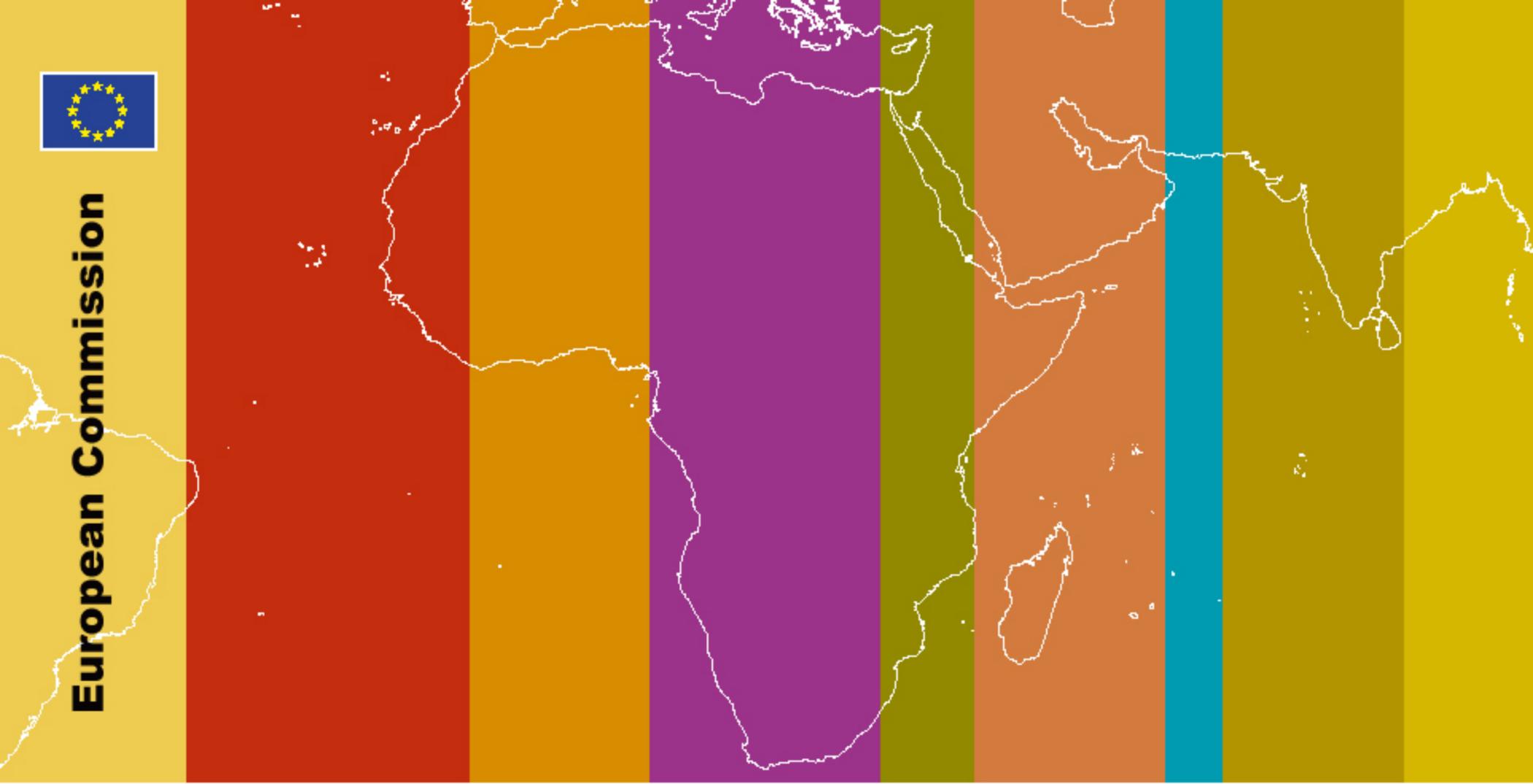




**European Commission**



# **Implementation of the G8 Africa Action Plan**

## **EC contribution**



**July 2005**



EUROPEAN COMMISSION

## **IMPLEMENTATION OF THE G8 AFRICA ACTION PLAN**

**EC contribution**

**Gleneagles Summit, 6-8 July 2005**

*July 6-8, 2005*

## **THE EUROPEAN UNION AND AFRICA**

### **A PARTNERSHIP FOR DEVELOPMENT**

Deeply rooted in history, the relationship between Europe and Africa is that of a comprehensive partnership based on three pillars: political dialogue, preferential trade relations and significant resources devoted to development & economic cooperation.

This partnership is built on a solid network of contractual arrangements which provide the partners with predictability and security. 48 countries of Sub-Saharan Africa are parties to the ACP-EU Cotonou Agreement, signed in 2000 for 20 years. The four North-African countries (Morocco, Algeria, Tunisia and Egypt) belong to the Euro-Mediterranean partnership concluded in Barcelona in 1995, and each of them has signed its own bilateral agreement with the EU to govern trade and cooperation links. The EC is also strengthening its relations with Libya, the only African country that has not entered yet in an agreement with the EU.

Strong links have been developed at the sub-regional and regional levels. The EC, in particular through its regional strategies and programmes, brings substantial support to African regional groupings. Since the launch of the African Union (AU) and its socio-economic programme, the New Partnership for Africa's Development (NEPAD), a strategic partnership is being developed between EU and AU institutions and structures.

The EU support to Africa is comprehensive and responds to African priorities and objectives. The attached Matrix that illustrates EU/EC progress against commitments of the G8 Africa Action Plan (2002) shows some examples of EU/EC initiatives and actions taken in the recent years in different areas. It is by no means exhaustive.

Today, the EU is committed to step up its support to Africa. The review of progress on the Millennium Development Goals (MDGs) indicates that the continent lags far behind the rest of the world in achieving these objectives. Yet, signs of improvement are visible, including progress towards democracy and higher growth rates in the recent years. In particular, the continent has shown the resolve to tackle its own problems through African-owned and African-led strategies.

To translate its reinforced commitment into action, the EU has recently adopted a series of initiatives, with a special focus given to Africa.

The biggest aid donor in the world, contributing 55% of the aid, the EU will further strengthen its efforts. The EU Member States have collectively decided to increase their support to developing countries (in terms of ODA) by additional annual €20 billion by 2010. At least 50% of the agreed aid increase will be for Africa, which is in line with a G8 commitment taken in Kananaskis, 2002.

While making efforts on the quantitative side of financing for development, the EU will also improve the quality and effectiveness of its development assistance. Special attention will be given to coherence of all non-aid policies that are likely to affect developing countries. All these measures will be applicable to Sub-Saharan Africa as a priority.

Furthermore, the EU will accelerate action in a limited number of selected areas that represent key multipliers for Africa's development in view of reaching the MDGs, namely governance, interconnectivity and access to basic services.

On governance, responding to the ambitious African Peer Review Mechanism, the EU will back reforms that this initiative will trigger at the country level. The EU will also increase its support to the capacity building of the African Union, as well as to African regional and sub-regional organisations in the area of Peace and Security.

The interconnectivity of the continent is essential for trade opportunities and regional integration. The EU will establish a Europe-Africa Partnership on Infrastructure, including support to building sustainable trans-African networks. The Partnership, open to other development partners, will be based on the AU/NEPAD strategies.

Efforts to promote social cohesion on the African continent are indispensable. The EU will strengthen its assistance to access to basic services, including water and sanitation, energy, health and education.

However, Africa's development depends above all on its own efforts. African ownership and leadership are essential for the continent to progress on its path towards reaching the Millennium Development Goals. The EU will back Africa in taking up this challenge.

# G8 AFRICA ACTION PLAN

KANANASKIS SUMMIT, JUNE 2002

1. We, the Heads of State and Government of eight major industrialised democracies and the Representatives of the European Union, meeting with African Leaders at Kananaskis, welcome the initiative taken by African States in adopting the *New Partnership for Africa's Development* (NEPAD), a bold and clear-sighted vision of Africa's development. We accept the invitation from African Leaders, extended first at Genoa last July and reaffirmed in the NEPAD, to build a new partnership between the countries of Africa and our own, based on mutual responsibility and respect. The NEPAD provides an historic opportunity to overcome obstacles to development in Africa. Our Africa Action Plan is the G8's initial response, designed to encourage the imaginative effort that underlies the NEPAD and to lay a solid foundation for future co-operation.
2. The case for action is compelling. Despite its great potential and human resources, Africa continues to face some of the world's greatest challenges. The many initiatives designed to spur Africa's development have failed to deliver sustained improvements to the lives of individual women, men and children throughout Africa.
3. The *New Partnership for Africa's Development* offers something different. It is, first and foremost, a pledge by African Leaders to the people of Africa to consolidate democracy and sound economic management, and to promote peace, security and people-centred development. African Leaders have personally directed its creation and implementation. They have formally undertaken to hold each other accountable for its achievement. They have emphasised good governance and human rights as necessary preconditions for Africa's recovery. They focus on investment-driven economic growth and economic governance as the engine for poverty reduction, and on the importance of regional and sub-regional partnerships within Africa.
4. We welcome this commitment. In support of the NEPAD objectives, we each undertake to establish enhanced partnerships with African countries whose performance reflects the NEPAD commitments. Our partners will be selected on the basis of measured results. This will lead us to focus our efforts on countries that demonstrate a political and financial commitment to good governance and the rule of law, investing in their people, and pursuing policies that spur economic growth and alleviate poverty. We will match their commitment with a commitment on our own part to promote peace and security in Africa, to boost expertise and capacity, to encourage trade and direct growth-oriented investment, and to provide more effective official development assistance.

5. Together, we have an unprecedented opportunity to make progress on our common goals of eradicating extreme poverty and achieving sustainable development. The new round of multilateral trade negotiations begun at Doha, the Monterrey meeting on financing for development, this G8 Summit at Kananaskis and the World Summit on Sustainable Development in Johannesburg, are key milestones in this process.
6. NEPAD recognises that the prime responsibility for Africa's future lies with Africa itself. We will continue to support African efforts to encourage public engagement in the NEPAD and we will continue to consult with our African partners on how we can best assist their own efforts. G8 governments are committed to mobilise and energise global action, marshal resources and expertise, and provide impetus in support of the NEPAD's objectives. As G8 partners, we will undertake mutually reinforcing actions to help Africa accelerate growth and make lasting gains against poverty. Our Action Plan focuses on a limited number of priority areas where, collectively and individually, we can add value.
7. The African peer-review process is an innovative and potentially decisive element in the attainment of the objectives of the NEPAD. We welcome the adoption on June 11 by the NEPAD Heads of State and Government Implementation Committee of the Declaration on Democracy, Political, Economic and Corporate Governance and the African Peer Review Mechanism. The peer-review process will inform our considerations of eligibility for enhanced partnerships. We will each make our own assessments in making these partnership decisions. While we will focus particular attention on enhanced-partnership countries, we will also work with countries that do not yet meet the standards of NEPAD but which are clearly committed to and working towards its implementation. We will not work with governments which disregard the interests and dignity of their people.
8. However, as a matter of strong principle, our commitment to respond to situations of humanitarian need remains universal and is independent of particular regimes. So, too, is our commitment to addressing the core issues of human dignity and development. The Development Goals set out in the United Nations Millennium Declaration are an important component of this engagement.
9. At Monterrey, in March 2002, we agreed to revitalise efforts to help unlock and more effectively utilise all development resources including domestic savings, trade and investment, and official development assistance. A clear link was made between good governance, sound policies, aid effectiveness and development success. In support of this strong international consensus, substantial new development assistance commitments were announced at Monterrey. By 2006, these new commitments will increase ODA by a total of US\$12 billion per year. Each of us will decide, in accordance with our respective priorities and procedures, how we will allocate the additional money we have pledged. Assuming strong African policy commitments, and given recent assistance trends, we believe that in aggregate half or more of

our new development assistance could be directed to African nations that govern justly, invest in their own people and promote economic freedom. In this way we will support the objectives of the NEPAD.

This will help ensure that no country genuinely committed to poverty reduction, good governance and economic reform will be denied the chance to achieve the Millennium Goals through lack of finance.

10. We will pursue this Action Plan in our individual and collective capacities, and through the international institutions to which we belong. We warmly invite other countries to join us. We also encourage South-South co-operation and collaboration with international institutions and civil society, including the business sector, in support of the NEPAD. We will continue to maintain a constructive dialogue with our African partners in order to achieve effective implementation of our Action Plan and to support the objectives of the NEPAD. We will take the necessary steps to ensure the effective implementation of our Action Plan and will review progress at our next Summit based on a final report from our Personal Representatives for Africa.
11. To demonstrate our support for this new partnership, we make the following engagements in support of the NEPAD: *(the commitments follow in the attached Matrix - left column).*

## IMPLEMENTATION OF THE G8 AFRICA ACTION PLAN

### LIST OF ABBREVIATIONS

ACBF	African Capacity Building Foundation
ACP	Africa, Caribbean and Pacific
AFRITAC	Africa Regional Technical Assistance Centres
AMCOW	African Ministerial Council on Water
AMESD	Africa Monitoring for Environment and Sustainable Development
AMIS	African Union Mission in Sudan
APL	Anti-personal Landmines
ASARECA	Association for Strengthening Agricultural Research in Eastern and Central Africa
AU	African Union
CDDC	Commodity dependant developing countries
CDE	Centre for the Development of Enterprise
CEMAC	Communauté économique et monétaire de l'Afrique centrale
CGIAR	Consultative Group on International Agricultural Research
COMESA	Common Market for Eastern and Southern Africa
CORAF	Conseil Ouest et Centre Africain pour la Recherche et le Développement Agricole
CSR	Corporate Social Responsibility
DAC	Development Assistance Committee
DDA	Doha Development Agenda
DDR	Disarmament, Demobilisation and Reintegration
DOT Force	Digital Opportunity Task Force
EAC	East African Community
EC	European Commission, European Community
ECA	Economic Commission for Africa
ECHO	European Commission Humanitarian Aid Office
ECOMIL	ECOWAS' Monitoring Group in Liberia
ECOWAS	Economic Community of West African States
EDCTP	European & Developing Countries Clinical Trials Partnership
EDF	European Development Fund
EECCA	Eastern Europe, Caucasus and Central Asia
EFA	Education For All
EIB	European Investment Bank
EIDHR	European Initiative for Democracy and Human Rights
ENP	European Neighbourhood Policy
EPA	Economic Partnership Agreements
EPI	Expanded Programme of Immunisation
ERW	Explosive Remnants of War
ESA	Eastern and Southern Africa
EU	European Union
EUEI	EU Energy Initiative
EUWI	EU Water Initiative
FAO	Food and Agriculture Organisation
FEMIP	Facilité euro-méditerranéenne pour l'Investissement et de Partenariat
FGM	Female genital mutilation
FLEGT	Forest Law Enforcement, Governance and Trade
FOMUC	Force Multinationale de la Communauté économique des Etats de l'Afrique Centrale
FP 5	5th Research Framework Programme
FP6	6th Research Framework Programme
FP7	7th Research Framework Programme
FTI	Fast Track Initiative
GAERC	General Affairs and External Relations Council
GAVI	Global Alliance for Vaccines and Immunization
GBS	Global Budget Support
GFAR	Global Forum on Agricultural Research
GFATM	Global Fund to Fight HIV/AIDS, Tuberculosis & Malaria
HIPC	Heavily Indebted Poor Countries
IAVI	International AIDS Vaccine Initiative
IGAD	Intergovernmental Authority on Development
ILO	International Labour Organisation
IMF	International Monetary Fund
INCO	International Cooperation in the 6th Framework Programme

