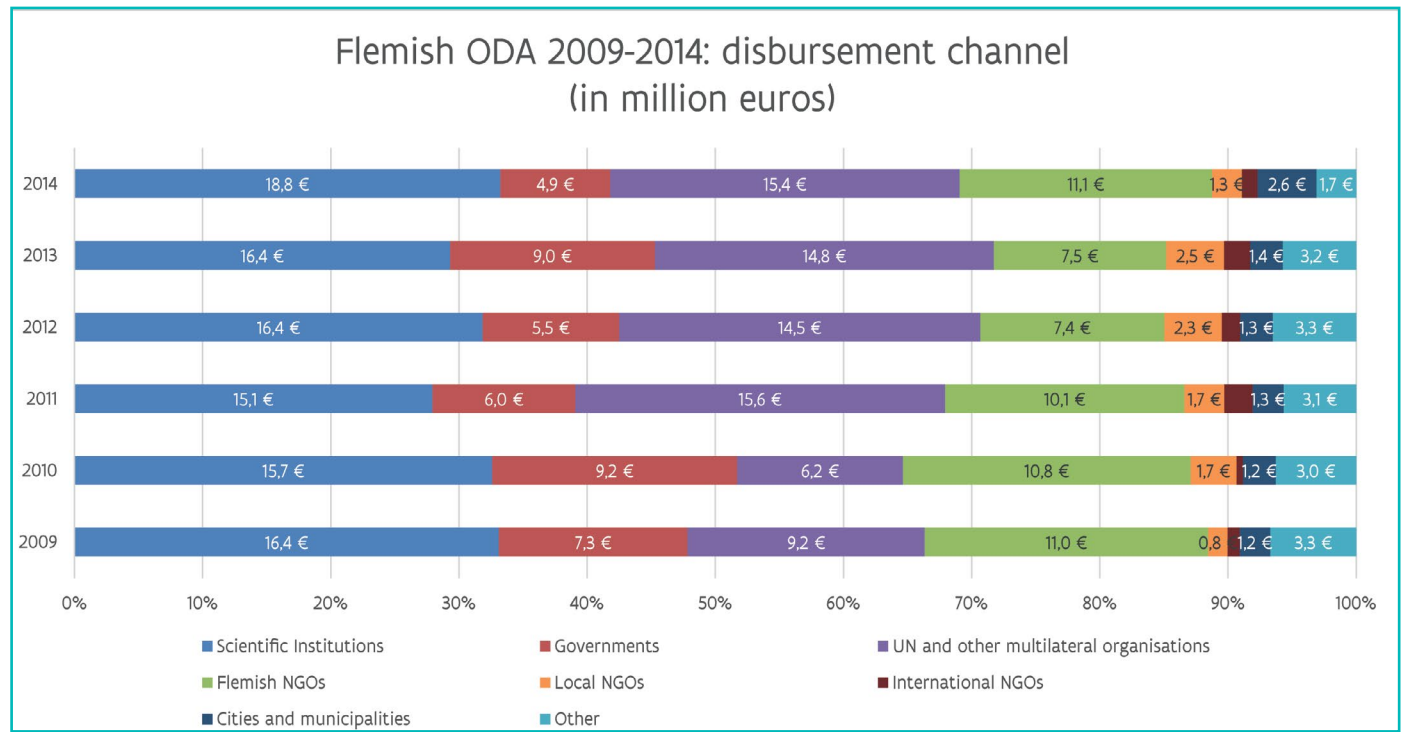


## 2.2 POLICY INDICATORS ON FLEMISH ODA

The above breakdown – Southern and Northern cooperation, administrative costs - does not provide any insight into the distribution by sector, the selection of partners, the origin of the funds, or any other policy information. This chapter takes a closer look at a number of additional indicators. Where possible, the evolution since 2009 is indicated.

### 2.2.1 2.2.1 ODA breakdown by recipient

The graph below bundles together all the recipients of Flemish ODA.



Flanders traditionally channels a substantial portion - on average around 30 percent - of its ODA via **scientific institutes**. In 2014, they account for 33.2% of the Flemish ODA 2014, which is an expenditure of EUR 18.8 million. The Institute of Tropical Medicine received a total of EUR 13.6 million in structural support because it implemented structural cooperation with a Mozambican scientific health institute.

The portion allocated to **multilateral institutions** remained unchanged at 27 to 28% of total spending during the 2011-2014 period. In 2014 as well the portion allocated to multilateral institutions amounted to 27.3%. This includes both core support which is directly absorbed into the institution's general budget (categorised as multilateral aid) and geographically or thematically earmarked contributions (categorised as Bi-Multi). In order to maximise synergies with the bilateral development policies in the partner countries, Flanders concentrates its contributions on the countries in Southern Africa. UN agencies also serve as implementing partners of bilateral cooperation with the partner countries.

**NGOs and non-profitmaking** organisations together received 23.2%, or EUR 13.1 million, of the ODA in 2014. This percentage is the sum of the portion of Flemish NGOs and non-profitmaking organisations (20%), local NGOs (2%) and international NGOs (1%). These actors act as implementing partners of development programmes, but also receive assistance for their general wage and operating costs.

A total of 8.6% of the Flemish ODA was paid out directly to the **governments** of South Africa, Mozambique and Malawi. Cooperation with governments in partner countries is funded almost entirely with resources from the budget for development cooperation.

Lastly, 4.6% of the ODA goes to domestic **cities and municipalities** in order to increase public support for development cooperation. These subsidies are also fully derived from the budget for development cooperation.

The '**Other**' category bundles together all expenditure which does not belong in any of the other recipient categories. It mainly encompasses management costs for the implementation of development policy.

### More information?

Technical information about all projects and programmes, sorted by type of recipient, are available online at:  
<http://www.vlaanderen.be/int/oda/recipients>



2.2.2 Breakdown of ODA by recipient region and countries

The recipients of Flemish ODA operate in a number of regions around the world. In order to gain an overview of the geographical distribution of ODA, the table below groups the recipient regions. Since un-earmarked contributions are also part of the projects in the South, the sum of all contributions to the regions below does not equal the total contribution for projects in the South.<sup>1</sup>

Regions receiving Flemish ODA in 2014		Disbursement (€)	% of Southern cooperation
Africa		18.827.662	64,9%
Of which:	North Africa	120.284	0,4%
	Sahel	101.270	0,4%
	West Africa	686.969	2,5%
	Central Africa	56.478	0,2%
	East Africa	425.324	1,6%
	Southern Africa	17.437.337	60,1%
Waarvan:	Malawi	6.166.842	22,8%
	South-Africa	2.218.664	8,2%
	Mozambique	4.547.828	15,7%
	Subregional OR other countries in the region	4.504.002	16,7%
Latin America / Caribbean		1.393.945	5,2%
Asia		872.249	3,2%
Middle East / Middle East and North Africa (MENA)		1.080.379	3,7%
Central and Eastern Europe		310.500	1,1%

