

# Thematic programme

## Non-state actors and local authorities in development

### Strategy paper 2007-2010

#### Table of contents

EXECUTIVE SUMMARY .....	2
1. INTRODUCTION .....	3
2. ANALYSIS OF THE INTERNATIONAL SITUATION AND EC POLICY FRAMEWORK .....	4
2.1. Non State Actors.....	5
2.2. Local Authorities .....	5
2.3. Multi-actor Partnerships .....	6
3. OPERATIONS FINANCED IN THE PAST AND LESSONS LEARNED.....	6
3.1. Financing granted under budget lines (2002-2004) .....	6
3.2. Lessons learned .....	7
3.3. Conclusions and recommendations from evaluations .....	8
4. THE RESPONSE STRATEGY .....	9
4.1. Objectives .....	9
4.2. Priorities for 2007-2010 .....	9
4.3. Eligible actors.....	11
5. THE MULTI-ANNUAL PROGRAMME.....	11
5.1 Objective 1 - Promote an inclusive and empowered society in partner countries to facilitate non-state actor and local authority participation in poverty reduction and sustainable development strategies .....	12
5.1.1 In-country interventions managed by EC Delegations.....	12
5.1.2 Global, multi-country interventions managed by EC headquarters.....	14
5.2 Objective 2 - Promote awareness raising and development education in the EU and acceding countries for development issues .....	14
5.3 Objective 3 – Facilitate coordination and communication of Non State Actor and local authority networks in EU and acceding countries .....	15
5.4 Management and support expenditure and evaluation.....	16
5.5 Indicative breakdown of available resources by objective (2007-2010).....	16
LIST OF ANNEXES .....	18
ANNEX 1 – Statistical annex: financing granted in previous years .....	18

## EXECUTIVE SUMMARY

The thematic programme "Non State Actors and Local Authorities in Development"<sup>1</sup> is primarily a development policy instrument which is guided by the European Consensus on Development. It is a successor to the NGO co-financing and decentralised cooperation budget lines and has its legal base in Article 14 of Regulation (EC) No 1905/2006 establishing a financing instrument for development cooperation (DCI)<sup>2</sup>. For the entire period 2007-2013, the DCI foresees a maximum indicative amount of EUR 1, 639 million of which EUR 63. 495 million has been included for ENPI countries<sup>3</sup>. For the 4 first years of the programme, 2007-2010, a maximum amount of EUR 903. 316 million has been foreseen of which EUR 30. 6 million benefit ENPI countries.<sup>4</sup>

The overarching objective is poverty reduction in the context of sustainable development, including pursuit of the Millennium Development goals (MDG) and other internationally agreed targets. It is an "actor-oriented" programme aimed at capacity building through support to "own" initiatives from non-state actors (NSA) and local authorities originating from the EU and partner countries. The strategy paper identifies 3 specific objectives for the period 2007-2010 which shall contribute to this overarching objective:

- First, the programme will promote an inclusive and empowered society in partner countries to facilitate non-state actors and local authorities participation in poverty reduction and sustainable development strategies;
- Second, the programme will raise public awareness of development issues and promote education for development in the EU and acceding countries<sup>5</sup> to anchor development policy in European societies, to mobilise greater public support for action against poverty and fairer relations between developed and developing countries, and to change attitudes to the issues and difficulties facing developing countries and their peoples;
- Third, the programme will support activities to strengthen coordination and communication activities of NSA and local authority networks in the EU and acceding countries.

All non profit making non state actors and local authorities originating from the EU and partner countries are eligible for funding under this thematic programme which seeks to take account of the comparative added value of different stakeholders. The programme upholds EC policy of encouraging and supporting long standing partnerships developed between European and partner country non-state actor organisations and local authorities. As an integral principle of EC cooperation, support to civil society is, for the most part, mentioned in partnership and cooperation agreements with third countries and provided through the geographic programmes (CSP, NIP, Action Plans etc). This

---

<sup>1</sup> COM(2006) 19: "Non State Actors and Local Authorities in Development"

<sup>2</sup> Regulation No 1905/2006 of the European Parliament and Council of 18 December 2006 establishing a financing instrument for development cooperation (DCI)

<sup>3</sup> The programme makes a special case for ENPI countries. In article 38 of the DCI, a total indicative amount of EUR 465 million has been foreseen for thematic programmes to finance activities that benefit ENPI countries. In line with this article, funding of EUR 63.495 million has been foreseen for ENPI countries in this thematic programme. See tables in section 5.4 and 5.5 for breakdown by objective

<sup>4</sup> See tables in section 5.4 and 5.5 for breakdown by objective

<sup>5</sup> 'Acceding' countries refers to those countries where the Treaty is signed but not ratified.

programme is guided by the principles of subsidiarity and complementarity as defined in article 11 of the DCI. Interventions corresponding to objective 1 shall be targeted on cases which demonstrate its specific added value as follows:

- Country situations which are not conducive to ensuring NSA and local authority involvement - difficult partnerships (suspended NIP, no government commitment to basic development principles, no status for NSAs), unstable situations, conflict, poor governance, etc.
- Populations out of reach of mainstream services and resources, excluded from policy making processes.
- Multi-country and/or multi-regional interventions, networking and coordination activities ensured more efficiently through the thematic programme than through geographic programmes.

