



European
Commission



BUDGET SUPPORT

Trends and Results 2023



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BUDGET SUPPORT

Trends and results 2023

Directorate-General for International Partnerships
Directorate-General for Neighbourhood and Enlargement Negotiations
European Commission

September 2023

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This report is mostly based on data available by the end of 2022.

What is EU budget support?

EU budget support is a means of delivering effective aid and durable results in support of EU partners' reform efforts and the sustainable development goals. It involves: (i) dialogue with a partner country to agree on the reforms or development results that budget support can contribute to; (ii) an assessment of progress achieved; (iii) financial transfers to the treasury account of the partner country once those results have been achieved; and (iv) capacity-development support. It is a contract based on a partnership with mutual accountability. In compliance with the EU financial regulation, the use of budget support is subject to certain conditions. Eligibility criteria have to be met before a contract can be signed and must be maintained during its implementation before payments are made.

For an introduction to EU budget support, see the following videos: <http://bit.ly/EUbudgetsupportVideo> (explaining what EU budget support is), <http://bit.ly/EUbudgetsupportVideo2> (explaining how EU budget support operates and what it achieves), <http://bit.ly/EUbudgetsupportVideo3> (explaining EU budget support as a partnership for sustainable results) or <https://bit.ly/EUbudgetsupportVideo4> (EU budget support at the time of crisis – state- and resilience-building contracts).

Contents

Executive summary	5
Part I – Results	6
SDG 1 – Ukraine – Helping the country during times of war	7
SDG 1 – Moldova – Supporting vulnerable citizens	7
SDG 1 – Albania – EU for social inclusion	8
SDG 1 – Paraguay – Expanding social protection	8
SDG 2 – Bangladesh – Boosting adequate nutrition for mothers and young children	9
SDG 2 – Fiji – Supporting rural sustainable livelihoods	9
SDG 3 – Mauritius – Improving health sector resilience	10
SDG 3 – Morocco – Primary healthcare facility	10
SDG 4 – Albania – EU for improved education	11
SDG 4 – Bangladesh – Bringing children back to school after the pandemic	11
SDG 4 – Cambodia – Partnership in education 2018–2023	12
SDG 4 – Niger – Improving planning strategies in the education sector	12
SDG 4 – Greenland – Improving coordination and reaching out to remote locations	13
SDG 5 – Dominican Republic – Working together to prevent gender-based violence	13
SDG 5 – South Africa – Empowering women	14
SDG 6 – São Tomé and Príncipe – Providing access to clean water and sanitation	14
SDG 6 – Bhutan – Access to 24/7 drinking water supply	15
SDG 7 – Vietnam – Sustainable energy transition	15
SDG 7 – Jordan – Economic reforms for growth and jobs	16
SDG 8 – Georgia – Boosting regional development	16
SDG 8 – North Macedonia – Including young people in the labour market	17
SDG 8 – Ecuador – Strengthening the capacities of the aquaculture and artisanal fishing sector	17
SDG 10 – Colombia – Improving access to markets and financing for small farmers	18
SDG 10 – Peru – increased coverage of the national health insurance	18
SDG 11 – Albania – EU for good governance	19
SDG 13 – Bhutan – Strengthening rural development and climate change response	19
SDG 13 – Cambodia – Partnership in education 2018–2023	20
SDG 13 – Saint-Barthélemy – Making the island more resilient to natural disasters	20
SDG 16 – Senegal – Improving governance and accountability	21
SDG 16 – Niger – Improving access to justice and the quality of judiciary services	21
SDG 16 – Jamaica – Reaching out to young people at risk of being victims or perpetrators of violence	22
SDG 16 – Albania – EU for justice	22
SDG 16 – Armenia – Advancing judicial and rule of law reforms	23
Part II – Risk management	24
1. Risk management framework plus	24
2. Risk analysis results	24
3. Mitigating measures and risk response	27

Part III – Geographical and financial distribution	31
1. The current EU budget support portfolio	31
2. Disbursements	35
3. Fixed and variable tranches	36
4. Distribution by SDG of new budget support operations since 2021	37
Annex 1 – Selected country indicators	39
Annex 2 – Country classifications	59

Abbreviations

ACP	African, Caribbean and Pacific
DG	directorate-general
DOAG	decision on the overseas association including Greenland
DRM	domestic revenue mobilisation
EU	European Union
EUR	euro
GDP	gross domestic product
IMF	International Monetary Fund
IPA	Instrument for Pre-accession Assistance
MFA	macrofinancial assistance
NDICI – Global Europe	Neighbourhood, Development and International Cooperation Instrument – Global Europe
OCTs	overseas countries and territories
PEFA	Public Expenditure and Financial Accountability
PFM	public financial management
PRGT	Poverty Reduction and Growth Trust
PPP	purchasing power parity
RMF+	risk management framework plus
SDG	sustainable development goal
SDG-C	sustainable development goal contract
SRBC	state- and resilience-building contract
SRPC	sector reform performance contract
TVET	technical and vocational education and training
USD	United States dollars
WGI	Worldwide Governance Indicators

Executive summary

EU budget support is a means to deliver effective assistance, including in situations of crises. It is again demonstrated by the central part that it plays in the **support provided to Ukraine and neighbouring countries** confronted with the Russian war of aggression. Previously it had been instrumental in tackling the negative impact of the COVID-19 pandemic in partner countries.

In all contexts, budget support contributes to **strengthening country systems and budget processes**, thereby fostering EU partners' capacities to **implement their policies**, including for crisis response, **and deliver on reforms and on results** for their people. It helps foster progress towards the **sustainable development goals** (SDGs) even under adverse global circumstances.

Budget support offers **a platform for policy dialogue** with authorities and promotes accountability for the use of public funds, while putting forward EU priorities. It constitutes **a key modality for the Global Gateway** alongside technical assistance and the European Fund for Sustainable Development (EFSD+), supporting **fundamental values, a human-centric approach to investment and progress in economic governance**. EU budget support is an **asset for Team Europe**.

In 2022, EU budget support continued to cover a large variety of sectors (basically all SDGs) and geographies (88 countries and overseas territories, even though some operations are on hold due to political difficulties or failure to meet eligibility criteria). **In the past 3 years, EU budget support has helped countries by providing payments of EUR 6 billion overall** – EUR 3 billion in 2020, EUR 1.2 billion in 2021 and EUR 1.8 billion in 2022 – supporting policy implementation and helping countries overcome domestic and global constraints, preventing economic and social setbacks in the most fragile areas. Budget support accounted for **15 %**

of the European Commission's payments within the framework of the Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI – Global Europe), the Instrument for Pre-accession Assistance (IPA III), the decision on the overseas association including Greenland (DOAG) or under predecessor instruments.

This report depicts the EU budget support's contribution to dialogue with partner countries, to fiscal needs and to policy results in different regions and countries, including to advance public administration reform. The report has three parts.

Part I presents the **results** achieved by partner countries in a selection of 33 examples highlighting the EU budget support's contribution to their policies and to Global Gateway objectives. Some country cases still relate to the socioeconomic response to the pandemic, and others illustrate how the EU assisted countries in coping with the consequences of the Russian war of aggression against Ukraine.

Part II analyses the **risks and mitigation measures associated with budget support**. The protracted effects of the COVID-19 pandemic combined with the impact of the Russian war of aggression against Ukraine strongly influenced the breadth and depth of risks.

Part III describes the **financial and geographical distribution**. In 2022, the European neighbourhood became the largest recipient of budget support (38 %), followed by sub-Saharan Africa (24 %), Asia (18 %), the western Balkans (8 %), Latin America (6 %), the Caribbean (2 %), overseas countries/territories (2 %) and the Pacific region (2 %). By contract type, sector reform performance contracts (SRPCs) outweigh state- and resilience-building contracts (SRBCs) and SDG contracts (SDG-Cs), with 74 % of the portfolio in value compared to 24.5 % and 1.5 % respectively.

Part I – Results

EU budget support is implemented in the context of the 2030 Agenda for Sustainable Development and of the EU Global Gateway strategy. This report presents the results achieved by partner countries and examples of the contribution of EU budget support to those objectives in line with the SDGs.

The results highlighted hereafter reflect the variety of contexts in which EU budget support is implemented. The report focuses on trends and results observed by the end of 2022 and presents major budget support contributions, sometimes still in a context of post COVID-19 pandemic or as a response to the Russian war of aggression against Ukraine.

Under the development policy, the objectives focus on fostering sustainable development and eradicating poverty. Under the European neighbourhood policy, the EU works with its southern and eastern neighbours to foster stabilisation, security and prosperity. In the context of enlargement and with the prospect of EU membership, budget support is used to provide incentives for compliance with the Copenhagen accession criteria in candidate countries and potential candidates. It also contributes to the strengthening of civil society dialogue, enhancing market economies and supporting alignment with the EU *acquis*.

The analysis is based on national data produced by the partner countries themselves, since budget support aims at working through country systems, including statistical and monitoring ones, as this contributes to domestic accountability. This analysis also draws on recognised international data-

bases ⁽¹⁾ where needed, in order to assess trends across countries.

The 33 cases presented hereafter illustrate concretely the results and trends observed in partner countries. The cases marked with the Global Gateway logo also contribute to the Global Gateway initiative, through which the EU invests in education, health, technology, infrastructure or economic governance to help tackle the most pressing global challenges.

Indeed, every budget support contract – in other words, 100 % of the EU budget support portfolio – contributes to improved public finance management, combined with dedicated performance indicators and capacity-development action embedded into the operations. This not only applies to SDG-Cs and SRBCs, which typically address points covered by SDG 16 (peace, justice and strong institutions), but also to SRPCs, which aim at improving sector governance, promoting regulatory reforms, upgrading standards and contributing to strengthening institutions. Moreover, some SRPCs are focused on public finance management, justice and, notably in the enlargement and neighbourhood contexts, on public administration reform.

Likewise, each budget support contract contributes to SDG 17 (partnerships for the goals), that is, partnerships, through the eligibility criteria on macro-economic stability and budget transparency, similarly combined with performance indicators and capacity development. These dimensions are also of significant importance for the investment climate at the core of the Global Gateway.

⁽¹⁾ Data used in the report are drawn from official reports of partner countries or from the following public databases: World Development Indicators (<http://datatopics.worldbank.org/sdgs>); Worldwide Governance Indicators (WGI) (<http://info.worldbank.org/governance/wgi>); the Public Expenditure and Financial Accountability (PEFA) programme (<https://pefa.org/assessments/listing>); the International Monetary Fund (IMF) World Economic Outlook (<https://www.imf.org/en/Publications/WEO>); and the Open Budget Index (<http://survey.internationalbudget.org>). Comparisons between editions of *Budget Support – Trends and results* over multiple years must be handled with care as the countries receiving EU budget support vary from one year to another. Refer to Annex 2 to find out where EU budget support is currently being implemented.

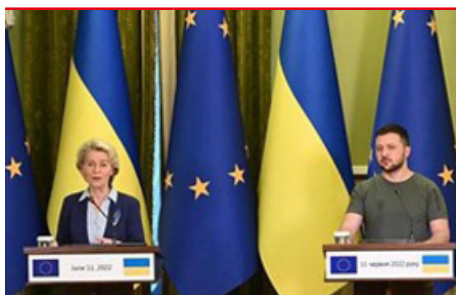
1 NO POVERTY



SDG 1

Ukraine – Helping the country during times of war

EU support to Ukraine has helped **mitigate the effects of the Russian aggression on the livelihood of the conflict-affected populations.**



During 2022, a total amount of EUR 698 million was paid through budget support to contribute to the rehabilitation of critical infrastructure, to ensure the continuation of livelihoods of conflict-affected population and to reconstruct education facilities.

With the budget support assistance, more than 32 000 farmers benefitted from subsidies and grants for land cultivation and buying cattle, contributing to food security. Over 100 000 agricultural producers were registered in the State Agrarian Register, helping to formalise this sector of employment. Additionally, financial transfers were provided to ensure support to households that were accommodating internally displaced people, and to compensate for such costs at the level of communal facilities (schools, sanatoriums). Over 1.6 million internally displaced people were accommodated through this framework.