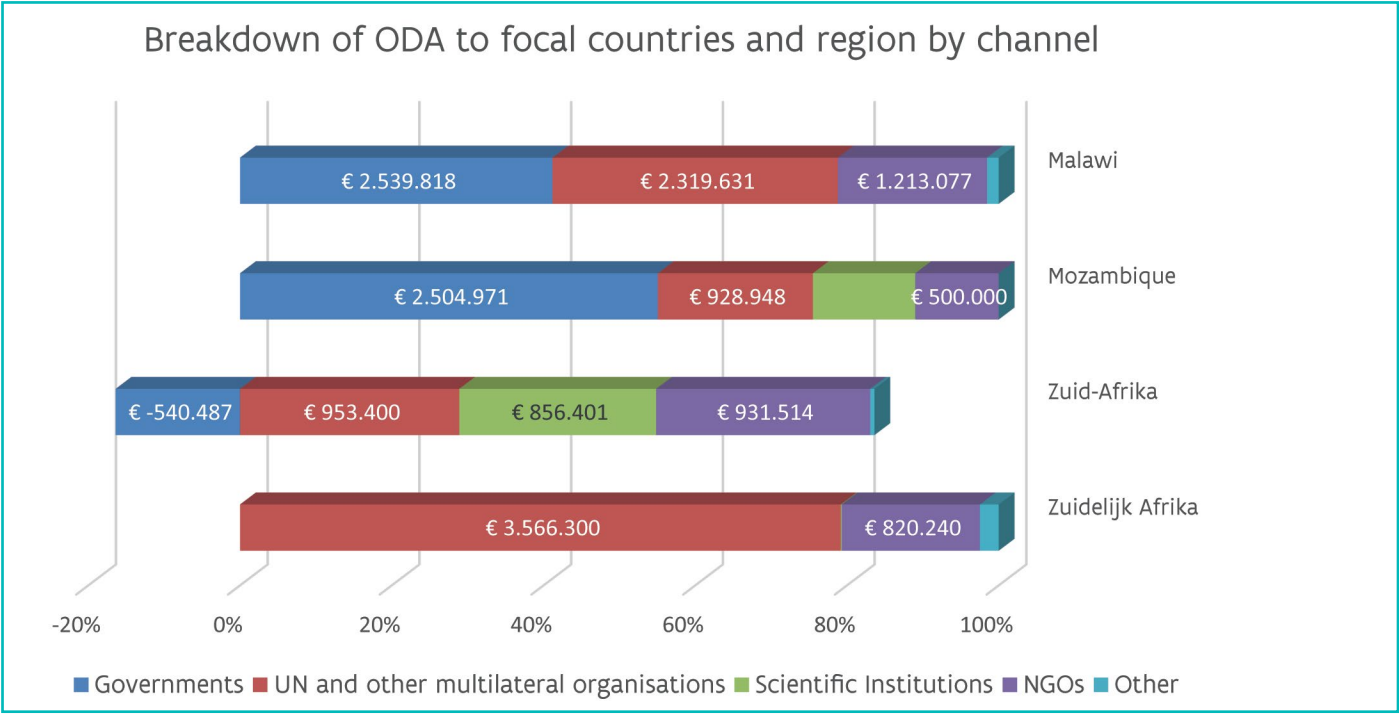
The priority partner countries and region were the biggest recipients of Flemish ODA in 2014, accounting for 30.8% of total ODA. Since administrative costs and projects in the North are also part of the ODA, this indicator does not provide a complete picture of the level of concentration on the priority region. When not considering cross-border expenditure, we can state that 60.1% of the expenditure for projects in the South ends up in Southern Africa.

The underlying projects and programmes, sorted by region and country, can be consulted online at the following website: <http://www.vlaanderen.be/int/oda/region>

<sup>1</sup> These total amounts per country in Southern Africa include all ODA: for (in)direct bilateral cooperation, Bi-Multi, indirect cooperation and emergency aid. That is why this figure is different from the figure in the table on page 9, since the latter figure only geographically breaks down expenditure for (in)direct bilateral cooperation and Bi-Multi.

2.2.3 Breakdown of ODA to focal countries and region by type of recipient

The overview of contributions by type of recipient (see 2.2.1) can also be applied to the priority partner countries and region of Flemish development cooperation. It provides us with an insight into the bilateral spending channels in 2014.



In **Malawi** most money has been invested in cooperation with the government. Flanders concentrates its direct bilateral aid on agricultural extension services. In the sectoral fund for agriculture and food security Flanders acts as a leading donor for all interventions from participating donors in the field of agricultural extension. In **Mozambique**, funds have been invested in 2014 in delegated cooperation with Denmark in the field of nutritional practices and contributions have been made to the sectoral fund for health. In **South Africa** the portion for direct bilateral cooperation has been reduced to EUR -540,487 as a result of two reclaimed contributions in the provinces of Limpopo and KwaZulu Natal.

In Malawi the **UN organisations** ICRAF, Food and Agriculture Organisation (FAO), One UN Fund, World Food Programme (WFP) and UNICEF were deploying activities. In Mozambique the World Health Organisation and the World Food Programme (WFP) implemented activities. In South Africa the UN organisations UNESCO UNICEF, International Labour Organisation and United Nations Environment Programme (UNEP) carried out programmes and projects.

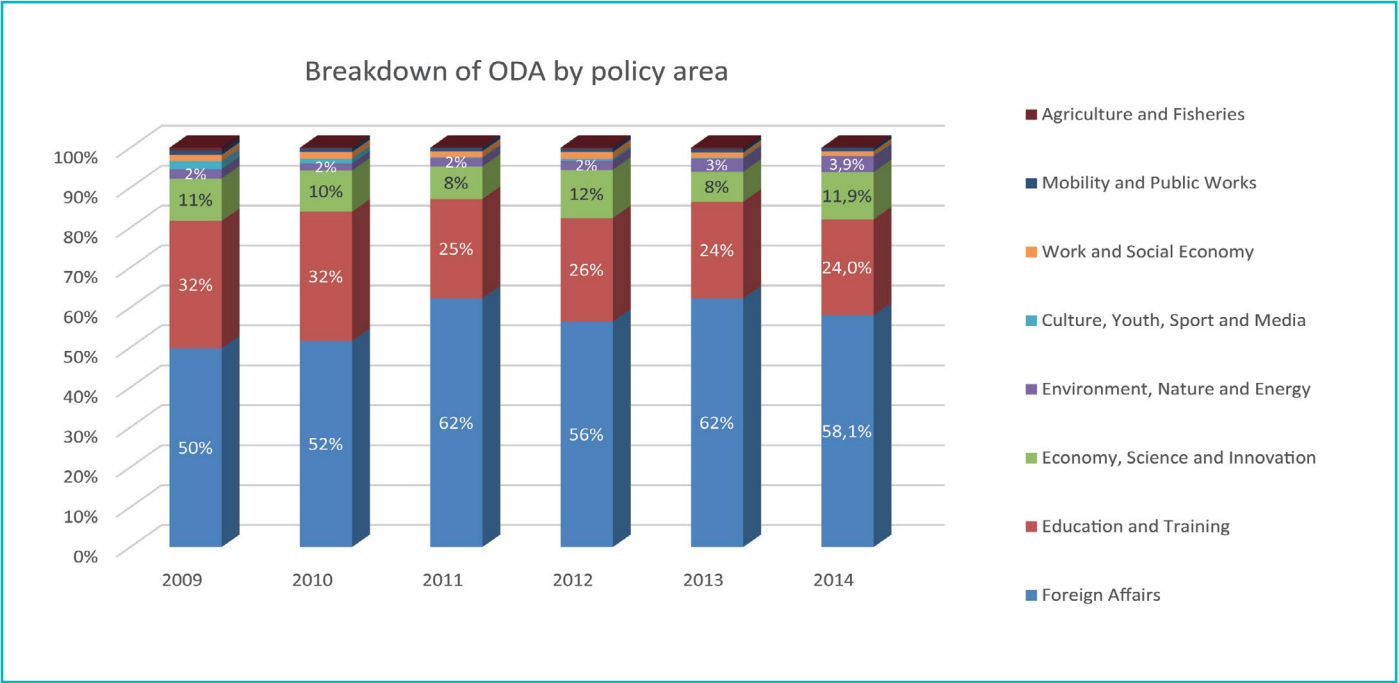
The aid volumes for **cooperation with NGOs** are similar for Malawi, South Africa and Southern Africa. In Mozambique the contribution seems less substantial. However, this is mainly owing to the multi-annual rate of payment. In the previous year these actors received EUR 2.6 million.

