



**DELEGATION OF THE EUROPEAN COMMISSION
IN BARBADOS AND THE EASTERN CARIBBEAN**

**OFFICE OF THE NATIONAL AUTHORISING OFFICER
IN ANTIGUA AND BARBUDA**

**COOPERATION BETWEEN
THE EUROPEAN UNION
AND ANTIGUA AND BARBUDA**

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Executive Summary

Antigua and Barbuda is an upper-middle income country with a small open economy. It has an area of 442 sq km; a population of 80,100 (2006 estimate); a population density of around 180 inhabitants per sq km; an estimated Gross Domestic Product (GDP) of US\$ 818 million and GDP per capita of US\$10,213 (both figures in 2004 at current market prices). The relative position of A&B within the OECS – around 12.5% of the total population, 26% of total GDP and a territory that occupies 16 % of the total area of the grouping – and the comparison with Barbados (29% of Barbados GDP and almost the same GDP per capita at current market prices) show that after Barbados the income per capita of the citizens of Antigua and Barbuda is the highest in the Eastern Caribbean. The political and economic situation in Antigua throughout big parts of 2008 can be considered as sound and prosperous. Overall growth was at a level of about 4 % and unemployment remained at a low rate. However in the last quarter of 2008 the global economic crisis had a fundamental impact on the economy in Antigua and Barbuda that will show its effect even more in 2009 especially in the tourism and financial services sector.

Regarding the poverty situation, around 18.4% of the population are considered to be poor in Antigua & Barbuda. Indigence was 5.0 percent. The indigence line was EC\$6.71 or US\$2.51 per day in 2005/06. The index of inequality – the Gini coefficient - was estimated to be 0.49: inequality in Antigua and Barbuda is high. The poorest 20% enjoyed just 4.5% of the expenditures compared to 56.3% enjoyed by the richest 20%. According to the Recent Survey of Living Conditions (SLC) plans were in place by the Government for universal primary education for boys and girls in academic year 2006/07. The move to increase participation at the secondary level has been relatively recent. There has also been a problem of quality in educational performance, with many of male youth failing to achieve acceptable standards. The SLC results suggest almost complete immunisation coverage for children. However, the prevalence rates of lifestyle diseases are notably high - diabetes, high blood pressure, heart disease and cancer.

Economic activity in Antigua and Barbuda is estimated to have increased by about 4.5% in 2008. The growth is driven by increases in both the construction and tourism sectors, the major drivers of growth in 2006. The construction sector was fuelled by both significant public sector investments in infrastructure and buoyant public sector spending on hotel and residential construction. The consumer price index rose by 3.2 per cent. The government enacted legislation in 2008 to improve regulation in the financial services sector.

The principal development challenges focus around the need to sustain economic growth through tourism and export development; combat the relatively high level of poverty and inequality; and reduce risks posed by natural disasters. The importance of regaining fiscal sustainability and implementing a successful debt restructuring process is also recognised as a critical precondition for growth. The Government has developed and is implementing its home grown fiscal stabilisation programme which entailed the reorganisation of the tax structure, in addition to addressing the expenditure side. The programme delivered positive macro-economic outcomes with strong growth recorded in the last three years and buoyant revenue growth. The tax burden has increased from 20% to 24% of GDP in 2004 and 2007 respectively. Moreover, the new administration was able to convince some of the lenders of the need for restructuring of the debt and for debt forgiveness, all of which have improved the fiscal operations. However, the commitments that the country had made for the Cricket World Cup incurred major capital expenditure on the part of the Government. Moreover, in its quest to shield the most vulnerable from the ravages of adjustment, the Government also expanded social expenditures on old age pensions and on such programmes as school feeding and the provision of books and uniforms to primary and secondary school children.

In terms of development cooperation between the EU and Antigua and Barbuda, the country receives only limited resources due to its high standard of development as a middle income country. Relations in the implementation are sound. The EC has primarily provided assistance to Antigua & Barbuda through the EDF NIP which, given the size of the population and the per capita GDP, has been

relatively modest. Under the 7th, 8th and 9th EDF, EC aid has been focusing on human resource development in line with Government policy to upgrade the country's intellectual capital by means of a comprehensive reform of the education system. The 9th EDF originally for €2.34 M for the A envelope, increased to €7.3 M after the transfer from previous EDFs, for which the focal sector is human resource development, in particular at tertiary level. Given the recent findings of the Survey of Living Conditions with 52.3% of the poor within the workforce without any educational certification it is apparent that the investment in tertiary education is of critical importance. Following the End-Term Review, it was agreed to support further efforts at improving the macroeconomic situation as well as enhancing economic diversification. A financing agreement for €416.593 was signed in July 2007 for which the bulk of funds are allocated to the preparation of assistance for the fiscal reform programme under the 10th EDF.

The EC and the Government of Antigua and Barbuda propose to allocate 90% of the 10th EDF resources available under the A envelope to Fiscal and Public Sector modernisation as the single focal sector, which is also in line with the EPA negotiations. The resources will be used to support implementation of the fiscal and public-sector reforms necessary in Antigua and Barbuda, by enhancing the policy-making and technical capacity of the Ministry of Finance, and to support establishment of a National Productivity Council as a public-private partnership. There are no plans to use budget support given the limited funds available and the fact that the majority of the programme should be implemented in the form of technical assistance. The remaining 10% of the A envelope will be allocated to the Technical Cooperation Facility, notably to support non-State actors (NSAs) and to provide trade-related technical assistance.

So far the Country Strategy Paper, forming the basis for the cooperation of the European Commission and the Government of Antigua and Barbuda under the Cotonou Agreement has not been signed. This is due to ongoing negotiations concerning the formulation of commitments with regards to the regulatory framework for the off-shore financial services. Only once the CSP is approved by both parties can the financial resources be mobilised for the financing of programmes under EDF 10. However, the preparation of programmes under the EDF 10 is well advanced. The focal sector will be the support the Public Finance Management Reform process in Antigua and Barbuda. This crucial cross cutting sector support should show positive impact on all areas of use of public funds.

1. The country performance

1.1 Update on the political situation and political governance

Antigua and Barbuda is an electoral democracy. The 1981 constitution establishes a parliamentary system, with a governor-general representing the British monarch as ceremonial head of state. The bicameral Parliament is composed of the 17-seat House of Representatives (16 seats for Antigua, 1 for Barbuda), to which members are elected for five-year terms, and an appointed Senate. Political parties can organize freely. The prime minister is the leader of the majority party in the House and conducts affairs of state with the cabinet. The prime minister and the cabinet are responsible to the Parliament. Elections must be held at least every 5 years but may be called by the prime minister at any time. National elections were last held on March 23, 2004 and won by the United Progressive Party, lead by Prime Minister honourable Baldwin Spencer. Next elections are due in 2009. Constitutional safeguards include freedom of speech, press, worship, movement, and association. Antigua and Barbuda is a member of the eastern Caribbean court system. Jurisprudence is based on English common law.

The biggest impact on the political situation came however from the massive global economic challenges, starting with high inflation due to high oil and food prices and its impact on consumer. The government tried to intervene through a reduction of income tax in order to increase the disposable workers income. Furthermore, minister of finance Dr Errol Court announced during his 2008 budget speech a 10 % pay increase for public sector worker. Subsequently, in the last quarter of 2008 the

effects of the global economic downturn showed its negative effect on the two main economic sectors, tourism and international finance.

Within the region, Antigua and Barbuda was among OECS countries which on 11 September endorsed an initiative from Trinidad and Tobago's Prime Minister Patrick Manning for the creation of a new Economic and Political Union. In a surprise move on 14 August 2008, Prime Minister Manning launched an initiative to bring together States of the Caribbean in a new Economic and Political Union, separate from other established regional integration efforts (CARICOM, OECS, ACS).

At the invitation of Manning, this meeting was held on 14th August in Trinidad and Tobago. In attendance were Grenada's Prime Minister Tillman Thomas, the Prime Minister of Saint Lucia, Stephenson King and the Prime Minister of St. Vincent and the Grenadines, Dr. Ralph Gonsalves. Barbados was represented by Christopher Sinckler, Minister of Foreign Affairs and the President of Guyana by Carolyn Rodriques, Minister of Foreign Affairs. The Secretary General of the Caribbean Community, Edwin Carrington and the Director General of the Organisation of Eastern Caribbean States (OECS) Dr. Len Ishmael were also present as observers.

At their summit, discussions on collaboration towards the achievement of a Single Market and Economy, Political Integration and Regional Air Transportation took place. After the meeting, a Joint Declaration was signed by Trinidad and Tobago, Saint Lucia, Grenada and Saint Vincent. The Joint Declaration, a statement of intent, was subject to ratification by the respective Cabinets and the duties identified therein were purely indicative.

The Joint Declaration established a framework for closer cooperation towards the achievement of a single economy by 2011 and appropriate political integration by 2013, having taken note of the difficulties which have arisen in regard to progress towards the establishment of the CARICOM Single Market and Economy and the decision of the Organisation of Eastern Caribbean States (OECS) to proceed towards the establishment of an Economic Union among themselves by 2009.

The leaders and Foreign Ministers Sinckler and Rodriques resolved that no initiative associated with the implementation of the Joint Declaration would undermine the Single Market or economic cohesion established by the Revised Treaty of Chaguaramas.

Participation in the framework was open to all Member States of the Caribbean Community wishing to commit to the achievement of the single economy and appropriate political integration within indicative timeframes.

The grouping also mandated former St. Lucia Prime Minister Vaughan Lewis and Trinidad and Tobago diplomat Dr. Cuthbert Joseph to prepare a study by the end of 2008 regarding achieving the modalities which have been set.