## 1. INTRODUCTION

While it is partner country governments who determine their country cooperation strategies together with the Community, the complementary role of non-state actors and local authorities is recognised as a fundamental principle of EC development policy. The most wide-ranging participation of all segments of society must be encouraged. The EU supports participatory approaches to ensure ownership of the development strategies by the populations and to promote in-country dialogue on good governance.

The programme "Non State Actors and Local Authorities in Development"<sup>6</sup> aims to provide capacity building to Non State Actors and local authorities in order to facilitate their involvement in the policy-making process and to enhance capacity to deliver basic services to the poorest peoples in developing countries. This support to participatory approaches shall be subsidiary and complementary to that of the geographic programmes which remain the primary framework for EC cooperation with partner countries.

The programme replaces the "Co-financing with NGO" and "Decentralised cooperation" budget lines and has its legal base in Article 14 of Regulation (EC) No 1905/2006 establishing a financing instrument for development cooperation (DCI)<sup>7</sup>. Lessons learnt from past experience, policy evolutions as regards participatory approaches and the "devolution process" from EC headquarters to EC Delegations have resulted in important innovations at different levels. These are explained in detail in the following sections and can be summarised as follows:

- All types of non profit making non state actors and local authorities from the EU and partner countries are eligible actors under this programme.
- In the context of deconcentration of aid, EC delegations will assume greater management responsibility for in-country interventions under objective 1 of the programme. This includes launching local calls for proposal, project selection, signature and management of contracts.

---

<sup>6</sup> COM(2006) 19: "Non State Actors and Local Authorities in Development"

<sup>7</sup> Regulation No 1905/2006 of the European Parliament and Council of 18 December 2006 establishing a financing instrument for development cooperation (DCI)

- The scope for awareness raising and development education activities (objective 2) and stakeholder coordination and communication (objective 3) shall be enlarged to include not only EU Member States but also acceding countries. A more strategic approach shall be adopted through the definition of clear priorities.

This approach will be progressively implemented throughout the period 2007-2010.

## **2. ANALYSIS OF THE INTERNATIONAL SITUATION AND EC POLICY FRAMEWORK**

As reflected in the "European Consensus" and in a number of conclusions, resolutions and opinions, civil society and its various actors play a key role as promoters of democracy, social justice and human rights. The EU recognises the vital contribution of non state actors (NSA) by virtue of their dual role as strategic partners in political, social and economic dialogue and key aid delivery actors. The EU promotes constructive and continuous dialogue with all types of non state actors and local authorities which is essential to ensuring integration of the priorities and concerns of stakeholders in development strategies and programmes, to strengthen their voice in the development process and to advance political, social and economic dialogue.<sup>8</sup>

Participatory approaches are progressively being integrated into EC partnership and cooperation agreements which provide support for non state actors and local authorities as an integral part of the cooperation framework and strategy agreed by the partner country and the European Community. The "Partnership" dimension of ACP-EC cooperation under the Cotonou Agreement in particular has facilitated the emergence and progressive consolidation of participatory approaches to development. The recent revision of the Agreement provided the opportunity to further strengthen these provisions, first by facilitating non state actor access to funding and second by explicitly extending this approach to local authorities<sup>9</sup>.

There is also a general trend in EC cooperation with other geographical groupings, such as Asia, Latin America and neighbouring countries, towards increased non state actor participation including through involvement in policy dialogue<sup>10</sup>.

Whilst the European Neighbourhood Policy has a clear integration focus, it also includes significant development aspects. Poverty reduction and social development objectives will help to build more prosperous, equitable and stable societies in these predominantly developing countries. The Neighbourhood instrument includes, where appropriate, development best practice to promote effective management and implementation. Participatory approaches are part of this "development best practice".

---

<sup>8</sup> Official Journal 2006/C46/01: "The European Consensus on Development. Joint Statement by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the Commission on European Union Development Policy"; "Participation of Non-State Actors in EC Development Policy" - COM(2002) 598, 7.11.2002; Council conclusions of 19 May 2003, European Parliament resolution of 4 September 2003, European Economic and Social Committee opinion of 16 July 2003.

<sup>9</sup> Revised Cotonou Agreement, Articles 4 to 7, 58 and Annex IV, Articles 4 and 15.

<sup>10</sup> See in particular Article 43 of the political dialogue and cooperation agreements with Central American countries and the Andean Community.

## **2.1. Non State Actors**

This "actor-oriented" programme recognises the respective added value, characteristics, needs and constraints of the various Non State Actors in development. While this term can be extended to a vast range of different actors, a common feature lies in their independence from the state and the voluntary basis upon which they have come together to act and promote common interests. The EU view on the potential contribution of different Non State Actors to the objectives of this programme was largely confirmed in the context of an external consultation and can be summarised as follows<sup>11</sup>:

- Civil Society Organisations in all their diversity include very experienced actors in development cooperation and may play a key role as independent and autonomous structures voicing the concerns and needs of communities and citizens. They are community based organisations which may provide unique knowledge and insights, bridging the gap between authorities and the grass-roots level and ensuring real ownership, participation and empowerment of communities.
- Social partners, including trade unions promote better working conditions and play a leading role in the prevention of social injustice and the promotion of social and economic equity.
- By virtue of their political and social contacts, independent political foundations may have an added value in serving as an interface between the state - non state levels and in helping to create a political, legal and administrative framework which is conducive to NSA and local authority participation.
- Youth organisations may be open and enthusiastic about innovative ideas aiming at poverty reduction. They are an important arena for fostering advocacy and encouraging young people to develop democratic values such as transparency, tolerance and accountability as well as democratic leadership skills.
- Academic institutions may engage in research on key development issues on the basis of which organisations develop advocacy campaigns and influence public opinion in favour of development policies.