ODA flowing to the region of **Southern Africa** (both the region itself as well as individual countries in the region, excluding the three bar graphs above) is implemented mainly by multilateral institutions and NGOs. This often involves cross-border programmes for which these actors are able to offer specific expertise. The cooperation agreement with UNAIDS and the WHO Department of Reproductive Health and Research is slightly earmarked for several countries in the Southern African region. Furthermore, ICRAF and UNESCO programmes are also focused on several countries in the region. In 2014, the Red Cross worked to improve the quality of first aid in the region.

2.2.4 Source and composition of the Flemish ODA

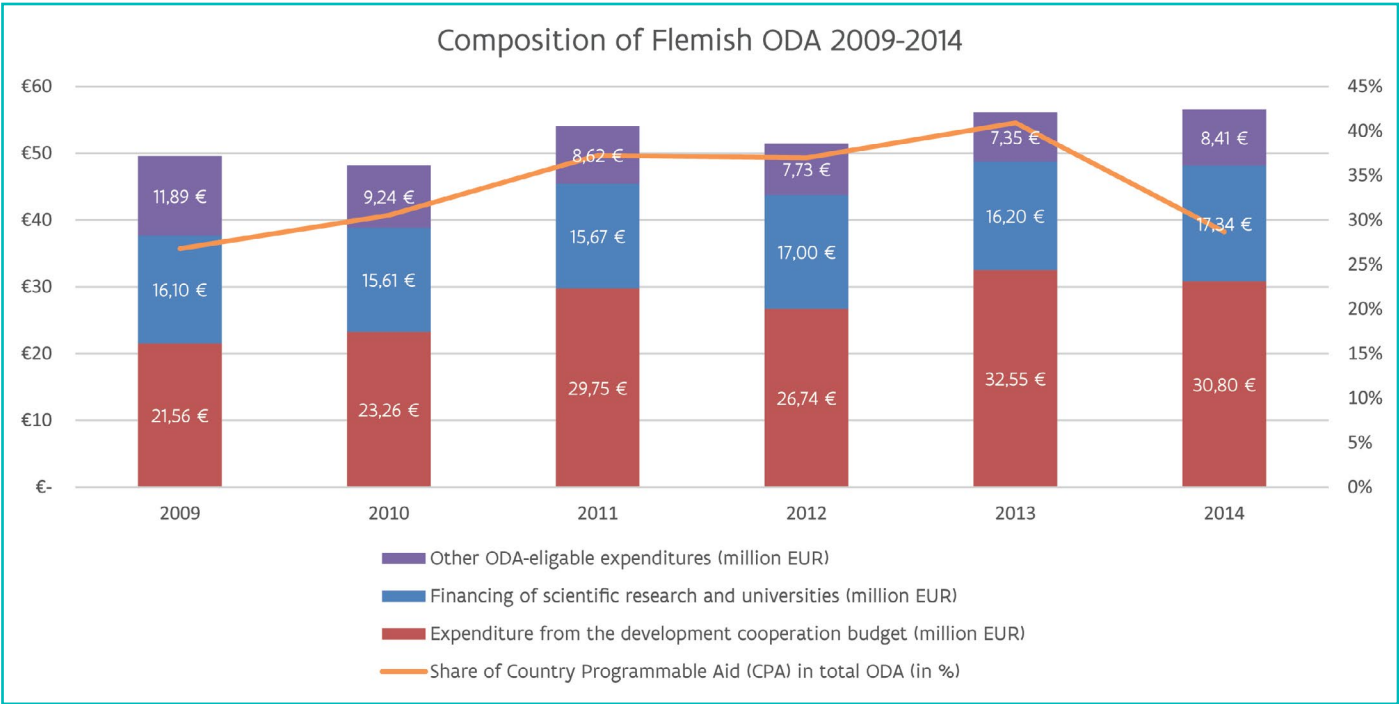
In 2014, 97.8% of ODA originated from four policy areas: Flanders Foreign Affairs (iV); Education and Training (OV); Economy, Science and Innovation (EWI); Environment, Nature and Energy (LNE).

This breakdown by policy area can also be consulted online at <http://www.vlaanderen.be/int/oda/policydomain>



The relative portion of iV decreased between 2013 and 2014 from 62% to 58.1% because of two trends. On the one hand, iV spent EUR 2 million less compared to 2013 and on the other hand the contribution from all other policy areas increased by EUR 2.5 million between 2013 and 2014. The portion of EWI has risen sharply (from 8 to 12%), because 2014 was a pivotal year between two periods of the Flanders UNESCO Science Trust Fund. That is why payments have been made in 2014 to terminate as well as to start up projects. The growing portion of LNE in total ODA can be attributed to a one-off contribution of EUR 1 million to the Adaptation Fund.

The Flanders Department of Foreign Affairs is the policy area which manages the funds from the budget for development cooperation. Based on the ODA expenditure by the policy areas EWI, OV and iV on the one hand, and the remaining policy areas on the other, we can divide the ODA into three general groups.



Spending from the **development cooperation budget** is shown in red in the above bar graph. These expenditures in 2014 are almost EUR 2 million lower than in 2013, but approximately EUR 1 million higher than the average amount of the past three years.