IOC	Indian Ocean Commission
IPM	International Partnership on Microbicides
ITU	International Telecommunications Union
KPCS	Kimberley Process Certification Scheme
LDCs	Least Developed Countries
LIS	Landmine Impact Survey
LRRD	Linking Relief, Rehabilitation and Development
MDGs	Millennium Development Goals
MEDA	Euro-Mediterranean Partnership
NEPAD	New Partnership for Africa's Development
NIDs	National Immunisation Days
NIPs	National Indicative Programmes
OCTs	Overseas Countries and Territories
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OPV	Oral Polio Vaccine
PfA	Programme for Action
PRSP	Poverty Reduction Strategy Paper
R&D	Research and Development
DRC	Democratic Republic of Congo
RIPs	Regional Indicative Programmes
S&T	Science and Technology
SACU	Southern African Customs Union
SADC	Southern African Development Community
SAF	Structural Adjustment Facility
SALW	Small arms and light weaponry
SMEs	Small and medium size enterprises
SPA	Strategic Partnership with Africa
SSATP	Sub Saharan Africa Transport Policy Programme
SWAPs	Sectorwide Approaches
TA	Technical Assistance
TB	Tuberculosis
TRA	Trade Related Assistance
UEMOA	Union économique et monétaire ouest africaine
UN	United Nations
UNAIDS	United Nations Programme on HIV/AIDS
UNCCD	UN Convention to Combat Desertification
UNDP	United Nations Development Programme
UNECA	United Nations Economic Commission for Africa
UNESCO	United National Educational, Scientific and Cultural Organisation
UNFPA	United Nations Fund for Populations Activities
UNIFEM	United Nations Development Fund for Women
VHSSP	Vital Health Services Support Programme
WFP	World Food Programme
WSSD	World Summit on Sustainable Development
WTO	World Trade Organisation
SPS	Sanitary and Phytosanitary Standards
TBT	Technical Barriers to Trade

G8 Africa Action Plan commitments	EC follow-up on G8 AAP commitments
<b>1. PROMOTING PEACE AND SECURITY</b>	
<p><b>1.1 Supporting African efforts to resolve the principal armed conflicts on the continent - including by:</b></p> <ul style="list-style-type: none"> <li>• Providing additional support to efforts to bring peace to the Democratic Republic of the Congo, Somalia and Sudan, and to consolidate peace in Angola and Sierra Leone within the next year;</li> <li>• Assisting with programmes of disarmament, demobilisation and reintegration; at the appropriate time,</li> <li>• Taking joint action to support post-conflict development in the Great Lakes Region, Somalia and Sudan; and,</li> <li>• Endorsing the proposals from the UN Secretary-General to set up, with the Secretary-General and other influential partners, contact groups and similar mechanisms to work with African countries to resolve specific African conflicts</li> </ul>	<ul style="list-style-type: none"> <li>• The Commission has provided 12 M€ in support of the African Union. This consists of 10 M€ over a two-year period to the Peace Fund to contribute to the cost of special envoys, liaison officers and other peace building initiatives. The project includes support to a Panel of the Wise to contribute to addressing conflicts, to elections in post-conflict countries, to involvement of civil society in peace-building activities, seminars, etc. There is also a 2 M€ component in the programme to provide institutional support to the AU as a whole, which will be of benefit to the Peace and Security directorate amongst others. Good co-ordination with other donors in this field is essential in order to maximise the value of donor support.</li> <li>• The Commission has provided 8 M€ for the ECOMIL troops and the office of the ECOWAS Special Representative in Liberia. The support to ECOMIL was a transitional measure until the troops were absorbed in the UN force for Liberia.</li> <li>• Similar actions from country allocations have been financed with ECOWAS in the Ivory Coast (11.9 M€) and with the AU in Burundi (24.2 M€).</li> <li>• Following a request from the AU, the Commission established a 250 M€ African Peace Facility, to support African efforts in peace-keeping on the continent. See point 1.2.</li> <li>• In addition, the Commission provides direct support to AU conflict resolution and prevention actions through the Rapid Reaction Mechanism (RRM). In 2003, a decision was taken to fund 1.23 M€ to the cease-fire monitors in Burundi. The individual projects addressed the prolonged crises within and between the countries in this region and the security and safety of the populations.</li> <li>• Post-conflict activities undertaken in 2003 and 2004 include: <ul style="list-style-type: none"> <li>▪ Somalia: 100 M€ for the 5<sup>th</sup> Rehabilitation Programme.</li> <li>▪ Ivory Coast: 30 M€ for an Emergency Rehabilitation Programme.</li> <li>▪ Sudan: 52 M€ for a Post Conflict Rehabilitation and Capacity Building Programme, 30.7 M€ for a Humanitarian Plus Programme I + II, 10 M€ for a Rehabilitation and Resettlement Programme and 25 M€ for a Linking Relief Rehabilitation and Development (LRRD) Programme.</li> <li>▪ Sierra Leone: 45 M€</li> <li>▪ Angola: Social Funds for affected populations.</li> <li>▪ DRC: 8.3 M€ for the reintegration of displaced persons and returnees.</li> <li>▪ DRC: 26.9 M€ for rehabilitation and socio-economical reintegration.</li> <li>▪ Eritrea: 15 M€ for a Post-Conflict Rehabilitation Programme.</li> </ul> </li> </ul>

**PROMOTING PEACE AND SECURITY**

	<ul style="list-style-type: none"> <li>▪ Angola: 15 M€ for the socio-economic reintegration of vulnerable populations.</li> <li>▪ Liberia: 50 M€ for a peace-keeping programme.</li> </ul> <ul style="list-style-type: none"> <li>• The Commission is also contributing 20 M€ to finance Disarmament, Demobilisation and Reintegration (DDR) programmes in 7 countries of the Great Lakes Region and is actively following progress in the implementation of national programmes.</li> <li>• The Commission contributed 1 M€ to the financing of the International Conference on Peace, Security, Democracy and Development in the Great Lakes Region.</li> <li>• Activities foreseen in 2005: <ul style="list-style-type: none"> <li>▪ Uganda: 20 M€ for Conflict Response Capacity Building/reconciliation and recovery programme for conflict affected areas</li> <li>▪ Liberia 25 M€: Country Development Programme</li> </ul> </li> <li>• DRC, Sudan, Angola and Sierra Leone shall remain priority countries under three EIDHR (European Initiative for Democracy and Human Rights) campaigns in 2005/2006; promoting justice and the rule of law, promoting the democratic process and advancing equality, tolerance, and peace.</li> </ul>
<p><b>1.2 Providing technical and financial assistance so that, by 2010, African countries and regional and sub-regional organisations are able to engage more effectively to prevent and resolve violent conflict on the continent, and undertake peace support operations in accordance with the United Nations Charter - including by:</b></p> <ul style="list-style-type: none"> <li>• Continuing to work with African partners to deliver a joint plan, by 2003, for the development of African capability to undertake peace support operations, including at the regional level;</li> <li>• Training African peace support forces including through the development of regional centres of excellence for military and civilian aspects of conflict prevention and peace support, such as the Kofi Annan International Peace Training Centre; and,</li> <li>• Better co-ordinating our respective peacekeeping training initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>• As a response to the African Union request, the 250 M€ African Peace Facility, an instrument of long-term support for African initiatives in the area of conflict prevention and peace-keeping, was established. The Facility became operational in the first half of 2004.</li> <li>• So far, the Peace Facility has been used to support the African Union Mission in Darfur (AMIS) I (12 M€), the African Union Mission in Darfur (AMIS) II (80 M€), the Force Multinationale en Centrafrique (FOMUC) of the Communauté économique et monétaire de l'Afrique centrale (CEMAC) in the Central African Republic (3.38 M€), and a programme for Capacity Building support of the AU Peace and Security Department (6M€).</li> </ul>
<p><b>1.3 Supporting efforts by African countries and the United Nations to better regulate the activities of arms brokers and traffickers and to eliminate the flow of illicit weapons to and within Africa - including by:</b></p> <ul style="list-style-type: none"> <li>• Developing and adopting common guidelines to prevent the illegal supply of arms to Africa; and,</li> <li>• Providing assistance in regional trans-border co-operation to this end.</li> </ul>	<ul style="list-style-type: none"> <li>• The European Community contributes significant funds through the European Development Fund (EDF) to small arms problems in Africa Caribbean and Pacific (ACP) countries. In 2003, the EDF supported SALW related projects for an amount of 48.76 M€. This has allowed, and continues to allow, the Commission to finance a number of actions for the demobilisation and reintegration of former soldiers in society and for the collection and destruction of weapons. In many cases these activities are implemented through specific Demobilisation, Disarmament and Reintegration (DDR) programmes. However, in other cases the reintegration of ex combatants has been</li> </ul>

## PROMOTING PEACE AND SECURITY

	<p>"mainstreamed" within wider development/rehabilitation programmes in post-conflict areas. These programmes aim at improving the general economic and social structures of districts and provinces affected by conflict, including the reintegration of ex combatants and their families into civilian life.</p> <ul style="list-style-type: none"> <li>• Until now, actions undertaken with EDF funding in Africa focussed on the Great Lakes region, Liberia, Sierra Leone, Ethiopia, Eritrea, Namibia, Djibouti, Somalia, Republic of Congo, Tanzania, Ivory Coast, Guinea, Mozambique and Angola. For example, in the Republic of Congo the EC has funded a 2 M€ programme to collect and destroy small arms.</li> <li>• The European Commission has launched a wide-ranging Pilot Project whose objective is to provide a comprehensive and cross-cutting approach and effective EC instruments to the diverse features of the problems linked to SALW and Explosive Remnants of War (ERW).</li> <li>• According to the EU Code of Conduct on Arms Exports, member states are committed to examine arms transactions applications against the agreed 8 criteria of the Code; there is also a denial notification and consultation procedure among member states. An annual report is published with details on arms exports. CRITERION EIGHT: The compatibility of arms exports with the technical and economic capacity of the recipient country, taking into account the desirability that states should achieve their legitimate needs of security and defence with the least diversion for armaments of human and economic resources. Member States will take into account, in the light of information from relevant sources such as UNDP, World Bank, IMF and OECD reports, whether the proposed exports would seriously hamper the sustainable development of the recipient country. They will consider in this context the recipient country's relative levels of military and social expenditure, taking into account also any EU or bilateral aid.</li> <li>• Issues pertaining to the Code are also discussed with third countries in political dialogue meetings; several countries have aligned themselves with the principles of the Code.</li> <li>• The Commission is currently considering support to ECOWAS for an amount of 1.7 M€ in order to assist the region implement the moratorium on SALW.</li> <li>• In the Republic of Congo, the EC has funded a 2 M€ programme to collect and destroy small arms.</li> </ul>
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#### 1.4 Supporting African efforts to eliminate and remove antipersonnel mines.

- The EC response to the Anti Personal Landmines (APL) in Africa is threefold:
  - bilaterally for each African partner countries by referring, if appropriate, to mine contamination and action in its Country Strategy Papers or in its Special Aid Strategies for certain African countries
  - thematically by identifying and monitoring APL contaminated countries
  - globally by dedicating mine action funds (February 2004) to activities in priority countries identified in the EC Mine Action Strategies.
- The EC response to mine problems is flexible and adaptive to each country. It is essentially based on a "neutral humanitarian objective", but mine action can be a constructive element in peace building processes and in the rehabilitation of countries in post-conflict situations. In Angola during 2003-4, for example, 6.8 M€ of EDF funds and 2.4 M€ of ECHO funds were deployed for emergency humanitarian demining interventions to support resettlement activities in support of the 2002 peace process. This will be followed in 2005-2006 by a 26 M€ EDF programme targeting humanitarian access, of which 20 M€ for humanitarian demining activities.
- In its Mine Action Strategy for 2002-2004, the Commission spent 20.9 M€ to finance mine action measures in Africa. These are aiming to increase the capacity of national authorities to develop mine action policies and to accede and comply with the Mine Ban Treaty. The action measures include landmine impact surveys, mine clearance, and assistance to victims in the following eight countries: Angola, DRC, Eritrea, Ethiopia, Guinea Bissau, Mozambique, Somalia and Sudan.
- The EC supported all 9 Landmine Impact Surveys (LIS) launched and/or completed between 2002 and 2004, four of which were in Africa.
- In its 2005-7 Strategy, the Commission has earmarked 15 M€ for African countries, with actions planned for Angola, DRC, Eritrea, Mozambique, Somalia, Sudan, Tunisia and Uganda. The Strategy has again allocated the greatest proportion of money to African countries, demonstrating the EU's commitment to this continent.
- The overarching objective of the European Community's policy in this area is represented by the "Zero Victim Target". To achieve this ambitious goal, the European Community will devote itself to furthering and strengthening international assistance in mine action by stimulating the implementation of the Mine Ban Treaty.
- The EC has also started to support a LIS in Angola and Eritrea.

**1.5 Working with African governments, civil society and others to address the linkage between armed conflict and the exploitation of natural resources – including by:**

- Supporting United Nations and other initiatives to monitor and address the illegal exploitation and international transfer of natural resources from Africa which fuel armed conflicts, including mineral resources, petroleum, timber and water;
- Supporting voluntary control efforts such as the Kimberley Process for diamonds, and encouraging the adoption of voluntary principles of corporate social responsibility by those involved in developing Africa's natural resources;
- Working to ensure better accountability and greater transparency with respect to those involved in the import or export of Africa's natural resources from areas of conflict;
- Promoting regional management of trans-boundary natural resources, including by supporting the Congo Basin Initiative and trans-border river basin commissions.