## **2.2. Local Authorities**

While they are part of the state structure, local authorities are much closer to the citizen than other public institutions and may offer significant expertise not only in terms of service delivery (education, health, water, transport etc), building democratic institutions and effective administrations, but also as catalysts for change and confidence building between different parties. They can provide a long-term, country-wide vision on how to build inclusive societies as actors with the necessary political legitimacy and the capacity to mobilise other local actors. This programme shall support local authorities where country programmes do not provide appropriate support, including situations where they are marginalised or outside the policy process. Exchange of experience between local authorities in Europe and their counterparts in partner countries will be encouraged.

---

<sup>11</sup> Extract from a summary report of stakeholders' views regarding their specific added value and potential to contribute to the objectives of the programme to be consulted on the Europa/Development website:

### **2.3. Multi-actor Partnerships**

There is increasing recognition of the importance of working together in a concerted manner through the promotion of multi-actor partnerships where these prove more effective in promoting increased citizen participation and local development. Certain issues cannot be easily resolved by a single stakeholder and require synergy between actors at different levels. This does not imply, however, that all actors should be involved in all actions. Different types of partnership can be considered on a case by case basis, depending on the specific objective, availability of partners and expected results.

This includes promotion of partnerships between NSA and local authorities whose efforts are often complementary, acting as a bridge between different levels and sectors of society. Indeed NSA and local authorities have been working together to achieve the MDGs for quite some time. Methods include using participatory techniques involving NGOs, community groups and local authorities to formulate policies on the MDGs, coordinating or supplementing municipal services, information sharing between stakeholders and ensuring sustainability of projects.

## **3. OPERATIONS FINANCED IN THE PAST AND LESSONS LEARNED**

Support to participatory approaches under the geographic programmes has been complemented by support to non state actors and local authorities under the thematic budget lines "NGO co-financing" and "decentralised cooperation".

### **3.1. Financing granted under budget lines (2002-2004)**

#### *3.1.1 In-country interventions*

The tables in annex 1 provide an overview of financial support provided to NSA and local authorities through the NGO Co-financing and the Decentralised Cooperation budget lines (BL).<sup>12</sup>

With regard to the scope, both budget lines demonstrate a broad geographical coverage. Under the NGO Co-financing programme, ACP countries are the largest beneficiaries (44% in 2003, 47% in 2004, 49% in 2005); Latin America receives substantial funds (25% in 2003, 21% in 2004, 20% in 2005). Funding to the Asia and Mediterranean regions remains stable during this period (respectively 21% and 7-8%) while there has been a slight increase for Eastern Europe and Central Asia regions (3.5 % in 2003, 4.31 % in 2004, 4% in 2005). While the financial envelope is much more modest, the Decentralised Co-operation BL follows the same geographical redistribution.

Both BL cover a very broad range of thematic activities. During the period 2001-2004, the NGO Co-financing BL supported projects in developing countries covering roughly the following areas: Agriculture/Rural Development/Food Aid (17.5%), Democracy/Human Rights (1.2%), Economic Development (6.5%), Education (12.6%), Social Development in general (26.6%), Health (16.3%) and Support to Civil Society/Capacity Building (19.2%).

#### *3.1.2 Awareness raising and development education activities in Europe*

---

<sup>12</sup> The "Co-financing with NGOs" statistics for each region/theme do not comprise Block Grants and amount to an average total of approximately 20M€ per year

Under the NGO co-financing BL, the annual amount committed to development education projects has remained stable at approximately 20M€ or 10% of the annual budget. With regard to the geographical coverage, a large number of projects were registered as “European” and resulted in cross border activities carried out in several EU MS. This indicates that the programme had some success in fostering a European dimension in Development Education. However, it is also clear that a number of countries, both new and "old" Member States remain under represented in terms of development education projects.

### *3.1.3 Cooperation and coordination between NGOs and between NGOs and the Community Institutions*

The NGO Co-financing BL has supported a number of actions under its third objective of reinforcing the cooperation and coordination between NGOs from the Member States and between NGOs from the Member States and the Community Institutions. This has taken the form of an annual operating grant to CONCORD, the European NGO Confederation for Relief and Development, which comprises the national platforms of 19 Member States, 18 networks and families of humanitarian and development NGOs representing more than 1500 European NGOs. Under this objective, the scope of coordination and cooperation activities between NGOs has been limited to Europe.

## **3.2. Lessons learned**

In order to ensure maximum impact of the programme, its primary objective of capacity building to NSA and local authorities in the context of poverty reduction and the MDGs should be clearly established. As regards in-country interventions, the budget line evaluations (see section 3.3) highlight the need for a better targeting and definition of the objectives of the programme.<sup>13</sup> This is even more necessary in view of the opening up of eligibility to a broad range of actors. While the fundamental right of initiative of eligible organisations must be upheld, the thematic programme should provide a clearer indication of priority countries and regions where the programme demonstrates an added value as well as thematic priorities and types of activity to be supported.

A more focused programme with clearly identified priority countries and actions would, in turn, help establish more adapted management modalities. This has already partly taken place through the Decentralised Co-operation since 2004 with very encouraging results.