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

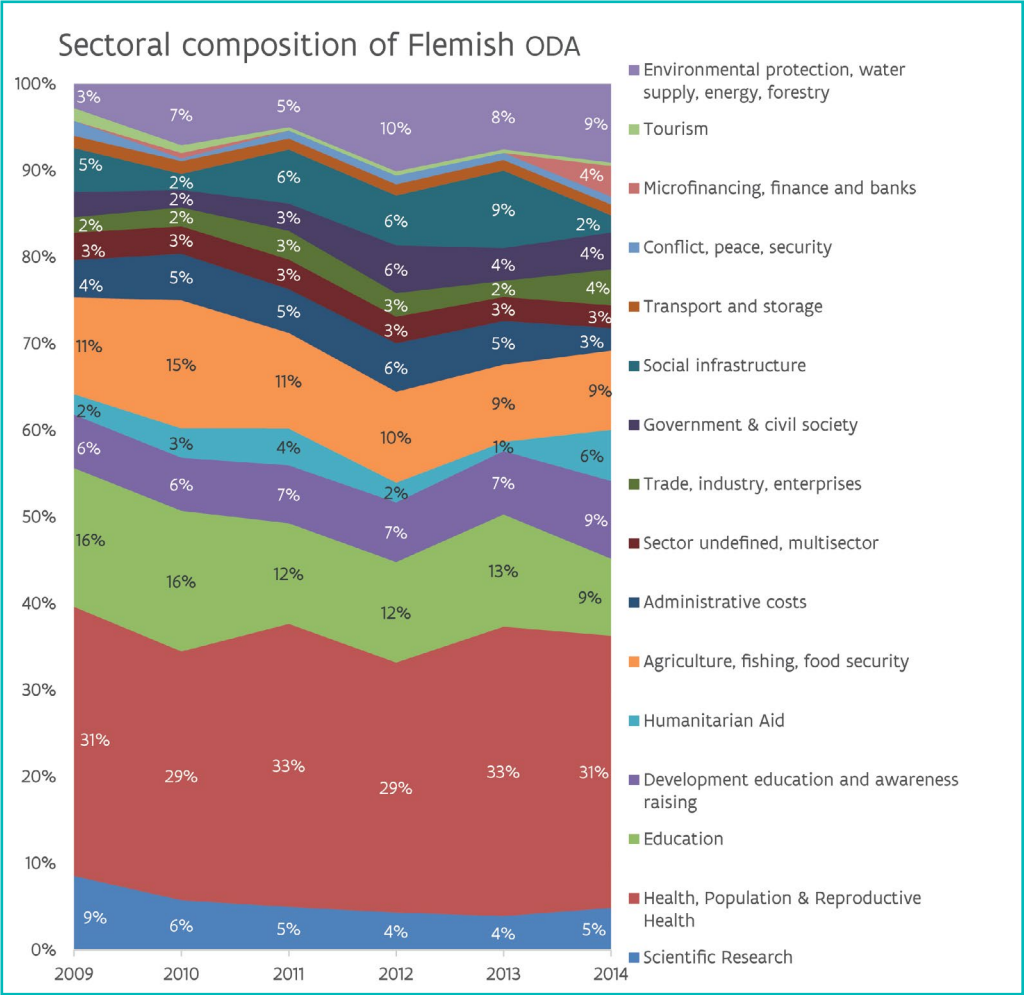
All **other ODA-eligible expenditure** is shown in purple in the bar graph. This portion, paid by several policy areas, has experienced a continuous downward trend since 2009 as a result of budget cuts within the Flemish public administration, but seems to recover again in 2014. The one-off contribution by LNE to the Adaptation Fund (EUR 1 million) may explain the increase by one million in the comparison until 2013.

The orange line indicates changes in the portion of **country programmable aid** (CPA). This indicator only considers aid coming from the budget for development cooperation. It is the portion of aid that providers can programme for individual countries or regions, and over which partner countries could have a significant say. As such, the indicator does not consider emergency aid, expenditure for Northern cooperation and administrative costs. The portion of CPA has increased since 2008 to 40% in 2013. In 2014, it decreased to 29%. This 2014 decrease is owing to the following trends:

1. The portion of expenditure from the budget for development cooperation within the total ODA decreased slightly. Only this expenditure qualifies for CPA.
2. Between 2013 and 2014 the expenditure for humanitarian aid, which falls outside the scope of CPA, increased fivefold.
3. The ODA portion for Flemish cities and municipalities rose by 1.2 million between 2013 and 2014. These expenditures are not programmable either for the Flemish partner countries.
4. The one-off microfinance shares of EUR 2 million in micro-finance funds are not CPA.

### 2.2.5 Sectoral composition of Flemish ODA

Flemish ODA spending per sector is detailed below. The OECD Development Assistance Committee has fine-tuned this system for coding by sector. Coding by sector allows for the purpose of development contributions to be known and donor efforts to be mapped and compared.



The Flemish ODA 2014 is concentrated on the sectors **health**, including sexual and reproductive health (31%), **agriculture, fisheries and food aid** (9%), **education** (9%) and **development education and awareness-raising** (9%). These four large sectors together represent 58% of the ODA.



Since 2012, we have established a growing importance of the sectors **environmental protection, water supply, energy and forestry**, which are closely related to the international objectives regarding climate finance. These sectors jointly account for 9% of total ODA in 2014.

In 2014, special efforts have been made in the field of **humanitarian aid**. Expenditure in this sector increased from EUR 589,286 in 2013 to EUR 3.3 million in 2014. The additional funds originate from formerly reclaimed appropriations.

Furthermore, two investment shares have been made in international **micro-finance funds** in 2014, each totalling around EUR 1 million.

**Administrative costs** linked to the management of the budget for development cooperation are included in the total ODA. In 2014, these costs accounted for 2.7% of total ODA.



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2.2.6 Types of aid

Since the Paris Declaration on Aid Effectiveness (2005), the international donor community attaches greater importance to coordinating donor aid with the existing policy aims of recipient countries. The harmonisation of procedures for implementing aid among donors is also high on the agenda. In order to measure donor progress on this front, OECD developed a classification by types of aid which contains information on the way in which the projects, programmes and funds are established.

This allows us, among other things, to ascertain whether a donor is primarily making use of project aid that has been separately furnished, or whether the donor is deploying its aid via pre-existing programmes or funds of the recipient government, UN institutions and/or a group of donors. Project aid that is set up separately is often associated with relatively high costs related to its identification, follow-up and other administrative tasks. On the other hand, project aid offers more opportunities to concentrate the aid on bilateral priorities. The table below shows the distribution for 2012, 2013 and 2014.

TYPOLOGIEËN VAN DE HULP		ODA 2012	ODA 2013	ODA 2014
A02	Sector budget support	3 000 000 €	4 700 000 €	2 996 300 €
B01	Core support to NGOs, other private bodies, PPPs and research institutes	16 515 407 €	16 796 564 €	18 915 405 €
B02	Core contributions to multilateral institutions	1 954 042 €	2 742 141 €	3 582 725 €
B03	Contributions to specific-purpose programmes and funds managed by international organisations (multilateral, INGO)	2 450 000 €	3 140 000 €	6 144 936 €
B04	Basket funds/pooled funding (not managed by multilateral institutions)	0 €	500 000 €	0 €
C01	Project-type interventions	18 597 568 €	19 135 187 €	16 406 644 €
D0	Experts and other technical assistance	1 792 077 €	1 215 483 €	928 417 €
E01	Scholarships/training in donor country	961 616 €	1 098 568 €	1 023 300 €
G01	Administrative costs not included elsewhere	2 875 849 €	3 030 565 €	1 471 411 €
H01	Development awareness	3 324 354 €	3 731 678 €	5 078 043 €

Together with other international donors, Flanders supports **Sector-wide Approach** funds in Malawi and Mozambique (type A02). Through this mechanism the donors align their contributions with the policy plans of the recipient country and ensure an effective financial management of the ministry.

In 2014, the portion of **core contributions to multilateral institutions** (B02) increased. Apart from the contributions for multilateral cooperation (projects in the South), the United Nations University too received a core contribution (projects in the North).