- The EC implements the Kimberley Process Certification Scheme (KPCS) for the International Trade in Rough Diamonds (KPCS) The Certification Scheme thus covers the near-totality of the international trade in rough diamonds.
- The Kimberley Process achieved a major breakthrough in October 2003 in agreeing on a comprehensive 'peer review' system to monitor implementation of the KPCS. The EC, as Chair of the Working Group on Monitoring in the Kimberley Process, is playing a leading role in implementation of this system, and 11 Participants (including the EC, but also including countries in Africa affected by conflict diamonds) have already received a 'review visit' from the Kimberley Process. In addition, there have been two 'review missions' (one of them led by the EC) to Participants with serious compliance issues. The Kimberley Process – backed up by this extensive monitoring system – has already had a substantial impact in the countries most affected by conflict diamonds (such as the DRC or Sierra Leone) by increasing official diamond exports and strengthening the control of legitimate governments over the production and trade of rough diamonds.
- The EC is now starting to look at the options for delivering targeted assistance for enhancing local capacity to implement the KPCS in a number of key producer countries in Africa.
- One component of the EU Water Initiative launched at WSSD relates to the management of transboundary river basins, as an issue of regional integration and conflict prevention. In partnership with the African Ministerial Council on Water and NEPAD, the EU is preparing a financing proposal to support 5 African river basins (10 M€ earmarked under intra-ACP allocation of 9<sup>th</sup> EDF).
- In support of the African component of this initiative, existing research collaboration can be harnessed more effectively and improved capacity building and more effective interfaces between research, planning and policy can help improve overall effectiveness and efficiency.
- The Commission has published an Action Plan for Forest Law Enforcement, Governance and Trade (FLEGT). This Action Plan sets out a new approach to tackling illegal logging, which seeks to link the push for good governance in developing countries with the legal instruments and leverage offered by the EU's own internal market. Measures proposed include support for reforms to governance in wood-producing countries, and a scheme to eliminate imports of illegal timber to the EU market. This scheme will be voluntary but binding in nature, and the Commission now proposes to form partnership agreements with major African wood-producing countries to implement this proposal.
- For marine fisheries resources the EC is committed to step up its action to establish sustainable

	fisheries outside Community waters in accordance with the general principles as defined for the conservation and sustainable management of fisheries resources, through bilateral fisheries relations with certain Third Coastal States (see Council Conclusions for Fishing Partnership Agreements of 19 <sup>th</sup> July 2004).
<b>1.6 Providing more effective peace-building support to societies emerging from or seeking to prevent armed conflicts - including by:</b> <ul style="list-style-type: none"> <li>• Supporting effective African-led reconciliation efforts, including both pre-conflict and post-conflict initiatives; and,</li> <li>• Encouraging more effective co-ordination and co-operation among donors and international institutions in support of peace-building and conflict prevention efforts - particularly with respect to the effective disarmament, demobilisation and reintegration of former combatants, the collection and destruction of small arms, and the special needs of women and children, including child soldiers.</li> </ul>	See 1.1
<b>1.7 Working to enhance African capacities to protect and assist war-affected populations and facilitate the effective implementation in Africa of United Nations Security Council resolutions relating to civilians, women and children in armed conflict - including by supporting African countries hosting, assisting and protecting large refugee populations</b>	<ul style="list-style-type: none"> <li>• Angola: 8.8 M€ in 2004, continuing to target the establishment of minimum conditions for resettlement . 2.0 M€ in 2005 in response to the outbreak of Marburg fever in northern Angola.</li> <li>• Burundi: 18.99 M€ in 2004, with the main focus to contribute to the establishment of minimum conditions for the resettlement of war-affected populations, including humanitarian demining (15 M€) and the repatriation of Burundian refugees from Tanzania as the relocation of Congolese refugees from Burundian border areas further into the country (3,99M€, EDF funds) . 17 M€ in 2005 including support to vulnerable populations, with special attention to children, adolescents and women.</li> <li>• Coastal West Africa: 23.3 M€ in 2004 including support to war-affected people in Liberia and Côte d'Ivoire, care and maintenance for refugees in the region (health, water and sanitation, food, shelter, non-food items, integrated relief), reaction to epidemics and special programmes for protection for children affected by the conflicts in the region. 29.2 M€ in 2005, including the support of repatriation of Liberian refugees and providing integrated assistance to the most vulnerable populations (25 M€), to support the return of vulnerable people to their place of origin in Liberia (2.7 M€), and to support the reduction of morbidity and mortality rates related to epidemics (1.5 M€).</li> <li>• Djibouti: 1,99 M€ to support a 2003-2006 programme of reinsertion of displaced people in the framework of the reconstruction and rehabilitation of zones damaged by the civil war.</li> <li>• DRC: 40 M€ in 2004 including support to health, nutrition, food aid, water and resettlement of displaced populations. 40 M€ in 2005 to contain morbidity and mortality rates within emergency thresholds, and supporting the resettlement and stabilisation process (38 M€), as well as</li> </ul>

## PROMOTING PEACE AND SECURITY

	<p>assistance to the repatriation of Congolese refugees (2 M€).</p> <ul style="list-style-type: none"> <li>• Chad: 12.0 M€ in 2004 to assist Sudanese refugees in Eastern Chad fleeing the Darfur conflict in Sudan. This includes care and maintenance and protection of refugees hosted in 11 camps scattered in the desert region bordering Sudan. 12 M€ in 2005 including support to decrease mortality and morbidity rates connected to illness, malnutrition, lack of drinking water, food, hygiene and shelters.</li> <li>• Congo (Republic of) : 2 M€ in 2004 including support to protection, health, nutrition, water, sanitation, food security, non-food relief items of Pool conflict-affected populations and support to respond to Ebola epidemic. 2 M€ in 2005 for the repatriation of Congolese refugees.</li> <li>• Central African Republic: 0.470 M€ in 2004 including basic healthcare to the population directly affected by the armed conflict in the central and northern parts of the country.</li> <li>• Ethiopia: 7.5 M€ EDF in 2004, to support drought and conflict affected populations, with health and nutrition, protection, water supply and veterinary activities. 4.5 M€ in 2005 to support populations affected by epidemics, malnutrition, climatic hazard, resettlement and conflict.</li> <li>• Eritrea: 1 M€ to support the drought affected populations with water supply and veterinary activities. 4.62 M€ in 2005 to improve food security for the most vulnerable populations (0.62 M€) and support to victims of recurrent drought in a context of food insecurity and economic collapse (4 M€).</li> <li>• Kenya: 3.85 M€ in 2004 including support to health, nutrition, water, rehabilitation programmes, specific child-related projects.</li> <li>• Lesotho/Swaziland: 1.75 M€ in 2005 to provide relief items, agricultural inputs and supplementary food aid.</li> <li>• Mali: 2.0 M€ in 2005 to support populations affected by the nutritional crisis.</li> <li>• Somalia: 9.115 M€ in 2004 including support to health, nutrition, water, rehabilitation programmes, specific child-related projects. 9 M€ in 2005 including support to victims of continuing insecurity and climatic hazards.</li> <li>• Sudan: 91 M€ in 2004 including support to health, nutrition, water, sanitation, food security, non-food relief items, certain logistics, transport and security for war affected populations (partially to</li> </ul>
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	<p>be implemented in 2005). 20 M€ in 2005 including support to health, nutrition, water and sanitation, emergency preparedness and response, food aid and food security, shelter, support to logistics, transport, security of humanitarians, protection of civilians, support to international humanitarian mandates.</p> <ul style="list-style-type: none"> <li>• Tanzania: 15 M€ in 2004 for the refugee programme in Tanzania, including support to logistics, water, sanitation, health, nutrition, shelter, protection and other refugee services. Child-related projects include child health, child nutrition, child protection, education and family reunification. 13.5 M€ in 2005 for the protection, care and maintenance of refugees, and repatriation of refugees on the Tanzanian side of the border.</li> <li>• Uganda: 18.62M€ in 2004 was allocated with particular emphasis being placed on child protection and food security. 14 M€ in 2005 to cover needs in the health and nutrition, water and sanitation, food security, coordination and child protection fields.</li> <li>• Zambia: 2 M€ in 2004 and 3.5 M€ in 2005 for the repatriation of Angolan refugees from Zambia.</li> <li>• Zimbabwe: 15 M€ in 2005 to reduce the extreme vulnerability of population groups at particular risk in Zimbabwe.</li> </ul>
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## 2. STENGTHENING INSTITUTIONS AND GOVERNANCE

### 2.1 Supporting the NEPAD's priority political governance objectives – including by:

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| <ul style="list-style-type: none"> <li>• Expanding capacity-building programmes related to political governance in Africa focusing on the NEPAD priority areas of: improving administrative and civil services, strengthening parliamentary oversight, promoting participatory decision-making, and judicial reform;</li> <li>• Supporting African efforts to ensure that electoral processes are credible and transparent, and that elections are conducted in a manner that is free and fair and in accordance with the NEPAD's commitment to uphold and respect "global standards of democracy";</li> <li>• Supporting African efforts to involve parliamentarians and civil society in all aspects of the NEPAD process; and,</li> <li>• Supporting the reform of the security sector through assisting the development of an independent judiciary and democratically controlled police structures.</li> </ul> | <ul style="list-style-type: none"> <li>• The recently adopted EIDHR programming guidelines for 2005/2006 will focus on promoting the democratic process in 14 African countries under the new EIDHR campaign structure.</li> <li>• The Commission provides a range of support in African countries in the electoral field. This includes observation through the deployment of European Union Election Observation Missions, the provision of technical assistance to electoral authorities for the conduct of elections and support to civil society organisations in the area of domestic observation. The Commission cooperates closely with other relevant international organisations such as the African Union (including support under the EIDHR for capacity-building in the area of election observation), the Southern African Development Community (SADC), the Commonwealth, the International Organisation of the Francophonie and the United Nations with the aim of developing standards for the conduct of elections and election observation.</li> <li>• A notable EIDHR project was funded in 2003 for the sum of 1.9 M€ with the aim of improving the capacity of the AU Commission to develop policy initiatives and effective actions in three closely related themes: (i) democratisation processes, including strengthening the AU election monitoring capacity, (ii) governance, including improving AU monitoring capacity, enhancing civil society participation and gender mainstreaming, and (iii) human rights with a focus on improving the capacity of the AU and National Human Rights Institutions to promote respect for human rights particularly in complex emergency situations.</li> <li>• The EC has initiated implementation of a 4 M€ support to a Pan-African programme on Governance and Public Administration.</li> <li>• On a country level, the Commission has provided: support to a Judicial reform project (15M€), an Administrative modernization project (20M€), and a Police modernization project (10M€) in Algeria; support to an Association Agreement Support Programme (25M€) in Egypt, to an Association Agreement Support Programme (15M€) in Morocco, and to a Judicial Modernization Project (25M€) in Tunisia. In South Africa, the Commission supports Police reform (nearly 30 M€), the transformation of the Justice system (14M€) and the functioning of national and provincial legislatures (16M€).</li> <li>• In 2005             <ul style="list-style-type: none"> <li>▪ Madagascar: 1.5 M€: Supplementary funding to the Good Governance programme.</li> <li>▪ Burundi 17.3 M€: Support to the Good Governance programme.</li> </ul> </li> </ul> |
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**2.2 Strengthening capacity-building programmes related to economic and corporate governance in Africa focusing on the NEPAD priority areas of implementing sound macro-economic strategies, strengthening public financial management and accountability, protecting the integrity of monetary and financial systems, strengthening accounting and auditing systems, and developing an effective corporate governance framework - including by:**

- Supporting international and African organisations such as the African Capacity Building Foundation (ACBF) and the African Regional Technical Assistance Centres (AFRITACs) initiative of the International Monetary Fund (IMF) in expanding regionally-oriented technical assistance and capacity-building programmes in Africa; and,
- Financing African-led research on economic governance issues (through the United Nations Economic Commission for Africa (ECA), sub-regional and regional organisations, and other African institutions and organisations with relevant expertise).

- Morocco: European Commission has financed a budget support programme (52 M€) aiming at upgrading and enhancing the country's financial sector, together with keeping a sound macroeconomic framework.
- EC has also committed 79 M€ in a budget support programme to upgrade and enhance the country's public administration, aiming, at the same time, at maintaining a sound macro-economic framework.
- Algeria: EC is implementing a 25 M€ TA programme to support the modernisation and restructuring of the national administration.
- In Zambia, a new € 15 M project called "Capacity building for private sector development" has been approved. The project will provide important capacity building to the Ministry of Commerce, Trade and Industry with regards to policies, regulations and legal aspects, as well as improved dialogue with the private sector.
- In 2003, the total amount of funds approved for Global Budget Support programmes, in Sub Saharan Africa, through EDF financing, reached 741.2M€. In 2004, the amount approved for similar programmes was 442.7M€. All these programmes are pluri-annual (generally three years), are designed to support macroeconomic stability, with a major focus on sound public finance management and result oriented performance measurements on social sectors (mainly health and education). The major programmes were as follows:
  - In 2003
    - Mali – 132.92M€
    - Zambia – 117M€
    - Tanzania – 114M€
    - DRC – 106M€
    - Niger – 90M€
    - Benin – 55M€
  - In 2004
    - Kenya – 125M€
    - Ethiopia – 95M€
    - Ghana – 62M€
    - Sénégal – 53M€
- The total amount planned to be committed for GBS in 2005 is estimated at 794M€, of which the major programmes are as follows:
  - Burkina Faso - 150M€
  - Mozambique - 95M€

	<ul style="list-style-type: none"> <li>▪ Uganda - 92M€</li> <li>▪ Ethiopia - 86M€</li> <li>▪ Niger - 70M€</li> <li>▪ Tanzania - 65M€</li> <li>▪ Madagascar - 55M€</li> </ul> <ul style="list-style-type: none"> <li>• In addition to Global Budget Support, a number of Sector Budget Support programmes have also been approved during this period, such as: <ul style="list-style-type: none"> <li>▪ Capacity building in economic planning in Lesotho (17.5M€) - 2003</li> <li>▪ Support to the reform of the justice system in the Republic of South Africa (11M€) - 2004</li> </ul> </li> <li>• Planned SBS in 2005 <ul style="list-style-type: none"> <li>▪ Mali 70 M€ : Support programme for State reform and decentralisation</li> <li>▪ Algeria 15M€ : Support to the reform of justice</li> <li>▪ Zambia 15M€ :Financial and Economic Management Capacity Building Support</li> <li>▪ Namibia 8M€ : Public Finance Management Sectoral Budget Support</li> </ul> </li> <li>• As far as the business environment is concerned, a Private Sector Enabling Environment Facility was approved for financing in 2004, for n amount of 20M€.</li> <li>• In Egypt, a trade enhancement programme was approved in 2003, for an amount of 40M€.</li> <li>• In Zambia, a new 15M€ project called “Capacity building for private sector development” has been approved. The project will provide important capacity building to the Ministry of Commerce, Trade and Industry with regards to policies, regulations and legal aspects, as well as improved dialogue with the private sector.</li> <li>• A trade liberalisation Budgetary Facility is planned for approval in 2005 for the COMESA region, for a total amount of 50M€.</li> </ul>
<p><b>2.3 Supporting African peer-review arrangements - including by:</b></p> <ul style="list-style-type: none"> <li>• Encouraging co-operation with respect to peer-review practices, modalities and experiences between the Organisation for Economic Co-operation and Development (OECD) and the ECA, including the participation by the ECA in the OECD Development Assistance Committee (DAC) peer-review process where the countries under review so agree;</li> <li>• Encouraging, where appropriate, substantive information sharing between Africa and its partners with respect to items under peer-review; and,</li> <li>• Supporting regional organisations in developing tools to facilitate peer-review processes.</li> </ul>	<ul style="list-style-type: none"> <li>• In 2005 the EU decided to establish a joint financial mechanism to support reforms at the country level, triggered by the African Peer Review Mechanism.</li> <li>• A 2 M€ contribution to the African Peer Review Mechanism Trust Fund is being considered.</li> </ul>