CARIFORUM-EC Economic Partnership Agreement

The political situation in Antigua and Barbuda throughout 2008 can be described as stable. On the domestic front, the upcoming elections in 2009 could already be felt. Leading parties were already starting to position themselves for the electoral campaigns.

As a Member State of CARIFORUM, one of the regions of the African, Caribbean and Pacific (ACP) States, Antigua and Barbuda signed the first comprehensive Economic Partnership Agreement (EPA) on 15 October 2008 with the European Commission (EC). The EPA replaces the trade arrangements of the EU-ACP Cotonou Partnership Agreement which expired at the end of 2007. The Agreement was initialled by both sides on December 16 2007 ahead of the deadline for the expiration of the World Trade Organization (WTO) waiver which extended the Cotonou trade regime until the end of 2007. As such, from January 1, 2008, goods from the 15 CARIFORUM Member States (Antigua and

Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago) entered the European Union duty free and quota free. However, there is a phased period between 3 to 25 years for European goods to enter CARIFORUM markets duty free, as well as an important number of exclusions for sensitive products. This is a signal of the asymmetrical nature of the agreement given the different levels of development between the two sides. Antigua and Barbuda ratified the CARIFORUM-EC EPA on December 15, 2008 and is also preparing to sensitize the general public specifically the private sector on the provisions of the Agreement.

To ensure that the Caribbean states are able to adjust to the new challenges and to maximise the benefits from the opportunities offered by this Agreement, development co-operation is an integral part of the EPA. In addition, the European Union Aid for Trade strategy and co-operation under the Cotonou Agreement offer many opportunities to develop programmes in support of the implementation of this Agreement. Special programmes have also been put in place for sugar, bananas, rice and rum with a view to help Antigua and Barbuda and other Caribbean states become more competitive and diversify their economies.

1.2 Update on the economic situation and economic governance

Economic activity in Antigua and Barbuda is estimated to have increased in 2008, with GDP growth of 4.2%, primarily fuelled by developments in construction and tourism. Activity in the construction sector remained robust with output expanding by 5.5 percent following annual average growth of 15.8 percent between 2004 and 2007. Activity in this sector was driven by developments in both the public and private sectors. Public sector activity focused on the expansion of the airport runway and infrastructural development. In the private sector, activity centred on constructing and expanding a number of office complexes, housing and condominium developments. Growth in the construction sector was also supported by an increase in the number of residential properties under construction. The expansion in overall construction activity in 2008 continued to be reflected in the growth in commercial bank credit to construction companies and to households for home construction and renovation.

Tourism activity, as measured by the change in value-added in the hotels and restaurants sector, is projected to increase by 4.0 percent in 2008 following growth of 4.9 per cent in 2007, reflecting an increase in the number of stay-over visitors. In the tourism industry, total visitor arrivals increased by 3.9 per cent to 221,090, for the first ten months of 2008. However, there was a noticeable decline in tourism arrivals in the last three months of the year due to downturn in economic activity and a subsequent increase in unemployment in two major markets; the USA and the UK. The number of cruise ship passengers is expected to decline by 10 percent to 606,160 in 2008, reflecting 46 fewer cruise ship calls. This downturn in the cruise sub-sector is primarily attributed to a number of cruise lines reducing the number of calls to some ports in 2008 as they struggled to contain increases in their cost of operation resulting from the increase in the price of oil on the world market.

In an effort to strengthen the monitoring of the non-bank financial services sector, the Money Service Business Act 2007 (MSB) was passed. The Act regulates money remittance services which are in the primary business of transmission of money or monetary value in any form; cheque cashing; currency exchange; issuance, sale or redemption of money orders or traveller's cheques. Since its enactment the Commission has been able to create new monitoring procedures for the regulation of these entities. Presently there are 12 companies registered to conduct this type of business in Antigua and Barbuda.

The Commission is in the process of drafting legislation for the implementation of a Single Regulatory Unit (SRU). The Act will be called the Financial Services Regulatory Commission Act. This is in keeping with the decision of the ECCU Monetary Council for members to develop Single Regulatory Units. The Commission has requested assistance from the Caribbean Technical Assistance Centre (CARTAC) to develop this single regulatory unit.

Consumer prices are projected to increase by 3.2 per cent based on rising prices for international oil and other commodities. In 2008, as part of a Caricom wide initiative, the GoAB removed or reduced the Common External Tariff (CET) on a number of food items. This adjustment in the duty is for a period of two years. They also reduced the Customs Service Tax (CST) on a wide range of essential items from 10.0 percent and 5.0 percent to 2.5 percent. A number of these items that were already zero rated with respect to the ABST now attract CST of only 2.5 percent.

Structure and management of public finances

Over the years, the Government of Antigua and Barbuda has accumulated large fiscal deficits and debt repayment arrears, which have adversely affected the country's creditworthiness and its ability to access external funding for its Public Sector Investment Programme (PSIP). The Government that took office in 2004 has introduced significant reforms, confirming its campaign pledge to return normalcy to fiscal and debt relations, and improve governance and transparency. The authorities are cooperating with the IMF to address the macroeconomic and fiscal imbalances and have engaged in an active effort to raise public awareness regarding the need for the sustained implementation of further reforms. Generally, the Government set itself the objective of realizing a current account surplus of 4 percent of GDP in five years, reducing disbursed outstanding debt to the region of 60 percent of GDP within ten years, and getting the debt service to current revenue ratio to 15 percent within five years. This entailed the reorganisation of the tax structure, in addition to addressing the expenditure side. The Personal Income Tax (PIT) and the Antigua and Barbuda Sales Tax (ABST) were introduced in January 2007 and efforts are ongoing to control expenditures. The authorities are continuing their endeavours to introduce reforms to place public debt firmly on a downward path, while maintaining macroeconomic stability and strengthening growth.

According to the most recent IMF Article IV Report in 2006, the IMF concluded that the reforms undertaken by the Government have led to positive 'macro-economic outcomes, especially on the fiscal side. Moreover, the new administration was able to convince some of the lenders of the need for restructuring of the debt and for debt forgiveness, all of which have improved the fiscal operations. However, the commitments that the country had made for the Cricket World Cup incurred major capital expenditure on the part of the Government. Moreover, in its quest to shield the most vulnerable from the ravages of adjustment, the Government also expanded social expenditures on old age pensions and on such programmes as school feeding and the provision of books and uniforms to primary and secondary school children.

One of the major challenges that country has had to face is the increase in oil prices in the last two years. The Government has sought to offset the effect on the transportation sector of the country by adjusting the consumption tax that is derived from the sector. However, given the fiscal straight-jacket in which it finds itself, there is an early limit on the degree to which it can absorb increases in the price of oil by reducing the taxes that are collected from the sector. The Government has also taken advantage of the loan arrangements put in place by the Government of Venezuela, under the Petrocaribe deal by which countries of the Caribbean region can secure loans to offset the rise in costs of the price of oil. The agreement was signed in 2005 and allows Antigua and Barbuda financing over as long as 25 years in dealing with any escalation of the price.

1.3 Update of the poverty and social situation

According to the 2007 UNDP Human Development Report, Antigua and Barbuda is ranked 57th among 177 countries on the basis of adult literacy, school enrolment, life expectancy at birth, and per capita Gross Domestic Product (GDP). This places the country in the top of the Medium Human Development category and compares to a rank of 60 out of 177 in 2005. It is 4th out of the CARICOM countries behind Barbados, Bahamas and St. Kitts and Nevis.

The results of the 2007 Survey of Living Conditions (SLC) in August 2007 indicate that poverty was 18.4% in 2005/06. Indigence was 5.0 percent. The indigence line was EC\$6.71 or US\$2.51 per day in

2005/06. The index of inequality – the Gini coefficient - was estimated to be 0.49: inequality in Antigua and Barbuda is high. The poorest 20% enjoyed just 4.5% of the expenditures compared to 56.3% enjoyed by the richest 20%. The poverty gap and FGT index were 18.4 and 6.6 respectively.

Poverty is not associated with high unemployment (4%) as the majority of the population of working age are employed however a large number of these individuals attract low levels of pay. The phenomenon of the working poor is a significant factor in the analysis of poverty with large numbers of women dependent for employment on the hotel and restaurant sectors, where the jobs are heavily weighted in favour of low skilled employment and are subject to the travails of seasonality. This sector was also subject to pressure from incoming migrants, with the result that wages were in all likelihood close to market clearing levels.

According to the SLC as much as 52.3% of the poor within the workforce did not possess any educational certification. Despite a sustained level of investment in the education sector over the years, it is apparent that a significant proportion of the workforce have not benefited from the advances that have occurred in the areas of education and training.

In the geographic distribution of poverty former sugar producing areas such as St. Philip and areas with a high concentration of migrants experiencing higher levels of poverty. The crisis in the banana industry in Dominica, an effect of WTO ruling, and the volcanic eruption in Montserrat have had a ripple effect on A & B with migrants facing economic decline in both of these countries migrating to Antigua and Barbuda.

The data from the SLC show that the country has embarked on a transformation process in education, starting with a relatively low base in terms of skills and education within its work-force, which does not portend well for its performance in the knowledge economy of the 21st century. A major effort will be needed to upgrade its existing work-force at the same time as educational quality is improved for those currently in the system. Good primary care has guaranteed a reasonable improvement in life expectancy for the population, and relative immunity from communicable diseases, except STDs like HIV/AIDS. However, the epidemiological profile derived from the SLC suggested a high prevalence of chronic diseases. Life style changes would be necessary to arrest and reverse this trend.