The core contributions to the scientific institutes ITG and IOB (EUR 16.2 million) and the wage subsidies for Flemish NGOs (EUR 1.5 million) explain the high portion of **core support to NGOs and research institutes** (B01).

For subsidies to specific-purpose programmes and funds managed by international organisations (type B03) the donor does not exercise any influence on the way in which the subsidies are ultimately allocated to projects. Flanders supported existing programmes of the UN Development Programme (UNDP), the World Food Programme (WFP), the United Nations Children’s Fund (UNICEF), UNAIDS, the International Fund for Agricultural Development (IFAD) and the World Health Organisation. Finally, the Flemish participations in micro-finance funds, managed by Incofin and Alterfin, also fall within this aid category.

Project-type interventions (CO1) form the largest aid category within Flemish ODA. According to the OECD, “a project is a set of inputs, activities and outputs, agreed with the partner country, to reach specific objectives/ outcomes within a defined time frame, with a defined budget and a defined geographical area.” Projects vary significantly in terms of amounts involved. A lot of partnerships between the Government of Flanders and the partner countries are indeed implemented on the basis of project agreements. Nevertheless, the portion of project-type interventions has continuously decreased over the past years, from 36% in 2012 to 29% in 2014, whereas the aid categories from A01 through B04 together increased in relative terms from 46% in 2012 to 56% in 2014.

Finally, Flanders provides technical assistance, scholarships and development awareness in the donor country. The management of the development policy as a whole also involves administrative costs.

2.3 FLEMISH ODA IN AN INTERNATIONAL CONTEXT

Flanders is part of the international donor community. A lot of international bilateral donors are active in the partner countries. The table below gives an insight into the scale of the Flemish contribution in proportion to the total bilateral ODA (excluding contributions from multilateral UN institutions, development banks and the EU). On the basis of a ranking of donors in descending order of size, the table below indicates which position Flanders occupies in the bilateral ranking. Because figures for the 2014 ODA of other donors were not yet available when this report was being written, this comparison is made until 2013.

VLAAMSE ODA IN DE PARTNERLANDEN				
	2010	2011	2012	2013
South Africa				
Flemish ODA (€ )	3.853.365	3.540.573	5.455.376	4.668.102
Donor ranking position	15	16	12	14
% of bilateral ODA	0,64%	0,51%	0,81%	0,53%
Mozambique				
Flemish ODA (€ )	4.972.225	7.930.012	2.952.536	8.713.647
Donor ranking position	20	18	21	19
% of bilateral ODA	0,52%	0,64%	0,25%	0,67%
Malawi				
Flemish ODA (€ )	7.819.937	4.924.518	9.308.656	7.394.682
Donor ranking position	8	9	8	9
% of bilateral ODA	1,98%	1,51%	1,85%	1,50%

It can be deduced from the graph below that the Flemish ODA is in the same order of magnitude as the latest EU donors. Frontrunners in absolute figures are Poland (EUR 357 million, 0.10% GNI in 2013) and Czech Republic (EUR 160 million, 0.11% GNI in 2013).

Upon their accession to the European Union in 2004 and 2007, these countries promised to allocate 0.33% of their GDP to development cooperation by 2015. In terms of total ODA, Flanders positions itself between Slovakia and Slovenia, two countries that became a member of the OECD Development Assistance Committee (DAC) in 2013.

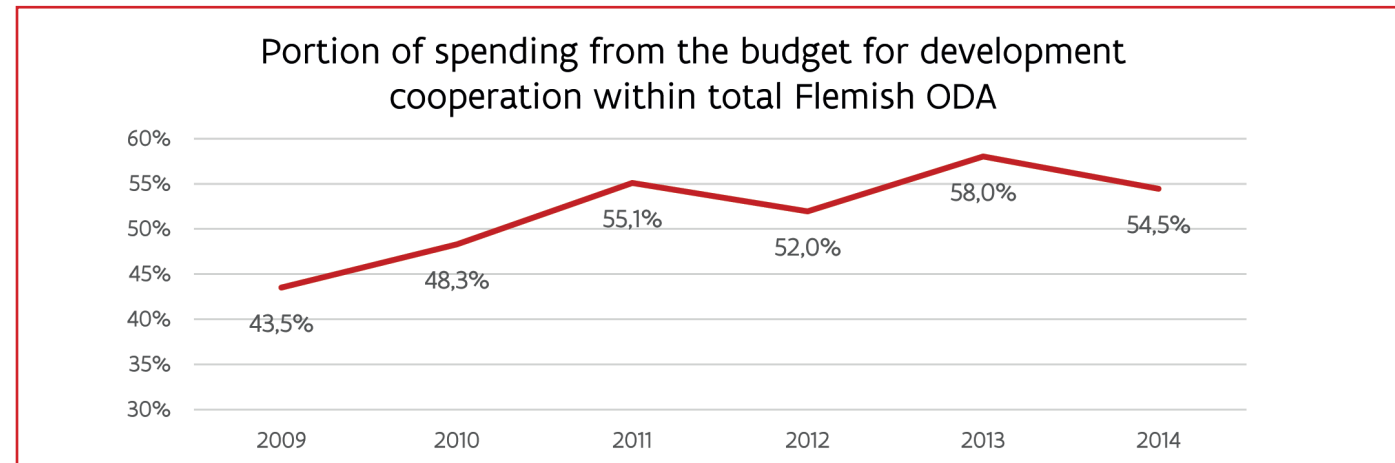
ODA OF THE LATEST EU DONORS AND FLANDERS								
	2010		2011		2012		2013	
	Miljoen €	% BNI	Miljoen €	% BNI	Miljoen €	% BNI	Miljoen €	% BNI
Romania	86	0.07	118	0.09	113	0.08	101	0.07
Hungary	86	0.09	100	0.11	93	0.10	91	0.10
Slovakia	56	0.09	62	0.09	61	0.09	64	0.09
<b>Flanders</b>	48	/	54	/	51	/	56	/
Slovenia	44	0.13	45	0.13	45	0.13	45	0.13
Lithuania	28	0.10	38	0.13	40	0.13	39	0.12
Cyprus	39	0.23	28	0.16	20	0.12	19	0.11
Estonia	14	0.10	18	0.11	18	0.11	23	0.13
Bulgaria	31	0.09	35	0.09	30	0.08	37	0.10
Latvia	12	0.06	14	0.07	16	0.08	18	0.08
Malta	10	0.18	14	0.25	14	0.23	14	0.20

OVERVIEW OF THE FLEMISH  
DEVELOPMENT COOPERATION



### 3. OVERVIEW OF THE FLEMISH DEVELOPMENT COOPERATION

In this chapter, we delve deeper into the pattern of spending from the budget for development cooperation. Spending from the Flemish development cooperation budget is a part of the total Flemish ODA. This portion has grown since 2008, but has stabilised around 55% during the past years.



The Flanders Department of Foreign Affairs (DiV) manages the budget for development cooperation. In 2014, DiV spent a total of EUR 30,796,997 ODA from this budget. This ODA can be further broken down - along the same indicators as the total ODA - according to spending channel and sector-specific focus.

