

THEMATIC PROGRAMMES IN THE FUTURE EU EXTERNAL INSTRUMENT

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We acknowledge the added value of the geographic programmes and the need to align with partner country priorities as per the development and aid effectiveness agenda. However, **thematic budget lines have also played a critical role**, as indicated by the Mid-Term Review (MTR) of the current External Financing Instruments: **they help to deliver results for public goods and global challenges at global level, notably through contributions to global initiatives and by lending support to issues that lie at the core of EU values but are often neglected in bilateral cooperation**. If these positive aspects are maintained and improved in the future instrument, they could help ensure better linkages between the SDGs and build bridges between the local, national, regional and global levels.

In this document, we explain why **the current proposed amount of 7 billion EUR** for thematic lines under the [Neighbourhood, Development and International Cooperation Instrument \(NDICI\)](#) is **insufficient to allow the EU to be able to live up to its commitments including the SDGs and those in the Consensus for Development**. We propose appropriate amounts based on previous contributions to key sectors and initiatives and share recommendations on how smart programming could support EU commitments to those issues traditionally addressed by thematic budget lines.

Reduction in thematic programmes

In the NDICI proposal, the thematic programmes are reduced to a minimum: less than 8% of the total funding foreseen for this instrument compared to over 21%¹ during the current period in the European Development Fund (EDF), the Development Cooperation Instrument (DCI) and the European Instrument for Democracy and Human Rights (EIDHR) combined.

Geographic programmes represent over 76% of the commitments for NDICI which is accompanied by an unprecedented increase in non-programmable flexibility mechanisms such as the emerging challenges ‘cushion’ and the Rapid Response Pillar, which now represent approximately 16%.

The importance of strong thematic programmes

1. Thematic programmes support issues at the core of EU policies and values

*“In the thematic components of DCI, the EU’s share of total donor support (both European and global) in relation to global challenges and for civil society is large, making it a more dominant player amongst other European and non-European contributions”.*²

*“Content-wise new agendas (SDG) and pressing internal priorities were increasingly integrated in DCI and often translated into relevant actions (mainly through thematic programmes)”.*³

¹ In our calculations, we have accounted the Intra-ACP envelope in the thematic programmes. While the Intra-ACP is considered by the EC as a geographic envelope, it was used to fund supra-regional cooperation addressing the shared challenges facing ACP States through operations that transcend the concept of geographic location and benefit many or all ACP States (https://eeas.europa.eu/sites/eeas/files/intra-accp_cooperation-11th_edf_en.pdf). It had its own budget, and a dedicated MIP, which made it reliable, transparent and accountable for the drawing of funds for global initiatives. See in Appendix 1

² https://ec.europa.eu/europeaid/sites/devco/files/swd-mid-term-review-dci_en_0.pdf, p.18

³ https://ec.europa.eu/europeaid/sites/devco/files/draft-eval-dci-annexes_en.pdf, p. 9



*“GPGC has been a major player in natural resources and environment as well as sustainable agriculture and nutrition and on and sustainable agriculture”.*⁴

2. Thematic programmes are important to address sensitive issues

*“The external evaluations underline the strategic relevance of the thematic instruments, in particular their ability to act without the explicit consent of the partner country if required.”*⁵

This is particularly important for thematic programmes and projects supporting civil society action and in particular under EIDHR and IcSP.

3. Thematic programmes secure results in underfinanced areas in the geographic programmes

Recent annual reports present numerous positive examples of DCI thematic programmes. For instance, *“interventions financed through the DCI health thematic programme and completed in 2013-2015 have contributed to the distribution of around 150 million insecticide-treated bed-nets all around the world. More than 600,000 food insecure people have received assistance through social transfers supported by DCI funding, most of the support having been provided through thematic programmes.”*⁶

The DCI Regulation (2014) committed to allocate 29% of the funding of GPGC for Food and nutrition security and sustainable agriculture (FNSSA). This has enabled the EU to reinforce its support in this sector of crucial importance to local populations - yet often neglected by partner governments. There is a high risk that food security and agriculture become further neglected in partner country operations as the NDICI Regulation only makes a short reference to this area (Annex III) without any funding commitment.