The Government of Antigua and Barbuda is committed to implementing pro-poor approaches at the same time as it seeks to put the country on a sustainable growth path. It is committed like other members of the OECS to comply with the benchmarks set in the MDGs, and more so the variant of these that seems most appropriate to the Commonwealth Caribbean. The table in Annex B summarises the situation for the country based on the data generated in the SLC. The authorities are currently finalizing a Millennium Development Gold Report – 1990 -2007 which should be available in June 2008. Initiatives to reduce and alleviate poverty in A & B have had to be managed against the backdrop of a major fiscal crisis in the public finances which is being addressed in the Governments home-grown fiscal stabilisation programme.

In the short term, the Government has undertaken a number of measures that are pro-poor, and which seek to manage the impact of the crisis. It is establishing a more transparent and facilitative environment for private sector growth through the establishment of an Investment Authority. Credit is to be made available to small, medium enterprises (SMEs) through the Development Bank. The raising of the non-contributory pensions, the reduction of customs duties on essential food and other requirements of the poor, the introduction of the schools meals programme, and the school uniform programme are meant to give relief to the poor. Primary health care has been maintained and expanded. Housing of lower income people is being addressed through the affordable homes programme. The provision for adult education and post school education and training generally, is being addressed as a key mechanism in upgrading the work-force and in enlisting marginalised youth: while there is increasing access, the challenge would be in encouraging the commitment of such youth in taking advantage of the programmes.

1.4 Update on the environmental situation

Antigua and Barbuda has signed many international conventions related to the protection and sustainable use of our environment. Antigua and Barbuda's capacity to put these agreements into action is severely restricted by its limited resources. In order to carry out the agreed activities of the convention Antigua and Barbuda must first build its capacity: legal, financial, institutional and technical.

Antigua and Barbuda has also signed the St. George's Declaration, it outlines principles for Environmental sustainability in the OECS it is based on the Small Island Developing States (SIDS) plan of action and sets out principles for Environmental Sustainability. The National Environmental Management Strategy (NEMs) is a management tool which has been developed based on the issues addressed by St. George's Declaration. Each signatory was required to set up a management plan which would form the implementation strategy of the St. George's Declaration ours is the NEMs. Environment Division has acquired funding from the Global Environment Facility (GEF), via the NEMs, to set up the National Capacity for Self Assessment (NCSA) in order to assess and develop the capacity of civil society to play an effective role in the development implementation of its international and regional commitments.

The NCSA process seeks to identify, through a country driven process, the key capacity constraints to protection and management of the specific aspects of the environment; Biodiversity, Climate Change and Desertification and Land Degradation, outlined by the GEF. Using the reports on these areas the Environment Division through the NCSA will produce a combined synergistic/stocktaking assessment. The NCSA will also facilitate the development of a capacity building action plan for the three areas of focus outlined by the GEF. The action plan will also allow us to move a step closer to fully implementing the conventions Antigua and Barbuda is party to.

2. Overview of past and ongoing EC co-operation

Antigua and Barbuda is one of the few Eastern Caribbean countries where the principal source of assistance has been from the EDF NIP which, given the size of the population and the per capita GDP, has been relatively modest. Historically there have been significant delays with implementation due, in particular, to poor interdepartmental coordination. However, aid management has recently improved and many of the objectives have been attained, even surpassed.

Under the 7th, 8th and 9th EDF, EC aid has been focusing on human resource development in line with Government policy to upgrade the country's intellectual capital by means of a comprehensive reform of the education system.

Antigua and Barbuda originally benefited from an allocation of €2.3 million under the A envelope and €0.3 million under the B envelope under the 9th EDF. Following transfers from funds left over from previous EDF allocations, the total under the A envelope is €7.7 million.

2.1 Reporting on the financial performance of EDF resources

The 9th EDF which amounts to €7.3 million, including funds transferred from previous EDFs, have targeted the education sector, at the tertiary level. The overall objective of the EC intervention was to upgrade the level of trained human resources in the labour market in the context of a changing economic, social and cultural environment.

In 2008 EUR 635,000 was committed within the framework of the EDF and EUR 1.688 million was disbursed.

For the 10th EDF A-allocation of EUR 3.43 M a total of EUR 3.00 M has been allocated to fiscal and public sector reform to assist the Government with implementation of policies and strategies aimed at achieving sustained debt reduction. In addition EUR 0.430 M has been allocated for a Technical

Cooperation Facility, in particular to support Non-State Actors (NSAs) and trade related technical assistance.

2.2 Reporting on General and Sectoral Budget Support

Antigua and Barbuda does not benefit from general or sector budget support programmes.

2.3 Projects and Programmes in the focal and non focal sectors

2.3.1. The contribution of projects and programmes in the focal sector(s) of the CSP to the country performance as measured against their targets;

10th EDF Project – Focal Sector:

A consultant was hired in the October 2008 to prepare a programme for the focal sector and support to the NAO. A public finance management reform project was prepared and it is expected that a Financing Agreement will be signed in the latter half of 2009.

10th EDF Project – Non Focal Sector: Support to Technical Cooperation Facility (TCF) and Non State Actors

The programme for TCF and non state actors have been prepared and submitted for approval in 2008. However, due to the CSP not yet signed, a Financing Decision can only be taken in the course of the Annual Action Programme 2009.

9th EDF €7.3 million – Focal Sector: Human Resources Development

Under the 9th EDF, 94.8% of the “A envelope” amounting to €7.3 million, including funds transferred from previous EDFs, have targeted the education sector, at the tertiary level. The EC has funded a €3.8M project (9 ACP AB01) Strengthening of the Technical, Vocational Education Project (STAVEP). This project seeks to improve capacity in technical and vocational training in conformity with market and social demand, through the enhancement of relevance and ownership, access and equity, quality and efficiency. This will be achieved through the enhancement of facilities, capacity building, professional development, and an improved curriculum at the Youth Skills Training Program (YSTP) and the Engineering Department of the Antigua State College.

Implementation continues at a steady pace, with the successful roll out of several key activities in 2008. The Acts (legislation) to establish were read in Parliament in Q4 of 2007. Some revisions key legislation relating to the establishment of the Antigua and Barbuda National Training Agency (ABNTA) and the Antigua and Barbuda Institute of Continuing Education (ABICE) were passed in Q2 of 2008. Collaboration with partners in industry continues to be strengthened. The technical assistance contract comes to an end in March 2008. The consultancy team coordinated strengthening of the various TVET institutions and capacity building of key stakeholders as it gradually handed over various aspects of the programme as part of its exit strategy. To this end, strategic action plans were prepared for both ABICE and the ABNTA. Civil work construction of new TVET-related facilities at ABICE and the Antigua State College (ASC) are complete. Installation of equipment as part of the various supplies contracts is complete. All of the works to be done on the classrooms at ABICE has been completed.

The EC has funded a €2.3M project (9 ACP AB05) for Upgrading Facilities at Antigua State College. The works on the Learning Resource Centre\Antigua State College project was awarded in May 2007. This contract was awarded following tendering with a suspension clause. The recruitment of a supervising consultant was delayed due to the fact that the initial tender process had to be cancelled and negotiated. Additional construction drawings also had to be provided to enable actual construction work to start. Work commenced in September 2007 and is due to finish in December 2008.

A Financing Agreement under the 9th EDF (9 ACP AB 6) Technical Cooperation Facility (TCF II) for an amount of €416,593 was signed by the NAO end-August 2007. The first and only Programme Estimate was signed in March 2008 and will be for a period of 18 months. The progress in the start-up

of the work programme was somewhat delayed due to the slow approval process for the establishment of a new bank account necessary for the implementation of the PE. The project identification phase for the preparation of the fiscal reform programme under the 10th EDF began in October 2008 and the final report was submitted in January 2009. The preparation for the project is underway and it is expected that a financing agreement will be in place by the end of 2009.

2.3.2. The development of results achieved by projects and programmes in the non- focal area, measured against their identified project/programme/sector targets

No more funds are available under the B envelope after completion of 9 ACP AB 4 - Support to the TCF and the Non-state advisory panel for which the implementation phase was completed on 31 August 2008.

2.3.3. The development of results achieved by support to the Non-State Actors

No resources were set aside for NSAs under the 9th EDF. However with the aim of strengthening civil society involvement in the EU/Antigua & Barbuda development partnership, it was agreed that a Non State Actors (NSA) Advisory Panel, representative of St. Antigua & Barbuda civil society, would be established by the Government. The Panel would allow for tripartite dialogue, information and consultation on development cooperation between the EU and Antigua & Barbuda.

A team of international consultants subsequently undertook a mapping exercise of NSAs throughout most of the eastern Caribbean, which assisted in the selection of members of the Panel. The Panel represented an opportunity to discuss with the NSAs the Programming Orientations for the 10th EDF. Under the Technical Cooperation Facility funds were allocated for the convening of conferences and seminars to support stakeholders involved in strengthening NSAs public sector dialogue. NSAs will benefit from similar resources under the 10th EDF TCF.

2.4 Other cooperation

Caribbean Regional Indicative Programmes (EDF)

Antigua and Barbuda, a member of CARICOM/CARIFORUM, is a beneficiary of the many regional programmes funded through the EDF. The 7th EDF RIP has a global envelope of €105 million, while the 8th EDF RIP has €90 million available. Discussions on the programming of the 9th EDF RIP have led to the decision that the focal sector for support will be regional economic integration and integration into the world economy, for which an envelope of €57 million is available. The EU - Caribbean Regional Strategy and Indicative Programme were signed at the end of 2008 and will make another € 165 million available for the Caribbean regional integration process.