1 NO POVERTY



SDG 1

Moldova – Supporting vulnerable citizens

The EU helped Moldova in **mitigating the socioeconomic impact of rising energy prices**, in particular on vulnerable groups.

The EU support for managing the energy crisis in Moldova



The EU's total budget support package for Moldova of EUR 135 million has, since December 2021, helped the most vulnerable segments of the population faced with rising energy costs. It has also strengthened the government's overall capacity to deliver tailor-made services to these vulnerable groups and basic services to its population, and has supported the long-term socioeconomic recovery, energy security and energy transition.

1
NO
POVERTY

SDG 1

Albania – EU for social inclusion

5.9 % more children with disabilities attend mainstream education.



The EU budget support for social inclusion in Albania aims at expanding the coverage, inclusiveness and emergency responsiveness of social care services and pre-university education, including populations at risk of exclusion.

One of the supported reforms is the increase in the number of children with disabilities attending mainstream education. In 2021/2022, 4 178 children with disabilities attended mainstream schooling, or a 5.9 % increase. The budget support also contributed to the provision of improved social services to people with disabilities, in particular at the municipal level.

1
NO
POVERTY

SDG 1

Paraguay – Expanding social protection

EU budget support has contributed to a substantial increase of social transfers and pensions coverage.



EU budget support contributed to an increase of 7.4 % (from 52 % to 59.4 %) in the number of citizens covered by retirement and pension benefits and an increase of 20 % in monetary transfers to households in situations of poverty and social vulnerability from 2020 to 2021. With this action, the EU supports the implementation of the Social Protection System of Paraguay 'Vamos!' reinforcing the right to social protection of vulnerable people, in particular women, children, people with disabilities and informal workers.

These monetary social protection transfers have a substantial impact on containing the incidence of poverty in Paraguay. According to the 2021 Permanent Household Survey, 1.9 % of the population avoided falling into poverty partly thanks to these transfers. The programme also contributed to strengthening the integrated social information system for the management, monitoring and evaluation of the social protection system.

2
ZERO
HUNGER

SDG 2

Bangladesh – Boosting adequate nutrition for mothers and young children

The EU has helped **1.2 million vulnerable women to ensure proper nutrition for their young children.**



EU budget support has contributed to increasing by 20 % the coverage of the mother and child benefit programme, ensuring that mothers and children under the age of 5 have access to adequate and nutritious diets, by providing them with monthly cash-based transfers, together with social and behaviour change activities. With the help of the EU, the number of beneficiaries of this programme in the country has increased from 1.045 million in 2021/2022 to 1.254 million in 2022/2023, contributing to a progressive reduction in all forms of malnutrition.

Moreover, the EU supported the government in enhancing synergies between the programme management information system and the health/birth registration IT systems, in order to share information, reduce targeting errors and improve the programme efficiency.

2
ZERO
HUNGER

SDG 2

Fiji – Supporting rural sustainable livelihoods

The EU contributed to **increasing agriculture** (crop and livestock) **production by around 6% annually.**



In Fiji, EU budget support contributed to responding to the impact of the COVID-19 pandemic and boosting agriculture production and export.

Due to its high dependence on tourism, Fiji's economy has been severely affected by the pandemic. As part of the measures taken by the government, efforts have been made to increase the local production of nutrient-rich foods, and therefore to enhance access to healthy food while undertaking reforms to develop a sustainable, competitive and resilient agriculture sector.

The EU supported the government's policy and helped ensure that 3 447 new communities were provided with planting materials and technical support to improve the production of tubers, fruit and vegetables.

3 GOOD HEALTH AND WELL-BEING



SDG 3

Mauritius – Improving health sector resilience




The EU helped increase testing capacity, **equip 17 intensive care unit beds** and train health professionals to address COVID-19 and other communicable diseases.

- ✓ Guidelines for communicable diseases
- ✓ ICU beds
- ✓ Testing capacity




Investing in a more resilient health sector in Mauritius




In Mauritius, the EU supported improvements to detect and treat COVID-19 and other communicable diseases. It also helped to strengthen the capacity of health professionals in dealing with them.

With the contribution of the EU budget support, the daily COVID-19 testing capacity increased to 1 500 (up from 800 tests per day before the project) and the overall capacity of intensive care beds increased by 25 %, from 67 to 84. In addition, healthcare frontliners were provided with the necessary guidelines to deal with communicable diseases and pandemics in full conformity with World Health Organization protocols, and 1 343 health professionals were trained for the management of pandemics and infection-prevention control.

3 GOOD HEALTH AND WELL-BEING



SDG 3

Morocco – Primary healthcare facility




EU budget support **ensured the continuity of services in 2021** in primary healthcare facilities.



The EU helped Morocco to ensure the government’s policy for the continuity of primary healthcare services. Together with strengthening governance processes, these constitute a priority recommendation of the World Health Organization.

In 2021, the Moroccan government also requested complementary technical assistance to anticipate, plan and structure the next response to a health crisis based on lessons learned from the COVID-19 pandemic in different countries.



SDG 4

Albania – EU for improved education



7.7 % more jobseekers enrolled in **employment programmes** and **vocational training**.



In addition to social care, the EU support for social inclusion in Albania helped expand employment opportunities for young people and adults in Albania, including populations at risk of exclusion.

With the EU contribution to the offer of employment facilities, the number of jobseekers enrolled in employment promotion and vocational training programmes increased by 7.7 % in 2022. More unemployed jobseekers are registered, with a particular focus on unemployed young people, so that they can benefit from social support and employment and training programmes.



SDG 4

Bangladesh – Bringing children back to school after the pandemic



Following the COVID-19 pandemic, with the budget support from the EU, **750 000 children between the ages of 8 and 14 have enrolled in learning centres**.



In 2022, in Bangladesh, 750 000 'out-of-school' children, who had either dropped out or had never enrolled in any government-led primary school, had the opportunity to access education through 25 309 learning centres, set up by the non-government agencies actively working in the field. This initiative is part of the national primary education sector programme, to which the EU contributes as the largest grant provider, and is an example of collaboration taking place between a government and a non-governmental organisation in the field of education.

The EU has also been supporting the government at the policy level to enhance progress towards achieving access to quality education, leaving no one behind.

4
QUALITY
EDUCATION**SDG 4****Cambodia – Partnership in education
2018–2023**Global
Gateway

The EU helped **increase the national number of scholarships for basic education by 20 %** to reduce school dropouts during the COVID-19 pandemic.



In a context where COVID-19 school closures and economic downturn put children more at risk to drop out, EU budget support contributed to increasing by 20 % the number of nationally funded scholarships for children aged 6–15, to help children stay in school and complete their education.

The number of scholarships increased from 210 000 in the 2019/2020 school year to 250 000 in the 2020/2021 and 2021/2022 school years. Moreover, this increased number of scholarships has been maintained in the 2023 national budget, after the end of the COVID-19 crisis and the budget support programme.

4
QUALITY
EDUCATION**SDG 4****Niger – Improving planning strategies
in the education sector**Global
Gateway

The EU supported Niger in the elaboration of **new norms** promoting better **security and learning conditions in schools**, particularly for girls.



Thanks to EU budget support, new security norms for primary and secondary education were introduced. These norms pursue the creation of a safe environment for students and improved access and learning conditions – specifically for girls – through the implementation of measures promoting continuity in their educational journey (dedicated internet access, construction of sanitary facilities for girls). Girls with disabilities equally benefit from the dispositions.

Regarding technical and professional training, a decree was adopted to foster equal opportunities offered to girls and boys with regard to access to quality education and to the labour market.

4 QUALITY EDUCATION



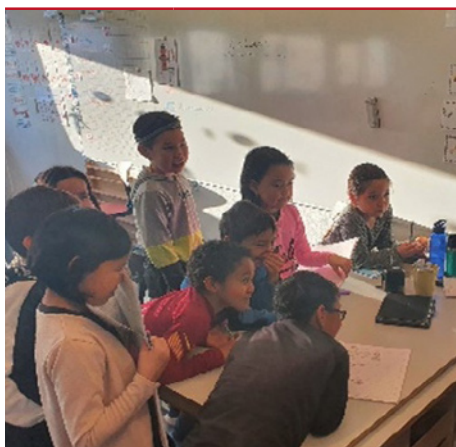
SDG 4

Greenland – Improving coordination and reaching out to remote locations

Global Gateway



A **multi-stakeholder coordination forum** was created to facilitate the formulation and implementation of **new education policies** and **e-learning**.



The EU–Greenland education partnership fosters institutional reforms to increase efficiency, quality and equality of schools. With the EU budget support, a multi-stakeholder coordination forum was created to facilitate the formulation and implementation of the new education policies, engaging with different stakeholders at the municipality and central levels.

In Greenland's more remote towns, quality is hampered by a lack of trained teachers. Through EU budget support, a new IT strategy has been promoted, with a tailor-made use of e-learning. This is complemented by measures to improve students' well-being and a new innovative curricula, formulated in consultation with the private sector.

5 GENDER EQUALITY



SDG 5

Dominican Republic – Working together to prevent gender-based violence

The EU helps **strengthen inter-institutional capacities** to provide assistance to victims of gender-based violence.

In the Dominican Republic, EU budget support contributed to joint efforts at the local level to prevent and respond to gender-based and domestic violence. The EU supports the Dominican national plan for gender equality.

During and after the COVID-19 pandemic, this support allowed local gender networks to reopen and operate effectively. A new system of transmission of gender-based violence cases was adopted and, by the end of 2021, a total of 5 531 users were part of 17 local active networks across the country.

In 2021, 82 % of these local networks for a life free of violence transferred requests to the Ministry of Women to process cases of gender violence.

5 GENDER
EQUALITY

SDG 5

South Africa – Empowering women

The EU supports South Africa in **addressing gender-based violence and femicide** and in laying the foundations for **gender-responsive budgeting**.



In South Africa, EU budget support contributes to comprehensively addressing gender-based violence and femicide. The EU's support has been instrumental in finalising the related national strategic plan on gender-based violence and femicide, as acknowledged by President Ramaphosa at the second Presidential Summit on Gender-Based Violence and Femicide in November 2022.

Comprehensive interventions to address gender-based violence include support for victims and socioeconomic empowerment. A government-wide gender-responsive planning, budgeting, monitoring, evaluation and auditing framework has been approved and the EU is supporting the National Treasury in finalising a road map for the implementation of gender-responsive budgeting (GRB).

6 CLEAN WATER
AND SANITATION

SDG 6

São Tomé and Príncipe – Providing access to clean water and sanitation

Access to water was granted to **more than 80 % of the population** with the support of the EU, and the population is now using **improved sanitation systems**.



Since 2015, EU budget support has been supporting the development of the water and sanitation sector in São Tomé and Príncipe. The population with access to improved drinking water supply sources has increased to nearly 98 % in 2021, while domestic water supply is now available to more than 80 % of the population.

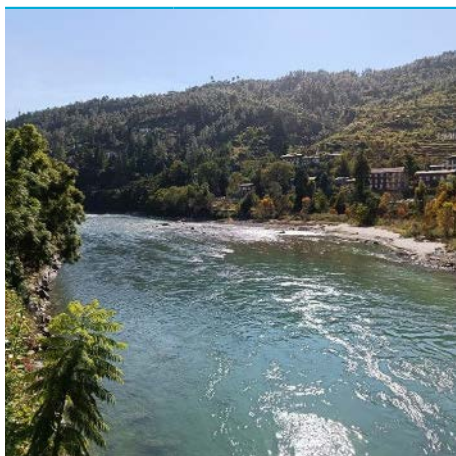
Open air defecation remains a widespread practice (nearly 50 % of the population), although a downward trend can be noted and the percentage of the population using improved sanitation facilities is increasing.

6 CLEAN WATER
AND SANITATION

SDG 6

Bhutan – Access to 24/7 drinking water supply

The EU budget support has strengthened local governments contributing to an additional **3 003 rural and 600 municipal households with access to 24/7 water supply.**



In Bhutan, the EU contributed to the water flagship programme to ensure the availability and sustainable management of water for households.