In the area of environment and climate change, while the DCI regulation acknowledged the need to address these challenges in a more structured manner using both the geographic and thematic programmes, the mid-term review confirmed that in practice, these priorities did not feature prominently among bilateral cooperation programmes as often considered less strategic and relevant by partner countries, as well as due to programming constraints and lack of capacities in the delegations⁷. Only four DCI countries (and four EDF countries) included environment/natural resource management and climate change as a focal sector⁸. As a result, a large role has been played by the GPGC thematic programme in supporting these critical priorities which respond to EU’s international commitments and are essential to support for poverty eradication and sustainable development. The GPGC for instance has been a major source of funding for the Global Climate Change Alliance (GCCA+) flagship initiative⁹, which also benefited from contributions of the EDF intra-ACP envelope. Despite mainstreaming efforts have been stepped up within DG DEVCO, also thanks to specific guidance, tools and support from an ad hoc facility, the reduction in thematic programmes within NDICI should be reconsidered not to undermine the critical support to climate and environment priorities which is essential for implementing the SDGs and Paris Agreement.

⁴ https://ec.europa.eu/europeaid/sites/devco/files/draft-eval-dci-annexes_en.pdf, page 11

⁵ https://ec.europa.eu/europeaid/sites/devco/files/mid-term-review-report_en.pdf, page 8

⁶ https://ec.europa.eu/europeaid/sites/devco/files/draft-eval-dci-annexes_en.pdf, page 78

⁷ https://ec.europa.eu/europeaid/sites/devco/files/dci-final-report-vol-i-main-report_en.pdf, page 33

⁸ https://ec.europa.eu/europeaid/sites/devco/files/dci-final-report-vol-i-main-report_en.pdf page 23 and

based on an analysis of 74 of national indicative programmes (2014-2017) of ACP countries performed by the authors

⁹ idem



This also becomes clear when looking at the funding in geographic programmes for human development and social inclusion and the funding for CSOs. Based on an analysis of 74 of the current national indicative programmes (2014 - 2017) of ACP countries, the following issues should be noted:

- Only 14% of the budget of the National Indicative Programmes (NIPs) were allocated to **human development and social inclusion defined by health, education, social protection** (out of which 10% went to **health and education**).
- 28 NIPs include some reference to **gender equality**, 10 NIPs affirm that it will be mainstreamed but without any clear indicator or gender sensitive budgeting; only 1 NIP (Djibouti) has a targeted fund on gender equality.
- Only 60% of the ACP NIPs include an **envelope targeting CSOs**. For 30 ACP countries the decision was taken not to have a dedicated envelope.

4. Thematic programmes support global initiatives

*“Thematic programmes offer a means to **support reliable international partners**, such as WHO, CGIAR, IOM, etc., with direct awards to work in areas of global importance. The size and expertise of these institutions also allows thematic programmes to reap economies of scale.”¹⁰*

Under the current MFF, funding for three global initiatives: Gavi, the Vaccine Alliance, the Global Fund to fight AIDS, TB and Malaria, and the Global Partnership for Education amounted alone to **at least 1.5 billion EUR** which came from the GPGC (DCI) and the intra-ACP envelope of the EDF.

Global Initiatives	Commitments Million EUR	Timeframe
Gavi, the Vaccine alliance¹¹	175	2014-2020
The Global Fund to fight AIDS, TB and Malaria¹²	370 470	2014-2016 2017-2019
The Global Partnership for Education¹³	475	2014-2020

More examples are provided in Appendix 2

¹⁰ https://ec.europa.eu/europeaid/sites/devco/files/draft-eval-dci-annexes_en.pdf, page 107

¹¹ <https://www.gavi.org/library/news/gavi-features/2014/european-commission-announces-increased-pledge-to-gavi-alliance-as-replenishment-begins/>

¹² http://europa.eu/rapid/press-release_IP-13-1189_en.htm
<https://www.theglobalfund.org/en/news/2016-03-03-major-pledge-by-european-commission-signals-strong-replenishment-for-the-global-fund/>

¹³ <https://www.globalpartnership.org/content/pledge-european-commission-gpes-3rd-replenishment>.

Indicative amounts based on previous contributions from thematic programmes

Human development and social inclusion benchmark

In the European Consensus and in numerous European Parliament resolutions, the EU committed to allocate at least 20% of its ODA to human development and social inclusion.¹⁴

Considering that approximately 26%¹⁵ of the EU funds contributing to the 20% benchmark were previously sourced from the thematic or assimilated programmes from EDF and DCI, the allocation for the NDICI should be (at minimum):

Commitments in million EUR in current prices (2018)

Total NDICI	89,200
Total ODA eligible (min. 92%)	82,064 (min.)
20% of EU ODA that should be spent on human development and social inclusion	16,412
26% coming from the thematic lines	4,267