With regard to development education and coordination/cooperation actions, a clearer definition of priorities is also necessary to render interventions more strategic and to obtain a more balanced coverage of the needs of each country/region. Actors should be encouraged to implement development education activities in eligible countries where there is low awareness of development co-operation issues, and to provide more support to partnerships between organisations from different MS. The participation of Southern partners in these EU-wide activities should be promoted. North-South and South-South

---

<sup>13</sup> "Evaluation of co-financing operations with European NGOs Budget Line B7-6000", December 2000: [http://ec.europa.eu/comm/europeaid/evaluation/document\\_index/2000/951568\\_docs.htm](http://ec.europa.eu/comm/europeaid/evaluation/document_index/2000/951568_docs.htm)  
"General Evaluation of Budget Line 21.02.13 Decentralised Cooperation", July 2006: [http://ec.europa.eu/comm/europeaid/projects/ong\\_cd/fichiers/final\\_report\\_dec\\_coop\\_en.pdf](http://ec.europa.eu/comm/europeaid/projects/ong_cd/fichiers/final_report_dec_coop_en.pdf)  
"Evaluation of EC Support to Micro-Project Programmes under the European Development Fund in ACP countries", August 2006: [http://ec.europa.eu/comm/europeaid/evaluation/document\\_index/2006/904\\_docs.htm](http://ec.europa.eu/comm/europeaid/evaluation/document_index/2006/904_docs.htm)

coordination and cooperation are covered under objective 1 and North-North networking and exchanges should be facilitated under objective 3.

### **3.3. Conclusions and recommendations from evaluations**

The NGO co-financing evaluation covered exclusively projects funded in developing countries during the period 1994-1999. Block Grants<sup>14</sup>, development education and coordination and co-operation activities were excluded from this evaluation. For the purposes of this thematic programme, the following conclusions appear particularly relevant:

- The basic characteristics of the BL as exclusively demand driven, accessible to European NGOs, covering a broad range of actions in a significant number of countries resulted in a general instrument without a strategic or development policy focus. Recommendation: need for major conceptual and operational re-think of BL; could be maintained as co-financing instrument essentially for the non government sector, but key issues such as purpose, focus, access and management system should be re-assessed in order to ensure its relevance and effectiveness in supporting poverty alleviation and community empowerment in the poorest countries of the world;

Three evaluations were conducted for the decentralised cooperation BL in 2000, 2003 and 2006. Conclusions and recommendations of the most recent evaluation can be summarised as follows:

- The concept of "difficult partnership" requires clarification beyond general notions of poverty reduction and lack of participation in development. Recommendation: elaborate concept of difficult partnership and make greater distinction between these situations and standard cooperation environment.
- The BL is relevant to civil society development. Support to networks and institutional capacity building of decentralised actors most relevant aspect; Recommendation: promote and improve the participation of local authorities more systematically as their involvement is essential if the broader objectives of the programme are to be met.
- BL is more adapted to the needs of local NGOs, with a focus on participation, decentralisation, social dialogue and joint capacity building for both civil society and (local) government. Recommendation: direct access for local organisations under this budget line is highly appreciated and should be retained. Partnerships between Northern and Southern organisations should be promoted.
- Key areas of activity include networks of social organisations and movements campaigning for sustainable development, human rights and social rights and democratisation. Future priority areas should include sharing of experience at regional and international levels as well as lobbying and advocacy activities, environment, more specific interventions in the areas of social vulnerability or the issue of land rights and management.

---

<sup>14</sup> A "Block Grant" is a co-financing instrument consisting of a series of individual actions covered by a single grant. These actions can take place in different countries/regions/sectors/areas and are not necessarily related to each other. The applicant presents an outline indicating how it intends to use the block grant.



An evaluation on EC aid delivery through civil society organisations will take place in 2007. The objective is to set out a mapping of financial flows and assess the added value, relevance, effectiveness, efficiency, impact and sustainability of aid channelled through civil society organisations.

#### **4. THE RESPONSE STRATEGY**

##### **4.1. Objectives**

The overarching objective is poverty reduction in the context of sustainable development, including pursuit of the Millennium Development goals (MDG) and other internationally agreed goals. More specifically, the thematic programme<sup>15</sup> promotes participatory approaches through capacity building and support to "own" initiatives from NSA and local authorities originating from the EU and partner countries. The response strategy identifies three objectives in line with the overarching objective of the programme:

- (1) promote an inclusive and empowered society in partner countries to facilitate non-state actor and local authority participation in poverty reduction and sustainable development strategies
- (2) promote awareness raising and development education in the EU and acceding countries for development issues
- (3) facilitate coordination and communication of NSA and local authority networks in the EU and acceding countries

##### **4.2. Priorities for 2007-2010**

The strategic priorities below will guide implementation of the three specific objectives of this thematic programme for the period 2007-2010. In line with the DCI, these priorities were identified in subsidiarity and complementarity to the geographic and other thematic programmes on the basis of experience, consultation with stakeholders, lessons learned and good practice under the previous Community instruments, in particular the NGO co-financing and the decentralised cooperation programmes.