The number of households without access to a 24-hour drinking water supply through the rural water supply scheme decreased from 12 121 (2019) to 9 118 households (2021), and in the municipalities from 5 439 to 4 839 households with the contribution of EU budget support.

The EU supported the government's policy and helped Bhutan achieve the targets included in the local government's plans and programmes, which aim at ensuring access to 24/7 drinking water for all households.

7 AFFORDABLE AND
CLEAN ENERGY

SDG 7

Vietnam – Sustainable energy transition

Global
Gateway

EU budget support has helped installed wind power capacity to increase by **more than seven times.**



In Vietnam, the EU is contributing to the energy transition for sustainable development.

Thanks to the EU's budget support, grid-connected wind-power-installed capacity increased by more than seven times, and 700 km of extra-high-voltage power transmission lines (500 kV) were installed between 2020 and 2021. Additionally, 531 new energy managers and 82 new energy auditors were trained in 2022.



SDG 7

Jordan – Economic reforms for growth and jobs

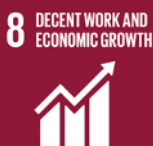


EU contribution helped Jordan to reduce energy losses by **installing 271 856 smart meters**. The EU also helped to green Jordan's energy mix by connecting over **560 MW of renewable energy** to the grid.



In Jordan, the EU contributed to decreasing the cost of energy by reducing losses along the grid, and by connecting over 560 MW of renewable energy.

The EU supported the government's policy and helped achieve the installation of 271 856 smart meters by the end of 2021. It also increased the interconnection of over 560 MW of renewable energy to the green corridor, which is now accommodating 1052.25 MW of wind/solar projects.



SDG 8

Georgia – Boosting regional development



Promoting **decentralisation**: local solutions for local issues.



In Georgia, the EU supports decentralisation and regional development to improve living conditions for all and reduce regional disparities.

The budget support programme for integrated territorial development is implemented in four regions (Kakheti, Imereti, Guri, and Racha-Lechkhumi and Kvemo Svaneti), benefiting a third of the Georgian population. Local decision-makers are responsible for making sure that measures respond to actual needs, such as the renovation of schools, roads and tourism infrastructure. For example, in Kakheti, the renovation of **a 4 km road** connecting Chumlaki to the Bakurtsikhe bypass has reduced excessive travel time and distances, and simplified access to markets for farmers. This has allowed local businesses to reduce their costs by 25–30 %, also encouraging new businesses to flourish.

8 DECENT WORK AND
ECONOMIC GROWTH

SDG 8

North Macedonia – Including young people in the labour market

The EU supported **educational reforms and the inclusion of more than 26 000 young people** in the labour market.



The EU for Youth budget support contributed to improving young people's skills and decreasing youth unemployment from 30.5 % in 2019 to 24.9 % in 2022.

The EU is backing North Macedonia to address labour market mismatches by implementing a technical and vocational education and training (TVET) reform, investing in the reconstruction/refurbishment of facilities, providing validation of TVET qualifications for non-formal learning and training staff. The enrolment in TVET schools increased by 6 % in 2021/2022 compared to the previous school year. The three regional TVET centres, which are part of the budget support programme, foster a stronger linkage between young people's skills and the local demand in the business community.

8 DECENT WORK AND
ECONOMIC GROWTH

SDG 8

Ecuador – Strengthening the capacities of the aquaculture and artisanal fishing sector

Through EU support, **80 695 fishing boats** were assisted in the **artisanal fishing facilities**.



EU budget support contributed to the post-earthquake reconstruction and reactivation agenda, promoting sustainable and inclusive economic growth in the provinces of Manabí and Esmeraldas by strengthening the capacities of the aquaculture and artisanal fishing sector.

To increase productivity in the value chain of the fishing sector in vulnerable communities, the construction of four new fishing facilities in Chamanga, Cojimías, Crucita and Puerto López was ensured, along with the development of a management model to ensure operational and financial sustainability. The EU supported the government's policy ensuring that, from 2019–2021, a cumulative total of 80 695 fishing boats were individually assisted, resulting in increased productivity of artisanal fishing.



SDG 10

Colombia – Improving access to markets and financing for small farmers



The EU supported the conclusion of **112 755 commercial agreements** and **199 277 subsidised agricultural loans for small farmers.**



EU budget support contributed to 112 755 small farmer producers having commercial agreements in place, thereby reducing risks related to market dynamics. The Colombian agencies work in a coordinated manner to match the supply and demand of agricultural products. The support includes technical and financial incentives. Between 2017 and 2021, a total of 199 277 loans were given to small farmers, 35.9 % of which were women.

Through this programme, the EU supported Colombia's Strategic Sector Plan for the improvement of productivity, competitiveness and profitability of agricultural and non-agricultural production, which led to a 16 % increase in the added value of the agriculture, forestry and fishing sector in 2021.



SDG 10

Peru – increased coverage of the national health insurance



The health insurance coverage rate passed **from 95 % in 2020 to 98 % in 2021.**



This budget support was designed as an emergency response to the COVID-19 pandemic, with a focus on vulnerable and migrant populations. It contributed to the government's effort in increasing the coverage of the national health insurance towards universal health coverage. The health insurance coverage rate passed from 95 % in 2020 to 98 % in 2021.

A measure was included to encourage the inclusion of the migrant population in the COVID-19 vaccination campaign. The budget support dialogue, complemented with other EU programmes and emergency measures, succeeded in conveying the importance of including migrants in social safety nets in Peru. As a result, by the end of 2021, authorities reported that 99 % of foreigners residing in Peru were vaccinated with two doses against COVID-19.

11 SUSTAINABLE CITIES
AND COMMUNITIES**SDG 11****Albania – EU for good governance****Improved service delivery by municipalities.**

In Albania, the EU budget support for good governance encourages reforms in public finances, public administration, anti-corruption and local government.

In 2022, the programme contributed to strengthening the ability of municipalities to take up their new role in service delivery and implementing the decentralisation agenda. In addition, the EU enhanced the clarification of responsibilities and encouraged the adoption of integrity plans by municipalities.

Furthermore, access to information for citizens was enhanced. The EU helped public authorities to maintain an online register of requests concerning the right of information. The number of authorities maintaining a register increased from 27 in 2018 to 94 in 2021. As of 2022, all information requests are done online.

13 CLIMATE
ACTION**SDG 13****Bhutan – Strengthening rural development and climate change response**Global
Gateway

The EU has contributed to the **increase in the production of climate-resilient cereals and vegetables to 1 534 metric tonnes since 2014.**



In Bhutan, EU budget support contributed to the adoption of climate change adaptation technologies by supplying resilient seeds of cereals and vegetables.

The production of cereals and vegetables increased from 444 metric tonnes in 2014 to 1 534 metric tonnes in 2020.

The EU budget support provided the government fiscal space and financial capabilities, thus enabling the development of sustainable rural livelihoods resilient to climate change.

13 CLIMATE ACTION


SDG 13

Cambodia – Partnership in education 2018–2023




The EU has helped build **150 new climate-resilient schools** and has increased proper access to water and sanitation.



Cambodia is very vulnerable to climate change. The arrival of the monsoon is becoming less predictable. Floods and droughts are increasing in frequency and severity. School overcrowding and seasonal flooding affect many villages in Cambodia. The COVID-19 pandemic underlined further the need to have properly aerated and flood-resistant schools, with acceptable hygiene facilities.

In this context, EU budget support has contributed to the construction of 150 new climate-resilient school buildings. In addition, thanks to several targeted investments, the percentage of schools in Cambodia without water and sanitation has decreased from 27 % to 18 % between 2019 and 2021.

13 CLIMATE ACTION


SDG 13

Saint-Barthélemy – Making the island more resilient to natural disasters




EU budget support helped create **10 emergency public Wi-Fi hotspots** reliably connected to the internet.



In 2017, Hurricane Irma dramatically affected the people in Saint-Barthélemy. Improving the island’s resilience and reducing the impact of an increasing number of natural disasters has become vital for the island and its residents.

A resilient internet network is key when a disaster strikes. The first EU budget support programme in Saint-Barthélemy supports the territory’s disaster risk management policy. Thanks to the support, an emergency public Wi-Fi network connected to the fibre cable infrastructure was made available, allowing inhabitants to maintain communication and facilitating assistance in post-disaster situations.

Thanks to these 10 new Wi-Fi hot spots, Saint-Barthélemy will be able to be more responsive in times of crisis and will be more integrated into the regional and global digital ecosystem.



SDG 16

Senegal – Improving governance and accountability



The EU supported national accountability on the management of COVID-19-response public funds.



In Senegal, the EU led, through its budget support, a joint political dialogue between major international partners and the government, to ensure public accountability on the management of COVID-19-response expenditures.

This intense dialogue resulted notably in the production and publication of an audit report by the national supreme audit institution. This report generated a large national debate, raising awareness on the importance of transparency and accountability, leading to legal action for the cases of mismanagement, while reinforcing the role of the national supreme audit institution.

This budget support aims at strengthening the national youth policy. Moreover, it also covers a migration component in order to strengthen the political dialogue with the government and to encourage progress in terms of migration management in the country.



SDG 16

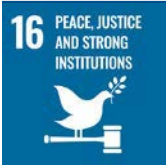
Niger – Improving access to justice and the quality of judiciary services

The EU has supported the training and integration of **50 new magistrates** in the judiciary.



The EU fosters improvements in access to justice and in the quality of judiciary services in Niger.

The country has engaged in judiciary sector reforms since the adoption, in 2015, of the national policy for justice and human rights and the implementation of the juridic and institutional framework, while broadening the scope of the judiciary chart. Nonetheless, access to justice and the quality of judiciary services offered remain limited due to a shortage of judiciary personnel. Thanks to the contribution of the EU budget support, the number of magistrates in the judiciary has increased by 11.9 %, from 421 to 471.



SDG 16

Jamaica – Reaching out to young people at risk of being victims or perpetrators of violence

Global Gateway



The EU helped **13 426 unemployed young people** acquire **a professional qualification or skills' certification.**



With the contribution of EU budget support, 8 214 female and 5 212 male young unemployed persons graduated from technical and vocational training courses in 2021 and obtained a skills qualification or certification to improve their employability. This represents a 43 % increase in trained unemployed young people compared to 2019.

The EU is supporting the implementation of Jamaica's Citizen Security Plan, marking a policy shift towards a more coordinated inter-ministerial and evidence-based approach to security and violence prevention. Infrastructure investments for community safety were promoted in 2021, such as the establishment of three school safe passages, the construction of 14 green spaces in vulnerable communities, the rehabilitation of 15 police facilities and the establishment of six new domestic violence help centres.



SDG 16

Albania – EU for justice

Supporting essential **justice reforms** and **improving access to justice.**



Through the EU for justice programme, the EU contributes to improving the performance of the justice system, as a large-scale vetting process of judges and prosecutors has affected all the courts, with a shortage of magistrates. The backlog in court cases remains a key challenge of the judiciary in Albania.

The programme helps the capacity of the High Judicial Council to transfer, promote and evaluate judges and encourages vacant positions at the High Court to be filled. The programme also supports the School of Magistrates in training and certifying new judges and upgrading the skills of existing ones. Furthermore, three new local legal advice offices were opened in order to improve access to justice.



SDG 16

Armenia – Advancing judicial and rule of law reforms

Thanks to EU support, **71 new judges** have been appointed, and multiple **judicial branches have become operational.**



EU support to justice has contributed to key critical reforms in this sector. The Corruption Prevention Commission examined 474 integrity declarations of candidates for judicial, prosecutor and investigative positions (from 2021 to September 2022). A total of 71 new judges have been appointed based on the improved legislation. The department for confiscation of property of illicit origin has been established and has started its operation, carrying out so far 351 examination proceedings. The specialised Anti-Corruption Court and the Anti-Corruption Chamber of the Court of Cassation have been operational since August 2022.

The EU also supported the development of the new Armenian 2022–2026 Strategy for Judicial and Legal Reforms. Through the EU–Council of Europe Partnership for Good Governance, recommendations and expertise were provided for the development of new criminal procedure codes in line with the European human rights standards.