Under the Caribbean Regional Indicative Programme (CRIP), Antigua is benefiting from the construction of a three storey Science Block at the Antigua State College as part of the OECS Human Resources development - Tertiary level programme. It has also benefited from CRIP funds for the rehabilitation of the Nelson Dockyard seawall (see above).

Caribbean Integration Support Programme (9th EDF)

The availability of valid and accurate statistical data in the region is being addressed through Caribbean Integration Support Programme. (Total cost: €42 M (including CARICOM contribution of € 1.5M). One of the results expected under this programme is the development of improved and harmonised economic statistics. This component will assist CARICOM efforts to ensure statistical development and dissemination at the Regional and National level, for the

collection, as well as the harmonisation of economic statistical bases and training. The main activities consist of a) Harmonisation of the inter-regional statistical infrastructure; b) Improvement of statistical programming, production and dissemination of key economic statistics mainly; c) Training staff and using economic statistics for monitoring of the regional integration process. The components budget is estimated at €3.3M with an implementation period of thirty six months.

Support from all ACP funds (EDF)

The EC approved the €50 million all ACP Trade.Com programme in August 2003, which is aimed at reinforcing the analytical and research capacities for trade policy formulation in; providing immediate assistance for ongoing negotiation and promoting activities for institutional support in the area of trade support services ACP countries. A specific project (“Hubs and Spokes”) has been designed for the Caribbean region, which has been initiated in 2004. Under this project the OECS Secretariat is benefiting from the services of a Trade Policy Adviser, soon to be assisted by a Trade Policy Analyst.

The OECS has received Funding (€280,000) for the Establishment of an OECS Representation Facility in Geneva to follow-up WTO matters, under the €10 Million WTO Support Facility, as well as for Capacity Building in support of the preparation of the EPA (€350,000) under the 20 Million EPA Support Facility. The Caribbean Regional Negotiating Machinery (CRNM) has also received support (€857,652) from the EPA Support Facility. Also the NAO Office benefited from a 9th EDF Financial and Contractual Procedures Training held in Barbados in January 2005, under an All ACP programme started in 2004.

Thematic Budget-lines (EC Budget)

The EC approved in May 2003 a Caribbean regional programme from a budget line B7-701 (Human Rights Development) to further restrict the implementation of the death penalty in the Commonwealth Caribbean with a view to its eventual abolition.

European Investment Bank (EIB)

The EIB has provided Antigua and Barbuda with a total of €9.45 million in financial assistance since 1979. EIB loans have been utilised for a road rehabilitation programme, an airport navigational system at V.C. Bird Airport, the improvement of the North Shore Water Distribution System and a livestock development programme. The EIB also participates in the funding of the Antigua and Barbuda component of the OECS waste management project. Antigua and Barbuda is in arrears with debt servicing of Lomé III Special Loans managed by the EIB. The Bank's activity regarding new projects in Antigua and Barbuda is currently put on hold until the arrears situation has been solved. The Government is in dialogue with the EIB to explore ways to address this issue.

Amongst the various projects that the Bank is currently pursuing is the development of global loan structures with financial intermediaries in the commercial sector that have a broad reach throughout the Eastern Caribbean. Three projects under this heading were signed in 2005: Caribbean Development Bank Global Loan III EUR 40m, Clico Investment Bank Global Loan EUR 20m and DFL IX EUR 7m. All these facilities can be used throughout the Caribbean ACPs. Additionally the Bank supports the micro finance sector through Caribbean Microfinance Limited, which has subsidiaries in Grenada and St. Lucia. A&B will explore the possibility of establishing a similar subsidiary in A&B, with a view to promote private sector development in A&B, SKN and Montserrat.

The outstanding EIB loan portfolio for operations in Antigua and Barbuda amounted to € 6.2m by the end of 2007, on signatures of € 9.5m. These were all operations under the Lomé Agreement and include a road rehabilitation programme, an airport navigational system at V.C. Bird Airport, the

improvement of the North Shore Water Distribution System and a livestock development programme. The EIB has also participated in the funding of the Antigua and Barbuda component of the OECS waste management project. Antigua and Barbuda is in arrears with debt servicing of Lomé III Special Loans managed by the EIB. The Bank's activity regarding new projects in Antigua and Barbuda is currently put on hold until the arrears situation has been solved. The Government is in dialogue with the EIB to explore ways to address this issue. No new loan has been signed since 1995 and the total outstanding amount is € 2.6 million.

Amongst the various projects that the Bank is currently pursuing is the development of global loan structures with financial intermediaries in the commercial sector that have a broad reach throughout the Eastern Caribbean. Three projects under this heading were signed in 2005: Caribbean Development Bank Global Loan III € 40m, Clico Investment Bank Global Loan € 20m and DFL IX € 7m. All these facilities can be used throughout the Caribbean ACPs. Additionally the Bank supports the micro finance sector through Caribbean Microfinance Limited, which has subsidiaries in Grenada and Saint Lucia. Consideration is being given to extending regional financing for SMEs with further global loans, and support for a dedicated SME financing facility promoted by the ECCB.

Humanitarian aid and disaster preparedness

From 1998 to 2007, the Directorate General for Humanitarian Aid (DG ECHO) allocated more than € 8.5 million to community disaster preparedness in the Caribbean through the DIPECHO (Disaster Preparedness ECHO) programme. This programme aims to reduce the vulnerability of the Caribbean countries by working with the communities most at-risk to improve their disaster preparedness.

Centre for the Development of Enterprise (CDE)

The CDE supports private sector development by providing non-financial services to ACP companies and businesses and support to joint initiatives set up by economic operators of the Community and of the ACP States. In the OECS region the CDE supports Private Sector development through sector programmes in Construction and Mining, Agro-processing, Wood, Herbal Medicines and Tourism. Over the period 1999-2005, CDE has assisted in the OECS region a total of 69 projects carrying out 103 interventions at a total cost of EUR 719 035 of which EUR 517 376 were contributed by the CDE.

The PROINVEST programme financed by EDF all-ACP funds and managed by the CDE aims at increasing investments between the Caribbean and Europe. PROINVEST has a fund of EUR 110 M over 5 years to support private sector development in the Caribbean, African and Pacific Countries. By the end of 2005, the Programme had committed EUR 5 373 679 to activities within the Caribbean region; of this, EUR 2 212 817 was committed during the course of 2005, to support individual company business plans, public-private sector dialogue, company match-making activities, and business development institutional services.

2.5 Policy Coherence for Development (PDC)

The preparation of the National Strategic Development Plan (NSDP) is still ongoing and the Government has not indicated a date for the finalisation of the policy. The authorities are also working on the Millennium Development Gold Report – 1990 -2007 was not available at the time of writing.

The recent Budgets presented by the Government have been designed to create what has been seen as a 'home-grown economic and stabilization programme'. The primary objective is to:

1. Correct the fiscal imbalances;
2. Control the high level of central government debt;
3. Strengthen governance and transparency;
4. Expand social programmes; and
5. Encourage private sector development.

Generally, the Government set itself the objective of realizing a current account surplus of 4 percent of GDP in five years, reducing disbursed outstanding debt to the region of 60 percent of GDP within ten years, and getting the debt service to current revenue ratio to 15 percent within five years. In order to achieve these objectives the Government introduced a comprehensive reform programme comprised of, but not limited to:

- Improved accountability and transparency in public operations, including in the Customs Department;
- Reduction of fiscal debt, and generally, an improvement in debt management;
- Promotion of private sector investment and development;
- Tax reform;
- Rationalization of tax concessions;
- Implementation of a Public Sector Investment Programme;
- Introduction of Sales Tax;
- Improved expenditure controls in the public sector;
- Voluntary Separation Package for public servants; and
- Reintroduction of personal income tax.

The Government's programme is premised on some degree of debt restructuring and debt forgiveness on the part of the international community. Some 75 percent of revenue was pre-empted by its wage bill and a considerable share of the remaining revenue was earmarked for the payment of specific creditors. CIDA are providing technical assistance to the Government in debt management.

2.6 Dialogue in country with the national parliaments, local authorities and NSAs

The Delegation and the NAO office decided to seize the opportunity offered by the launching of the NSA Advisory Panel in June 2006, to discuss 10th EDF programming matters with civil society. The Non State Actors Panel (NSAP) in Antigua and Barbuda is led by an Executive Committee comprised of representatives from the Chamber of Commerce, women's development organizations, the Fishermen's Association, service clubs and small business development entities.

The NSAP has an established secretariat responsible for assisting with its day to day operations. The Panel also has a representative on the Project Steering Committee which has responsibility for two major EU funded education projects, namely the STAVEP and UFASC. The 10th EDF NIP has earmarked some non-focal sector funding under the Technical Cooperation Facility for institutional strengthening of NSAs, including networking and fund-raising skills.

During the last few months, the NSAP has been reactivated and now has an established secretariat responsible for assisting with its day to day operations. The Panel also has a representative on the Project Steering Committee which has responsibility for two major EU funded education projects, namely the STAVEP and UFASC.

To date:

- a) Meetings have been held with representatives from the EU Delegation (to discuss the role and function of the NSAP and possible development activities which may be embarked upon.
- b) Plans are presently being made by the authorities to:
 - i) Conduct study tours to other regional NSAP
 - ii) Provide training for members, and
 - iii) Conduct a feasibility study to determine the level of technical assistance which can be provided to the local fishermen's groups in Antigua and Barbuda.

The NSAP plans to increase its visibility on a national level over the next few months.