*4.2.1 Objective 1: Promote an inclusive and empowered society in partner countries to facilitate non-state actors and local authorities participation in poverty reduction and sustainable development strategies*

###### **4.2.1.1. In-country interventions**

Geographical priority will be given to countries where:

- country situations are not conducive to ensuring non state actor and local authority involvement in the development process, including difficult partnerships<sup>16</sup>, unstable

---

<sup>15</sup> COM(2006) 19: "Non State Actors and Local Authorities in Development"

<sup>16</sup> Situations of difficult partnership are defined as those where for one of the following reasons the usual cooperation instruments cannot be fully used to support initiatives undertaken by stakeholders other than central governments: (1) countries where cooperation has been suspended, (2) countries where the authorities are not committed to objectives of poverty reduction and to other basic principles of

situations, conflict, poor governance etc. This programme is an important tool which may facilitate the acceptance and the translation into practice of participatory approaches

- specific needs of parts of the population are not addressed in the partner country development strategy and groups are out of reach of mainstream services and resources, excluded from the policy-making process

A list of priority countries and a reserve list will be drawn up following consultation with Member States and assessment and validation of concept notes to be submitted by EC delegations in accordance with the above criteria. The assessment will be carried out by an inter-service group at headquarters (for more detail see section 5.1.1). This list will be presented in the Annual Action Programme (AAP) to be notified to the European Parliament and approved by Member States and will be subject to annual or ad hoc review in the light of new or unforeseen needs.

#### 4.2.1.2 Global, multi-country/regional initiatives.

Priority will be given to:

- global, multi-country/regional initiatives which are ensured more efficiently through this thematic programme than through geographic programmes.

#### *4.2.2 Objective 2: Awareness raising and development education in the EU and acceding countries for development issues*

Dialogue with external actors reveals a growing consensus on the importance of development education and awareness raising activities as a pre-condition for achieving the EU targets of increased and better aid, strengthening policy coherence for development and targeting Sub-Saharan Africa as a priority.<sup>17</sup> While respecting actors' right of initiative, development education activities shall be strategic and identify clear thematic priorities within the policy framework of the European Consensus and the MDG agenda. In this context, priority will be given to the following themes in order to maximise the impact and effectiveness of development education actions:

- Public support for the MDG agenda, with a particular focus on sub-Saharan Africa
- Coherence for development, with a particular focus on areas of public interest where common goals with development are important such as migration, trade, security, human rights, social dimension of globalisation and decent work, environment, and HIV/AIDS;
- Media and development

These activities will be supported through formal and informal education for development channels.

---

development policy, including good governance and participation of civil society and decentralized authorities, (3) countries where the dialogue on participatory approaches to development is very limited.

<sup>17</sup> Brussels (2005) and Helsinki (2006) Development Education conferences; Meeting of multi-stakeholder development education core group, 24 March 2006

Special attention will be paid to awareness raising and development education in the new member states (EU 12).

#### *4.2.3 Objective 3: Coordination and communication of NSA and local authority networks in the EU and acceding countries*

In order to support the development and consolidation of dialogue between North-North stakeholder organisations and between these organisations and Community institutions, priority will be given to:

- Information networks and exchange of best practices within and among their organisations
- Dialogue and exchange of best practice between different types of stakeholders, including between non state actors and local authorities
- Interaction of such organisations or networks with the EU institutions

### **4.3. Eligible actors**

The programme is "actor-oriented" and supports the right of initiative of a wide range of actors, by funding "own initiatives", rather than defining in detail the activities they should undertake as implementing partners. Eligible actors shall receive financial support for initiatives reflecting their own specific added value, roles and comparative advantage.

In principle, all types of non profit making non state actors and local authorities originating from the Community and partner countries are eligible for funding for all actions under this thematic programme as defined in DCI article 24 (2). NSA and local authorities from acceding countries are eligible under objective 2 and 3 of the programme. In case of projects carried out by European or "non-national" actors, a partnership with a local actor must be demonstrated and projects shall respond to an initiative emanating from the local partner. More detailed rules on the eligibility and co-financing rules to be adapted to each actors' capacity and financial resources will be established in the AAP.

Support to eligible actors shall be subsidiary to support provided through geographic programmes. In practice, some central governments in partner countries are reluctant to provide non state actors with access to funding through the country programmes. This is less relevant in the case of local authorities and they shall normally be supported in the framework of country strategy papers except where the latter do not provide appropriate support, particularly in situations such as difficult partnerships, unstable situations, conflict, poor governance, poorly developed social dialogue etc. Moreover, the thematic programme will take account of the contributing capacity of local authorities in the calculation of Community co-financing.

## **5. THE MULTI-ANNUAL PROGRAMME**

The multi-annual indicative programme will cover the first four year period of implementation (2007-2010). In line with the DCI Regulation, it shall guide the formulation of the Annual Action Programmes (AAP), as adopted by the Commission, notified to the European Parliament and approved by Member States, following dialogue with external stakeholders. This multi-annual programme shall be evaluated in 2009 to feed into preparations for the thematic strategy 2011-2013.

In accordance with the indicative allocations set out in the DCI, the total amount for the period 2007-2010 amounts to 903.316 €M. The indicative allocation for 2007 is 217.548 €M, of which 7.428 €M is dedicated to ENPI countries.

### **5.1 Objective 1 - promote an inclusive and empowered society in partner countries to facilitate non-state actor and local authority participation in poverty reduction and sustainable development strategies**

An indicative percentage of 82% of the financial allocation of this thematic programme will support interventions and activities in partner countries and regions. While the scope of activities is potentially broad, interventions are expected to strengthen the capacity of civil society organisations and local authorities in partner countries, with a view to facilitating their involvement in the policy-making process, and their capacity to deliver basic services to the poorest peoples in developing countries.