Part II – Risk management

1. Risk management framework plus

In 2021, a new country risk management framework (RMF+) came into force.

In 2022, some changes were made to better follow up on the implementation of mitigating measures and to make a systematic link to international indicators and EU analytical tools, and to expand its use beyond budget support. Conclusions stemming from the analysis can apply to all types of operations, including the European Fund for Sustainable Development and not just for budget support operations.

The RMF+ is adapted to the changing geopolitical context and the new NDICI – Global Europe instrument. It applies to countries in which the EU has a bilateral cooperation, including a significant number of countries where budget support is not provided (see Annex 2).

The RMF+ assesses risks related to the Commission priorities, and to which EU action within the framework of the NDICI – Global Europe, IPA III and DOAG could be exposed in partner countries. It ensures links to the Global Gateway, the Green Deal, sustainable and inclusive growth and jobs, migration partnerships, sustainable finance (including the elements of the investment climate) and fundamental values (i.e. human rights, democracy and the rule of law).

The RMF+ includes four risk categories: (i) political system and corruption; (ii) sustainable jobs and growth; (iii) sector policies; and (iv) sustainable finance, public financial management (PFM), transparency and oversight. Each risk category consists of several dimensions (from 7 to 9), the ratings of which are guided by a questionnaire. Risks are rated from 1 (lowest) to 4 (highest), and an assessment of the risk outlook for the following year adds to the analysis.

The conclusions of the RMF+ (level of risks, identification of mitigating measures and of policy dialogue priorities) contribute to the achievement of the objectives set in country programming and partnership documents. These conclusions help identify mitigating measures and complement policy dialogue priorities with country authorities or other

relevant stakeholders. They feed into the design of all EU measures and their implementation, limited to budget support programmes and disbursements in the enlargement and neighbourhood regions.

Alongside the geographical analysis, the country RMF+ reports also allow a thematic analysis to be carried out to draw conclusions for the planned operations and policy dialogues.

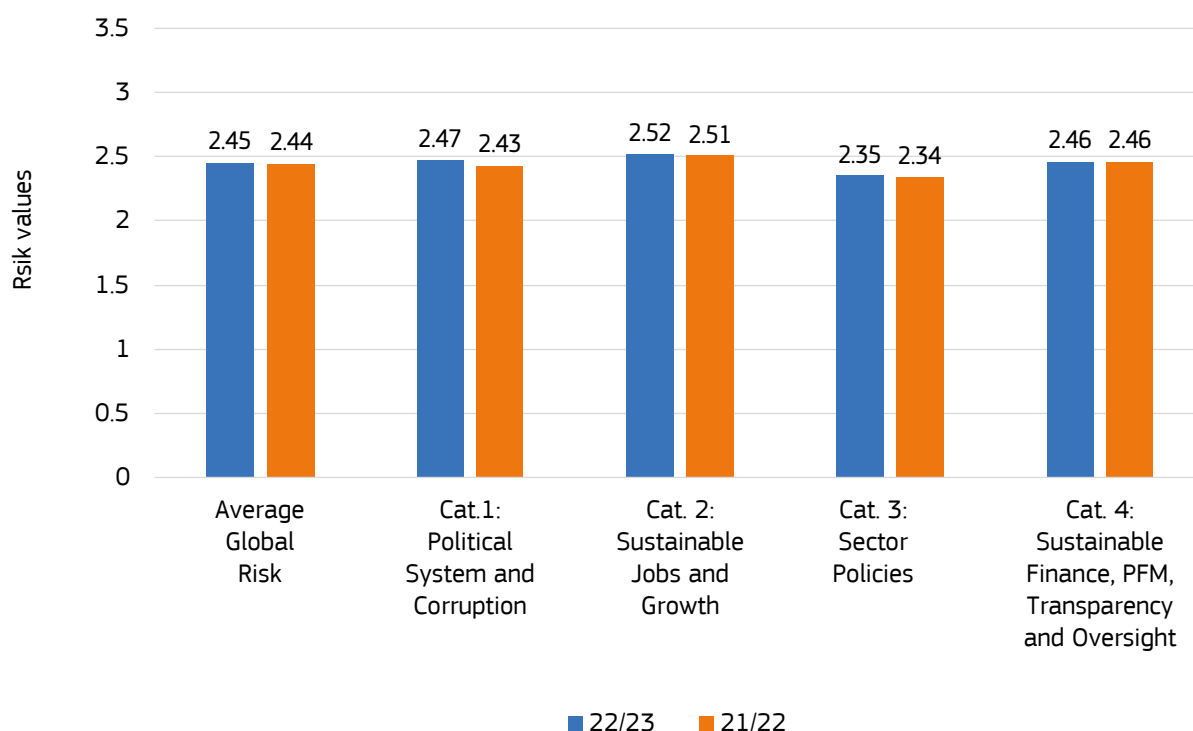
The RMF+ helps EU delegations to engage with countries and international finance institutions on developing an investment pipeline and design investment projects, based on a structured assessment of political, economic, policy and financing risks in each context.

EU delegations and Commission central services use the RMF+ conclusions and follow up on the implementation of risk mitigation measures and progress achieved with policy dialogue priorities, in synergy with other existing analytical and reporting tools.

RMF+ reports are updated on a yearly basis by the Commission, with the support of the European External Action Service and, where relevant, with the support of other Commission departments. Exceptional circumstances can trigger more frequent updates. In 2022, 126 RMF+ reports were prepared for 111 countries and territories in sub-Saharan Africa, Central and South America, Asia, the Caribbean and the Pacific region, and 15 for countries in the western Balkans, the Eastern Neighbourhood and the Southern Neighbourhood. Out of the 126 RMF+ reports, 77 concerned countries or territories where there are budget support operations. The 2022 RMF+ reports reflect the spillover risks stemming from the Russian war of aggression against Ukraine.

2. Risk analysis results

The aggregated results obtained for the second RMF+ exercise are presented in the graphs below. The first graph shows, for all countries covered by the exercise, the average global risk level across the four categories, along with the average risk level by category. The second graph shows the average global risk by region. The third graph presents the average global risk and the average risk per category for countries with and without budget support programmes.

FIGURE 1. Average global risk values and average risk values per category

The risk assessment for each dimension considers both the prevailing context and situation in the countries, and the countries' responses to them (e.g. policies, strategies, reforms).

The graph in Figure 1 shows that the average country risk level of all countries assessed is moderate (i.e. between 1.5 and 2.5) but very close to substantial (i.e. when the risk level is above 2.5; beyond 3.5 the risk is considered as high). The same holds for three categories: 'political system and corruption', 'sector policies' and 'sustainable finance, PFM, transparency and oversight'. The average risk level is substantial for the category 'sustainable jobs and growth'.

By comparing the results of the two first exercises of the new RMF+, the 2022/2023 risk levels remain broadly consistent for all four categories with 2021/2022 risk levels. The greatest difference between the two exercises in terms of average risk values is in the category 'political system and corruption', as there has been a slight increase in the risk dimensions 'instability, insecurity, conflict and violence' and 'human rights and fundamental values'.

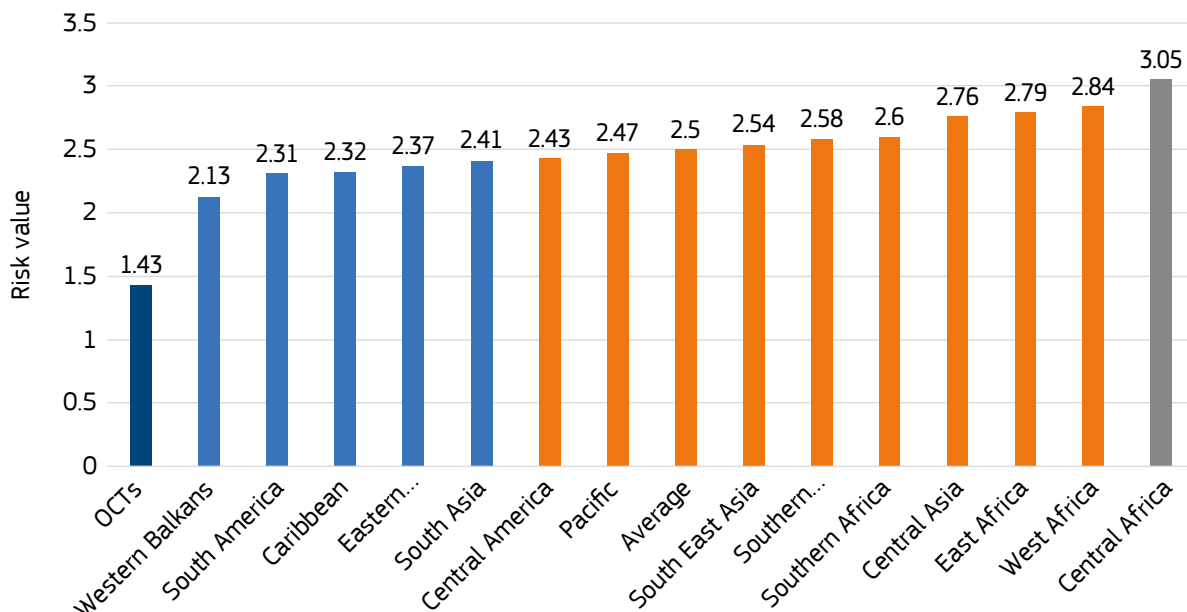
Moreover, in 91 % of the countries, risks have been assessed as substantial or high for at least one risk

subdimension of the category 'sustainable jobs and growth', which includes macroeconomic and debt sustainability and resilience/vulnerability to shocks, notably.

In terms of average global risk by region, the highest average risk levels are found in sub-Saharan Africa, in Asia and in the Southern Neighbourhood. Many countries in these regions are fragile, confronted with multiple pressures on their budgets stemming from increasing security risks, high vulnerability to climate and economic shocks, and needs for social spending to improve living standards of fast-growing populations.

The uncertainty surrounding Russia's war of aggression against Ukraine continues to impact the macroeconomic context. More than half of the countries in these subregions present a substantial or high level of risk for macroeconomic stability, debt management, green transition and sustainable growth. The volatile energy prices, uncertainties related to security of energy resources supply, increased food prices and disruption of global value chains, together with the impact of severe weather conditions, will keep economic policies at the centre of the EU policy dialogue priorities.

FIGURE 2. Global risk per region – RMF+ 2022/2023



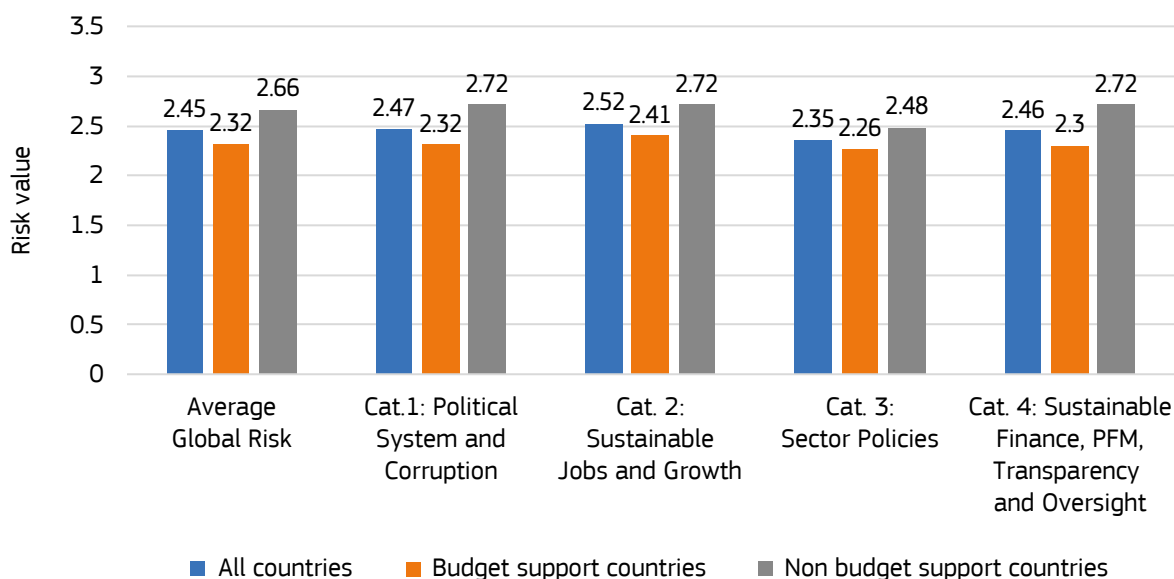
The Commission and the European External Action Service services will therefore seek to monitor the situation with these partner countries and support them with various operational and financial tools.