#### 3.1 INTRODUCTION: A FOCUSED POLICY FOR DEVELOPMENT COOPERATION

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

The Flemish development cooperation endorses the international discourse on the enhancement of aid effectiveness. In the course of establishing cooperation, Flanders aims at donor coordination and cooperation with other donors.

In this way Flanders contributes to aid mechanisms at country level, like the sector support for agriculture and food security in Malawi and for the right to health in Mozambique.

#### Bilateral cooperation with Flemish partner countries

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

Development cooperation between Flanders and **Mozambique** was formally initiated in 2002. The second strategy paper (2011-2015) focuses entirely on advancing the right to health of the Mozambican population. Within the health sector cooperation focuses on:

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

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

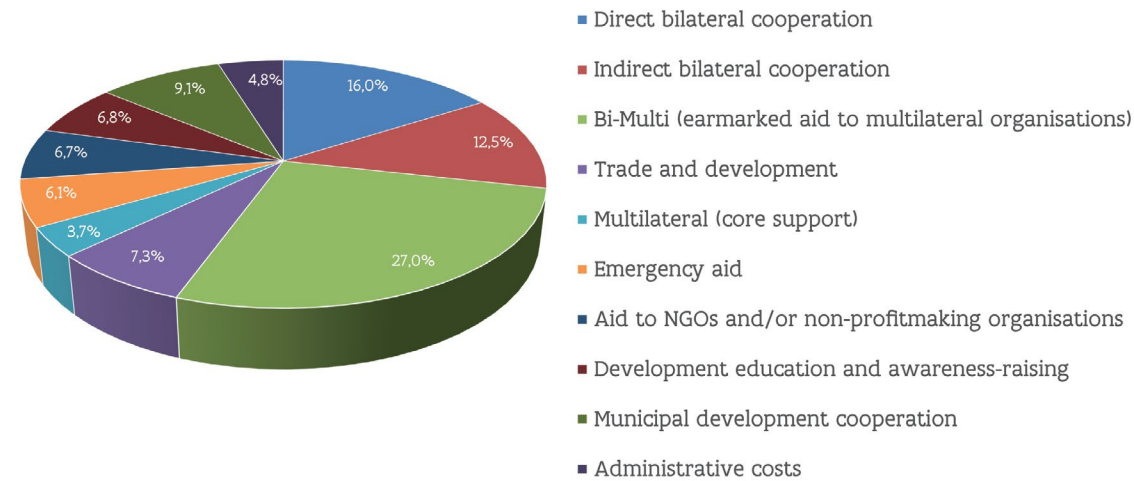
- (1) food security and risk management;
- (2) commercial agriculture, the processing of agricultural products and market development;
- (3) the sustainable management of agricultural land and water.

### 3.2 POLICY INDICATORS ON FLEMISH DEVELOPMENT COOPERATION

#### 3.2.1 Breakdown of budget expenditure for development cooperation by type

The breakdown of the expenditure from the budget for development cooperation by type shows a subdivision between Southern and Northern cooperation. Almost three fourths of the spending is devoted to projects, programmes and funds in the South, whereas approximately one fifth is allocated to projects in the North. 5% is spent on administrative costs.

Breakdown of expenditure for development cooperation by type



The above graph subdivides the spending into 10 categories:

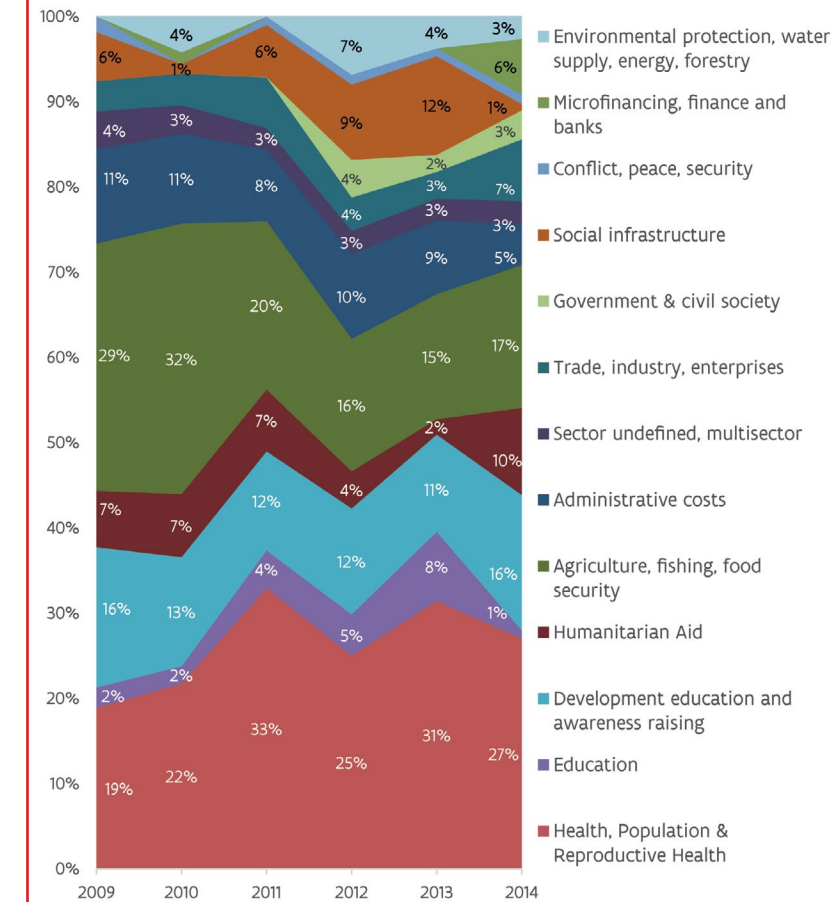
- A total of 28.5% comes under (direct or indirect) bilateral cooperation.
- 27% of the expenditure goes to programmes and projects managed by multilateral institutions in the partner countries and in the priority region of Southern Africa.
- The general budget support to multilateral institutions accounts for 3.7% of the expenditure.
- NGOs are given general support by means of wage subsidies (6.7% of expenditure). They are also used to increase public support and for projects in the South.
- Humanitarian aid accounts for 6.1% of the expenditure for development cooperation in 2014 (excluding general budget support or Bi-Multi to UN agencies that provide humanitarian aid).
- DiV spends 6.8% on raising awareness in Flanders and 9.1% on raising awareness via local authorities through its support for municipal development cooperation.
- The administrative costs account for 5% of spending.

#### 3.2.2 Breakdown of budget expenditure for development cooperation by sector

The Government of Flanders opts to pursue only one concentration sector per partner country. The number of sectors supported from the budget for development cooperation is lower than for the ODA as a whole. The graph below gives an overview of the sector-specific distribution since 2009.

The focal sectors of bilateral cooperation in 2014 can be linked to the actual payments: **health**, including sexual and reproductive health (27%), **agriculture, livestock farming and food aid** (17%) and the promotion of **decent job creation** (8%, which is the sum of 1% employment policy and 7% SMME development). The concentration sectors of Flemish development cooperation together represent 52% of the expenditure. Apart from bilateral cooperation with partner countries, the budget for development cooperation also invested in emergency aid, the promotion of public support and aid to NGOs (cf. sector undetermined).