Geographic priority will be established in line with the priorities outlined in section 4.2.1. A balance of activity between regions shall nevertheless be ensured based on size, number of countries and trends of in financial allocation by region in 2003, 2004 and 2005:

ACP: 49%, Asia: 23 %, Latin America 21%, Eastern Europe, Middle East and Central Asia: 3.5%, MEDA: 3.5% <sup>18</sup>

Objective 1 will be pursued by supporting two different types of interventions: in-country projects managed by EC Delegations and global, multi country initiatives managed by EC headquarters. The allocations for each sub-envelope shall be set out in the Annual Action Programme. In order to ensure a gradual introduction to this new approach, allocations shall be indicative and sufficiently adaptable to ensure maximum absorption of funds.

#### *5.1.1 In-country interventions managed by EC Delegations*

Support to objective 1 activities will be provided mainly through the implementation of in-country initiatives and projects. A programme which respects actors' "right of initiative" is not best placed to anticipate **expected results**. However, each project proposal will include basic **performance indicators** such as contribution to:

- Capacity building of Non State Actors and local authorities to strengthen their participation in poverty reduction and sustainable development strategies
- Acceptance by governments to mainstream institutional support and capacity building provisions for local development structures , in particular in country situations which are not conducive to NSA and local authority involvement in the development process
- Changes in government policy and practice towards NSA and local authorities in favour of their involvement in the development process, including changes in legislation, removal of obstacles and/or improved government commitment regarding involvement of involving NSA and local authorities

---

<sup>18</sup>These figures are based on an average by region of selected projects under NGO co-financing BL in 2003, 2004 and 2005. The additional funding resulting from the reduced MEDA envelope is redistributed in accordance with the strategic priorities of the programme.

- Degree of participation of poorest sections of the population in developing countries, including particularly marginalised and vulnerable groups out of reach of mainstream services and excluded from policy making processes
- Number of quality partnerships established promoting networking and alliances between a wide range of different stakeholders from the EU and partner countries (South-South and North-South)
- Increase in interaction between state and non-state actors in different contexts, including non state actor involvement in policy dialogue with government and capacity to play an oversight role
- Capacity of worker's organisations and employers to engage in social dialogue and promote corporate social responsibility (CSR)
- Strengthened citizens' capacity to take action, defend their rights and take part in the political debate at local, national and international levels.

Where appropriate, initiatives and projects may have a cross-border character and/or involve national communities living abroad (such as Diaspora organisations).

EC delegations in the countries concerned will be invited to submit a concept note to headquarters outlining a country programme for the period 2007-2010. The concept note shall essentially transpose the principles and orientations of this thematic strategy paper into the country context. Strengthening of civil society and capacity building of actors<sup>19</sup> shall underpin this exercise.

In line with the provisions of the DCI, support provided under this programme may complement and contribute to the achievement of agreed objectives in EC focal sectors and/or add value through activities in other areas. Subsidiarity with EC country strategy papers (CSP) shall guide the elaboration of the concept notes. Civil society mapping undertaken in the CSP process could provide a useful basis for the concept note. Complementarity with other EC thematic programmes, including the European Instrument for Democracy and Human Rights shall also be sought and explained as well as coordination with other relevant actors and donors.

Consultations with Member States, civil society and other relevant stakeholders present in the country shall be organised and shall feed into the concept notes which, in turn, shall be assessed and validated on the basis of criteria such as:

- Potential added value of the envisaged support to NSA and Local Authorities through this programme including rationale behind the proposed choice of (multi)actor(s).
- Clarity of objectives and of performance indicators, including the link to specific calls for proposal
- Coherence of the concept note with the proposed resource allocation, including budget for calls for proposals and accompanying support measures (as defined in DCI article 26)

---

<sup>19</sup> European Consensus, point 3, p. 6.

- Quality of the country consultations and prospects for local ownership of the proposed programme
- Delegation management capacity

An inter-service Group at headquarters will review, validate and select the concept notes based on their coherence with the elements outlined above, including adjusting corresponding resource allocation where necessary. A list of priorities and a reserve list will be drawn up, indicating countries, indicative financial allocation and objectives. This list will form part of the Annual Action Programme.

Delegations will be responsible for management of the in-country programmes. They will be authorised to launch local calls for proposals on the basis of consistency with this thematic strategy, the approved concept note and availability of resources. Calls for proposals will be published locally and on the EuropeAid site. Delegations will be responsible for selecting proposals and for signing and managing the contracts.

However, in duly justified circumstances, following a decision by the inter-service group, an in-country programme may be managed by EC Headquarters, for example a country where no delegation is accredited or where there is high political sensitivity towards the activities envisaged.

#### *5.1.2 Global, multi-country interventions managed by EC headquarters*

A significant part of the financial allocation for objective 1 will support initiatives and projects to be carried out in partner countries with a global, multi-country or multi-regional dimension, which shall be more efficiently managed by EC headquarters. A programme which respects actors' "right of initiative" is not best placed to anticipate **expected results**. However, each project proposal will include basic **performance indicators** such as contribution to:

- Increased number of trans-national exchanges, confidence building, networking and coordination activities between Non State Actors and local authorities (North-South, South-South);
- Increase in local civil society and local authorities' support for and involvement in global and regional development processes and dialogues;
- Dissemination of best practices at global or regional level and replication at national or local level

Initiatives and projects with a supranational dimension are expected to demonstrate an added value vis-à-vis the country programmes and to increase the support of local populations and their involvement in regional integration processes.

The Annual Action Programme will give all the relevant details regarding the call for proposals to be launched by the EC headquarters.