Gender equality

Under the Gender Action Plan II, the EU and Member States commit to reach at least 85% of project ranking G1 or G2. The benchmark on human development and social inclusion should be reflected in the implementation of the NDICI, and gender equality and women's and girls' empowerment should be mainstreamed throughout the instrument. Both are related, however there is a need for clear and separated targets in order to ensure they receive appropriate funding. **This is why we ask that 20% of EU ODA funds have gender equality as a principal objective.**

Considering that approximately 10%¹⁶ of the EU funds contributing to the gender targeted actions (marked G2) were previously sourced from the thematic or assimilated programmes, the allocation for gender in the NDICI should be (at minimum):

Commitments in million EUR in current prices (2018)

Total NDICI	89,200
Total ODA eligible	82,064
20% of EU ODA that should be spent on gender equality	16,413
10% coming from the thematic lines	1,6413

CSO support

The space for civil society has shrunk in recent years. The EU has acknowledged this in the 2017 Council Conclusions on the EU engagement with civil society in external relations. Furthermore, it has committed to engage more strategically with CSOs in all external instruments and programmes and in all areas of cooperation. Making funding accessible to a diverse civil society through different instruments and programmes has been one crucial element in EU's efforts to support the strengthening of civil society. This commitment needs to be continued and further strengthened in the next MFF **by safeguarding support for civil society as an actor of governance as well as an implementer and development actor.** This should be done by making the role of civil society visible and safeguarded both within the thematic programmes, including that on Global Challenges, as well as in the geographic programmes e.g. via dedicated envelopes. Including the promotion of enabling

¹⁴https://ec.europa.eu/europeaid/sites/devco/files/european-consensus-on-development-final-20170626_en.pdf

¹⁵ See appendix 3

¹⁶ See appendix 3



environment and the democratic and political role of civil society as one of many other priorities under the geographic programmes will not be sufficient based on our experience from the current MFF. Considering that previously approximately 19,31% of EU ODA was dedicated to CSO funding and out of this 17%¹⁷ was previously sourced from the thematic or assimilated programmes, the allocation for the NDICI should be (at minimum):

Commitments in million EUR in current prices (2018)

Total NDICI	89,200
Total ODA eligible	82,064
19,31% of EU ODA that is spent on CSO	15,847
17% coming from the thematic lines	2,694

Climate and Environment

The DCI regulation committed to allocate 27% of GPGC specifically to environment and climate change (EUR 1,327 m); it also foresees that at least 50 % of the GPGC funds, prior to the use of the markers based on OECD methodology (Rio markers), will serve for climate action and environment-related objectives. This means that beyond targeted support, these priorities are to be pursued in an integrated way across other sectors, such as energy, agriculture and food security etc. Overall this commitment represents around 2.5bn out of the 5.1bn envelope of GPGC. This alone, amounts to a sum which is close to the overall allocation for global challenges within NDICI thematic programme (3bn).

The NDICI regulation proposes to allocate 25% of its funds to climate related objectives, which implies that the majority of the funding for these priorities would come from the large geographic pillar. While acknowledging that efforts to mainstream climate and environment objectives across EFIs have been stepped up, especially in the area of climate change¹⁸, looking at the experience within current programming period, referred to above, and to some shortcomings in the NDICI regulation, there is a risk this support will not materialize. In fact, in the NDICI regulation the 25% proposed target lacks explicit reference to environmental protection, despite being so interlinked with climate related challenges and that the mid-term review confirmed “more needs to be done to address the scale of other environmental challenges such as biodiversity loss and depletion of natural resources”¹⁹; in addition the target is aspirational only as is included in the recitals.

Concord advocates to adopt a more ambitious 50% spending target within NDICI for climate and environment related objectives which promote clear co-benefits across sectors; to integrate such target within the articles of the regulation and to ensure significant allocations for the NDICI thematic envelope dedicated to global challenges. An ambitious binding target would allow the EU to continue being a leader in environment and climate action globally; contribute to meet its international commitments; as well as help ensure that these priorities are truly integrated into the geographic pillar. The thematic pillar should keep sufficient funding for all global challenges and priorities as mentioned above and, in the area of climate and environment, continue supporting interventions which pilot innovative approaches; which are truly global; or address climate and environmental challenges in a strategic way, at the local, regional and global level as the nature of the challenge may require.

