



Summary EU policy and funding for SRH

The Development Cooperation Instrument and Country Strategy Papers

21 March 2007

After three years of negotiations between the European Parliament (EP), Commission and the Council, the Development Cooperation Instrument (DCI) entered into force at 01 January 2007. The instrument falls under the new Financial Framework and will cover the period 2007-2013.

The DCI will be implemented through geographic and thematic programs. The geographic programs will be implemented through Country Strategy Papers (CSPs) (see more on the EPs involvement below). For the first time, a legal document of the Union's development cooperation policy explicitly mentions a benchmark of 20% of regional assistance (falling under geographic programming) to be spent on basic health and education by 2009. Civil society stakeholders together with the EP strongly advocated for the specific inclusion of this benchmark. Monitoring under the DCI will be targeted at the 20% benchmark, which in times of increased budget support will not be easy to do.

The non-geographic part of the DCI is divided into different thematic programs. The program dedicated to human and social development is called "Investing in People (IIP)" and is divided into four different sub-headings: health, education, gender and other social and human development (which includes employment, culture, youth and children and social cohesion). Since there will not be a separate budget line for SRH, funding for SRH will come out of the health budget for the seven-years period, which will be, according to informal information from the EC, most probably around € 587,6 million. The EC informally proposed to spend 50% of that budget on communicable diseases and 15% (€ 12.29 million annual average, 86 million over the whole period) on SRH, but this is not a final and not a formal decision. In the last financial framework, € 18 million on average per year was allocated to the SRH budget line.

Another obstacle is presented by the EC's inconsistent approach towards a regular flow of funding. On the one hand, the necessity of constant and predictable funding is used by the EC as an argument for increasing budget support. On the other hand, this same necessity is not acknowledged for funding under the thematic programs. The EC has repeatedly asserted



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that the above-mentioned division of money for the health envelope does not have to be met each year, but on the overall time span of the DCI, and so continuity is clearly not considered a priority for thematic funding.

There will probably not be any money spent on reproductive health under the thematic program in 2007. With the DCI being agreed upon only at the very end of 2006 (shortening the time for the EC to develop programmes to spend the money under the thematic programs), the bulk of 2007 money earmarked for health will be spent on the EC's contribution to the GFATM. To address the EC fund allocation and the GFATM's weak performance regarding SRH and HIV/AIDS prevention, DSW and other advocates around the world have scaled up their advocacy efforts towards the GFATM, calling for integration of SRH into the GFATM portfolio of activities and funding.

Civil society organizations in Europe can improve this situation by raising awareness among national political leaders regarding the fact that combating the feminization of HIV/AIDS requires strong SRH infrastructure, and so it's very important that funding for the GFATM does not come at the expense of traditional family planning and SRH programs and services, which are key service points of access for women and youth.

Democratic scrutiny in the Country Strategy Paper (CSP) process

The larger portion of European Community development assistance will be allocated to priorities set in geographic programming, e.g., country strategy papers (CSPs) negotiated between developing country governments and the EC. Most CSPs for the 10th European Development Fund (EDF) were drafted during 2006 and will be approved in late spring 2007. The CSP negotiation process has been non-transparent, and in 2006-2007, civil society organizations in Europe and developing countries have found it extraordinarily difficult to obtain information about the content of the draft CSPs. Officially, these CSPs have not been released for civil society review and input. Unofficially, some CSOs have been able to view many of the draft CSPs, and found that very few included health – and none SRH – as a priority. Furthermore, the EC intends to spend up to 50% of its geographical development assistance on general budget support.

Rumours on good authority indicate that the CSPs + EC budget allocated 7% of EC ODA on health in 2006, and that many CSPs increased their budgets for health in the 10th EDF. Howe-



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ver, there are equally credible rumours that health and education accounted for 4-5% of the total in 2000-2007 and are budgeted at half that amount in 2008-2013. The fact that there is no hard evidence, and that advocacy must be conducted based on such rumours, points to the need for increased transparency and accountability in EC ODA allocations.

The DCI establishes a legal basis for an EP right to review and comment on draft CSPs which fall under that instrument, which covers Asia, Latin America and South Africa. This provides an opportunity for civil society to get involved, based on strong working relationships with MEPs. Although the drafting process is not yet finalized and the documents are not yet signed, there are strong indications that the EP's comments brought health and education back in at least some of the CSPs.

The legal basis for the CSPs for the ACP region is the Cotonou Agreement, which does not include the same right for the EP, but which provides a legal basis for civil society participation in the CSP drafting process. After a statement by the German development minister urging EP review of ACP CSPs in January 2007, the Council of Ministers has rejected establishment of an EP right to review and approve country strategy papers for ACP countries, and Louis Michel, European Commissioner for Development indicated support for "budgetizing" the EDF, which would increase the EP's power of review.

The European Consensus on Development, adopted by the EU institutions in 2005, states that EU development assistance should follow transparent and rational criteria based on evidence of need and performance. If they exist and are being used, these criteria and evidence have not been made transparent. CSP funding allocations should follow the same logic.

It may be too late to influence the CSPs before they are approved, but advocates can start building support now for the CSP mid-term review scheduled for 2009 by:

1- Raising national political leaders' awareness of the risk for SRH (and health) of increasing emphasis on local "ownership" of programming and budget support without safeguarding progress on ICPD or monitoring progress on improving SRH.

2- Encourage developing country partners to get involved with their national ministries and EC delegations to try to bring increased transparency and civil society participation into national development strategies, especially during the 2009 CSP mid-term review. This involvement should include discussion of indicators and means for monitoring progress on ICPD.



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