Breakdown of budget expenditure for development cooperation by sector





It can be deduced from the above graph that the rising ODA trends in the field of **humanitarian aid, development education and awareness-raising and micro-finance** (see 2.2.4) are similar to the trends within the expenditure for development cooperation. The rising ODA trends within the **climate-related sectors** (water, forest management, energy), on the other hand, seem to originate from policy areas other than iV. For the total ODA for education as well we look at the efforts by the Department of Education and Training and the Department of Economy, Science and Innovation. Bilateral development cooperation in the Mozambican education sector indeed phased out entirely in 2014.

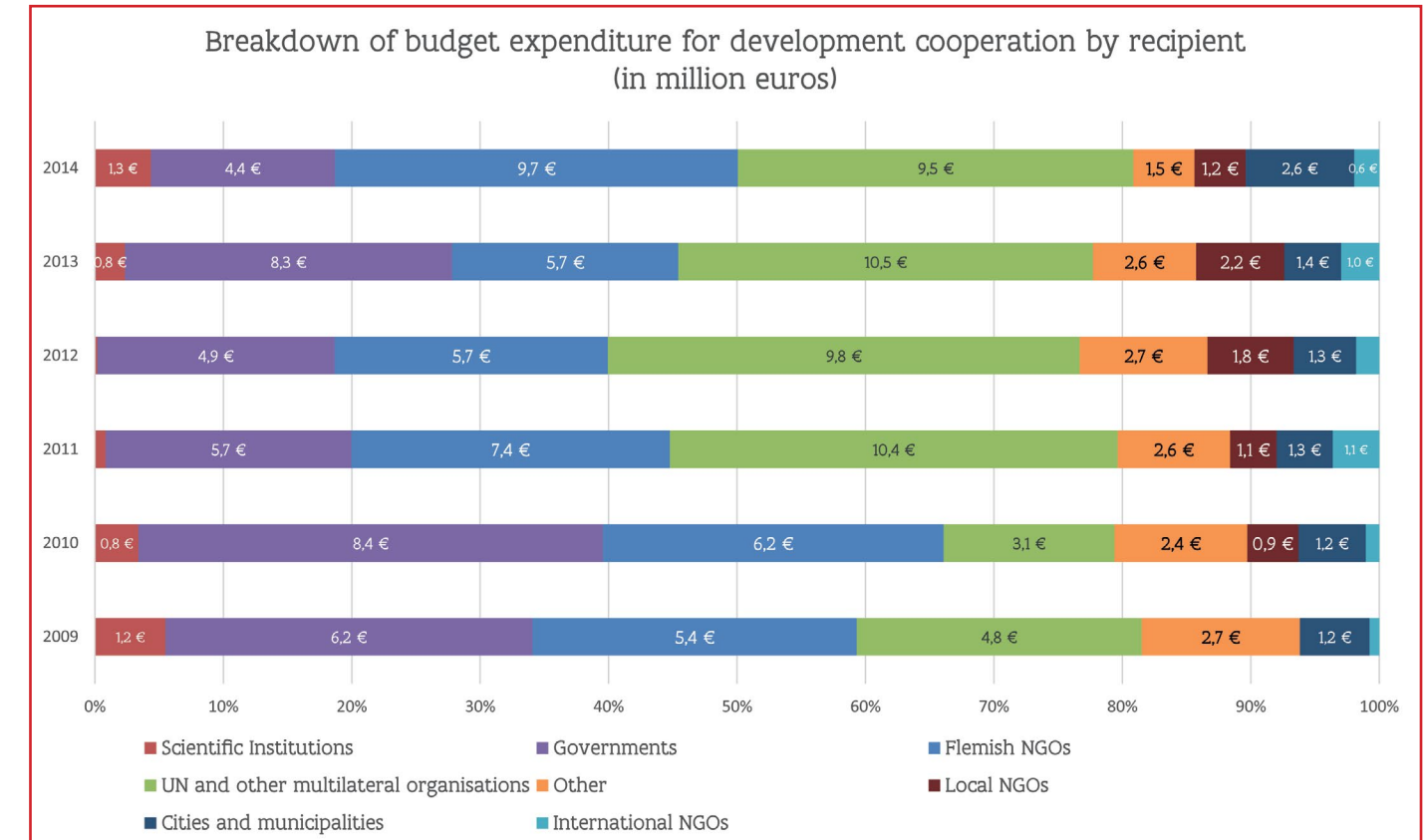
Total **administrative costs** represent 4.8% of expenditures. The reduction by half of the administrative costs since 2013 is owing to the integration of the former Flanders International Cooperation Agency (FICA) into the Flanders Department of Foreign Affairs. Staff members who previously worked exclusively for FICA and whose wages could in the past be entirely charged as ODA have been working for the policy area in its entirety since 2014. As a result, the remit of the FICA representatives in the partner countries has been extended to include representative tasks for DiV. Therefore, these wage costs no longer form part of the Flemish ODA. The number of full-time equivalents that are eligible for ODA reporting decreased from 23.1 to 12.8 between 2013 and 2014.



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### 3.2.3 Breakdown of budget expenditure for development cooperation by recipient

The graph below groups the recipients of the Flemish budget for development cooperation. The underlying projects and programmes, according to this indicator, are available online at <http://www.vlaanderen.be/int/oda/recipients>



**Multilateral institutions** account for 31% of development cooperation spending in 2014. NGOs - both domestic and foreign - together account for approximately 37.4% of total spending, while **public authorities** in South Africa, Mozambique and Malawi lay claim to 14.4% of spending. The small portion for **scientific institutes** (4.3%) stands in contrast to the large portion accorded within overall ODA (33.2%), which mainly originates from the specialist departments EWI and OV. Flemish **cities and municipalities** receive 85% of the expenditure. The contribution to local authorities was exceptionally high in 2014. This is due to the fact that the balances of the covenants policy which was fading out and the start-up subsidies for the new incentives policy for municipal development cooperation were paid out at the same time. The administrative costs (4.8%) fall under the **'Other'** category.





## OVERVIEW OF THE FLEMISH INTERNATIONAL CLIMATE FINANCE

## 4. INTERNATIONAL CLIMATE FINANCE

The annual ODA report gives an overview of Flemish contributions to international climate finance. The report lists the actual payments made by Flanders to institutions, projects and programmes that are relevant to climate finance.

### 4.1 WHAT IS INTERNATIONAL CLIMATE FINANCE?

Because the theme of international climate finance is still relatively unknown and is sometimes confused with domestic efforts for climate policy, an introduction is given below. International climate finance aims to support developing countries in tackling climate challenges. Climate finance may involve support for adaptation, mitigation or a combination of both.



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#### 4.1.1 Adaptation (adaptation to climate change)

One aspect of climate finance helps developing countries to make adaptations, so that they are better protected against the consequences of climate change on their path to development. A lot of African countries still largely depend on the revenues from smallholder agriculture - an economic activity which is very vulnerable to climate change, land erosion and natural disasters. The necessity to adapt is also apparent in sectors like health, coastal zone management, urban planning and water supply management.

Investments in drought- and heat-resistant crops, more efficient irrigation techniques, adapted cultivation techniques, integrated water management, erosion control, afforestation, improved water management and sanitation, rehabilitation of areas rich in wetland or swamps, etc. help the local people to adjust to climate change.