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<p><b>2.4 Giving increased attention to and support for African efforts to promote and protect human rights – including by:</b></p> <ul style="list-style-type: none"> <li>• Supporting human rights activities and national, regional and sub-regional human rights institutions in Africa;</li> <li>• Supporting African efforts to implement human rights obligations undertaken by African governments; and,</li> <li>• Supporting African efforts to promote reconciliation and to ensure accountability for violations of human rights and humanitarian law, including genocide, crimes against humanity and other war crimes</li> </ul>	<ul style="list-style-type: none"> <li>• Over the past three years, regional and focus country projects in sub-Saharan Africa were supported under the EIDHR with approximately 80 M€. This figure does not include support to the UN International Criminal Tribunal for Rwanda and the Special Court for Sierra Leone, and it does not include the financing of fourteen EU Election Observation Missions in 12 sub-Saharan African countries between 2000 and 2004 with a budget of almost 30 M€.</li> </ul>
<p><b>2.5 Supporting African efforts to promote gender equality and the empowerment of women - including by:</b></p> <ul style="list-style-type: none"> <li>• Supporting African efforts to achieve equal participation of African women in all aspects of the NEPAD process and in fulfilling the NEPAD objectives; and,</li> <li>• Supporting the application of gender main-streaming in all policies and programmes.</li> </ul>	<ul style="list-style-type: none"> <li>• Gender mainstreaming is an important aspect considered in the humanitarian programmes and relief operations funded by ECHO. This is also underlined through direct gender related projects and special support to women. For example in Sierra Leone the protection of women was a special focus of the funding in 2003 due to cases of sexual abuse.</li> <li>• In all projects financed under the EIDHR gender mainstreaming is to be ensured. There are also a number of EIDHR funded projects specifically focused on the rights of African women. Examples of such EIDHR projects include a UNIFEM project in Congo Brazzaville and a Spanish Red Cross project in Ivory Coast. Moreover, within the EIDHR Call for Proposals on torture prevention, which was launched in August 2004, specific provision is made for projects to tackle female genital mutilation (FGM).</li> <li>• Project “Arganier” was initiated in South West Morocco in early 2004 (6 M€). One of its aims is to improve employment for women.</li> </ul>
<p><b>2.6 Intensifying support for the adoption and implementation of effective measures to combat corruption, bribery and embezzlement - including by:</b></p> <ul style="list-style-type: none"> <li>• Working to secure the early ratification of the UN Convention against Corruption and the UN Convention Against Transnational Organised Crime and its protocols;</li> <li>• Strengthening and assisting the implementation and monitoring of the OECD Convention on Bribery and assisting anti-bribery and anti-corruption programmes through the international financial institutions (IFIs) and the multilateral development banks;</li> <li>• Intensifying international co-operation to recover illicitly acquired financial assets;</li> <li>• Supporting voluntary anti-corruption initiatives, such as the DAC Guidelines, the OECD Guidelines for Multinational Enterprises, and the UN Global Compact;</li> <li>• Supporting the role of parliamentarians in addressing corruption and promoting good governance; and,</li> </ul> <p>Assisting African countries in their efforts to combat money laundering, including supporting World Bank/IMF efforts to improve co-ordination in the delivery of technical assistance to combat money laundering and terrorist financing in African countries.</p>	<ul style="list-style-type: none"> <li>• Dialogue with North-African countries under political dialogue. Important chapter on terrorism in ENP Action Plans with Morocco and Tunisia.</li> <li>• Technical assistance foreseen for Morocco, Tunisia and Algeria</li> <li>• Financial support (1 M€) for the creation of an African Regional Center for Counter-terrorism.</li> <li>• In 2005 <ul style="list-style-type: none"> <li>▪ Nigeria 24.7 M€ : Support to the Economic and Financial Crimes Commission</li> </ul> </li> </ul>

## STRENGTHENING INSTITUTIONS AND GOVERNANCE

### 3. FOSTERING TRADE, INVESTMENT, ECONOMIC GROWTH AND SUSTAINABLE DEVELOPMENT

#### 3.1 Helping Africa attract investment, both from within Africa and from abroad, and implement policies conducive to economic growth – including by:

- Supporting African initiatives aimed at improving the investment climate, including sound economic policies and efforts to improve the security of goods and transactions, consolidate property rights, modernize customs, institute needed legal and judicial reforms, and help mitigate risks for investors;
- Facilitating the financing of private investment through increased use of development finance institutions and export credit and risk-guarantee agencies and by strengthening equivalent institutions in Africa;
- Supporting African initiatives aimed at fostering efficient and sustainable regional financial markets and domestic savings and financing structures, including micro-credit schemes - while giving particular attention to seeing that credit and business support services meet the needs of poor women and men;
- Enhancing international co-operation to promote greater private investment and growth in Africa, including through public-private partnerships; and,
- Supporting the efforts of African governments to obtain sovereign credit ratings and gain access to private capital markets, including on a regional basis

- Negotiations for Economic Partnership Agreements (EPA) between the EU and six regional groupings in Africa, the Caribbean, and the Pacific started in 2003/2004 and are now in progress, in accordance with the jointly agreed roadmaps. EPAs will contribute to creating a more attractive investment climate through helping to establish larger, regional markets and harmonised rules governing investment and economic activity.
- In the framework of the ACP-EU development co-operation the Commission has developed the PRO€INVEST programme (110 M€, 7 years) for the promotion of investment in the ACP countries, with priority for regional and sectoral approaches. It includes two facilities: one of about 40 M€ for capacity building of intermediary organisations and the other for support to key growth sectors at regional level. In 2004, an amount of 17.6 M€ had been allocated for projects to be implemented under the programme.
- In the context of the development co-operation with the ACP countries, a SADC-EU Investment promotion (ESIP) programme (16.3 M€, 5 years) is operational. It is complementary to and closely co-ordinated with PRO€INVEST but focused on Southern Africa.
- Within the system of the Cotonou Agreement, the ACP-EU Centre for the Development of Enterprise (90 M€, 5 years) contributes to the development of professional ACP enterprises and organisations operating in the private sector. Its programmes of activity are complementary to and co-ordinated with PRO€INVEST.
- In the framework of the Cotonou Agreement, an Investment Facility (€2.2 billion, revolving fund) and €1.7 billion of resources drawn from capital markets will provide financial (equity, loans, guarantees) and capacity building support through the European Investment Bank (EIB). This Facility is operational and is closely co-ordinated with and complementary to the investment promotion programmes PRO€INVEST and to the CDE.
- In the framework of the Cotonou Agreement the Commission developed, an All-ACP Microfinance Facility for an amount of 15M€, approved in 2004. This facility, implemented in cooperation with international microfinance organisations (such as CGAP) will finance activities, in order to improve microfinance activities in the ACP countries.
- A Private Sector Enabling Environment Facility was approved for financing in 2004, for an amount of 20M€.
- In South Africa private sector support takes the form of both support to the Department of Trade and Industry SWEEP programme (25M€) and a risk capital facility for SMEs (over 100M€).
- For Southern Africa, a 16 M€ Financial Market Development programme is being designed to support efforts undertaken by the Southern African Development Community (SADC).

	<ul style="list-style-type: none"> <li>• In the framework of the 9th EDF Regional Indicative Programme for Eastern and Southern Africa, a private sector support project (12,4 M€) is being developed to support the Indian Ocean Commission Member States.</li> <li>• Activities in support of private and industrial development co-operation have been a feature of the MEDA Programme since its launch in 1995 ( Barcelona Convention) with a commitment of over euros 1,6 billion for this purpose. Support to the private sector has been developed through eight Business Centre projects implemented inter alia in Egypt, Morocco, Tunisia and Algeria. In addition Industrial Modernisation Programme (to support reforms in the political and institutional level and business environment) are being implemented in Egypt, Tunisia, and Morocco ( total budget of 417 M€, for five MEDA countries).</li> <li>• For the establishing of a Euro-Med free trade area, EC finances also trade related projects providing assistance in different areas (trade liberalisation, export promotion, trade facilitation, in particular in Egypt and quality promotion in Morocco).</li> <li>• Privatisation projects have been implemented in Egypt, Algeria, Morocco and Tunisia to support the concerned government in the definition and implementation of privatisation policy and to promote private investments.</li> <li>• Modernisation and strengthening of the financial sector is encouraged through (a) the implementation of financial and banking sector projects in Morocco, Algeria, Tunisia, Egypt (b) EIB managed instruments ( FEMIP technical assistance support fund and Risk Capital operations). The Risk Capital Facility allocated a budget of euros 100 million for the period 2001-2004. The TA FEMIP concerns a global allocation of euros 50 million for the period 2003 to 2004. Facing considerable difficulties in accessing finance, MEDA programme is contributing to establish and fund loan guarantee schemes to encourage banks to grant loans to SMEs</li> <li>• In Egypt, a 35 M€ support includes a social (17 M€) and a rural component (18 M€). Access to credit will be enhanced for small and micro-entrepreneurs and small farmers and food producers, with particular attention to low-income groups. Moreover, enhanced effectiveness of the financial support will be endeavoured through the provision of non-financial services. The EU's support also aims at improving the central bank's capacity to supervise and to support the strengthening of the financial sector (2004).</li> <li>• All the MEDA countries (except Syria) are beneficiaries of Structural Adjustment Facility ( SAF) to implement macro-economic and sectorial reforms. For example, an 80 M€ adjustment facility aims at upgrading and enhancing the Tunisian economy, of which a considerable amount is destined to the improvement of the foreign investment climate.</li> </ul>
<p><b>3.2 Facilitating capacity-building and the transfer of expertise for the development of infrastructure projects, with particular attention to regional initiatives.</b></p>	<ul style="list-style-type: none"> <li>• EC is the main donor of the Long Term Development Plan (2004-07) of the Sub Saharan Africa Transport Policy Programme (SSATP), contributing €8 million of the overall cost of €25 million. SSATP is an international partnership that facilitates the formulation and implementation of sound transport policies and strategies that facilitate the reduction of transport costs thus increasing the competitiveness of intra- and inter- regional African trade as well as stimulating</li> </ul>

equitable economic growth for reducing poverty. SSATP also contributes to capacity building related to these objectives. The partnership brings together 35 African countries, EC, World Bank, UNECA and several EU Member States.

- The Type II EU Energy Initiative for Poverty Eradication and Sustainable Development, launched at the WSSD, highlighted the EU's political will to act on the relevant parts of the WSSD Plan of Implementation. A number of African states have chosen to associate themselves with the Initiative, which includes regional co-operation and institution capacity development as important elements. The EUEI was officially launched in Africa in November 2003, at the "Energy for Africa" Conference, organised by the EUEI. The African countries identified four subsectors of cooperation, one of which is capacity building. The outcome of the Nairobi Conference offered the policy background for the proposal of the EC to the EU Member States to set up an Energy Facility for ACP countries (€M250) which focuses on Sub-Saharan Africa. In the meantime, the programme "Co-opener" identified a number of projects to be financed in Sub-Saharan Africa in the capacity building area for improved access to energy in Sub-Saharan Africa. These projects will be implemented within the framework of the "Intelligent Energy-Europe, 2003-2006" programme. Regional organisations are involved either in Co-opener and in the dialogue which followed the Nairobi Conference.
- An initial step to make the EC's commitment to the EUEI visible was made through INCO programme in funding the Partners for Africa Project. This project is currently demonstrating the role of renewable energies in sustainable natural resource management, public health and enterprise development and offers support to developing new energy policies in some African countries (Senegal, Zambia, South Africa).
- Under the Euro-Mediterranean Partnership, and with the support of the MEDA programme, the EC encourages the development of a Euro-Mediterranean transport network. This means the development of a regional infrastructure network of transport equipped with good interconnections and a common approach (legislative alignment) in the key fields, which are the opening of the markets, improving safety and security in particular. Several regional and bilateral projects are financed following these lines under the MEDA programme (in particular an exercise of planning of the regional infrastructure network – Euromed Transport project (20 M€)) and administration twinning projects in the field of transport are in preparation. The Euromed Cooperation on Transports also stresses the development of sub-regional cooperation at the level of the Maghreb and the Mashrek.
- Morocco: an EC 96 M€ budgetary support programme aims at restructuring, enhancing and capacity building in the transport sector.
- In the transport sector the New Neighbourhood Programme aims at promoting the establishment of an adequate regulatory framework to attract foreign investment and to foster the development of networks. Safe and multimodal transport links should be enhanced (45 M€). In the energy sector, neighbourhood policy is of benefit to the EU and its neighbours, notably in Africa, for reasons including security of energy supply and environment and global climate protection, as well as support to development. Agreements have been signed with several countries in Africa