¹⁷ See appendix 3

¹⁸ The 11th EDF climate contributions increased from 3.3% in 2014 to 23.3% in 2016 and DCI climate change contributions increased from 17.7% in 2014 to 24.9% in 2016 Source: Indicator 12b, EU international cooperation and development results framework with input from the OECD DAC Creditor Reporting System. Also referred to in the NDICI explanatory memorandum, page 7

¹⁹ See NDICI explanatory memorandum, page 7 (link to NDICI if needed)

RECOMMENDATIONS: Making the EU commitments a reality through smart programming

1. Ensure sufficient allocation to thematic programmes for complementarity, as the geographic approach will not be sufficient to support the EU priority issues

The EU has made **several commitments** to a number of issues that will **need to be addressed both by the thematic and the geographic programmes**. However, the thematic pillar as it currently stands cannot provide sufficient support to these key issues and there is no guarantee that the geographic pillar will compensate to cover such priorities.

- As shown before, some issues often related to Human development, gender equality and CSO support are **not prioritised during the programming process of the geographic programmes**. Therefore funding through geographic envelopes would be limited for support to these key but sometimes sensitive issues.
- Moreover, while Article 4 of the NDICI clearly states that the thematic programmes cover global initiatives, the funding made available for global challenges (**3 billion EUR**) **barely amounts to twice what would be needed** for the above mentioned three global initiatives (GAVI, Global Fund, Global Partnership for Education) would the EU wish to continue supporting them. That would **leave very little funding for the extensive list of thematic priorities listed in the annex**.
- Given the extensive amount of countries that global initiatives cover, contributions will have to be drawn from all four NDICI geographic pillars. However, within global initiatives, there is **no possibility to earmark to a region or a country**. This would mean de facto cutting budget from geographic envelopes without any measurable return on investment for that specific region/country.
- Finally it would be a **cumbersome process and contradict the simplification** and mainstreaming effort under the NDICI Regulation.

2. Meet the EU targets by smart reporting that informs programming

- **Calculate how much funding is dedicated to the benchmark** on human development and social inclusion, climate and environment and gender targets based on geographic programmes
- **Inform the programming** of the thematic programmes to balance the funding and reach the targets
- Publish reports on a yearly basis on how the different targets have been implemented and **adapt the programming accordingly** as well as a report for the mid-term review and at the end of the multiannual financial framework.
- Organise a **consultation with key stakeholders** at the mid-term review and the end of the period.

3. Put in place safeguarding measures for key issues in geographic programmes

The following measures aim to ensure that issues such as human development and social inclusion, gender and civil society, climate and environment, which were traditionally addressed via both thematic and geographic programmes will be sufficiently covered in the new geographic approach.

A. Ensure country ownership that is inclusive of civil society

- Ensure that the second generation of **CSO roadmap** includes a mapping of CSOs working on human rights and democracy, human development, social inclusion, gender and sexual and reproductive health and rights (SRHR), climate and environment, food security and nutrition
- Systematize, in EU Delegation (EUD) country analysis, **a mandatory analysis** on civil society space and role, human rights and democracy, human development, social inclusion, climate and environment, food security and nutrition, and gender and sexual and reproductive health and rights (SRHR); ensure that the programming guidelines in this regard are clear and implemented
- Include a **mapping of donor coordination mechanisms** on each of the thematic issues
- Include a **capacity assessment** on the resources in the EUDs on these issues and provide analysis, training, tools and the support needed²⁰
- **Organise a consultation** on each topic with relevant CSOs identified in the mapping to complete the analysis and actions at country level

B. Define appropriate actions at country level

- Use the country programming cycle to **organise CSO consultations to identify actions** and plan budget allocations inside both geographic and thematic envelopes
- Create a **dedicated civil society envelope** under each geographic programme, thereby ensuring that small CSOs can access it. Funding modalities need to be flexible and appropriate to the context and the diversity of civil society, while respecting their right to initiative.
- **Coordinate** with donors active in the field
- Include **trainings for EUD staff** and renew trainings on a regular basis
- Provide regional supports if needed at the EUD regional and headquarters level

C. Report on the activities

- **Monitor yearly the level of engagement on thematic issues**, in particular those for which benchmarks and budget allocations are established; human development and social inclusion, climate change and environment, human rights and democracy, CSO and gender
- If no action was taken, explanation should to be provided as part of the **Review of the External Action Management Reports (EAMR)**
- Evaluate EUD on the basis of their **compliance with the internal tools**
- Use the **internal reporting system** to identify relevant projects and to share good practices – thereby including indicators on human development and social inclusion, climate change and environment, human rights and democracy, CSO and gender in the action fiche for budget support projects
- Provide an **analysis of engagement** in these areas as part of the Annual EU ODA report and the EU Result Framework and present reports to the EP and Member States
- Provide a **platform for discussion with CSOs** on these issues during the MTR to inform the programming for the next phase.