2.7 Aid Effectiveness

Most aspects with regards to aid effectiveness are coordinated through the Eastern Caribbean Donor Group, a framework guided by the UNDP. Currently sub-groups on poverty, private sector development and governance exist and another one on economic management and public finance management is being established.

The presence of development partners with a sizeable programme in this Caribbean region is limited. Besides the UK, the involvement of EU member states in development cooperation is rather small. France has a small development fund for OECS countries and has recently approached the Delegation to ensure the coordination of efforts. However, Canada and the US have a sizable development component.

Closer working relations were established with relevant development partners in the region, especially DFID, CIDA, WB, IMF IDB, CDB and co-funding mechanisms established with UNDP, WB, FAO and CARTAC with the purpose to increase efficiency and development impact. Cooperation and coordination is relatively well established in matters related to Budget Support (macro-economic analysis, Public Finance Management). Contact and exchange of information with the EIB was held on a regular basis. Disaster management and civil protection received particular attention due to two new regional initiatives, the EC contribution to the Caribbean Catastrophe Risk Insurance Facility – CCRIF managed by the WB (€12,500,000) and the Regional Risk Reduction Initiative -R3I through a contribution to the UNDP (€4,932,000). Donor coordination on trade issues is effective (eg CRNM donor group meets regularly) and intensified on drugs and crime issues (eg mini-Dublin group meetings).

B.3. ANNEXES TO THE JAR¹

1) GENERAL ANNEXES "COUNTRY AT A GLANCE" – TABLE

ANNEX A1) Table of Macroeconomic Indicators

Indicator	Actual			Estimate		Projected				
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
National accounts (as % of GDP)										
Gross domestic product ^b	100	100	100	100	100	100	100	100	100	100
Agriculture	3,9	3,9	3,8	3,7	3,7	3,7	3,6	3,5	3,4	3,5
Industry	20	23	21	21	21	21	21	20	20	20
Services	76	73	75	75	75	76	76	76	77	77
<i>Memorandum items</i>										
Gross domestic product (US\$ million at current prices)	678	710	727	759	802	834	881	936	981	1043
GNI per capita (US\$, Atlas method)	8670	8800	8770	9330	9950	..	..	..	..	..
Real annual growth rates (% , calculated from 1990 prices)										
Gross domestic product at factor cost	3,3	1,5	2,2	4,9	4,1	2,5	4,1	4,6	3,2	4,9
Real annual per capita growth rates (%)										
Gross domestic product at factor cost	1,7	-0,1	0,6	3,3	2,5	0,9	2,5	3,0	1,6	3,3
Balance of Payments (US\$ millions)										
Trade Balance	-290	-281	-299	-311	-329	-354	-384	-405	-424	-451
Merchandise Exports FOB	52	41	37	42	45	47	50	53	55	59
Merchandise Imports FOB	342	321	336	353	374	401	434	457	479	510
Tourist receipts	290	272	274	300	327	357	396	441	467	507
Net current transfers	9	9	6	13	9	9	10	10	10	11
Current account balance	-65	-65	-111	-104	-106	-116	-130	-119	-121	-118
Net private foreign direct investment	28	44	37	74	59	64	70	78	85	94
Change in reserves ^o	6	-16	-8	-26	11	-2	-2	-2	-2	-2
<i>Memorandum items</i>										
Resource balance (% of GDP)	38,3	32,5	30,7	31,1	31,7	33,3	34,9	36,6	37,0	37,8
Public finance (as % of GDP at market prices)^e										
Total revenues and grants	21,7	19,2	21,5	21,0	21,4	24,4	26,4	27,4	27,4	27,4
Total expenditures and net lending	26,7	30,3	32,2	27,7	26,8	35,0	34,7	33,0	32,0	31,0
Central government overall balance	-5,0	-11,1	-10,7	-6,7	-5,4	-10,6	-8,3	-5,6	-4,6	-3,6
Capital expenditure	2,1	4,7	5,1	4,0	1,8	4,0	..	..	..	..
Primary balance	-0,3	-6,8	-6,7	-3,0	-1,9	-4,6	-1,6	1,4	2,4	3,4
Monetary indicators										
M2/GDP	75,8	75,8	78,7	91,3	91,3	91,2	..	..	..	..
Growth of M2 (%)	5,7	4,8	6,3	21,1	5,7	3,9	..	..	..	..
Consumer price index (% change, average)	-0,6	-0,4	1,8	2,8	1,5	1,5	1,5	1,5	1,5	1,5

a. Projections for 2005-09 are based on an adjustment scenario including regularizing the stock of total arrears in 2005 through issuing long-term bonds.

b. GDP at factor cost

c. "GNFS" denotes "goods and nonfactor services."

d. Includes net unrequited transfers excluding official capital grants.

e. Includes use of IMF resources.

f. Consolidated central government.

g. "LCU" denotes "local currency units." An increase in US\$/LCU denotes appreciation.

Source: World Bank OECS Country Assistance Strategy 2007-2011

¹ To the extent possible, the annexes should be produced also for the Pacific micro-states. An assessment should at least be made of data collection and availability at national or supranational/regional level regarding key macro-economic and MDG related indicators required to complete the description of latest economic, social and poverty developments and trends provided in the Executive Summary.

C.2 – Donors Matrix

ANNEX A2) Table of indicators for the MDGs

TABLE OF INDICATORS FOR THE MDGs

(This table is extracted from the Survey of Living Conditions in August 2007 which is the most recent report available on the status of MDGs in Antigua & Barbuda)

Goal 1: Eradicate extreme poverty and hunger	
<p>Target 1 Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day</p>	<p>Indicators Proportion of population below \$1 (1993 PPP) per day; Poverty gap ratio (incidence x depth of poverty); Share of poorest quintile in national Consumption</p>
<p>Target 2 Halve, between 1990 and 2015, the proportion of people who suffer from hunger</p>	<p>Indicators Prevalence of underweight children under five years of age; Proportion of population below minimum level of dietary energy consumption</p>
<p>The results of the 2007 Survey of Living Conditions indicate that poverty was 18.4 in 2005/06. Indigence was 5.0 percent. The indigence line was EC\$6.71 or US\$2.51 per day in 2005/06. The index of inequality – the Gini coefficient - was estimated to be 0.49: inequality in Antigua and Barbuda is high. The poorest 20% enjoyed just 4.5% of the expenditures compared to 56.3% enjoyed by the richest 20%. The poverty gap and FGT index were 18.4 and 6.6 respectively.</p>	
Goal 2: Achieve universal primary education	
<p>Target 3 Ensure that, by 2015, children everywhere (boys and girls) will be able to complete a full course of primary schooling</p>	<p>Indicators Net enrolment ratio in primary education; Proportion of pupils starting grade 1 who reach grade 5; Literacy rate of 15-24 year-olds</p>
<p>Status: Antigua and Barbuda has a long tradition of universal primary education. Plans were in place to achieve universal secondary education in the course of the academic year 2006/2007.</p>	
Goal 3: Promote gender equality and empower women	
<p>Target 4 Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015.</p>	<p>Indicators Ratio of girls to boys in primary, secondary and tertiary education; Share of women in wage employment in the non-agricultural sector; Proportion of seats held by women in national parliament</p>
<p>Status: There exists a Gender Affairs Division. In addition to working to empower women generally, through advocacy, it has sought to focus on the problem of violence against women in general, and on domestic violence, in particular. The 2004 general elections put one female elected member of parliament in parliament. There are also women in the upper House of Parliament and both the Speaker of the House and the President of the Upper house are females. Women are also well represented in the upper levels of the public service and dominate the teaching service.</p>	
Goal 4: Reduce child mortality	
<p>Target 5 Reduce by two thirds, between 1990 and 2015, the under-five mortality rate</p>	<p>Indicators Under-five mortality rate; Infant mortality rate; Proportion of 1 year-old children immunized against measles ..</p>
<p>Status Immunization of children under five years of age is well institutionalised. Children have to be immunised to gain admission to primary schools. The SLC results suggest almost complete coverage.</p>	
Goal 5: Improve maternal health	

C.2 – Donors Matrix

Target 6 Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio	Indicators Maternal mortality ratio; Proportion of births attended by skilled health personnel
Status Maternal mortality is low, and women have ready access to care during pregnancy. However, there is some evidence of an increase in babies being born prematurely.	
Goal 6: Combat HIV/AIDS, malaria, and other diseases	
Target 7 Have halted by 2015 and begun to reverse the spread of HIV/AIDS	Indicators HIV prevalence among pregnant women aged 15-24 years
Target 8 Have halted by 2015 and begun to reverse the incidence of Malaria and other major diseases	Indicators Prevalence and death rates associated with malaria; Prevalence Proportion of tuberculosis cases detected and cured under DOTS and death rates associated with Tuberculosis;
Status Malaria no longer poses a problem in Antigua and Barbuda. All other communicable diseases are under control. However, the prevalence rates of lifestyle diseases are notably high - Diabetes, High Blood Pressure, Heart Disease, Cancer. The SLC yielded little information on the prevalence of HIV/AIDS. However, at the level of the community, respondents did suggest prevalence of HIV/AIDS enough to create concern.	
Goal 7: Ensure environmental sustainability	
Target 9 Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources per capita and consumption of ozone-depleting CFCs source, urban and rural	Indicators Proportion of land area covered by forest; Ratio of area protected to maintain biological diversity to surface area; Carbon dioxide emissions
Target 10 Halve, by 2015, the proportion of people without sustainable access to safe drinking water and sanitation	Indicators Proportion of population with sustainable access to an improved water
Target 11 By 2020, to have achieved a significant improvement in the lives of slum dwellers	Indicators Proportion of households with access to secure tenure Status
Status There are limited institutional resources to treat with reforestation, coastal and marine conservation. The survey shows that almost 90 percent of the population has access to potable water supply from a public source.	
Goal 8: Develop a global partnership for development	
Targets 12-18: Summary Indicators Official development assistance; Market access; Debt sustainability; Youth unemployment rate; access to affordable essential drugs; telephone lines and cellular subscribers per 100 population; computers in use per 100 population and Internet users per 100 population	
Status Antigua and Barbuda is signatory to a number of cooperation agreements. Because of its high per capita income, it did not attract much development assistance in the past. However, its present indebtedness has made it necessary to look to Development Assistance for programme support, generally and for the PSIP, in particular.	
Source: Survey of Living Conditions, August 2007	