#### 4.1.2 Mitigation (avoidance of climate change)

Another aspect of climate finance focuses on emissions reduction. We cannot get around the conclusion that the developing countries' share in global emissions is growing, depending on whether they record strong economic growth rates. However, if developing countries undergo a similar industrialisation as the Western countries did during the 19th century, our climate is heading for a substantial warming. Because developing countries have fewer technical and financial resources to orient their growing economies towards low carbon growth, they apply for climate finance resources. Such investments fall within the general scope of 'mitigation'.

#### 4.1.3 Different from emissions trading

Climate finance is not the same as emissions trading. It is stipulated in the Kyoto Protocol that when industrialised countries reduce emissions in developing countries they are allowed to regularise this emissions reduction in the achievement of their discharge standard. Governments may purchase verified emission allowances to realise their Kyoto standards. In this way emission allowances are one of the many instruments of domestic climate policy.

In case of climate finance, on the other hand, it involves an additional commitment to provide financial support to developing countries, without the donor receiving emission allowances for this. The commitment is part of the international environment and development policy of traditional industrialised countries. The effects aimed at are countless: 1/ reduced global emissions; 2/ greater involvement of developing countries in the global climate regime; 3/ increased development opportunities in the South.

Governments may use revenues from emissions trading for both domestic climate measures and international climate finance. In Chapter 4.3 of the policy paper 'Foreign Policy, International Entrepreneurship and Development Cooperation 2014-2019', the Government of Flanders committed to using a portion of the revenues from the auction of European emissions allowances for international climate finance.

4.2 METHODOLOGY: WHICH CONTRIBUTIONS ARE RELEVANT TO INTERNATIONAL CLIMATE FINANCE?

In line with international climate finance commitments, donors are appropriating more funds for climate finance. However, currently no international uniform methodological directives exist for measuring climate finance. It is the responsibility of each individual donor to examine the relevance of each contribution to climate change in developing countries. Together with many other European donors, Flanders uses the OECD system of policy markers. According to this method the donor carefully screens each project in terms of its relevance to climate adaptation and mitigation. On the basis of this assessment Flanders gives a score to its aid in accordance with three scores for climate finance. Each score also defines the aid volume which is relevant to the reporting on climate finance.

ASSESSMENT		Chargeable portion
0	Not targeted to climate finance	0%
1	Climate mitigation and adaptation are not the project's principal objective, but are to a significant extent integrated into the planning and implementation of (and reporting on) the project.	40%
2	Climate mitigation and adaptation are the project's principal objective.	100%

On the basis of the following projects, we can conclude that climate finance by Flanders amounts to EUR 3,430,651 in 2014. More information about these projects, including the implementing body, the country, the objectives, the expected outcomes - can be consulted online through the online module (see 1.2). You can find the search function in the top right corner of the SharePoint environment. To find a project, it suffices to enter (part of) the title and confirm the search.

Policy area	TITLES OF PROJECTS WITH CLIMATE POLICY MARKER 2	Climate contribution
LNE	Contribution of Flemish Region to Adaptation Fund	€ 1.000.000
IV	Aid to Adaptation for Smallholder Agriculture Programme of IFAD	€ 1 000 000
EWI	Enhancing Natural Hazards Resilience in South America (ENHANS)	€ 188 500
IV	Extending the Agroforestry Food Security Programme (AFSP) in Kasungu and Mzimba districts	€ 160 000
EWI	Addressing Water Security: Climate impacts and adaptation responses in Africa, Asia and LAC	€ 130 517
IV	Aid to International Center for Research in Agroforestry (ICRAF)	€ 50 804
LNE	Strengthen capacity to incorporate climate change adaptation and resilience planning into National Biodiversity Strategies and Action Plans (NBSAPs) through the NBSAP Forum	€ 35 000
LNE	Kyoto Protocol	€ 22 673
LNE	United Nations Framework Convention on Climate Change	€ 42 104
IV	Climate Change Adaptation for African Natural World Heritage Sites	€ 37 700

Policy area	TITLES OF PROJECTS WITH CLIMATE POLICY MARKER 1	Climate contribution
EWI	Framework for Research, Education and Training in the Water Sector Phase III (FET -Water III)	€ 105 002
EWI	Caribbean Marine Atlas, phase 2	€ 95 547
EWI	Southeast Pacific data and Information Networking support to integrated Coastal Area Management' (SPINCAM-II)	€ 82 940
EWI	Biosphere reserves as a tool for coastal and island management in the South-East Pacific region (BRESEP)	€ 75 339
IV	South Africa Land Observatory - a platform for the support of evidence-based and participatory decision-making with regard to land reforms	€ 64 000





Policy area	TITLES OF PROJECTS WITH CLIMATE POLICY MARKER 1	Climate contribution
IV	Ecosystem-based marine spatial planning for conservation of World Heritage Marine Sites	€ 63 049
LNE	Development and reinforcement of the sanitation chain for latrines in Toamasina (Madagascar) and Bamako (Mali)	€ 30 000
LNE	Improvement of drinking water supply, hygiene and sanitation for the Badu community in the Brong-Ahafo region and the Suke community in the north-western region of Ghana	€ 28 409
LNE	Drinking water supply and improvement of hygiene and sanitary facilities in three rural communities in Ghana with introduction of sustainable energy	€ 24 804
LNE	Convention on Biological Diversity	€ 20.031
LNE	Drinking water supply and improvement of hygiene and sanitation in four rural communities in Ghana	€ 19 958
LNE	Access to potable water and sanitary facilities in the village Bainet-Chaumeil (Haiti)	€ 14 642
MOW	Inland Waterway and Marine Contingency plan for major environmental and safety risks	€ 17 000
LNE	Towards an integrated water policy for and through schools in the Province of Equateur of the Democratic Republic of Congo	€ 16 128
LNE	Access to and management of water and sanitation in Burundi	€ 14 000
LNE	Drinking water and sanitation in the popular neighbourhoods of the District of Bamako, Mali	€ 12 000
LNE	A restored pump also provides clean water again	€ 10 946
LNE	Time for solutions: from Integrated Water Management directives to concrete results in Uganda	€ 10 880
LNE	Water supply for 12 villages in the east of Guinea-Bissau (second phase)	€ 10 115
LNE	Support to three disadvantaged villages by providing potable water in East Burkina Faso, Gourma Province, more specifically in the villages of Tjamborbouga, Kanditenterga and Wourghin	€ 9 355
LNE	Water supply for six villages in the Koulikoro region, Mali	€ 7 904
LNE	A restored pump also provides clean water again	€ 7 069
LNE	Raising awareness of water and sanitation in the popular neighbourhoods in Lubumbashi and Kinshasa (DR Congo)	€ 6 463
LNE	Development of drinking water management for the centre and suburbs of Santo Tomás, Chontales, Nicaragua	€ 6 061
LNE	Water and sanitation project in 20 small villages in Warangal, Andhra Pradesh, India	€ 5 600
LNE	A restored pump also provides clean drinking water again	€ 3 669
LNE	Drinking water, sanitation and irrigation project in Filingue, Niger	€ 2 440

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