The comparison of average risk profiles between countries implementing budget support programmes (77) and other countries covered by the RMF+ exercise (49) shows that the risk profile of

countries without budget support is higher in all risk categories.

Regarding **PFM and domestic revenue mobilisation (DRM)**, average risk levels remained stable overall. If a distinction is made between countries receiving budget support and countries that do not receive it, a slight increase in the average risk level can be observed in countries that do not receive budget support. For countries receiving budget sup-

FIGURE 3. Average global risk levels for budget support countries and non-budget support countries



port, instead, the decreasing pattern is reflected in all four dimensions.

Overall higher risks in non-beneficiaries of budget support may indicate elements not allowing countries to meet the eligibility criteria or difficulties in the dialogue with countries' authorities, making it difficult to provide budget support. Risks affect EU priorities in a similar way in both budget support and non-budget support countries. Mitigating measures resulting from the risk assessment must be implemented in all countries and for all implementing modalities.

However, high or substantial levels of risks do not necessarily rule out the provision of EU budget support. In certain situations, high risks can be accepted, as long as there are opportunities for engagement with the authorities and concrete prospects for improvement, to the extent that risks can be mitigated and, in a fragile context, that the risks associated with non-intervention outweigh the risks of providing budget support. Those risks call for strong coordination with other key partners, primarily the EU Member States active in the country and the IMF. In close cooperation, budget support has a stabilising function, contributing to fiscal space, helping preserve key public services, supporting important reforms and preventing a situation from worsening.

The RMF+ has also been extended to more countries, including upper-middle-income countries with stronger capacities, where the EU cooperation is limited in volume, not provided through budget support and rather centred on knowledge transfer and EU expertise, or financial instruments. This can explain the similar level of risks on average for the two groups of countries.

As far as budget support is concerned, the results of the RMF+ allow the EU to make a risk-conscious decision on operations, while identifying mitigating measures in key areas. They provide a structured analysis, which informs the design and implementation of programmes in the first place and feeds into the policy and political dialogue with the partner country. Risk assessment also helps foster the complementarity with other operations and align the operation with EU priorities.

3. Mitigating measures and risk response

Mitigating measures, especially if the risks are high or substantial, allow EU partnerships and pro-

grammes to achieve their objectives despite the level and nature of risks observed in countries.

Mitigating measures often took the form of policy dialogue initiatives or capacity building, but also included adapting programme design and implementation frameworks in response to the context and anticipated risks. The range of mitigating measures is wide as they should be tailored to the needs of specific countries. In the 2022 RMFs, mitigating measures focused mostly on the areas mentioned below.

Russia's war of aggression against Ukraine worsened the economic and food crisis in many countries, still grappling with the consequences of the COVID-19 pandemic, as excessive debt burdens. The risk did not fundamentally increase in the second RMF+ exercise despite the major shock caused to food and energy prices, with potential dramatic impact on credit conditions and public finances in many emerging and low-income countries.

Risks associated with **debt transparency and management** became more prominent. In the current challenging environment, more countries required additional financing for their widening fiscal gap, increasing their debt vulnerabilities, with some countries having defaulted on their external debt by the end of 2022. Effective debt management should contribute to reducing debt service costs and ensure the long-term, sustainable financing of productive investments.

Increasing economic and fiscal resilience was a priority in partner countries, coupled with **strengthening food production and resilience of food systems. Appropriate policy responses were put in place.** On 24 September 2022, the EU allocated EUR 600 million to the most vulnerable African, Caribbean and Pacific (ACP) countries hit by the food crisis. Within this package, budget support programmes were topped up to reinforce and support food production and the resilience of food systems. The EU also provided macroeconomic support (EUR 100 million) to the IMF's Poverty Reduction and Growth Trust (PRGT) ⁽²⁾ to support vulnerable ACP countries, allowing the IMF to make about EUR 630 million worth of zero-interest loans for PRGT-eligible ACP countries facing balance of payments difficulties.

In the Eastern Neighbourhood, the EU provided strong financial support to Ukraine through budget support and macrofinancial assistance (MFA) that

⁽²⁾ The IMF's lending programmes funded through the PRGT are: (i) the Extended Credit Facility; (ii) the Standby Credit Facility; and (iii) the Rapid Credit Facility. See also: [Factsheet – IMF support for low-income countries](#).

helped to reduce vulnerabilities and enhance food security through support to conflict-affected populations and agricultural production in Ukraine.

Global risks for the economic outlook remain high. However, the global economic outlook looks a bit more positive compared to 1 year ago. The main reasons are that inflation pressures started to recede thanks to a decline in global energy and food prices and the easing of global supply chain constraints.

As regards vulnerability to shocks, this type of risk remains particularly elevated (substantial/high) in the Caribbean (climate change and external dependency) and in western and central Africa. Globally, vulnerabilities to adverse exogenous and endogenous shocks are multifaceted and disproportionately felt across regions, reflecting differences in economic development, the degree of trade and financial integration, institutional environment and locational fundamentals. The main risks include longer-than-expected vulnerabilities to the COVID-19 pandemic, persistent climate shocks and natural hazards, and rising socio-political tensions and conflicts. In this respect, the new IMF Resilience and Sustainability Trust helps countries build resilience to external shocks and ensure sustainable growth, contributing to their longer-term balance of payments stability.

For 57 countries, including 29 African countries, the risks related to the Global Gateway are assessed as substantial or high. A more systematic integration of the Global Gateway reform priorities into budget support operations could help to mitigate those risks. Specific mitigating measures have been identified along with policy dialogue priorities accordingly. These mitigation measures should be included in all Global Gateway investments supported by the EU and/or complement them.

On the issue of more structural risks, **creating an attractive investment climate and business environment** is increasingly important for the **EU Global Gateway**. Countries need to attract foreign investment or stimulate the domestic private sector, invest in people and skills, promote economic diversification and develop and improve the governance of sustainable value chains, in order to reduce their vulnerability to shocks and to build up their economic resilience.

DRM, including from natural resources and limiting tax exemptions, is key to increasing countries' resilience and building fiscal space. Working on revenue

policies and the effectiveness of revenue administration is a critical measure alongside budget support programmes. **Strengthening DRM** is at the core of securing public resources required for a properly functioning state and the provision of essential public services such as education, health and infrastructure, which are **key to improving a country's investment climate**. This includes fighting tax evasion, tax avoidance (e.g. tax base erosion and profit shifting) and illicit financial flows.

Strengthening public finance management can address critical issues that directly affect investment. A competitive, transparent and accountable public procurement system is crucial to ensure the quality and value for money of public investment. Transparent budget preparation and execution, improved budget credibility, medium-term fiscal framework, effective internal control and external scrutiny are needed to create confidence among private investors, which is important for the development of the local private sector and helps to combat corruption. Public procurement and public investment policy, important dimensions also in relation to the Global Gateway, are part of the analysis.

Green PFM practices remain nascent in most partner countries. However, the work in the field has started to progress towards greener PFM systems, including through the work on SDG budgeting and diagnostic/analytical tools such as [PEFA Climate](#), the [Climate-Public Investment Management Assessment](#) or the Methodology for Assessing Procurement Systems, which also covers sustainable procurement.

Regarding sustainable financing, despite positive developments on sustainable finance in some countries, the reports reflect overall the fact that sustainable finance is still nascent in many of the countries, with many of them showing a low uptake of sustainable finance frameworks, a low development of sustainability-related financing instruments and few having integrated the environmental, social and governance criteria into their policy/regulatory framework. This is often underpinned by a low level of domestic financial and capital market development. The upcoming EU initiatives (sustainable finance advisory hub and global green bond initiative) will play an important role and support countries in building conducive environments for sustainable finance.

Regarding natural resources (oil, gas, minerals), given the ongoing global energy transition away from fossil fuels to minerals, we can expect a paradigm shift in access to and pricing of these resources. There will be new risks and opportunities in natural-resource-rich countries. The RMF+ exercise is increasingly reflecting these risks, such as the need for diversification of the economy and regulating access to and management of resources, especially minerals – bad governance including corruption and lack of transparency. The mitigation measures identified are mostly in the context of the Extractive Industries Transparency Initiative process, political dialogue and budget support including PFM/DRM. The strategic **partnerships on critical raw materials** play a key role in ensuring the development of a secure and sustainable supply of raw materials and refined materials to support the **green and digital transformation** of the partners' countries.

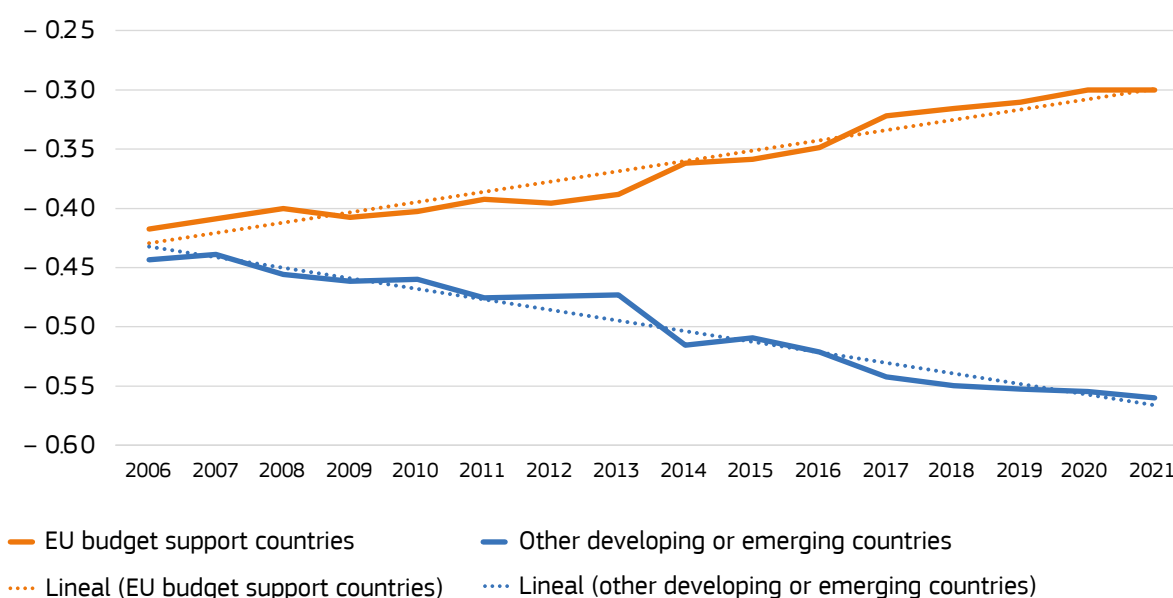
The increase in **risks for democracy, human rights and the rule of law** underlines the importance of focusing on these areas, especially in the political dialogue. Since the last risk assessment, the situation has deteriorated in a number of countries and has been monitored very closely with strengthened policy dialogue. In some instances, it resulted in putting on hold budget support programmes and

requiring corrective measures from partner countries before resuming them.

Last but not least, the **mitigation of corruption and fraud risks** continued to be a priority, and budget support in itself is instrumental in controlling corruption. Safeguards took many forms, ranging from direct provision of assistance to anti-corruption institutions or judicial bodies to strengthening political/policy dialogue on transparency and oversight functions. It also aimed at keeping a focus on reforming departments prone to corruption, such as revenue and customs administrations. Empowerment of civil society organisations and independent media is also encouraged to mitigate corruption risks. Moreover, the EU supports global initiatives for tax governance and the fight against illicit financial flows.