C.2 – Donors Matrix

B) ANNEXES WITH A RETROSPECTIVE CHARACTER

ANNEX B1) the 10th EDF and previous EDFs as per closure of financial year of 2008

YEAR of GLOB. Commit.	ACCOUNTING NUMBER of GLOBAL commit.	0	TITLE GLOBAL COMMITMENT	END date of implementat ^o	GLOBAL COMMIT.	INDIV. COMMIT.	RAC
		N° INDIV COMMIT.	TITLE INDIVIDUAL COMMITMENT		AMOUNT ONGOING INDIV. COMMIT.	PAYMENTS ON ONGOING INDIV. COMMIT.	RAP
TOTAL ON ONGOING GLOBAL COMMITMENTS					7,773,000	7,255,195	517,805
TOTAL ON ONGOING INDIVIDUAL COMMITMENTS					6,590,889	4,581,908	2,008,981
2002	8ACP AB2	0	TA TO THE NAO	20061231	298,000	290,075	7,925
2002	8ACP AB2	3	WORK PROGRAMME 3 FOR 2005/2006 - XCD 227,000	20060214	68,969	68,425	544
2002	8ACP AB2	4	SUPPORT SERVICES TO THE NAO/WORK PROGRAMME 3 YR.2006 FOR	20061231	74,200	72,341	1,859
2003	8ACP AB3	0	MULTI-COUNTRY DRUG DEMAND REDUCTION PROJECT	20061231	350,000	321,714	28,286
2003	8ACP AB3	3	ANTIGUA DRUG DEMAND REDUCTION PROGRAMME/WP 2005-2006 FOR	20061231	233,000	114,434	118,566
2003	9ACP AB1	0	STRENGTHENING OF TECHNICAL AND VOCATIONAL EDUCATION PROJECT	20101231	3,883,407	3,823,076	60,331
2003	9ACP AB1	3	PROGRAMME ESTIMATE NO.2/STAVEP PROJECT FOR PERIOD	20060908	110,544	105,544	5,000
2003	9ACP AB1	4	SERVICE CONTRACT 2 YEARS_ CAMBRIDGE EDUCATION LTD	20080229	794,999	772,602	22,398
2003	9ACP AB1	5	V.E.C CONSTRUCTION /STAVEP YSTP SITE EXPANSIONFOR	20080123	1,470,000	1,325,934	144,066
2003	9ACP AB1	6	SUPPLY AND INSTALLATION OF EQUIPMENT AND TOOLS FOR STAVEP	20070913	306,983	306,983	0
2003	9ACP AB1	7	SUPPLY AND INSTALLATION OF EQUIPMENT & MATERIALS/YSTP/ASC	20070913	364,098	364,098	0

C.2 – Donors Matrix

YEAR of GLOB. Commit.	ACCOUNTING NUMBER of GLOBAL commit.	0	TITLE GLOBAL COMMITMENT	END date of implementat°	GLOBAL COMMIT.	INDIV. COMMIT	RAC
		N° INDIV COMMIT.	TITLE INDIVIDUAL COMMITMENT		AMOUNT ONGOING INDIV. COMMIT.	PAYMENTS ON ONGOING INDIV. COMMIT.	RAP
2003	9ACP AB1	8	SUPPLY AND INSTALLATION OF EQUIPMENT(LOT 8) FOR STAVEP BY	20070913	142,306	142,306	0
2003	9ACP AB1	9	PROGRAMME ESTIMATE 3 - STAVEP FOR PERIOD SEPTEMBER 11,2006	20080630	494,900	417,061	77,839
2003	9ACP AB2	0	PREP. FP - LEARNING RESOURCE CENTRE (+8 AB 1)	20051101	5,000	4,541	459
2004	9ACP AB4	0	TECHNICAL COOPERATION FACILITY (TCF)	20101031	480,000	446,599	33,401
2004	9ACP AB4	2	FRAMEWORK CONTRACT NO.2005/102899-B&S EUROPE FOR EUR 30,000	20051231	30,000	28,504	1,496
2004	9ACP AB4	5	PROGRAMME ESTIMATE FOR SUPPORT TO NON-STATE ACTORS ADVISORY	20070508	19,700	825	18,875
2004	9ACP AB4	6	PE 1 FOR SUPPORT TO NAO, TRADE CAPACITY AND NSA PANEL FOR	20081031	112,000	32,101	79,900
2005	9ACP AB5	0	UPGRADING OF FACILITIES AT ANTIGUA STATE COLLEGE. MORE THAT	20111231	2,340,000	2,241,600	98,400
2005	9ACP AB5	1	UPGRADING OF FACILITIES AT THE ANTIGUA STATE COLLEGE	20081210	2,050,000	694,278	1,355,722
2005	9ACP AB5	2	SUPERVISION OF WORKS WITH SKINNER & JOSEPH Q.S FOR UPGRADE OF	20080731	89,600	80,065	9,535
2005	9ACP AB5	3	SERVICE CONTRACT RE TA- SKINNER JOSEPH FOR EC\$352,690.44 RE	20090930	102,000	0	102,000
2007	9ACP AB6	0	TECHNICAL COOPERATION FACILITY 2 (TCF 2)	20110831	416,593	127,590	289,003
2007	9ACP AB6	1	PROGRAMME ESTIMATE (01/03/2008 TO 30/06/2009) FOR TCF 2	20090630	65,700	19,274	46,426
2007	9ACP AB6	2	FWC BENEF- ECORYS FOR TCF- PREPARATION OF 10TH EDF PROJECT	20090131	61,890	37,134	24,756

C.2 – Donors Matrix

ANNEX D2) Donor Matrices current and future financial support

Source: World Bank OECS Country Assistance Strategy 2007-2011

Development Partner	Thematic Areas																
	Private Sector	Financial Sector	Energy	Infrastructure/Transport	Trade	Agriculture & Rural Dev.	Health	Education	Environment	Tourism	Water & Sanitation	Social Protection	Public Sector	Judicial & Legal Reform	Capacity/Inst. Building	Disaster Management	Security & Stability
CDB		X				X	X	X				X	X	X	X	X	
CIDA	X				X				X				X		X	X	
DFID		X			X	X	X	X				X	X				
European Union	X			X	X	X	X	X		X	X	X			X	X	X
France							X					X			X		
Japan	X								X							X	
Kuwait				X													
OAS			X		X			X	X	X		X				X	
Taiwan, China													X				X
UNDP	X	X				X		X	X			X	X		X	X	
USAID	X	X					X							X		X	X
World Bank		X	X	X	X		X	X	X		X	X	X		X	X	X

1

ANNEX 5B) Synthetic list of still ongoing regional and intra ACP projects (Situation on December 31st, 2008)

9TH EDF

Regional Caribbean Projects		
Project Number	Project Title	Total (€ mn)
9 ACP RCA 1	Regional Weather Radar Warning System	12.7
9 ACP RCA 3	Air Access Improvement Programme for Dominica	11.95
9 ACP RCA 4	Développement économique du corridor nord de l'île d'Hispaniola	19.5
9 ACP RCA 7	Technical Co-operation Facility (TCF)	1.86
9 ACP RCA 8	Caribbean Trade and Private Sector Phase Phase I	2.6
9 ACP RCA 9	Institutional support and capacity building for disaster management (CDERA)	3.4
9 ACP RCA 10	Support to Caribbean Knowledge and Learning Network (CKLN)	1.99
9 ACP RCA 11	Projet environnement transfrontalier Haïti-République Dominicaine	2.5
9 ACP RCA 12	Caribbean Integration Support Programme	37
9 ACP RCA 13	Activities linked to the CISP (including 0.5 for CARTAC II)	3,5
9 ACP RCA 14	Institutional support to the Caribbean Court of Justice	1,315
9 ACP RCA 15	TCF II	1
9 ACP RCA 16 & 17	Caribbean Trade and Private Sector Phase II	7.9
9 ACP RCA 18 & 19	Bahamas Law School	1.689
9 ACP RCA 20	Contribution to the Caribbean Catastrophe Risk Insurance	8
9 ACP RCA 21	Study for the improvement of ferry docking facilities in Antigua	0.12
9 ACP RCA 22	Hurricane Dean Rehabilitation Assistance – Jamaica – Regionalised B envelope	5.05
9 ACP RCA 23	Cyclone Noel – rehabilitation assistance budget support programme – Dominican Republic – Regionalised B envelope	7.5
9 ACP RCA 24	Standby Facility for debt relief emergency and humanitarian assistance	14.75
All ACP Projects		
Project Number	Project Title	Total (€ mn)
9 ACP RPR 6	Support to the competitiveness of the rice sector in the Caribbean	23.57
9 ACP RPR 21	Support to the collaborative doctoral programme in economics	1
9 ACP RPR 61	Programme for science and technology innovations and capacity building (PSTICB)	30.35
9 ACP RPR 64	All ACP Agricultural Commodities Programme	45
9 ACP RPR 164	Support to CKLN II	10
9 ACP RPR 167	Capacity Support for sustainable management of energy resources	1.5
OCT Projects		
Project Number	Project Title	Total (€ mn)
9 PTO REG 1	Strategic Planning in Public Services (CARICAD)	0.65
9 PTO REG 11	Strengthening the integration of the British and Dutch OCTs	6
9 PTO REG 12	TCF OCT II	2.77
9 PTO REG 14	Global C Envelop	23.17