	<p>and progress has been made towards regional markets, all of which should encourage infrastructure development, improved energy for development, including progress towards more efficiency in energy use.</p> <ul style="list-style-type: none"> <li>• In 2005 : <ul style="list-style-type: none"> <li>▪ Chad 84 M€ : Institutional support to the transport sector</li> <li>▪ Gambia 34 M€ : Roads development</li> <li>▪ Ethiopia 100 m€ : Road Sector</li> </ul> </li> <li>• Under the 9th EDF regional programmes for West Africa, the Commission finances a 63.8 M€ Transport Facilitation project which aims at improving the regional transport services.</li> <li>• Capacity building to COMESA for the establishment and implementation of a Transport and Communications Strategy and Priority Investment Plan (ESA-TCS-PIP) for Eastern and Southern Africa is presently under consideration for EDF financing. Grant financing of 3.6 M€ is anticipated to become available towards the end of 2005. The ESA-TCS-PIP for the ESA region will contribute to implementation of the mandates of the Regional Integration Organisations to reduce the cost of doing business in the region, thereby contributing to increased competitiveness, economic growth and poverty reduction.</li> </ul>
<p><b>3.3 Providing greater market access for African products - including by:</b></p> <ul style="list-style-type: none"> <li>• Reaffirming our commitment to conclude negotiations no later than 1 January 2005 on further trade liberalization in the Doha round of multilateral trade negotiations taking full account of the particular circumstances, needs and requirements of developing countries, including in Africa;</li> <li>• Without prejudging the outcome of the negotiations, applying our Doha commitment to comprehensive negotiations on agriculture aimed at substantial improvements in market access, reductions of all forms of export subsidies with a view to their being phased out, and substantial reductions in trade-distorting domestic support;</li> <li>• Working toward the objective of duty-free and quota-free access for all products originating from the Least Developed Countries (LDCs), including African LDCs, and, to this end, each examining how to facilitate the fuller and more effective use of existing market access arrangements; and,</li> <li>• Ensuring that national product standards do not unnecessarily restrict African exports and that African nations can play their full part in the relevant international standard setting systems.</li> </ul>	<ul style="list-style-type: none"> <li>• The EU has been instrumental in concluding the Agreed Framework in DDA last August, with significant commitments in the field of agriculture. Key elements of this agreement are the elimination of export subsidies and export credit over 180 days by an end date to be agreed, as well as the disciplines to be developed on export credits below 180 days, food aid and state trading enterprises, together with a substantial reduction of trade-distorting domestic support, and market access provisions ensuring substantial improvements whilst recognising the need for particular treatment of sensitive and special products.</li> <li>• Conclusion of the Doha Development Agenda remains an EC priority. EC is committed to achieving a development friendly outcome and has tabled submissions in all areas of the negotiations, notably on special and differential treatment, market access for non-agricultural products, which are among the priorities of Africa, trade facilitation, services.</li> <li>• The ongoing negotiations for Economic Partnership Agreements (EPA) between the EU and six regional groupings in Africa, the Caribbean and the Pacific (ACP) aim at building upon and further enhancing the already liberal market access conditions currently provided to the ACP under the Cotonou Agreement.</li> <li>• Duty-free and quota-free access for all products originating in the Least Developed Countries (LDCs), including African LDCs is in place since 2002 under the Everything But Arms (EBA) Initiative. EBA covers all products except arms, with a phasing in period for sugar, bananas and rice.</li> </ul>

<p><b>3.4 Increasing the funding and improving the quality of support for trade-related technical assistance and capacity-building in Africa – including by:</b></p> <ul style="list-style-type: none"> <li>• Supporting the establishment and expansion of trade-related technical assistance programmes in Africa;</li> <li>• Supporting the establishment of sub-regional market and trade information offices to support trade-related technical assistance and capacity-building in Africa;</li> <li>• Assisting regional organisations in their efforts to integrate trade policy into member country development plans;</li> <li>• Working to increase African participation in identifying WTO-related technical assistance needs, and providing technical assistance to African countries to implement international agreements, such as the WTO agreement;</li> <li>• Assisting African producers in meeting product and health standards in export markets; and,</li> <li>• Providing technical assistance to help African countries engage in international negotiations, and in standard-setting systems.</li> </ul>	<ul style="list-style-type: none"> <li>• Following the launching of the DDA, the EC has considerably stepped up its Trade Related Assistance (TRA). In the period 2001-2004 the EC has committed globally around €2.8 billion for TRA. The largest part, or around €1.5 billion, is going to Africa.</li> <li>• The main area of EU Trade Related Technical Assistance comprise: training in trade negotiations; support for WTO accession and for implementation of agreements with the EU; assistance in the areas of SPS and TBT; regional integration, business support services, trade promotion and market development.</li> <li>• All ACP capacity building programmes include 10 M€ and 20 M€ for WTO and EPA negotiations. Implementation of a new programme, Trade.com, of 50 M€ started in 2004. Trade.com comprises support for a network of national and regional trade advisers across the ACP-group, trade needs assessments in order to mainstream trade in development strategies and pilot operations in areas such as SPS. These horizontal initiatives are supplemented by EPA negotiations regional support programmes (7,5 M€ for Southern Africa, 7 M€ for Western Africa).</li> </ul>
<p><b>3.5 Supporting African efforts to advance regional economic integration and intra-African trade - including by:</b></p> <ul style="list-style-type: none"> <li>• Helping African countries develop regional institutions in key sectors affecting regional integration, including infrastructure, water, food security and energy, and sustainable management and conservation of natural resources;</li> <li>• Working towards enhanced market access, on a WTO-compatible basis, for trade with African free trade areas or customs unions;</li> <li>• Supporting the efforts of African countries to eliminate tariff and non-tariff barriers within Africa in a WTO-consistent manner; and,</li> <li>• Supporting efforts by African countries to work towards lowering trade barriers on imports from the rest of the world.</li> </ul>	<ul style="list-style-type: none"> <li>• Regional integration support comprises a large component of regional trade liberalisation and facilitation; institutional strengthening and capacity building. Regional Indicative programmes (RIPs) under the 9<sup>th</sup> EDF are implemented for four African ACP regions. The trade component of these programmes (included in the overall figures mentioned above) amounts to around 300 M€.</li> <li>• Regional integration support, amounting to a total of 300 M€, involves mainly the following African regional organisations: UEMOA, ECOWAS, CEMAC, EAC, IGAD, COMESA, SADC, IOC and SACU. For Eastern and Southern Africa (COMESA, EAC, IGAD, IOC), a 30 M€ Regional Integration Support Programme was approved in 2004, and an 80 M€ Regional Integration Budget Support programme is under preparation. Concerning West Africa (UEMOA and ECOWAS), a Regional Integration Support Programme of 110 M€ is under preparation. In Central Africa (CEMAC), a regional integration support programme of 16 M€ as well as an 11 M€ Trade facilitation project will be approved in 2005. At SADC level, a Customs modernization support programme (18 M€) as well as the support programme to SADC Member States for Standardization, Quality, Accreditation and Metrology (14,2 M€) will also be approved in 2005.</li> <li>• Support to water management at the transboundary level will be part of regional and intra-ACP programmes under the 9<sup>th</sup> EDF.</li> <li>• Support to cross-border river basin and other crucial water policy, planning and management through joint research and research co-ordination (as part of the EU Water Initiative).</li> <li>• Negotiations for Economic Partnership Agreements (EPA) between the EU and six regional groupings in Africa, the Caribbean, and the Pacific started in 2003/2004 and are now in progress, in accordance with the jointly agreed roadmaps. One of their main objectives is to foster and deepen regional integration.</li> <li>• Support to be given by RIP and all ACP Programmes for enhancing the capacities of African</li> </ul>

	<p>countries to formulate their fisheries policies and co-ordinate their interventions at regional level.</p> <ul style="list-style-type: none"> <li>• The EU-Africa Partnership on Infrastructure proposed by the EC in April 2005 aims at enhancing regional integration by contributing to the interconnectivity of the African continent.</li> <li>• In the framework of the Agadir Process, aiming to promote south-south co-operation among the Mediterranean partners of the EuroMed Partnership, the project “Support to the implementation of the south-south sub-regional Free Trade Area of Agadir” (4 M€, 3 years) has benefited 4 MEDA countries (including Egypt, Morocco and Tunisia) having signed an Association Agreement and are also signatories of the “Agadir Declaration”. The overall project objective is to provide the appropriate technical expertise to deepen trade integration amongst these countries in a sustainable way.</li> <li>• For 2005 see point 3.1</li> </ul>
<p><b>3.6 Improving the effectiveness of Official Development Assistance (ODA), and strengthening ODA commitments for enhanced-partnership countries - including by:</b></p> <ul style="list-style-type: none"> <li>• Ensuring effective implementation of the OECD/DAC recommendations on untying aid to the Least Developed Countries;</li> <li>• Implementing effectively the OECD agreement to ensure that export credit support to low-income countries is not used for unproductive purposes;</li> <li>• Supporting efforts within the DAC to reduce aid management burdens on recipient countries and lower the transactions costs of aid;</li> <li>• Taking all necessary steps to implement the pledges we made at Monterrey, including ODA level increases and aid effectiveness; and,</li> <li>• Reviewing annually, within the DAC and in co-ordination with all relevant institutions, our progress towards the achievement in Africa of the Development Goals contained in the United Nations Millennium Declaration.</li> </ul>	<ul style="list-style-type: none"> <li>• EC, as Co-Chair of the Strategic Partnership with Africa working group on budget support, has continued efforts in 2004 to promote integration of donor efforts within a national PRSP cycle (integrated with the national budget calendar) in all PRSP countries. This has been done through a mission in Mozambique, a workshop in Kigali on budget support donor groups developing in an increasing number of countries, and the second year of the SPA survey on budget support alignment with national processes. The survey has been carried out jointly in six countries with the OECD DAC survey on harmonisation and alignment, and its findings will be discussed in the framework of the working party on aid effectiveness.</li> </ul>

#### 4. IMPLEMENTING DEBT RELIEF

<p><b>4.1</b> Our aim is to assist countries through the Heavily Indebted Poor Countries (HIPC) Initiative to reduce poverty by enabling them to exit the HIPC process with a sustainable level of debt. The HIPC Initiative will reduce, by US\$19 billion (net present value terms), the debt of some 22 African countries that are following sound economic policies and good governance. Combined with traditional debt relief and additional bilateral debt forgiveness, this represents a reduction of some US\$30 billion - about two-thirds of their total debt burden - that will allow an important shift of resources towards education, health and other social and productive uses.</p>	<ul style="list-style-type: none"> <li>• The EC has so far pledged more than € 1.6 billion to the initiative: 934 M€ as a donor to the HIPC Trust Fund, 630 M€, as a creditor, to finance the settlement of its own claims, and an additional 60 M€, again as a creditor, to alleviate all special loans granted to least developed HIPCs that would remain after the full implementation of the enhanced HIPC initiative.</li> <li>• In terms of disbursements, as of 30 September 2004 the EC has transferred €420 million to the EIB for its participation as a creditor, and €834 million to the HIPC Trust Fund as a donor.</li> </ul>
<p><b>4.2</b> We are committed to seeing that the projected shortfall in the HIPC Trust Fund is fully financed. Moreover, we remain ready, as necessary, to provide additional debt relief - so-called "topping up" - on a case-by-case basis, to countries that have suffered a fundamental change in their economic circumstances due to extraordinary external shocks. In that context these countries must continue to demonstrate a commitment to poverty reduction, sound financial management, and good governance. We will fund our share of the shortfall in the HIPC Initiative, recognising that this shortfall could be up to US\$1 billion. We call on other creditor countries to join us. Once countries exit the HIPC process, we expect they will not need additional relief under this Initiative. We support an increase in the use of grants for the poorest and debt-vulnerable countries in IDA 13, and look forward to its rapid adoption.</p>	<ul style="list-style-type: none"> <li>• Generally speaking, the EC remains committed to participate, on a fair burden sharing basis, in the financing of the potential cost of the topping-up caused by exogenous shocks such as a global economic downturn and the fall in commodity prices.</li> </ul>
<p><b>4.3.</b> Debt relief alone, however, no matter how generous, cannot guarantee long-term debt sustainability. Sound policies, good governance, prudent new borrowing, and sound debt management by HIPCs, as well as responsible financing by creditors, will be necessary to ensure debt sustainability.</p>	<ul style="list-style-type: none"> <li>• In March 2004, the Commission published a consultancy study on debt relief beyond the HIPC initiative. The main conclusions are that debt relief significantly affects allocation of aid across poor countries and that within the group of HIPC countries, those benefiting most are not necessarily the best performers in terms of policy and institutions. In the current discussions on 100% multilateral debt relief, these allocation issues must be borne in mind.</li> <li>• Based on Commission proposals put forward with a series of communications on 12 April 2005, the conclusions of the May Council (GAERC) acknowledge the need to agree on the scope and modalities for further multilateral debt relief on a case by case approach. It also includes the possibility of a mechanism for temporary debt service suspension for developing countries, in case they are hit by exogenous shocks, and specific measures for post-conflict countries in arrears.</li> </ul>

#### IMPLEMENTING DEBT RELIEF

## 5. EXPANDING KNOWLEDGE: IMPROVING AND PROMOTING EDUCATION AND EXPANDING DIGITAL OPPORTUNITIES

### 5.1 Supporting African countries in their efforts to improve the quality of education at all levels - including by:

- Significantly increasing the support provided by our bilateral aid agencies to basic education for countries with a strong policy and financial commitment to the sector, in order to achieve the goals of universal primary education and equal access to education for girls. In that regard we will work vigorously to operationalise the G8 Education Task Force report with a view to helping African countries which have shown through their actions a strong policy and financial commitment to education to achieve these goals; and to encourage other African countries to take the necessary steps so that they, too, can achieve universal primary education by 2015;
  - Supporting the development and implementation by African countries of national educational plans that reflect the Dakar goals on Education for All, and encouraging support for those plans - particularly universal primary education – by the international community as an integral part of the national development strategies;
  - Giving special emphasis and support to teacher training initiatives, in line with the NEPAD priorities, and the creation of accountability mechanisms and EFA assessment processes;
  - Working with IFIs to increase their education-related spending, as a further supplement to bilateral and other efforts;
  - Supporting the development of a client-driven "Education for All" Internet portal;
  - Supporting programmes to encourage attendance and enhance academic performance, such as school feeding programmes; and,
  - Supporting the development of community learning centres to develop the broader educational needs of local communities.
- The Education Fast Track Initiative (FTI) has been a useful tool to mobilise additional funding to education to developing countries including Africa. Since its launch the following African countries have joined and have achieved additional financial support: Burkina Faso, The Gambia, Ghana, Guinea, Niger, Mauritania, and Mozambique.
  - The Commission contribution to the FTI has been limited to an increase of the GBS resources (education specific tranches) in Burkina Faso (15 M€) and Niger (20 M€).
  - Under the 9<sup>th</sup> EDF, the Commission has allocated a total of 216 M€ to Sub-Saharan African countries. This amount has been increased with an additional 76 M€ in the Mid-Term Review and with 12 M€ programmed for education in Liberia to a total of 304 M€.
  - In addition, two programmes to support education in South Africa were approved in 2003–2004 (60 M€ for infrastructure support, and 20 M€ to support Higher Education Institutions to address the HIV/AIDS pandemic).
  - The Commission supported donor harmonisation in education by trialling a specific set of indicators for monitoring progress in donor harmonisation at country level in four African countries: Burkina Faso, Ethiopia, Mozambique and Niger. Indicators have been developed to support FTI partners in their harmonization efforts and to monitor harmonization practices and financial commitments at the country level. Positive findings of this pilot phase include: (i) the presence of an adequate framework for harmonization in the four pilot countries; (ii) good coordination mechanisms in place and being used; (iii) increased flexibility in intervention modalities and increased alignment of donor interventions under national sector plan. More work needs to be done on aligning support to country's procedures, on linking sectoral performance to disbursements and on promoting country leadership as well as on pooling technical assistance. The Commission will continue its active engagement in harmonisation work both at international and at country level (promotion of DIF at country level and encouragement of country initiated activities in harmonisation).
  - In South Africa current education programmes, for a total amount of over 140M€, focus on skills and qualifications, as well as on schools infrastructure.
  - The Commission has together with UNESCO Institute of Statistics launched a Statistical Capacity Building project, in order to improve the timely availability of quality education data at country level. So far the project supports the following African countries: Ethiopia, Ghana, Guinea, Mauritania, Niger, Tanzania, and Uganda.
  - To address one of the obstacles for reaching EFA, the Commission is exploring ways to support the work of ILO (IPEC) on Child Labour, within the context of the strategy partnership between ILO and the Commission.