According to the WGI, budget support countries have improved in controlling corruption⁽³⁾ over the last 16 years, with an average score of – 0.28 in 2021 compared to – 0.42 in 2006. Moreover, budget support countries perform better in controlling corruption than other developing/emerging countries, for which the average score was – 0.57 in 2021 and where the control of corruption has declined in the last 16 years. It averaged – 0.44 in 2006 at roughly the same level as EU budget support beneficiaries.

FIGURE 4. Control of corruption – Worldwide Governance Indicators 2006–2021 (World Bank)



⁽³⁾ The 'control of corruption' is measured as part of the WGI through a composite indicator measuring perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, along with 'capture' of the state by elites and private interests. Scores range from – 2.5 for 'weak governance' to + 2.5 for 'strong governance'. See: <http://info.worldbank.org/governance/wgi/#home>.

Continuous efforts to help fight corruption in partner countries ⁽⁴⁾ are however required, as deficiencies are numerous, hinder development prospects and undermine populations' trust in their institutions. This must be accompanied by continuous promotion of transparency and accountability. Moreover, the implementation of exceptional fiscal measures and derogatory budgetary processes in response to the

pandemic as of 2020 and, in some instances, in response to the consequences of the Russian war of aggression against Ukraine has recently increased risks for public finance management, DRM and fraud. Corruption risks require close and constant monitoring, whether the country receives budget support or other forms of EU assistance.

⁽⁴⁾ In line with the [EU anti-corruption strategy](#) issued in May 2023.

Part III – Geographical and financial distribution

1. The current EU budget support portfolio

In 2022, the ongoing EU budget support portfolio amounted to EUR 10.4 billion, including the technical assistance component that comes with most programmes and, in some instances, blending contributions for specific investments added to budget support in the context of the Global Gateway.

The portfolio consisted of 198 operations funded under the Global Europe instrument, the IPA III, the DOAG and specific EU trust funds (EU Emergency Trust Fund for Africa, EU Madad Fund in Jordan, EU Trust Fund for Colombia), or the predecessor instruments (European Development Fund, Development Cooperation Instrument, IPA II, European Neighbourhood Instrument).

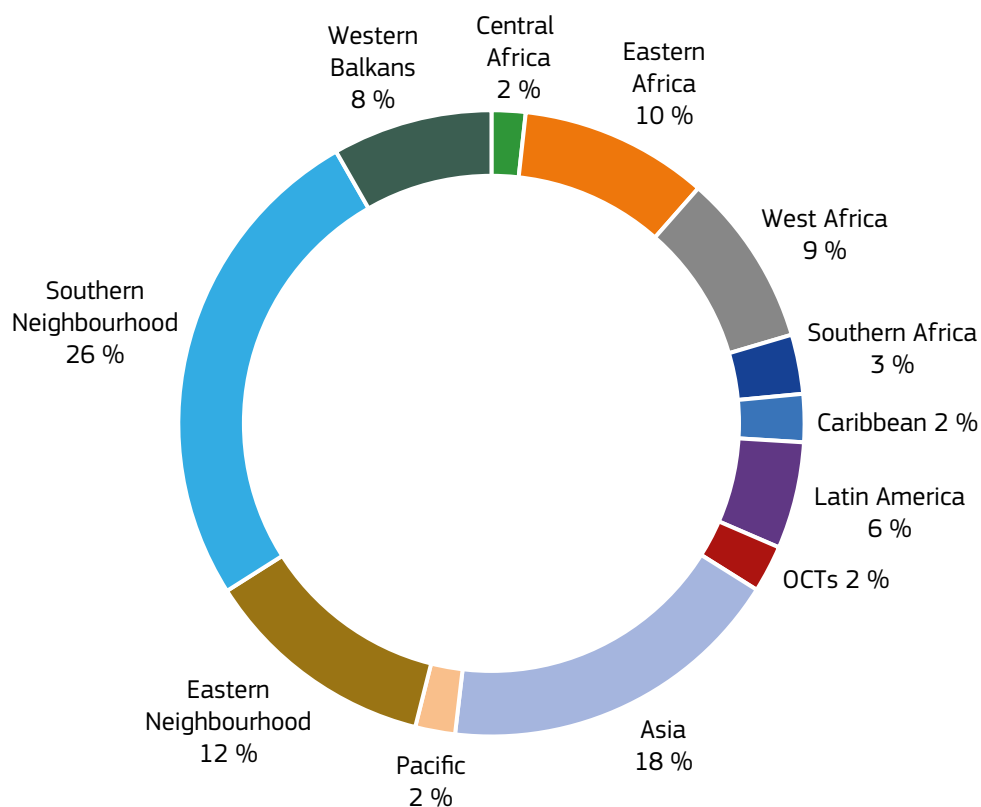
Region	Number of countries ⁽⁵⁾	Number of budget support contracts	Type of budget support contract (number)			Budget support commitments (in million EUR)		Total disbursed in 2022
			SDG-C	SRBC	SRPC	Total ongoing	of which new commitments in 2022	
Asia	12	27	0	0	27	1 870.3	184.3	103.7
Caribbean	7	11	0	2	9	257.7	22.5	13.6
Central Africa	2	3	0	0	3	182.6	26.3	2.0
Eastern Africa	6	14	0	1	13	1 014.4	210.0	57.8
Eastern Neighbourhood	4	14	0	4	10	1 261.3	816.0	808.1
Latin America	8	18	0	0	18	575.0	15.1	64.1
Overseas countries and territories (OCTs)	11	12	0	0	12	254.1	98.5	35.5
Pacific	10	14	0	3	11	214.6	9.5	17.8
Southern Africa	7	12	0	2	10	319.4	76.0	57.0
Southern Neighbourhood	4	39	0	2	37	2 681.3	498.0	580.0
Western Africa	11	16	3	7	6	932.9	128.8	76.6
Western Balkans	6	18	0	7	11	861.8	607.0	29.4
All	88	198	3	28	167	10 425.4	2 692.0	1 845.6

In 2022, 51 new budget support operations or financial top-ups to ongoing operations were approved globally. These new financial commitments neared EUR 2.7 billion, with a surge in the Eastern Neighbourhood and the western Balkans reflecting the support for Ukraine and neighbouring countries following the outbreak of the Russian war of aggression against Ukraine.

This consisted of resilience building contracts for Ukraine, Moldova and the western Balkans (as part of the Energy Support Package) worth close to EUR 1.3 billion altogether, or almost half of the new financial commitments of budget support in 2022.

In other geographies, new commitments were also on the rise, after the transition observed in 2021 between two multiannual financial frameworks.

⁽⁵⁾ This list might include countries where the operations are on hold.

FIGURE 5. Distribution of the EU budget support portfolio by region in 2022

As a result, the European neighbourhood (38 %) has become the largest recipient region of budget support ahead of sub-Saharan Africa (24 %), where political crises in some countries also made it impossible to provide budget support. These are followed by Asia (18 %), whose share continues to increase over the years, the western Balkans (8 %), whose share doubled in 2022, Latin America (6 %), the Caribbean (2 %), the OCTs (2 %) and the Pacific region (2 %).

In the European neighbourhood and the western Balkans, the EU also provides MFA ⁽⁶⁾ to countries in need of support regarding their balance of payments. Synergies are sought with budget support operations (e.g. macroeconomic stabilisation, including to meet fiscal needs and public finance management). MFA was extensively used in 2022 to support Ukraine and neighbouring countries facing the consequences of the Russian war of aggression.

The budget support portfolio per country averaged EUR 118 million, with the Southern Neighbourhood standing out as it hosts the two largest budget support recipients (Morocco and Tunisia). Ukraine came out as the third portfolio in 2022, with nearly EUR 800 million of ongoing operations.

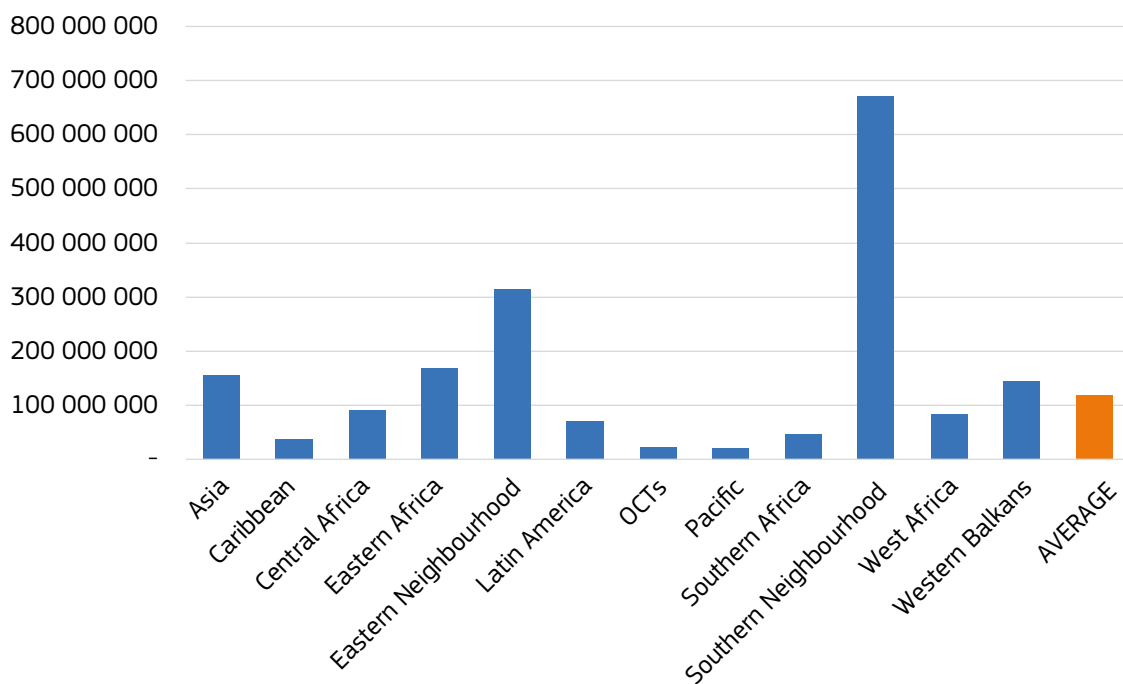
The effort made in Ukraine and the surrounding countries led to an increased share of lower-middle-income countries in the distribution of the EU budget support portfolio, while the relatively high share of upper-middle-income countries stems from the western Balkans notably. Nonetheless, altogether, 37 % of ongoing budget support programmes (in volume) are implemented in least-developed countries ⁽⁷⁾.

On average, there were 2.25 open budget support operations per country, and their average size was nearly EUR 53 million globally with variations across regions, ranging from EUR 15 million to EUR 90 million.

⁽⁶⁾ In 2022, the EU provided close to EUR 7.55 billion of MFA in total through concessional loans. For further background, please refer to the Commission's [report on the implementation of MFA in 2022](#).

⁽⁷⁾ The list of least-developed countries is set out by the UN level and reviewed every 3 years. Least-developed countries are mostly low-income countries, but the list also includes middle-income countries. To date, the list includes 46 countries (see <https://www.un.org/development/desa/dpad/least-developed-country-category.html>).

FIGURE 6. Average size of the budget support portfolio per country in each region in million EUR



SRPCs account for 74 % of the EU budget support portfolio in financial terms, SRBCs being on the rise to 24.5 % given their use in response to the Russian war of aggression against Ukraine and SDG-Cs accounting for 1.5 %. Out of the number of operations, the share of SRPCs reaches 84 % of the total amount, considering their relatively smaller size, compared to 14 % for SRBCs and 2 % for SDG-Cs.