8TH EDF

Project Number	Project Title	Total (€ mn)
8 ACP RCA 35	Caribbean Tourism Sector Development Programme	8
8 ACP TPS 125	Programme for the Caribbean Rum Industry	70
8 ACP RCA 24	Development of vocational tertiary education and training in the Caribbean Region – University of Technology, Jamaica	2.6

ANNEX 5C) EIB projects in Antigua and Barbuda as per closure of the financial year 2008

Country	Project Name	Status	Convention	Contract number	Amount signed (m)		Date of Signature	Amount outstanding (m)		Beginning repayment
					OR	RC		OR	RC	
Antigua and Barbuda	AIR NAVIGATION SYSTEM	Disbursed	Lome - 3	70788		1,500,000	09/19/1989		231,150	09/15/1997
	OECS WASTE DISPOSAL	Disbursed	Lome - 4	71016		3,400,000	10/10/1995		2,092,700	03/31/2003
		Disbursed	Lome - 4 - Bis	71016		1,300,000	10/10/1995		800,150	03/31/2003
	Total					6,200,000			3,124,000	

ANNEX 5D) Updated CSP chronogram with expected commitment, contracting and disbursement of 10th EDF

5D:1) Indicative timetable of global commitments and contracting for 10th EDF

FOCAL AREA (EUR)	Allocation	2008				2009				2010 →			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Fiscal and Public Sector Reform Programme	EUR 3,000,000			FS		IF	AF	FP	FD			CT	<input type="checkbox"/>
NON FOCAL AREA (EUR)	Allocation	2008				2009				2010 →			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Technical Cooperation Facility	EUR 430,000		FP	FP					FD	CT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

IF: Identification fiche
 AF: Action Fiche
 FS: Feasibility Study
 FP: Financing proposal
 FD: Financing decision
: Project implementation
 CT: Contracting

5E:2) Indicative timetable for disbursements of 10th EDF

FOCAL AREA (EUR)	Allocation	2009				2010				2011→			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Fiscal and Public Sector Reform Programme	EUR 3,000,000						€0.5 M		€1.0 M		€0.5 M		€1.0 M
NON FOCAL AREA (EUR)	Allocation	2009				2010				2011→			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Technical Cooperation Facility (TCF)	EUR 430,000						€0.1M	€0.1 M		€0.1 M		€0.43 M	

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D) ANNEXES ON AID EFFECTIVENESS

ANNEX D1) Completed EAMR aid effectiveness questionnaire

Annex C of EAMR: Questions on the EU Aid Effectiveness targets.

The Commission has to report its performance annually against the four EU targets on aid effectiveness. The data for this will be collected through the EAMR reporting system. You are therefore requested to complete the questions below with specific information as noted so that the current baseline we have from the July 2007 EAMR can be tracked annually. The information will also be important for you to exchange with your government colleagues, NGOs and with other donors, including MS.

Delegations had difficulty completing the questionnaire for the July 2007 EAMR. Following discussions with them the guidance to measure each target has been made more specific, following the revised OECD guidance for the 2008 survey. We hope you find the new elements more helpful. If you would still like further clarifications please contact your desk officer in AIDCO.

Some Delegations will also be completing the OECD survey during Jan-March 08. Your responses below should make it much easier to answer the OECD survey.

Regional offices will have to complete Annex C separately for each country in their region.

Please note that within the strategy that EuropeAid in relation to EU Target 4 – reduce the number of uncoordinated missions by 50 % - a number of new points have been prepared:

- Delegations are invited to:

- list dates for HQ missions already planned for the immediate 6 months period and mention if they are not coordinated;
- indicate to HQ what priority missions the Delegations estimate better serves coordination arrangements at local level for the following 6 months period.

The periods for missions, to be used in the January and July EAMR are as follows:

- In the 2008 January EAMR; Delegations list missions agreed for the period March to August 2008 and indicate their priorities for HQ in the period September 2008 to February 2009;
- In the 2008 July EAMR; Delegations list missions agreed for September 2008 to February 2009 and then indicate their priorities for HQ missions in the period March to August 2009.

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1. EU Target No 1

Channel 50% of government-to-government assistance through country systems, including by increasing the percentage of our assistance provided through budget support or SWAP arrangements

2. Introduction

The aim is to collect information that allows us to measure this target. The information that is needed is both the total amount of ODA provided, as well as the extent to which country systems are used in providing this ODA. For these purposes the country systems are defined as covering four main areas: (i) national budget execution procedures; (ii) national financial reporting procedures; (iii) national auditing procedures; and (iv) national procurement systems. By treating each of these four areas as having a 25% weight and dividing by the total amount of ODA provided the information required can be calculated (hence the division by four – see part 4 below). In all cases the necessary information can be collected using the same definitions as those in the OECD/DAC "Definitions and Guidance" (see attached page which includes an extract of definitions relevant to this indicator)

3. Questions and definitions

Question	Definition – OECD Ref	Response EUR
How much ODA did you disburse at country level for the government sector in FY 2008 (EUR)?	100 % EUR 1.688 milloion	34000000
How much ODA disbursed for the government sector in FY 2007 used national budget execution procedures (EUR)?	0	9000000
How much ODA disbursed for the government sector in FY 2007 used national financial reporting procedures (EUR)?	0	9000000
How much ODA disbursed for the government sector in FY 2007 used national auditing procedures (EUR)?	0	9000000
How much ODA disbursed for the government sector in FY 2007 used national procurement procedures (EUR)?	0	9000000

4. Definition of Indicator

$\frac{[(Qd5 + Qd6 + Qd7 + Qd9) \div 4] \div [Qd2]}{0}$ (please calculate and enter as response %) =	026%
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5. Additional information

Are there any significant initiatives in your country to promote the use of country systems? If so provide a list and a short description. If not, highlight the constraints to use of country systems (use additional space as needed)

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No Budget Support operations are planned. The focal sector is however public finance management, an area that is crucial for any future moves towards in-country systems use.

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Definitions from "Definitions and Guidance" OECD/DAC

www.oecd.org/dataoecd/13/29/36306366.doc

ODA	<p>Official Development Assistance (ODA) includes all transactions as defined in OECD-DAC Statistical Directives para. 32 (see appendix), including official transactions that:</p> <ul style="list-style-type: none"> ▪ Are administered with the promotion of the economic development and welfare of developing countries as its main objective; and ▪ are concessional in character and convey a grant element of at least 25%.
Disbursements	<p>A disbursement is the placement of resources at the disposal of a recipient country or agency (see OECD-DAC Statistical Directives para. 15-18). Resources provided in kind should only be included when the value of the resources have been monetised in an agreement or in a document communicated to government. In order to avoid double counting in cases where one donor disburses ODA funds on behalf of another, it is the donor who makes the final disbursement to the government who should report on these funds.</p>
Government sector	<p>Administrations (ministries, departments, agencies or municipalities) authorised to receive revenue or undertake expenditures on behalf of central government.</p>
Disbursements for the government sector	<p>This category includes the disbursement of ODA in the context of an agreement with the government sector (see definition above), including works, goods or services delegated or subcontracted by government to other entities (e.g. NGOs, private companies).</p>
Use of national budget execution procedures (Q ^{d5})	<p>Donors use national budget execution procedures when the funds they provide are managed according to the national budgeting procedures as they were established in the general legislation and implemented by government. This means that programmes supported by donors are subject to normal country budgetary execution procedures namely procedures for authorisation, approval and payment.</p>
Use of national financial reporting procedures (Q ^{d6})	<p>Legislative frameworks normally provide for specific types of financial reports to be produced as well as for the periodicity of such reporting. The use of national financial reporting means that donors do not make additional requirements on governments for financial reporting. In particular they do <u>NOT</u> require:</p> <ul style="list-style-type: none"> ▪ The production of additional financial reports. ▪ Periodicities for reporting that are different from government's normal reporting cycle. ▪ Formats for reporting that do not use government's existing chart of accounts.
Use of national auditing procedures (Q ^{d7})	<p>Donors rely on the audit opinions, issued by the country's supreme audit institution, on the government's normal financial reports/statements as defined above. The use of national auditing procedures means that donors do not make additional requirements on governments for auditing.</p>
Use of national procurement procedures	<p>Donors use national procurement procedures when the funds they provide for the implementation of projects and programmes are managed according to the national procurement procedures as they were established in the general legislation and implemented by government. The use of national procurement procedures means that donors do not make additional, or special, requirements on governments for the procurement of works, goods and services. (Where weaknesses in national procurement systems have been identified, donors may work with partner countries in order to improve the efficiency, economy, and transparency of their implementation).</p>