	<ul style="list-style-type: none"> <li>• The MEDA programme is supporting the Maghreb countries in their effort to reform their education system and to improve their quality and their efficiency (Tunisia: 48 M€ for higher education in 2003 and 30 M€ for secondary education; Algeria: 17 M€ to support the education reform in 2004).</li> <li>• The Tempus programme was in 2002 extended to the MEDA countries with a view to reforming and modernising higher education systems by developing inter-university co-operation within EU countries.</li> <li>• A number of the humanitarian programmes funded by ECHO (see 1.7) have an education component (e.g. hygiene education in Angola and Sierra Leone, and health education, primary and secondary education for refugees in Tanzania).</li> <li>• In countries with a strong policy and financial commitment to education, teacher training, accountability mechanisms and assessment processes, basic education issues are included in the political dialogue with the EC and other donors during discussion of Sector Policy Support Programmes.</li> <li>• In 2005 <ul style="list-style-type: none"> <li>▪ Comoros 16 M€ : National education support programme</li> <li>▪ Botswana 50.3 M€ :Education sectoral budget support</li> <li>▪ Angola 22 M€ : Education integrated programme</li> <li>▪ Eritrea 53 M€ :Education programme</li> </ul> </li> </ul>
<p><b>5.2 Supporting efforts to ensure equal access to education by women and girls - including by:</b></p> <ul style="list-style-type: none"> <li>• Providing scholarships and other educational support for women and girls; and,</li> <li>• Supporting African efforts to break down social, cultural and other barriers to equal access by women and girls to educational opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>• Should be mainstreamed in the Fast Track Initiative (see above).</li> </ul>
<p><b>5.3 Working with African partners to increase assistance to Africa's research and higher education capacity in enhanced-partnership countries including by:</b></p> <ul style="list-style-type: none"> <li>• Supporting the development of research centres and the establishment of chairs of excellence in areas integral to the NEPAD in Africa; and,</li> <li>• Favouring the exchange of visiting academics and encouraging research partnerships between G8/donor and African research institutions.</li> </ul>	<ul style="list-style-type: none"> <li>• A Joint paper on ACP-EC collaboration on research for sustainable development was approved by the ACP-EC Council of Ministers in 2003.</li> <li>• Joint research and research co-ordination will again be open to African (and other developing country partners) under the international scientific co-operation opportunities afforded under the 6<sup>th</sup> Research Framework Programme (FP6), particularly in relation to sustainable use of natural resources, food security and health and public health. A good number of strong joint research projects have already come out of the first and second call for proposals in 2003 and 2004 respectively. Projects evaluated in 2003 are coming on-stream, while the best to be funded from the 2004 call will become operational in 2005. Themes are focused on the WSSD Plan of Implementation e.g. in relation to reconciling multiple demands on coastal zones and restoring degraded ecosystems including through protected areas, humid and semi-humid ecosystems, neglected transmissible diseases and public health (see also below).The next deadline for submission of research proposals is in September 2005. Most collaborative research entails exchange of scientists and it is well-known that collaboration often extends beyond the project duration.</li> </ul>

	<ul style="list-style-type: none"> <li>• The Commission is devoted to favour the exchange of visiting academics and encourage research partnerships between European and African institutions. Under its Human Resources and Mobility programme, FP6 offers international mobility scheme with two main components: incoming and outgoing bursary schemes. The Incoming International Fellowships, specifically targeted at researchers from third countries (in general, not only focused on Africa), have, in FP6, a budget of 62 M€. Additionally to this budget, all the host actions are open to the participation of researchers from third countries: up to 30% of the researcher-months allocated to each project can come, indeed, from third countries. The aim of both schemes is to boost S&amp;T capabilities, while avoiding to create a “brain drain” process.</li> <li>• Various public good information systems supporting biodiversity, conservation, education and sustainable production of goods and services have been supported through a variety of funding mechanisms, EDF, research funds etc. FishBase (<a href="http://www.fishbase.org">www.fishbase.org</a>) and AlgaeBase especially for Africa (<a href="http://www.algaebase.org">www.algaebase.org</a>; <a href="http://www.seaweed.ie">www.seaweed.ie</a>) attract already up to 14 million hits per month and are cost-effective approaches to structuring and disseminating knowledge and analytical capacity. Use by citizens from developing countries, including Africa, has increased from 6 to 12% over the last three years. A new website for the research component of the EU Water Initiative, incl. its African dimension, has been opened to facilitate access to information and exchange (<a href="http://europa.eu.int/comm/research/water-initiative">europa.eu.int/comm/research/water-initiative</a>). Networking on the opportunities afforded by distance learning to strengthen African local governments is showing first results beyond sectoral concerns, and new research collaboration is investigating the role of municipal authorities in water supply and sanitation in Southern Africa as part of the EU Water Initiative’s knowledge focused activities. Also in Southern Africa, research into integrated water resources management and scenario developments supports the creation of or planning work of existing basin organisations in the Okavango and Incomati systems.</li> <li>• An inter-regional action currently under preparation with a view to adopting measures in regard to the EU-ACP Common Framework for Co-operation in the Higher Education Sector. The intended measures include the support to higher education institutions and networks to improve their academic and institutional capacity.</li> <li>• The Africa Monitoring for Environment and Sustainable Development (AMESD) project is supported by an EC financing of €20M. The project will inter alia help in the areas of food security, water management, drought, deforestation and desertification but also to put in place early warning systems. In addition, institution linkages are sought for the dissemination of this project at the pan-African decision-makers’ level.</li> </ul>
<p><b>5.4 Helping Africa create digital opportunities – including by:</b></p> <ul style="list-style-type: none"> <li>• Encouraging the Digital Opportunity Task Force (DOT Force) International e-Development Resources Network to focus on Africa, and supporting other DOT Force initiatives that can help to create digital opportunities, each building wherever possible on African initiatives already underway;</li> <li>• Working towards the goal of universal access to ICT by working with African countries to</li> </ul>	<ul style="list-style-type: none"> <li>• Close co-operation has been launched between the Commission and the International Telecommunications Union (ITU) in order to help African countries address ICT regulations and policies and to support human resource development. 3.5 M€ has been allocated to this effect.</li> <li>• The Commission is developing its own internet guidelines to promote the use of ICTs in</li> </ul>

<p>improve national, regional and international telecommunications and ICT regulations and policies in order to create ICT-friendly environments;</p> <ul style="list-style-type: none"> <li>• Encouraging and supporting the development of public-private partnerships to fast-track the development of ICT infrastructure; and,</li> <li>• Supporting entrepreneurship and human resource development of Africans within the ICT Sector.</li> </ul>	<p>development programmes, particularly in Africa, including a strong focus on policy reform to encourage network investment and lower communication costs.</p> <ul style="list-style-type: none"> <li>• An ACP-EU Joint Position on Information Society for Development was signed in Geneva on 10 December 2003 during the First Phase of the World Summit on the Information Society. It was highlighted that this strategic partnership between the EU and the ACP-countries – in line with the Millennium Development Goals (MDGs) – seeks to put the ICT potential in the service of development for all citizens.</li> </ul>
<p><b>5.5 Helping Africa make more effective use of ICT in the context of promoting sustainable economic, social and political development – including by:</b></p> <ul style="list-style-type: none"> <li>• Supporting African initiatives to make best use of ICT to address education and health issues; and,</li> <li>• Supporting African countries in increasing access to, and making the best use of, ICT in support of governance, including by supporting the development and implementation of national e-strategies and e-governance initiatives aimed at increased efficiency, effectiveness, transparency and accountability of government.</li> </ul>	<ul style="list-style-type: none"> <li>• The 9th EDF Regional Indicative Programs (RIPs) of the 4 African regions (West, Central, Eastern, and Southern Africa) all include provisions on ICT for development, mainly in the context of market liberalisation and economic integration.</li> </ul>

## 6. IMPROVING HEALTH AND CONFRONTING HIV/AIDS

### 6.1 Helping Africa combat the effects of HIV/AIDS - including by:

- Supporting a holistic long lasting developmental approach towards targeting the epidemic through joint efforts in the area of development, trade and research;
- Supporting programmes that help mothers and children infected or affected by HIV/AIDS, including children orphaned by AIDS;
- Supporting the strengthening of training facilities for the recruiting and training of health professionals;
- Supporting the development, adoption and implementation of gender-sensitive, multi-sectoral HIV/AIDS programmes for prevention, care, and treatment;
- Supporting high level political engagement to increase awareness and reduce the stigma associated with HIV/AIDS;
- Supporting initiatives to improve technical capacity, including disease surveillance;
- Supporting efforts to develop strong partnerships with employers in increasing HIV/AIDS awareness and in providing support to victims and their families;
- Supporting efforts that integrate approaches that address both HIV/AIDS and tuberculosis; and,
- Helping to enhance the capacity of Africa to address the challenges that HIV/AIDS poses to peace and security in Africa.

- The EC is fully committed to the MDGs for Health and its Programme for Action (PfA) on Communicable Diseases which entails a series of interrelated policy changes and actions targeting HIV/AIDS, Malaria and TB. The Commission intends to reinforce global action in the areas of follow up to Monterrey commitments, direct/indirect incentives for Global Public Goods, local production and technology transfer. A new budget line for financing the PfA was adopted in 2003 for a total of 341 M€ (2003-2006).
- In October 2004, the Commission issued a second progress report on the EC Programme for Action which highlighted the EC action at both country and global levels should be stepped up to increase impact and reinforce coherence between different EC policies. In parallel, the Commission adopted a Communication entitled: “A coherent European Policy Framework for External Action to confront HIV/AIDS, Malaria and Tuberculosis”. The new policy framework submitted to the Council and the European Parliament emphasises a multisectoral approach, a strong gender perspective and linkages between prevention, care and treatment.
- In April 2005, the Commission adopted an updated EU Programme for Action to confront HIV/AIDS, Malaria and Tuberculosis which provides a road map for further action by the EC and the Member States regarding the three diseases. While recognizing the need to step up efforts to confront HIV/AIDS, malaria and tuberculosis, the Programme for Action emphasizes country ownership and leadership as well as the need of governments to involve civil society in the design, implementation and monitoring of all strategies.
- The EC continues to support mothers and children infected/affected through HIV/AIDS country interventions, health sector support and macroeconomic support. The EC is also programming specific support to orphans and vulnerable children affected by HIV/AIDS in Southern Africa.
- Some EC funded projects do already involve training of health professional related to HIV/AIDS. The European Development Clinical Trials Platform (EDCTP) within the 6<sup>th</sup> Research Framework will include a component (150 M€) on capacity building. Strengthening health systems and special concern with the impact of HIV/AIDS on human resources will be part of the policy dialogue in the context of SWAPs and macroeconomic support.
- The EC is involved in capacity building towards AIDS surveillance through the dialogue on indicators, particularly linked with budget support, ongoing work with UNAIDS and its role in the Global Fund to Fight AIDS, Tuberculosis and Malaria.
- The EC has facilitated the dissemination and discussion of good practices in terms of Corporate Social Responsibilities in the field of prevention and care of HIV/AIDS in developing countries through the CSR Stakeholders Round Table.
- Both the poverty-related diseases, the GFATM and the EDCTP mentioned earlier will explore and fund innovative approaches in the context of HIV/TB dual infections.

	<ul style="list-style-type: none"> <li>• Within ECHO's humanitarian response in the health sector HIV/AIDS components are included, for example in Zimbabwe. Given the high HIV/AIDS infection rates in many of the African countries receiving humanitarian assistance, ECHO (see 1.7) is exploring, together with UN partners, how humanitarian aid can help to address the consequences of the pandemic. Moreover, when moving from humanitarian to LRRD responses the EC tends to build upon HIV/AIDS-related work already undertaken.</li> </ul>
<p><b>6.2 Supporting African efforts to build sustainable health systems in order to deliver effective disease interventions - including by:</b></p> <ul style="list-style-type: none"> <li>• Pressing ahead with current work with the international pharmaceutical industry, affected African countries and civil society to promote the availability of an adequate supply of life-saving medicines in an affordable and medically effective manner;</li> <li>• Supporting African countries in helping to promote more effective, and cost-effective, health interventions to the most vulnerable sectors of society - including reducing maternal and infant mortality and morbidity;</li> <li>• Continuing support for the Global Fund to Fight AIDS, Tuberculosis and Malaria, and working to ensure that the Fund continues to increase the effectiveness of its operations and learns from its experience;</li> <li>• Supporting African efforts to increase Africa's access to the Global Fund and helping to enhance Africa's capacity to participate in and benefit from the Fund;</li> <li>• Providing assistance to strengthen the capacity of the public sector to monitor the quality of health services offered by both public and private providers; and,</li> <li>• Supporting and encouraging the twinning of hospitals and other health organisations between G8 and African countries.</li> </ul>	<ul style="list-style-type: none"> <li>• The EC continues to shift away from standard projects to sector-wide approaches (SWAPs) and budget support for health. Between 2003 and 2006, the annual average allocation for health from EDF-funded macroeconomic budget support is estimated at 42 M€. Additional commitments were made for 105 M€ in 2003 and 70 M€ in 2004.</li> <li>• The implementation of a 25 M€ multi-country programme on pharmaceutical policies was initiated in 2003.</li> <li>• The development of a 25 M€ strategic partnership with WHO which will target 6 African countries should start in early 2006. The aim is to increase joint WHO and EC support of strengthened national planning for maternal and child health and communicable disease control, as part of national poverty reduction strategies.</li> <li>• A 15 M€ regional health programme was approved for the ECOWAS region .</li> <li>• A 7 M€ programme was also approved in 2003 to strengthen efforts by the Africa Malaria Network to find a malaria vaccine for people living in endemic countries.</li> <li>• Making medicines more affordable is a key component of the EC Programme for Action on Communicable Diseases. It involves a series of policy actions related to the Doha Development Round, tiered pricing, the GFATM, the G8 and other international fora/actions. The EC remains a key player in this area.</li> <li>• Support for improved health outcomes in African countries is back on the EC agenda with a strong policy/programming effort during the 9<sup>th</sup> EDF reviews to properly supporting ACP countries to promote effective health interventions. In line with the Millennium Development Goals (MDGs), the governments of Africa have reaffirmed their responsibility to reorganise health services to achieve the MDGs and allocate resources accordingly (15% of national budgets). Some progress has been made in allocating such resources, but more must still be done to widen access to and raise the quality of basic healthcare provision.</li> <li>• Commission identified additional resources to contribute to the Global Fund to Fight HIV/AIDS, Malaria and TB from 2003–2006 (340 M€ in total). The EC will remain an active player on the Board of the GFATM and its different committees and increase effort to make sure Africa will have proper access to GFATM resources.</li> </ul>