FIGURE 7. Distribution of the EU budget support portfolio by income group of countries

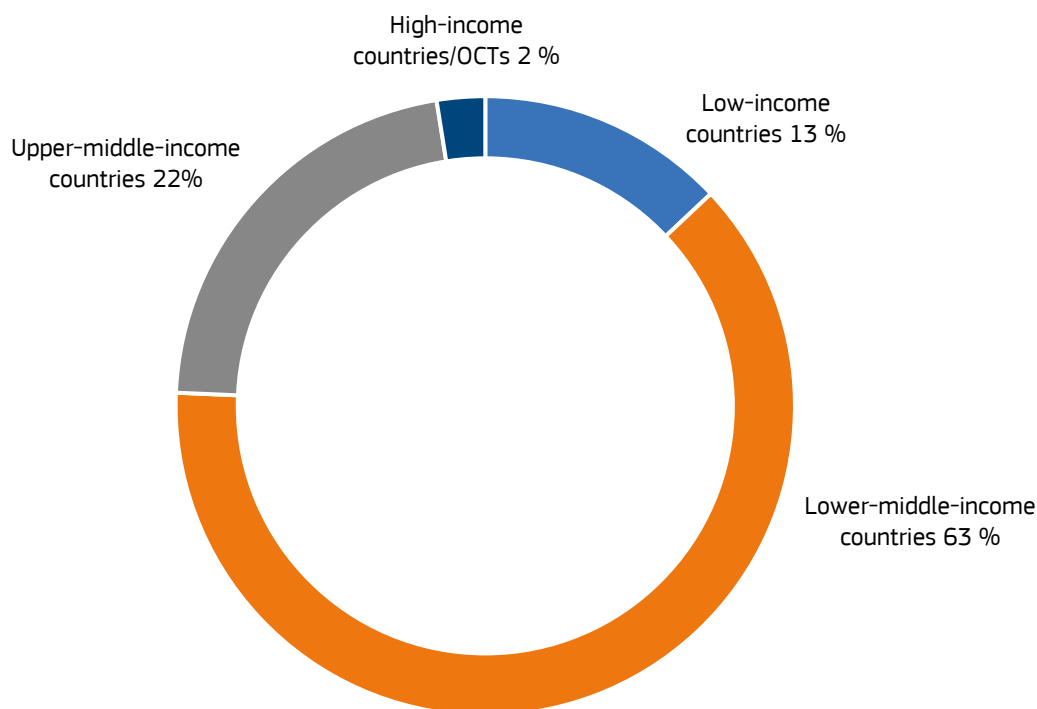
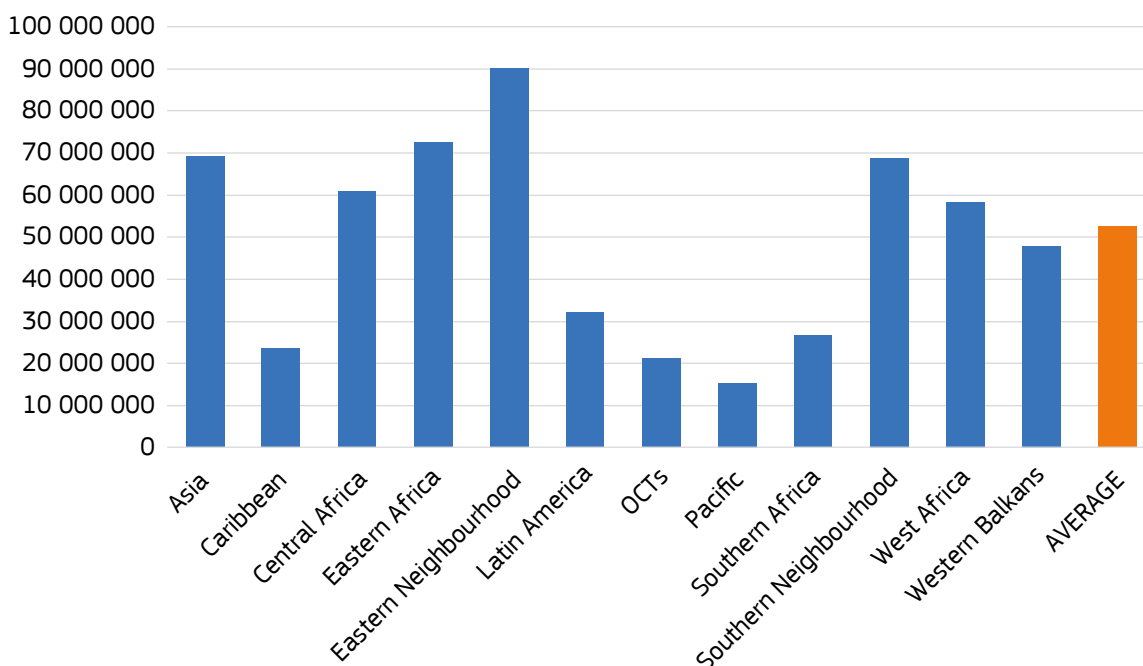


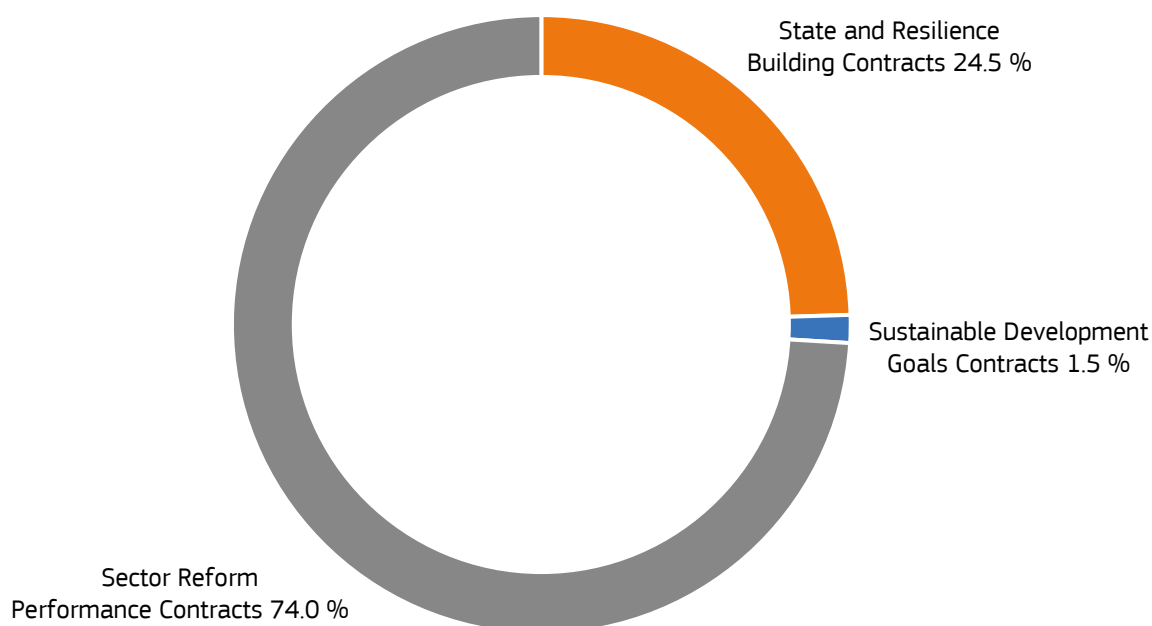
FIGURE 8. Average size of individual budget support operation in each region in million EUR



On average, SRBCs amount to EUR 91 million, SRPCs to EUR 46 million and SDG-Cs to EUR 50 million.

Budget support type	Number of operations	Portfolio (in million EUR)	Average size (in million EUR)
SRPC	167	7 719.2	46.2
SDG-C	3	151.7	50.1
SRBC	28	2 554.6	91.2
All	198	10 425.4	52.7

FIGURE 9. Type of budget support as a share of the 2022 portfolio in value



2. Disbursements

In 2022, EUR 1.8 billion was paid through budget support, or 15 % of official development assistance managed by the Directorate-General (DG) for International Partnerships (INTPA) and the DG Neighbourhood and Enlargement Negotiations of the Commission (NEAR).

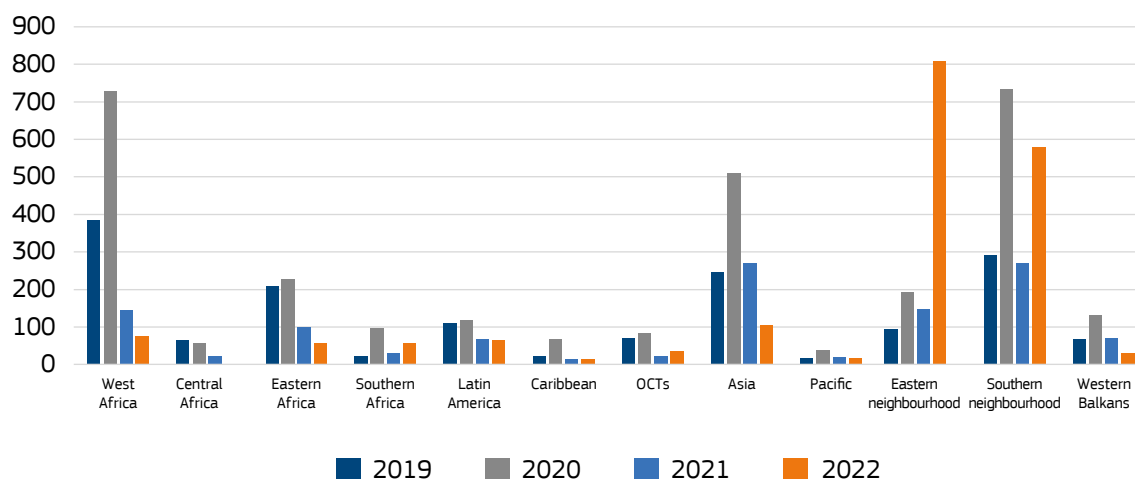
This is slightly above the 2014–2021 average after an exceptional year in 2020, where budget support played a central part in the EU COVID-19 response (24 % of DG International Partnerships / DG Neighbourhood and Enlargement Negotiations payments), and a low point in 2021 (11.5 % of DG International Partnerships / DG Neighbourhood and Enlargement Negotiations payments), where several factors led to fewer disbursements.

Region	Budget support disbursements 2014–2022 (in million EUR)									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Western Africa	459	542	508	609	488	385	729	144	77	
Central Africa						64	56	23	2	
Eastern Africa	218	279	141	208	247	208	227	99	58	
Southern Africa						23	96	31	57	
Latin America	58	126	150	147	102	109	119	69	64	
Caribbean	127	77	98	36	75	24	68	15	13	
OCTs	34	41	57	23	93	70	83	21	35	
Asia	107	164	204	312	302	246	511	271	104	
Pacific	16	26	20	58	25	17	39	20	18	
Eastern Neighbourhood	345	84	213	109	70	95	193	147	808	
Southern Neighbourhood	243	249	303	307	280	291	734	271	580	
Western Balkans	-	-	35	21	75	69	132	71	29	
TOTAL	1 607	1 588	1 729	1 830	1 756	1 600	2 987	1 181	1 846	

The increase observed in 2022 stems from the support to Ukraine and countries in the European neighbourhood. The region accounted for 75 % of all payments in 2022 or twice their usual share, with a volume of payments almost multiplied by three compared to 2021.

At the same time, persistent political difficulties and/or issues with budget support eligibility in some countries resulted in a decrease of payments in some sub-Saharan, Asian and Latin American countries. For instance, sub-Saharan Africa accounted for only 10 % of all budget support payments in 2022, while this share is usually around 30–40 % of the total amount.