### **5.2 Objective 2 - promote awareness raising and development education in the EU and acceding countries for development issues**

An indicative percentage of 14 % of the financial allocation of this thematic programme will support initiatives in the EU and acceding countries. A programme which respects

actors' "right of initiative" is not best placed to anticipate **expected results**. However, each project proposal will include basic **performance indicators** such as contribution to:

- Increased public awareness on global interdependencies between the EU and developing countries and support for action against poverty and more equitable North-South relations;
- Change in attitudes and improved public understanding of the issues and difficulties facing developing countries and their peoples;
- Degree of integration of development issues into formal and non-formal education systems in Member States and acceding countries, ensuring inclusion of the development dimension in global agendas such as democracy, active citizenship, inter-cultural understanding etc;
- Level of commitment to promoting policy coherence and degree to which development cooperation objectives are accounted for in all EU policies with a likely impact on developing countries;
- Move beyond solidarity during humanitarian crises to support for long-term, structural development processes, inter alia, via a responsible media committed to informed action;
- Extent of mobilisation in new Member States and acceding countries, including through networking, campaign work, exchange of experience and best practices.

Attention will be paid to ensuring that these interventions are integrated with development and education policies at both national and European levels. Activities in one country are eligible for funding but preference will be given to cross-border and multi-actor initiatives. While they are carried out in Europe, partners in developing countries should play an active part where appropriate.

The Annual Action Programme will give all the relevant details regarding the call for proposals under this objective to be launched by EC headquarters

### **5.3 Objective 3 – Facilitate coordination and communication of Non State Actor and local authority networks in EU and acceding countries**

An indicative percentage of 2% of the financial allocation of this thematic programme will support initiatives in the EU and acceding countries. A programme which respects actors' "right of initiative" is not best placed to anticipate **expected results**. However, each project proposal will include basic **performance indicators** such as contribution to:

- Level and quality of stakeholder potential to demonstrate leadership qualities, analytical and advocacy skills, engage in constituency building;
- Strengthening of Non State Actor and Local Authority networks and platforms including their capacity to build trans-national alliances and to disseminate best practices
- Number of multi-actor partnerships established and consolidated exchanges between different types of Non State Actors and local authorities networks, within their organisations and with Community institutions;

- Capacity of non state actor and local authority platforms in new Member States and acceding countries to play an active role in their countries and at the EU level, including ensuring smooth integration of EU development policies.

The Annual Action Programme will provide an indicative list of activities to be financed under objective 3.

#### **5.4 Management and support expenditure and evaluation**

Up to 2% for the four-year period, in line with the multi-annual financial programming for 2007-2013, is earmarked to support the drafting, implementation, monitoring, evaluation and auditing of the thematic programme.

Management and support expenditure will be charged on line no. 21 01 04 01. This amount may be used to cover supplementary staff over the whole period, estimated in total at 775 FTE (full-time staff equivalent) for the seven relevant instruments for external assistance - \_European Neighbourhood and Partnership Instrument (ENPI), Instrument for Stability (IfS), European Instrument for Democracy and Human Rights (EIDHR), Instrument for Nuclear Safety Cooperation (INSC), Industrialised Countries Instrument (ICI), Development Cooperation Instrument (DCI) Instrument for Pre-Accession Assistance (IPA) - , on top of existing staff in place as of 01/04/2006. The estimates of needs in human and administrative resources should be covered within the budget allocated to the managing DG within the framework of the annual allocation procedure

A summary report will be prepared by the European Commission once the first full cycle of implementation measures (calls for proposals) is completed.

An **external evaluation** of the operations carried out under this thematic programme will take place in 2009 to feed into the preparations for the second programming period 2011-2013. The report will be discussed with Council and Parliament.

#### **5.5 Indicative breakdown of available resources by objective (2007-2010)**

<b>OBJECTIVES</b>	<b>INDICATIVE AMOUNTS 2007-2010 (€million, current prices)</b>
<b>Objective 1: in-country interventions</b>	<b>741 (82%)</b>
<b>Objective 2: awareness raising and development education in the EU and acceding countries</b>	<b>126 (14%)</b>
<b>Objective 3: coordination between civil society and local authorities' networks in EU and acceding countries</b>	<b>18(2%)</b>
<b>Management and support expenditure and evaluation</b>	<b>18 (2%)</b>
<b>TOTAL</b>	<b>903</b>



### 5.6 Indicative breakdown (2007-2010)

	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Total for the period</b>
<b>TOTAL DCI</b> <b>(€ thousand, current prices)</b>	217 548	222 981	228 545	234 242	903 316
<b>Of which dedicated to ENPI countries<sup>20</sup></b>	7 428	6 495	7 729	9 009	30 661

---

<sup>20</sup> These funds are to be used exclusively for in-country actions under objective 1

**LIST OF ANNEXES**

**ANNEX 1 – Statistical annex: financing granted in previous years**

## ANNEX 1 - Financing granted in previous years (2001-2005)

### NGO Co-financing budget line 2002-2005<sup>21</sup>

Year	Amount committed	Interventions in partner countries (total amount and number of <u>projects</u> )	Awareness raising and development education (total amount, number and type of projects, MS targeted)	Coordination (total amount, number and type of projects, MS targeted)
2002	199.220.423 €	Latin America 38.5M€ (49 projects) (23.9%) Asia 31.8M€(38 projects) (19.8%) Central Asia 0M€(0 projects) Mediterranean 13.4M€ (19 projects) (8%) Eastern Europe 1.4M€ (4 projects) (0,8%) ACP 74.1M€(89 projects) (46%) a) SSA 66.1M€(81 projects) (41%) b)Caribbean 7.3M€(7 projects) (4%) c) Pacific 0.6M€(1 project)  TOTAL 160.5M€(200 projects)	21,1M€(46 projects)  AT (2), BE(3), DE(6), DK(2), ES(2), FI(2), FR(2), UK (5), IRL(1), IT(5), PT(1), EUR(14), SW(1)	461.185€(operating grant to CONCORD)