	<ul style="list-style-type: none"> <li>• The crisis in human resources for health has been identified as a priority for action by the High Level Forum on the Health MDGs. The EC is discussing with NEPAD support for developing an Africa Regional Platform, to identify and develop a regional plan for coordinated African action on human resources, strengthening regional demand for effective national, regional and global action.</li> <li>• Institutional and research-oriented capacity building is full part of the joint effort to work towards improve health outcomes, and more generally health systems, in Africa. EC is looking into additional potential to specifically target the strengthening of public sector's global capacity.</li> <li>• In the MEDA countries involved in NEPAD, the focus of EC health sector support has moved from projects in support of the specific health problems to more broad based approaches of health sector modernisation and reform. Particular emphasis has been put on the introduction of universal health insurance mechanisms aiming at financing the access to a basic package of care. In line with the MDGs, the governments of the region have taken the responsibility to reorganise health services to contribute to lowering the high maternal mortality rate and high infant mortality rate that still affect the poor. The Commission is engaged in support of their efforts through: budgetary support to institutional reform of health insurance and increase of coverage (40 M€ in Tunisia, 50 M€ in Morocco) and comprehensive project support to health sector reform through decentralisation and the provision of a basic benefit package (Egypt).</li> <li>• Efforts being made to increase access to drinking water and basic sanitation have a direct impact on the health status, in particular for poor populations.</li> <li>• An analysis of 70 collaborative research projects into public health systems issues, including in Africa, was recently presented at the Ministerial Health Summit in Mexico enabling new thinking about adequate mixes of approaches and activities for cost-effective and efficient health systems to emerge.</li> <li>• In 2005 <ul style="list-style-type: none"> <li>▪ Regional Intra-ACP 25 M€ : Joint ACP/EC/WHO Strengthen health services in developing countries.</li> </ul> </li> </ul>
<p><b>6.3 Accelerating the elimination and mitigation in Africa of polio, river blindness and other diseases or health deficiencies – including by:</b></p> <ul style="list-style-type: none"> <li>• Providing, on a fair and equitable basis, sufficient resources to eliminate polio by 2005; and,</li> <li>• Supporting relevant public-private partnerships for the immunisation of children and the elimination of micro-nutrient deficiencies in Africa.</li> </ul>	<ul style="list-style-type: none"> <li>• The EC contribution to immunisation is substantial and is channelled through different instruments. Structuring approaches for sustainable activities delivered by operational health systems will remain the key EC strategy. Budget aid and sector approaches are the preferred approaches wherever possible with a special attention to outcomes in immunisation including on polio coverage. This strategy provides technical and financial support to allow for proper implementation while maintaining a strong pressure on results, thus contributing noticeably to polio eradication. Routine immunisation activities receive prime support, they are the first component of the global initiative strategy for polio eradication and could be optimised through the Expanded Programme of Immunisation (EPI), including oral polio vaccine (OPV).</li> <li>• In polio free countries, in particular reservoir countries, if the National Indicative Programmes</li> </ul>

	<p>(NIPs) agreed by the country and the EC foresee a support to improved health outcomes, the EC can - subject to request/agreement of the partner country – intervene specifically on immunisation. The focus will remain on routine immunisation as part the structured approach, boosted with immunisation days. This is already the case in Nigeria with an on-going programme of 64.5 M€ (2/3 on routine immunisation for EPI antigens and 1/3 for national polio immunisation days). An additional commitment of 12.9 M€ to support Nigerian Government efforts toward polio eradication with polio immunisation days in 2003 was launched.</p> <ul style="list-style-type: none"> <li>• At regional level, projects promoting networking and diffusion of best practices can be supported. Support is provided to Western African countries to help them reach autonomy on immunisation (ARIVA programme) for the EPI vaccines that include polio. This project, still on-going thanks to a new EC commitment, led to substantial achievements: ownership of immunisation issues by countries, evolution of respective role of African states and partners (40 to 100 % of vaccines are paid by states according to countries), inclusion of a vaccine budget line in national health budgets for vaccines and related consumables, improvement of immunisation quality and safety, exchange of experiences. The new programme will strengthen supply and stock management, epidemiological surveillance, quality improvement, population awareness as well as elaboration of modalities for creation and mobilisation of security stock of vaccines to react to epidemics on a regional basis.</li> <li>• The EC is presently funding at least 15% of the world’s total polio eradication gap, estimated at 275 M€. But under the above-mentioned strategy, EC support for immunisation and polio eradication extends beyond financing for polio National Immunisation Days (NIDs).</li> <li>• In 2004, 55.3 M€ was committed to support polio eradication in 14 African countries. Additional 5.7 M€ will be committed shortly, and ECHO financed polio eradication programmes for 0.5 M€ in other affected countries in the region.</li> <li>• The Commission is currently funding extensive research on control of river blindness (vaccinology, entomology) and offers funding for collaborative research on nutrition deficiencies incl. micro-nutrients under FP6.</li> </ul>
<p><b>6.4 Supporting health research on diseases prevalent in Africa, with a view to narrowing the health research gap, including by expanding health research networks to focus on African health issues, and by making more extensive use of researchers based in Africa.</b></p>	<ul style="list-style-type: none"> <li>• The EC has launched its largest research project ever on a special collaborative research programme to support clinical developments of new interventions against HIV, malaria and tuberculosis in sub-Saharan Africa; over 90 different research projects are already ongoing on new treatment and prevention strategies involving more than 50 different African research groups.</li> <li>• Further basic/pre-clinical research projects are still under way funded by FP5 on infectious diseases prevalent in Africa including childhood diseases and on issues in reproductive health. A substantial number of projects are funded currently on African health systems; further funds for this agenda are currently being made under international scientific co-operation activities of FP6.</li> </ul>

- A number of measures are being set up to increase researchers networking and co-ordination in Africa with a view to increase S&T capacity and R&D management skills.
- The EC will continue to focus on developing new, effective, safe and affordable tools and interventions, by investing in R&D through FP7. Vaccines would be an additional and effective tool to confront the three diseases, while a comprehensive approach will remain important. Research should focus on vaccines for the three diseases, microbicides, new diagnostics and treatments for TB in the context of resistance and low compliance, and improved prevention and treatment for malaria. Special attention should be given to FDCs, paediatric formulations, and treatment in the context of multiple concurrent infections.
- The EC will continue to support EDCTP in order to increase the number of new candidate vaccines and other products entering clinical trials and will encourage Member States and industry to invest in and make use of the EDCTP programme. The EDCTP will ensure coherence and synergy between clinical trials.
- FP7 will have well-defined biomedical, epidemiological and applied research components. The latter will include long-term monitoring and impact assessment of existing and new interventions in their social and economic context. The EC will also encourage the involvement of research-intensive biotech companies.
- Following stakeholder consultations, the EC will establish incentives to harness the capacity of private industry in the development of new tools targeting the three diseases. Incentives could include: the extension of patent rights and/or market exclusivity, including through the relationship which might be established between different products, simplified and faster regulatory procedures, venture capital, low cost loans, tax credits and guaranteed markets.
- The EC will continue to cooperate closely with EU Member States – on technical assistance, strengthening regulatory capacity in developing countries, and promoting and coordinating research. The EC will also continue to seek common European positions in multilateral institutions and mechanisms, including the Global Fund.
- The EC is committed to strengthen policy dialogue and funding to multilateral UN organisations: the strategic partnership with WHO (on pharmaceutical policy, regulatory issues, and health monitoring), and the strong partnership with UNAIDS (regarding the 3 Ones) and UNFPA (for the Cairo agenda). This should be seen as part of an EC response to the challenges posed in terms of global governance for health.
- The EC is committed to support demand-driven country programmes through the Global Fund and will continue to support a needs-driven global research agenda by supporting the EDCTP and by partnering with other international research initiatives, such as IAVI, IPM, GAVI, and the Global HIV Vaccine Enterprise (endorsed by G8 during the Sea Island Summit).

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|  | <ul style="list-style-type: none"><li>• The EC encourages capacity enhancement of broad-based national and regional (e.g. NEPAD) bodies focusing on the three diseases with participation of government and non-government stakeholders at country level. EC delegations will be more actively involved in capacity building and establish complementary partnerships with EU Member State representatives to provide technical assistance.</li><li>• Supporting Africa to break the lack of tools and lack of knowledge vicious circle that perpetuates poverty and disease through the EDCTP that promotes development of new clinical tools to effectively control HIV/AIDS, tuberculosis and malaria, and capacity building in health research and development will be considered in this respect.</li><li>• Supporting networking of African countries in their efforts to harmonize drug policies and guidelines for health control programmes under NEPAD framework at regional and sub regional levels and cross border activities to control Malaria and HIV/AIDS, will be also considered.</li></ul> |
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## 7. INCREASING AGRICULTURAL PRODUCTIVITY

### 7.1 Making support for African agriculture a higher international priority in line with the NEPAD's framework and priorities - including by:

- Supporting the reform and financing of international institutions and research organisations that address Africa's agricultural development priority needs;
- Supporting efforts to strengthen agricultural research in Africa as well as research related to issues and aspects that are of particular importance to Africa; and,
- Working with African countries to improve the effectiveness and efficiency of ODA for agriculture, rural development and food security where there are coherent development strategies reflected in government budget priorities.

- The Commission has developed the sectoral approach in agriculture by disseminating good practices and developing a manual for sector programmes. Budgetary support to SPs in agriculture is rising. In 2004, sectoral approach programmes were approved in Namibia (53 M€ for budget support for rural road and water resources management) and in Uganda (17.5 M€, for agricultural research).
- The Commission is pursuing reform of International Commodity Bodies and their strategies, with the aim of enhancing their orientation towards sustainable development, and their responsiveness to stakeholders and to current challenges of commodity markets.
- The Commission has been supporting Agricultural Research for Development at national, sub-regional and global levels, in close collaboration with other donors involved. The overall objective of these research actions conducted in a co-ordinated manner into any discipline (biological, technical, social, economic, policy) aims at providing new knowledge, help identify appropriate sustainable solutions to agricultural problems faced by poor people, and enhance the agro-ecosystem of poor farmers, to improve their livelihoods. The Commission supports in particular: at a global level the CGIAR (of particular relevance here: the Challenge Programme for Sub-Saharan Africa) and the GFAR (Global Forum on Agricultural Research), and at the African regional level the research institutions ASARECA (Association for Strengthening Agricultural Research in Eastern and Central Africa), and CORAF (Conseil Ouest et Centre Africain pour la Recherche et le Développement Agricoles).
- An EU Action Plan to improve the quality and availability of scientific advice on fish stocks in non-EU countries' waters is foreseen to be launched in 2005. African countries will be among those that should benefit from this Action Plan.

### 7.2 Working with African countries to reduce poverty through improved sustainable productivity and competitiveness - including by:

- Supporting the development and the responsible use of tried and tested new technology, including biotechnology, in a safe and sustainable manner and adapted to the African context, to increase crop production while protecting the environment through decreased usage of fragile land, water and agricultural chemicals and protected biodiversity;
- Studying, sharing and facilitating the responsible use of biotechnology in addressing development needs;
- Helping to improve farmers' access to key market information through the use of traditional and cutting edge communications technologies, while also building upon ongoing international collaboration that strengthens farmers' entrepreneurial skills;
- Encouraging partnerships in agriculture and water research and extension to develop, adapt and adopt appropriate demand-driven technologies, including for low-income resource-poor farmers, to increase agricultural productivity and improve ability to market agricultural, fish and food products;
- Working with African countries to promote property and resource rights;

- The Commission is in the process of formulating an EC/EU strategy to support the development and use of biotechnologies in developing countries, in particular in the field of agriculture and the environment.
- Through Action 28 of the Action plan attached to the European Strategy on Life Sciences and Biotechnology, the Commission is committed, *inter alia*, to support: the safe and effective use of modern biotechnologies in developing countries; measures to increase the capacity of developing countries to assess and manage risk; the implementation of the Cartagena Protocol on Biosafety.
- The Commission is collaborating with the WB on the TerrAfrica initiative, on sustainable land management, as a renewed commitment towards improved implementation of the UNCCD (UN Convention on Desertification).
- The Commission supports the WB TerrAfrica initiative, on sustainable land management, as a renewed commitment towards improved implementation of the UNCCD (UN Convention on Desertification).