²⁰ DCI midterm review explains that “Staff shortages in EUDs have discouraged EUDs from taking thematic programme projects on board. The reduction of staff in the EUDs had an impact in the management of thematic programmes. EUDs were sometimes reluctant to give a green light to thematic programmes in their countries – even when the programmes were centrally managed – because of staff shortages”.
https://ec.europa.eu/europeaid/sites/devco/files/draft-eval-dci-annexes_en.pdf, p 107-109

Appendix 1 – Comparison thematic programmes 2014-2020 and NDICI proposal

Commitments for thematic programmes under the 2014-2020 MFF compared to the NDICI proposal 2021-2027 (commitments in million EUR)

	EDF in 2014 prices	DCI in 2014 prices	EIDHR in 2014 prices	TOTAL 2014-2020	NDICI proposal in current prices
Amount for thematic issues	€2,474.5 [Intra ACP: €3,590 million minus Africa Peace Facility €900 and Institutional support €215.5]	€7,008 GPGC: €5,101 CSO LA: €1,907 (Pan-African programme: €845)	€1,332	€10,815	€7,000
Percentage of the overall envelop	8.5% (€30,506 total including €29,089 for ACP states)	35.5% (€19,662 total)	100%	21.6% (€50,083.752 total)	7.8% (€89,200 total)

Appendix 2 - Results by thematic programmes

2013-2015 Results Framework level 2 indicators²¹

Sector	Indicator	DCI total	GEO	GPGC	CSO-LA
Good Governance	1. Number of human rights defenders who have received EU support	10.291	0	10.291	0
Good Governance	4. Number of people directly benefiting from legal aid programmes supported by the EU	276.759	69.168	206.210	1.381
Sustainable and inclusive Agriculture	6. Agricultural and pastoral ecosystems where sustainable land management practices have been introduced with EU support (number of hectares)	3.050.400	51.804	2.907.554	90.000

²¹ https://ec.europa.eu/europeaid/sites/devco/files/draft-eval-dci-annexes_en.pdf, p 78-81

Sustainable and inclusive Agriculture	7. Number of people receiving rural advisory services with EU support	1.241.888	139.156	716.346	380.035
Systemic resilience to food crisis (Agriculture and Food Security)	10. Number of food insecure people receiving assistance through social transfers supported by the EU	634.027	1.350	631.547	1.130
Energy	12. Renewable energy production supported by the EU	108	0	108	0
Health	20. Number of women using any method of contraception with EU support	56.291.448	13.238.248	43.053.200	0
Health	21. Number of people with advanced HIV infection receiving antiretroviral therapy with EU support	4.233.380	0	4.200.000	33.380
Health	22. Number of insecticide-treated bed-nets distributed with EU support	150.000.000	0	150.000.000	0
Natural Resources / Environment	23. Number of countries/regions with climate change strategies (a) developed and/or (b) implemented with EU support	62	0	62	0

Source: EU Results Framework database (accessed in November 2016).



Appendix 3 - Contribution of thematic programmes to funding on human development and social inclusion, gender and CSOs

Percentage of activities contributing to the 20% on human development and social inclusion sourced from thematic programmes:

Commitments in million EUR (source: E-005419/2017 Answer given by Mr. Mimica on behalf of the Commission (27.10.2017) to Parliamentary Question E-009672/2016)

	2014	2015
Funding to human development and social inclusion from thematic programmes (EDF, and DCI)	220.243 EUR	432.920 EUR
Total of the EU funds to this area	842.719 EUR	1,604.037 EUR
Percentage of funds for this area coming from thematic programmes	26.13%	26.98%

Percentage of activities contributing to gender equality sourced from thematic programmes:

Commitments in million EUR (source: EU Gender Action Plan II " Annual Implementation 2016 https://ec.europa.eu/europeaid/sites/devco/files/staff-working-document-gender-2016-2020-20150922_en.pdf)

	2016
Funding to gender equality from thematic programmes	132.190,000 EUR
Total of EU funds to gender equality	419.125,120 EUR
Percentage	10.06 %

Percentage of activities contributing to CSO sourced from thematic programmes:

Commitments in million EUR (source: European Statistical Dashboard <https://webgate.ec.europa.eu/europeaid/reporting/ecas/sense/app/b6aea5bf-8b41-473a-aa51-0fcde0855c0a/sheet/3e2edd90-204b-4560-9c41-4363e4b183fb/state/analysis>)

	2015
Funding to CSO from thematic programmes (DCI,EIDHR)	460 EUR
Total of EU funds to CSO	2,692 EUR
Percentage	17%
Total EU funds to CSO	2,692 EUR
Total of EU ODA	13,941 EUR
Percentage of EU ODA to CSOs	19.31 %