<sup>21</sup> In order to give a clear picture of the geographical distribution of the grants awarded during this period, the figures presented in these tables concern only *projects*, as these activities generally take place in a single country. *Block grants* and 10 regional *contract programmes* co-financed in 2003 are not included in these figures, as, by their very nature, they generally cover actions in several countries/regions/continents (see explanation in footnote page 6). Block grants amount to an average total of approximately 20M€per year.

2003	199.900.000 €	<p>Latin America 28.6M€ (45 projects) (25%)</p> <p>Asia 22M€(40 projects) (19,2%)</p> <p>Central Asia 1.8M€(3 projects) (1%)</p> <p>Mediterranean 10.7M€ (18 projects) (9,4%)</p> <p>Eastern Europe 2.4M€ (5 projects) (2%)</p> <p>ACP 50.3M€(73 projects) (44%)</p> <p>a) SSA 44.5M€(65 projects) (39%)</p> <p>b) Caribbean 3.8M€ (5 projects) (3,3%)</p> <p>c) Pacific 1.8M€(3 projects) (1,6%)</p> <p>TOTAL 114.2M€(180 projects)</p>	<p>20,8M€(46 projects)</p> <p>AT (1), BE(1), DE(4), ES(2), FI(2), FR(1), UK(10), IRL(1), IT(6), NL(2), PT(1), EUR(15), SW(1)</p>	<p>2M€(5 projects)</p>
2004	198.927.089 €	<p>Latin America 31.5M€ (48 projects) (20,9%)</p> <p>Asia 34.3M€(49 projects) (22,7%)</p> <p>Central Asia 2.8M€ (3 projects) (1,8%)</p> <p>Mediterranean 10.1M€ (17 projects) (6,7%)</p> <p>Eastern Europe 3.8M€ (7 projects) (2,5%)</p> <p>ACP 70.8M€(115 projects) (47%)</p> <p>a) SSA 65.5M€ (106 projects) (43,4%)</p> <p>b) Caribbean 1.6M€(4 projects) (1%)</p> <p>c) Pacific 3.1M€(4 projects) (2%)</p>	<p>19,8M€(41 projects)</p> <p>BE(1), DE(5), FI(2), FR(2), UK(8), IT(5), PT(1), EUR(16), SW(1)</p>	<p>982.699€(3 projects)</p>

		TOTAL 150.6M€(236 projects)		
2005 <sup>22</sup>		Latin America +/- 30M€(40 projects) (+/- 20%) Asia 31,6M€(47 projects) (+/- 20%) Central Asia 2,5M€ (4 projects) (1,6%) Mediterranean 11,1M€ (16 projects) (7,1%) ACP 76,8M€(112 projects) (49,4%)  TOTAL 157,1M€(226 projects)	22,9M€(38 projects)	931.391€(3 projects)

---

<sup>22</sup> The list and figures for 2005 is preliminary as actions funded under the 2005 budget, for which the selection process has now been finalised, will only be published early 2007 once the respective contracts have been signed.

**Decentralised cooperation budget line 2001-2003**

<b>Year</b>	<b>Amount committed</b>	<b>Geographical breakdown (amounts and number of projects)</b>	<b>Type of actor supported (target groups) (amounts and number of projects)</b>	<b>Actors involved (beneficiaries of the grant) (type and origin)</b>
2002		1 project (3M€) - "SUPPORT TO CIVIL SOCIETY PROCESSES TOWARDS THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT – JOHANNESBURG"	WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT WSSD	CSO
2003		Latin America 1,6M€ (3 projects) (26%) Asia 0,7M€(1 project) (11%) Central Asia 0M€(0 projects) Mediterranean 1M€ (3 projects) (16%) ACP 2M€(5 projects) (33%) a) SSA 0,7M€(2 projects) (11%) b) Caribbean 0.4M€(1 project) (6%) c) Pacific 0,8M€(2 projects) (13%) Central Asia 0M€(0 projects) Eastern Europe 0,4M€ (1 project) (6%)  TOTAL 6M€(13 projects)	7 European NGOs, 6 local NGOs	CSO

**Decentralised cooperation budget line 2004-2005 (new regulation, with a focus on difficult partnerships)**

Year	Amount committed	Countries (amounts and number of projects)	Type of actor supported (target groups) (amounts and number of projects)	Actors involved (beneficiaries of the grant) (type and origin)
2004		Latin America 2,5M€ (29 projects) (30%) Asia 0,2M€(2 projects) (2,4%) Central Asia 0M€(0 projects) Mediterranean 0M€(0 projects) ACP 3,7M€(48 projects) (45%) a) SSA 2,7M€(33 projects) (32,9%) b) Caribbean 0.9M€ (15 projects) (10%) c) Pacific 0M€(0 projects) Central Asia 0M€(0 projects) Mediterranean 0M€(0 projects) Eastern Europe 1,8M€ (22 projects) (22%)  TOTAL 8,2M€(101 projects)	44 European NGOs, 57 local NGOs	CSO and Local Authorities