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1. EU target 2		
Provide all capacity building assistance through coordinated programmes with an increasing use of multi-donor arrangements ²		
2. Introduction		
<p>EU target 2 aims to measure progress in aligning and coordinating support for capacity development. It's closely linked with indicator 4 of the Paris Declaration. Therefore, the term "capacity building" used in the EU target is interpreted as "technical cooperation". This use of the DAC definitions allows consistency with the DAC monitoring of the Paris Declaration.</p> <p>The term "coordinated" also refers to the DAC definition which covers the following principles: ownership of TC by partner countries, alignment of TC with countries/local strategies and objectives and, where more than one donor is involved, harmonisation of TC among donors.</p> <p>To avoid confusion, we strongly advise that you use the definitions given in the OECD guidance, by clicking on the link http://www.oecd.org/dataoecd/13/29/36306366.doc. DAC criteria on this indicator are being updated to make them easier to use and in January the final version to be used for monitoring the indicators in 2008 will be available on this site.</p> <p>Finally please note that a separate AIDCO initiative on EU target 2, related to preparing a strategy for achieving the target, is ongoing in 46 Delegations. Through this EAMR however, we hope to capture information from all delegations. Questions 1 and 2 below seek quantitative information on technical cooperation. Section 4 seeks qualitative information from delegations not participating in the survey launched by AIDCO (46 Delegations contacted) and provides the opportunity to share your experience and views.</p>		
3. Questions and definitions		
1	How much technical cooperation did you disburse in 2007 (Total TC in EUR)? <i>OECD question reference in the Paris survey : Q^{d3}</i>	Euro 5000000
2	How much technical cooperation did you disburse through co-ordinated programmes in support of capacity development in 2007 (EUR)? <i>OECD question reference in the Paris survey : Q^{d4}</i>	Euro 0
4. Definition of Indicator		
3	$Q^d 4 / Q^d 3$ (please calculate this and enter in the next column as %)	0%

² Despite the different wording the target is interpreted to correspond to Paris Declaration indicator 4. Please pay particular attention to the definition for the question Q^{d4}.

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5 Additional Information

- 4 **Qualitative information³ :**
 Are there any significant initiatives to promote coordinated technical cooperation in your country?
- If so, please provide a short description. And indicate whether they are linked to the Code of Conduct / Division of Labour process or any other "EU initiatives"
 The programme focusing on PFM (EDF 10 focal sector) will be implemented in close coordination with other development Partners like CARTAC, IMF, WB, CIDA.
- If not, highlight key constraints delaying joint work on TC and capacity development.
- Resistance from recipient countries to foreign TA.
- Please note any other comments you have on these issues
 Since we are the only relevant donor in the country, it is difficult to engage deeper in coordination with Other partners.

1. EU target 3

Avoid establishment of new project implementation units (PIUs).

2. Introduction

EU target 3 aims to assess progress towards strengthening local capacity by tracking the number of PIUs put in place to manage projects and programmes. It is linked to indicator 6 of the Paris Declaration. This target is interpreted as "avoiding the establishment of new parallel PIUs"

To avoid confusion, we strongly advise that you use the definition of parallel PIUs given in OECD guidance, by clicking on the link <http://www.oecd.org/dataoecd/13/29/36306366.doc>. DAC criteria for this indicator are being updated to make them easier to use and in January the final version to be used for monitoring the indicators in 2008 will be available on this site.

Finally please note that a separate AIDCO initiative on EU target 2, related to preparing a strategy for achieving the target, is ongoing in 46 Delegations. Through this EAMR however, we hope to capture information from all delegations. Questions 1 and 2 below seek quantitative information on technical cooperation. Section 4 seeks qualitative information from delegations not participating in the survey launched by AIDCO (46 Delegations contacted) and provides the opportunity to share your experience and views.

³ These questions are taken from the survey on "Developing an EuropeAid Strategy on TC and PIU" sent to delegations which are members of the Aid Effectiveness Network. **They need to be answered by delegations who are not participating in this survey.**

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3. Questions and Definitions	
1	How many parallel project implementation units funded by EC were in operation in December 2007? <i>OECD question reference in the Paris survey : Q^d10</i>
2	Out of these, how many <u>new</u> parallel project implementation units were established during 2007?
4. Additional Information	
3	<p>Qualitative information⁴:</p> <p>Are there any significant initiatives to avoid the establishment of parallel PIUs in your country?</p> <p>What in your opinion should be done to increase domestic ownership and quality of project implementation arrangements?</p> <p>Increase capacity within the ministries in charge of ODA implementation.</p> <p>Please note any other comments you have on these issues</p> <p>All our programmes are implemented by Government departments and units and TA only provides Assistance and support in implementation and capacity development.</p>

⁴ These questions are taken from the survey on " Developing an EuropeAid Strategy on TC and PIU" sent to delegations which are members of the Aid Effectiveness Network. **They need to be answered by delegations who are not participating in this survey.**

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1. EU Target No 4

Reduce the number of uncoordinated missions by 50%.

2. Introduction

The aim is to collect data on the number of uncoordinated EC Missions to your country. The information needed is (a) the total number of EC Missions to your country and (b) how many of these were coordinated.

The Paris Declaration **objectives** underlying the related indicator of progress for coordinated missions are: "In planning their missions to the field⁵ it is important that donors: Conduct **fewer missions**, **coordinate timing of missions** with partner authorities and, where necessary, with other donors, **conduct more joint missions**, **avoid conducting missions during "mission free periods"**⁶.

Coordinated mission is a mission undertaken by 2 or more donors jointly, or by one donor on behalf of another. In practice, the following 3 questions help to clarify what is meant by a mission:

1. Does the mission involve international travel to a beneficiary country? i.e. **this concerns only missions from HQ, not missions undertaken within the country by the Delegation.**
2. Does the mission involve a request to meet with government officials, including local government?
3. Is this mission undertaken by 2 or more donors jointly? Or is it done by an HQ service also on behalf of another donor?

The Definitions and Guidance of the OECD (www.oecd.org/dataoecd/13/29/36306366.doc) requires that missions undertaken by consultants contracted by AIDCO (or other DG's), if they meet the 3 above questions, must also be included.

3. Questions and definitions

OECD	How many HQ missions to the field were undertaken in FY 2007? ⁷	12
ref: Q^d15		
Q^d16	How many of these were coordinated?	5
Please provide a breakdown of missions the Commission and its services have undertaken to your country in FY 2007 in the table below:		
Missions by:	Coordinated	Uncoordinated
Members of Commission		
AIDCO	3	
DEV	4	

⁵ 'Field' refers to the country in general including missions to the capital only.

⁶ The target set for 2010 for indicator 10 a) is to have 40% if donor missions to the field as joint.

⁷ This question applies to the missions from the HQ

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RELEX	1	
TRADE	5	
ECHO		
FISH		
OTHER DGs Taxud		4
Consultants contracted by the Commission		
Total	13	4

4. Definition of Indicator

Q^d16 / Q^d15	2007	2007
Please calculate and enter in the column for 2007 and also include the figure for this indicator for 2006 ;		

5. Additional Information

Delegations are invited to list the dates for main HQ missions already planned for the March 2008 to August 2008, indicating whether they are, or not, to be coordinated with other donors;

HQ DG	Date planned	Purpose/Sector	Coordinated (Yes/No)
DG DEV, AIDCO	March	Regional Programming	YES

Delegations are suggested to indicate higher priority requests for HQ missions needed from September 2008 to February 2009, but not yet agreed with HQs, that the Delegation estimates serve better the coordination arrangements at local level and can yield more added value for the policy dialogue.

HQ DG	Date planned	Purpose/Sector	Donor(s) involved
NOT APPLICABLE NO REAL DONOR PRESENCE IN OUR REGION APART FROM EU			

Delegations are asked to briefly inform if there are significant initiatives to decrease the number of uncoordinated missions in your country? If so, please provide a short description. If not, highlight key constraints.

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Other aid effectiveness related information

On 4 July 2007 our Counsellors Louis Michel and Benita Ferrero-Waldner wrote to all Heads of Delegations requesting implementation of the Code of Conduct for Division of Labour. Several Delegations have responded and have attached their progress reports on aid effectiveness. We need information on the specific points below:

1. Paragraph 5 of the Council conclusion on Division of Labour notes:

"Simultaneously with the implementation of the Code of Conduct, the Member States and the Commission **will promote wide discussions with partner countries and other donors on complementarity and division of labour**, based on the EU code of Conduct which will be complemented by first experiences in the field. **The outcome of these discussions would constitute an input to the OECD/DAC partnership and the High Level Forum on Aid Effectiveness III that will take place in Accra, Ghana in 2008.** The Council invites the **incoming Presidencies to actively support such a process**, in close cooperation with the Member States and the Commission." (Highlights by AIDCO 01)

1.1 Have the discussions with partner countries and other donors been held?

Coordination with beneficiaries for the JARs and Country Portfolio Reviews in the process of planning between April and July

1.2 What input on division of labour is planned by the partner country towards HLF III? If none, then leave blank.

2 In paragraph 14 the Council invites the Commission to outline Community implementation of the Code of Conduct in its annual report on development cooperation, including: **'a self-assessment in its potential areas of comparative advantage** as referred to in the joint Development Policy Statement'. (highlights by AIDCO 01)

2.1 What action has been taken towards this self assessment of comparative advantage?

(a) internal reflection process on the selection of the focal sector. Public Finance Management

is the best placed intervention where limited resources available can have a maximum impact with regards to improving and stabilising the management of public resources.

(b) If no, do you have any plans for initiating such a process? What are the plans?

The CSP under EDF 10 provides a clear restricted focus on the area of PFM.

The plan is to coordinate to the maximum possible with other development partners in this sector, especially IMF, CARTAC, WB and CIDA. However, in the context of A&B due to the limited amount of development partner active, this has little relevance.

3 In country that have already initiated some form of division of labour:

3.1 Please describe the process. (e.g., when did it start; partner country leadership; donors involved; results on the ground, etc).

3.2 As a result of this process, did the Delegation:

- Pending on the signature of Country Strategy Papers held by the Taxud issue (financial responsibility and reporting)