## INCREASING AGRICULTURAL PRODUCTIVITY

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| <ul style="list-style-type: none"> <li>• Supporting the main-streaming of gender issues into all agricultural and related policy together with targeted measures to ensure the rights of women for equal access to technology, technical support, land rights and credits;</li> <li>• Working with African countries to support the development of agricultural infrastructure including production, transportation and markets; and,</li> <li>• Working with African countries to develop sound agricultural policies that are integrated into Poverty Reduction Strategies.</li> </ul> | <ul style="list-style-type: none"> <li>• Joint research and research co-ordination opportunities is available on a competitive basis throughout the 6<sup>th</sup> Research Framework Programme of the EU, for research into bio-diverse, bio-safe and value added crops, into aquatic farming systems and animal health. An outstanding feature of the 7<sup>th</sup> Framework Programme, under preparation, is the Technology Platform on Global Animal Health.</li> <li>• In recognition of the important challenges facing commodity dependent developing countries (CDDC), the EU adopted an Action Plan on Agricultural Commodities, Dependence and Poverty; and an EU-Africa Partnership on Cotton Sector Development. They cover a range of activities at international, regional and producing country level, such as support to CDDC commodity strategies, increased efforts for commodity risk management; promotion of sustainable corporate practices; trade issues; work within International Commodity Bodies; increased cooperation with international organisations etc.</li> <li>• Through the 9<sup>th</sup> EDF, the Commission is a significant donor supporting agricultural development in a number of African countries, encompassing the diverse dimensions of agriculture, including farm management skills, marketing, technological innovation, water management, etc.</li> <li>• In close collaboration with Member States and civil society, the Commission has proposed EU Land Policy Guidelines (and Communication), providing overall policy and operational guidance to assess and support land policy reform processes.</li> <li>• This Communication gives a prominent place to gender issues and stresses the important of providing equal access to capital and land for women.</li> <li>• The significant support of the Commission to the transportation sector in Africa contributes to the development of rural infrastructure and farmers' access to markets.</li> <li>• The links between poverty reduction and sustainable natural resource management are the key pillars of the EC training programme started in February 2005 and open to partners in beneficiary countries. Fertile soils, integrated water management, conservation of forests and fight against desertification all contribute to food security and the fight against poverty. Country Environment Profiles and Strategic Environmental Assessments are to feature in the African country development strategy papers in order to have a coherent policy approach to long-term development.</li> <li>• The Commission is supporting donor efforts to give greater prominence to Rural Development issues in PRSPs and in national development strategies. The EC participates in the newly established Rural Development Platform under the leadership of FAO, WB and German government.</li> <li>• The Commission supports efforts by ACP states and OCTs to meet international health and sanitary standards for fisheries products, so as to gain greater access to global markets.</li> </ul> |
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## INCREASING AGRICULTURAL PRODUCTIVITY

	<ul style="list-style-type: none"> <li>• The “Khenifra” project in the Atlas region of Morocco (6 M€) will improve the living conditions of the rural population and develop the sustainable use of natural resources.</li> <li>• In 2005 <ul style="list-style-type: none"> <li>▪ Nigeria 4.2 M€ :Microprojects Programme in 3 states (increase)</li> <li>▪ Burundi 10 M€ :rural development</li> </ul> </li> </ul>
<p><b>7.3 Working to improve food security in Africa - including by:</b></p> <ul style="list-style-type: none"> <li>• Working with African countries to integrate food security in poverty reduction efforts and promote a policy and institutional environment that enables poor people to derive better livelihoods from agriculture and rural development;</li> <li>• Working with appropriate international organisations in responding to the dire food shortages in Southern Africa this year;</li> <li>• Working with African countries to expand efforts to improve the quality and diversity of diets with micro-nutrients and by improving fortification technologies;</li> <li>• Supporting African efforts to establish food safety and quality control systems, including helping countries develop legislation, enforcement procedures and appropriate institutional frameworks; and,</li> <li>• Supporting efforts to improve and better disseminate agricultural technology.</li> <li>• Improve assessment capacities, warning systems and prevention mechanisms (Alain Portier AIDCO E6)</li> </ul>	<ul style="list-style-type: none"> <li>• The food security actions of EC are integrated in a larger poverty reduction perspective. The Food Security Budget Line programme for 2005 and 2006 will support the below mentioned policy dialogue.</li> <li>• Food security is a priority area in the framework of the Africa/EU dialogue and support to a comprehensive study on Early Warning Systems in the continent is underway. The EC already finances and supports some initiatives related to Early Warning Systems in Africa. The Phase II EC-FAO Food Security Programme, which is about to start is called “Information for Action” : its aim is to improve food security information systems in selected countries, some of them in Africa, and develop the capacity of decision makers in order to have a better targeted and timely response to food crises and food insecurity more generally.</li> <li>• The Commission confirms its willingness in 2005 to reinforce this strategic dialogue on Emergency Needs Assessment. Attention will still be focused on 2005 Crop and Food Supply Assessment Mission methodological and organizational improvements in Southern Africa and Horn of Africa with a systematic EC observer participation in FAO/WFP Needs Assessments Missions. Main results expected are focused on better food aid estimates and non food aid responses.</li> <li>• The food security budget line and the EDF contribute to tackling the causes of food insecurity and food crises in Africa through a different set of instruments; from food aid in humanitarian crises to project aid and budgetary support in situations of transition and development. Through the Food Security Budget Line, 92 M€ were allocated in 2003 and 80 M€ in 2004 as direct aid to African countries, most of it to Eastern and Southern African regions. Indirect aid through WFP, other international organisations and NGOs was in the range of 193 M€ in 2003 and 126 M€ in 2004. The massive humanitarian crisis in Darfur still requires the mobilisation of substantial aid, through ECHO and the food security budget line (27 M€ of food aid in 2004).</li> <li>• The EC contributes to the fight against the desert locust invasion, another threat to food security in Western Africa, through a grant of 25.5 M€ to FAO in 2004 for that purpose.</li> <li>• The Commission is in the identification process of a programme for ACP countries, to support their food safety and quality control systems, in particular in view of the implementation of the new "food and feed controls" regulations of the EU.</li> <li>• The EC finances the Consultative Group on International Agricultural Research (CGIAR): 23 M€</li> </ul>

## INCREASING AGRICULTURAL PRODUCTIVITY

planned for 2005, and the same amount for 2006, hence contributing to improve the dissemination of adapted agricultural technologies.

- Funds amounting to 319 M€ from the food security budget line and the EDF have also been allocated to tackle the underlying causes of these crises in Ethiopia, Mozambique, Malawi, Eritrea, Sudan and Somalia.
- With its Communication on rural poverty reduction the EC has provided a policy framework that integrates food security with poverty reduction.
- The Commission is heavily involved in alleviating the shortage of food in Southern Africa. The contribution of the EU (EC and the MS) amounts to 40% of total pledges for Southern Africa. Concerning, the Horn of Africa, the EC contribution also covers 40% of total pledges. The EC is closely co-ordinating its assistance with other donors and UN organisations.
- The humanitarian programmes and emergency relief operations funded by ECHO in Africa include assistance to nutrition, food supply and food emergency operations. In addition to the support to war/conflict-affected areas (see 1.7), ECHO also provides support to African countries facing food security crisis. Examples of such support include:
  - Angola: 0.8 M€ in 2004 including support to nutrition and food security interventions
  - For vulnerable populations affected by heavy rainfall.
  - Burundi: 15 M€ in 2004 and 17 M€ in 2005 including food security to vulnerable populations.
  - Chad: 8 M€ in 2004 and 12 M€ in 2005 supporting the decrease in morbidity and mortality resulting from illness, malnutrition, lack of drinking water and sanitation, insufficient food supply and lack of shelter.
  - Coastal West Africa: 6.3 M€ in 2004 including food security to uprooted populations in neighbouring countries of Ivory Coast (2 M€) and support to the food security situation for displaced people, returnees, and children in Liberia (4.3 M€).
  - DRC: 40 M€ in 2004 including support to contain malnutrition rates among targeted population groups through food security programmes. 38 M€ in 2005 including support to the immediate needs of displaced, resettling and host families.
  - Eritrea: 1.0 M€ in 2004 to address the decline in human health arising from acute shortage of water and basic food supply. 0.62 M€ in 2005 to distribute emergency agricultural inputs to the most vulnerable populations.
  - Ethiopia: 6.5 M€ in 2004 including humanitarian assistance to populations affected by epidemics, malnutrition, climatic hazard and resettlement.
  - Kenya: 3.8 M€ in 2004 to address acute life-threatening needs including the provision of water and nutritional supply.
  - Lesotho and Swaziland: 2 M€ provided in 2004 to increase food security, hence reducing the increase vulnerability of targeted households. Indicative amount for 2005: 2 M€.
  - Madagascar: 2.0 M€ in 2004 to provide emergency assistance, including food security, to populations affected by cyclone Gafilo.
  - Somalia: 8.0 M€ in 2004 including improving accessibility to core food supply to reduce

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	<p>nutritional vulnerability. 9.0 M€ in 2005 to maintain and improve the nutritional status of targeted beneficiaries through food security.</p> <ul style="list-style-type: none"> <li>▪ Sudan: 71.0 M€ in 2004 to provide assistance to populations affected by the complex humanitarian crisis in the Darfur region, including food aid and emergency food security. 20 M€ in 2005 including support and life-saving services to highly vulnerable populations, including targeted food aid and food security.</li> <li>▪ Uganda: 6.0 M€ in 2004 including assistance to relieve vulnerable population groups affected by insecurity and climatic hazards. 14 M€ in 2005 to improve the self-reliance of IDPs through improved food security and protection interventions.</li> <li>▪ Zambia: 3.5 M€ in 2005 including the provision of food and health assistance to Angolan refugees repatriating from Zambia.</li> <li>▪ Zimbabwe: 15 M€ in 2004 including support to nutritional surveillance, food aid, food security, school feeding and under-five supplementary feeding. 15 M€ in 2005 including support to projects that provide integrated assistance to vulnerable population groups, including food security, water, nutrition and home based care.</li> </ul>
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INCREASING AGRICULTURAL PRODUCTIVITY

## 8. IMPROVING WATER RESOURCE MANAGEMENT

### 8.1 Supporting African efforts to improve water resource development and management - including by:

- Supporting African efforts to promote the productive and environmentally sustainable development of water resources;
- Supporting efforts to improve sanitation and access to potable water;
- Mobilising technical assistance to facilitate and accelerate the preparation of potable water and sanitation projects in both rural and urban areas, and to generate greater efficiency in these sectors; and,
- Supporting reforms in the water sector aimed at decentralisation, cost-recovery and enhanced user participation.

- Activities in the water and sanitation sector are taking place and being prepared as part of the National and Regional Indicative Programmes. An important part of the EDF resources are used to improve access of the population to water and sanitation and to support integrated water resources management. Water (in most cases together with sanitation) is a focal sector of 9th EDF in Cape Verde, Chad, Djibouti, Lesotho, Nigeria, Swaziland, and a component of the focal sectors in Ghana, Mauritius, Rwanda and Senegal, for a total allocation of about 475 M€.
  - Water is a significant component of the EU MEDA programme. Water is a focal sector in Algeria and Morocco, where the EC has a 120 M€ budgetary support programme (including Jordan) to enhance and upgrade water management policy. Significant allocations have also been made in Egypt and Tunisia.
  - The Commission also supports the collection, quality control and dissemination of local and regional water data and management practices between EU and MEDA Partners with the implementation of the Euro-Mediterranean Information System on Know-How in the Water Sector (EMWIS). The programme consists of 1 central website linking to national websites (focal points) from 4 North African Partners, 6 additional MEDA Partners and 8 European partners.
  - The Euro-Mediterranean Regional Programme for Local Water Management with funding support of 40 M€ aims at implementing the Action Plan laid out in the Euro-Mediterranean Ministerial Conference on Local Water Management in Turin, 1999 that includes 6 priorities:
    - Integrated management of water, sanitation and sewage services
    - Local water management within catchment areas and islands
    - Prevention and mitigation of drought and management of water scarcity
    - Irrigation water management
    - Use of non-conventional water resources
    - Preparation of scenarios up to 2025 enabling sustainable water management
  - The EU Water Initiative was launched at WSSD to contribute to the achievement of the MDG and WSSD targets for water and sanitation, within the context of an integrated approach to water resources management. The EUWI brings together key water actors in the EU and partner countries in an open, transparent and inclusive multistakeholder process, to promote better water governance arrangements; increase stakeholder participation; encourage regional and sub-regional co-operation on water management issues; improve co-ordination and co-operation; and catalyse additional funding.
  - The EUWI provides the framework for the implementation of strategic partnerships for water and sanitation launched at WSSD with Africa and with the countries in East Europe, Caucasus and Central Asia (EECCA). An initiative for the Mediterranean was launched in 2003. Cross-cutting

## IMPROVING WATER RESOURCE MANAGEMENT

elements of the EUWI cover finance, research and monitoring.

- The EC's 6th Research Framework programme has included the EUWI in its proposals and makes a significant contribution to the coordination of research efforts and the development of knowledge in water and sanitation.
- Through the EU Water Initiative in Africa, the EC, member states and other stakeholders are working with NEPAD and AMCOW to strengthen regional policies and strategies as well as to coordinate donor activities aligned behind nationally owned development plans.
- A work programme was agreed between EU and AMCOW in 2003 in Addis Ababa
- The EUWI is targeting integrated water resource management and the achievement of the WSSD target for Integrated Water Resource Management and water efficiency plans by 2005. In Africa, the EUWI has supported river basin cooperation in 5 transboundary river basins (Volta, Niger, Lake Chad, Orange Senqu, Lake Victoria-Kagera) where €10M has been earmarked by the EC to implement prioritised activities in the basins
- The EUWI is also targeting the water and sanitation MDG targets. Improved water policy and governance is being promoted through the Africa Water Supply and Sanitation Working Group. National Water Policy Dialogues are being initiated in ten Pilot Countries proposed by AMCOW - Zambia; Mozambique; Rwanda; Ethiopia; Ghana; Cap Verde; CAR, Congo (B); Egypt; Mauritania. In addition, following a dialogue between EU donors in the Democratic Republic of Congo (DRC), a similar process is being started in that country.
- The National Water Policy Dialogues are multi-stakeholder fora to identify the bottlenecks to the achievement of the water-related MDGs and to transfer these findings into an agreed roadmap to achieve the water and sanitation related MDGs. An EU Member State has volunteered to lead the process in partnership with the national government. The Dialogue process will ensure that, in each of these countries, there is a core donor group on water and sanitation if one does not already exist. The Dialogues will map what donors and governments are currently doing, and what more needs to be done. An objective is to ensure this becomes an enduring process with regular annual review and feedback into national development priorities.
- The ACP-EU Water Facility was launched in 2004, targeted at developing countries in Africa, the Caribbean and the Pacific, as a response to the need to catalyse additional funding and to work directly with those most affected by shortages of water and the absence of sanitation. An amount of €250m for the Facility was approved by the EU Council in 2004, and a further €250m is likely to be approved this year.
- The flow of capital to the water sector has been limited, particularly in Africa. The Water Facility

## IMPROVING WATER RESOURCE MANAGEMENT

	<p>intends to use development assistance to leverage other forms of finance. The Facility covers three components in its first Call for Proposals; Improving the water management and governance in ACP states; Co-financing Water and Sanitation Infrastructure; and Civil society initiatives for smaller scale operations in poor urban and rural areas. In addition, significant allocations have been made to support the Nile Basin Initiative, the African Water Facility</p> <ul style="list-style-type: none"><li>• Support to water and sanitation are vital components in the humanitarian programmes and emergency relief operations funded by ECHO (see 1.7).</li><li>• In 2005<ul style="list-style-type: none"><li>▪ Lesotho 23 M€ : Six towns water supply phase II (works)</li><li>▪ Tanzania 38.3 M€ :Water supply RC phase II</li><li>▪ Ghana 25 M € :Small Towns Water and Sanitation for western and central regions</li><li>▪ Mali 20 M€ : Support to the territorial communities to have access to the drinkable water</li></ul></li></ul>
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