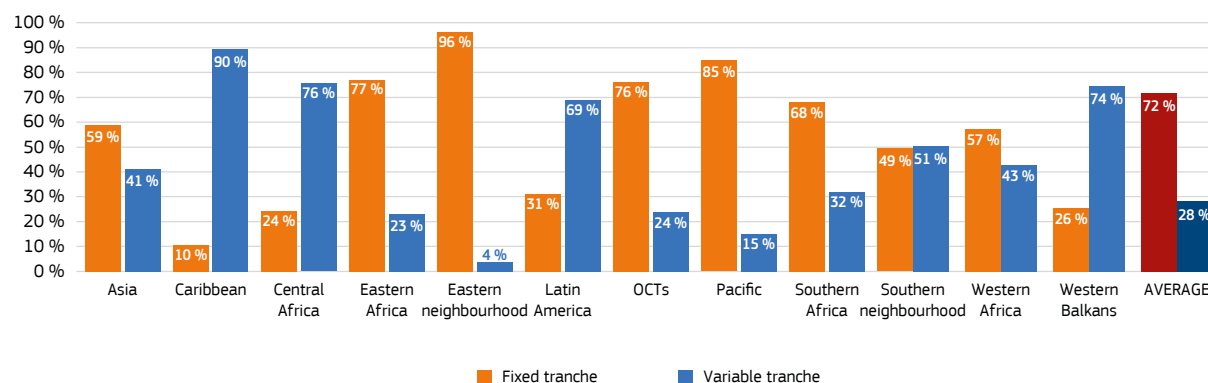
FIGURE 10. Budget support disbursements from 2019 to 2022 (in million EUR)



3. Fixed and variable tranches

The operations designed before 2021 were often adapted to respond to the COVID-19 crisis. This resulted in relatively smaller variable tranches. The operations designed from 2021 onwards shifted back to pre-pandemic patterns, for example in the Caribbean, in Latin America or in the Southern Neighbourhood. This trend was slowed down by the Russian war of aggression against Ukraine, which required the provision of massive budget support to Ukraine and Moldova through fixed tranches only, as evidenced below. As a result, the share of fixed and variable tranches in payments accounted on average for 72 % and 28 % respectively. This recourse to larger fixed tranches in the Eastern Neighbourhood, and increasingly in the western Balkans too, is expected to prevail in 2023.

FIGURE 11. Share of fixed and variable tranches in 2022 budget support payments

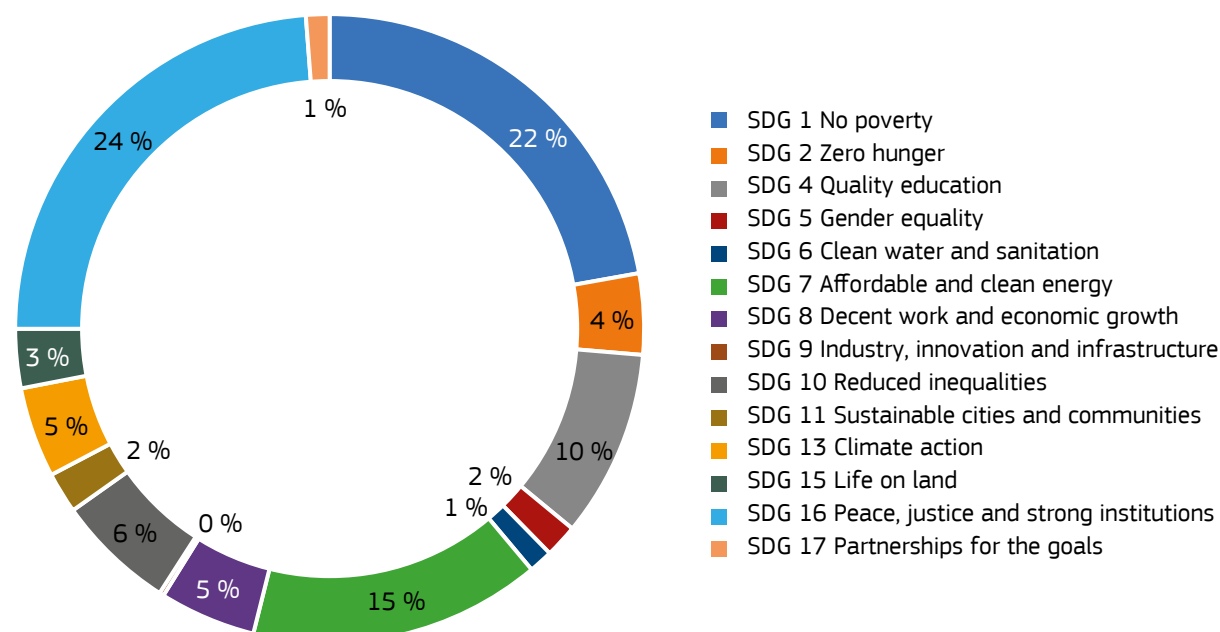


On average, the variable tranches were disbursed at a rate of 78 % in 2022. If their maximum amount is considered (i.e. before indicators are assessed), the average budget operation implemented in 2022 was made by design of 67 % of fixed and 33 % of variable tranches.

4. Distribution by SDG of new budget support operations since 2021

After 2 years into the 2021–2027 EU financial period, the distribution by main SDG of the EU budget support portfolio approved since 2021 depicts a situation where SDG 16 and SDG 1 (no poverty) are the most frequent focus of operations with respectively 24 % and 22 % of the committed amounts.

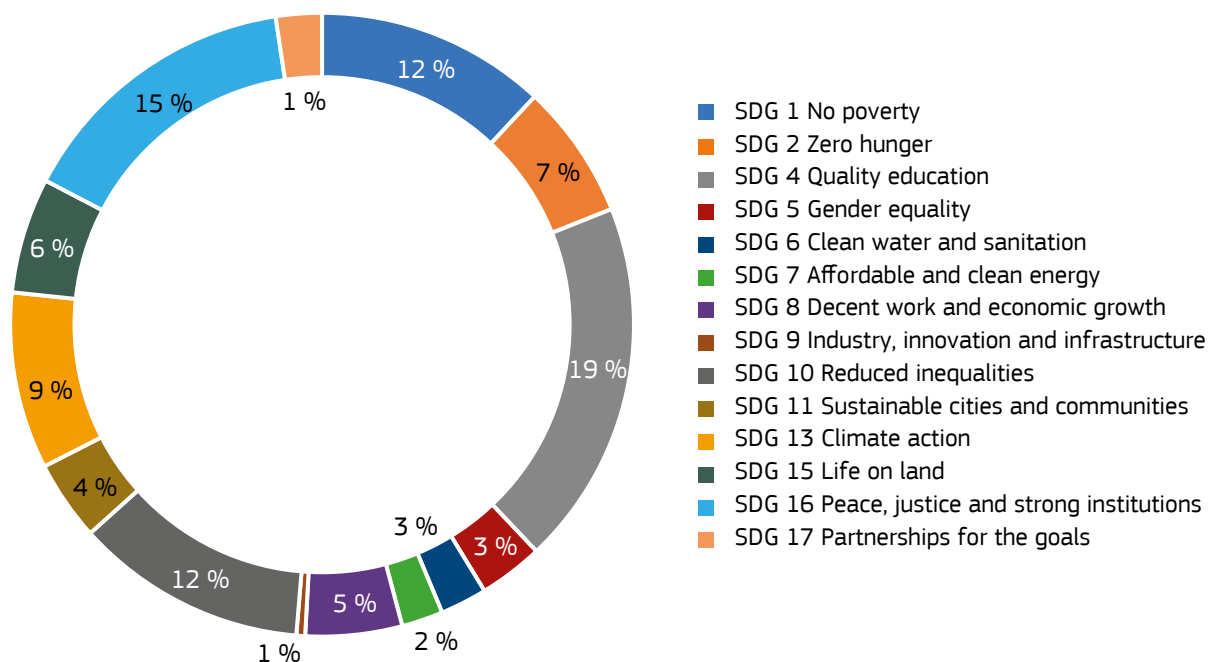
FIGURE 12. Distribution of all EU budget support operations adopted in 2021/2022 by main SDG



Interestingly, they are followed by SDG 7 (affordable and clean energy) with 15 % of the new commitments reflecting the effort made by the EU in that sector as part of the EU Global Gateway, notably in the European neighbourhood and the western Balkans in support of their energy transitions, but also in reaction to the Russian war of aggression against Ukraine to help countries cope with energy price hikes and their impact on households through SRBCs. SDG 4 (quality education) comes fourth with 10 %, highlighting the attention paid by the EU to human development, also in connection to the Global Gateway.

When zooming in on the SRPCs only (i.e. leaving aside general budget support operations), this focus on SDG 4 jumps out with 19 % of total new commitments, followed by SDG 16 and by both SDG 1 and SDG 10 (reduced inequalities), which come at par and together would account for nearly a quarter of those new operations in financial terms.

FIGURE 13. Distribution of EU SRPCs adopted in 2021/2022 by main SDG



However, EU budget support operations are not sector exclusive, and there are many interlinkages between the SDGs. General budget programmes such as SDG-Cs and SRBCs cover several SDGs. It is equally true for SRPCs often promoting more than one SDG. A health operation may have a nutrition component, linking SDG 2 (zero hunger) and SDG 3 (good health and well-being). An education programme (SDG 4) always addresses gender and other inequalities (SDG 5 and SDG 10). A water and sanitation programme (SDG 6) will contribute to protecting life on land (SDG 15). An energy programme will promote climate action (SDG 13).

A more granular approach, looking at each operation and its specific contribution to various SDGs, would provide a more comprehensive picture of the EU budget support contribution to SDGs. It would take into account that several SDGs may be promoted in the specific objectives of the same operation, through the related policy dialogue, through the general conditions and variable tranche indicators and through the capacity development component.

This is typically the case of PFM, DRM, fiscal transparency and macroeconomic stability, which are systematically addressed through budget support eligibility criteria / general conditions, and which would hit SDG 16 and SDG 17 accordingly. This is also true for gender equality and women empowerment (SDG 5), which is promoted in most budget support operations, notably with dedicated variable tranche indicators or with disaggregated targets for those indicators. The EU is also promoting gender-responsive budgeting through its PFM dialogue and capacity development (building on the [PEFA gender module](#) for instance). There is, however, still room for progress to meet the EU [gender action plan III \(GAP III\)](#) and related NDICI – Global Europe target of at least 85 % of initiatives significantly addressing gender equality, among which 5 % targeting gender equality specifically.

Additional efforts are also expected to match the EU Green Deal ambitions. There is undoubtedly progress regarding teaming up with partner countries in support of environmental protection, biodiversity and climate action – through dedicated budget support operations (SDG 13 and SDG 15 accounted for 15 % of new budget support operations in 2021 and 2022) or indirectly through other operations (for instance, those related to water and sanitation or renewable energies). The EU also promotes greener administrative processes and country systems (e.g. for public finance management with the PEFA Climate or for public investment management with the Climate-Public Investment Management Assessment). Nonetheless, a more systematic approach for all budget support operations is required.

Annex 1 – Selected country indicators

	Asia											
2022	Bangladesh	Bhutan	Cambodia	Kyrgyzstan	Laos	Mongolia	Myanmar	Nepal	Pakistan	Uzbekistan	Tajikistan	Vietnam
Financial Implementation	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
No of budget support contracts	3	2	4	2	3	1	2	5	1	2	1	1
Financial Implementation	2022	2022	4	2	3	1	2	5	1	2	2022	1
Financial Implementation	2022	2022	4	2	3	1	2	5	1	2	2022	1
New commitments (EUR million)	0	9	31	0	37	0	0	50	0	27	30	0
Total commitments (EUR million)	476	24	263	54	154	51	333	227	50	67	30	142
SDG-C (EUR million)	0	0	0	0	0	0	0	0	0	0	0	0
SRBC (EUR million)	0	0	0	0	0	0	0	0	0	0	0	0
SRPC (EUR million)	476	24	263	54	154	51	333	227	50	67	30	142
Sectors	Education, social protection	Decentralisation, rural development	Education, PFM, social protection, sustainable and inclusive growth in the fisheries sector	Digitalisation, education	Education, nutrition	Employment	Education, nutrition	Agriculture, education, nutrition, decentralisation, federalism	Education	Rural development	TVET and training and labour market sector budget support programme in Tajikistan	Energy
Disbursed	2	2	29	3	0	7	0	13	23	0	0	26
Poverty reduction and inequalities	2016	2017	/	2020	2018	2018	2017	2010	2018	2015	2015	2020
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	14.3 %	1.5 %	/	1.1 %	10.0 %	0.5 %	1.4 %	15.0 %	4.9 %	4.8 %	6.1 %	0.7 %
Income share held by lowest 20 %	8.6 %	6.7 %	/	9.4 %	7.0 %	7.9 %	8.9 %	8.3 %	9.6 %	7.4 %	7.4 %	6.6 %
Gini coefficient	32.4 %	37.4 %	/	29.0 %	38.8 %	32.7 %	30.7 %	32.8 %	29.6 %	34.0 %	34.0 %	36.8 %
Economic growth	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
Real GDP growth (%)	7.1 %	4.3 %	5.0 %	7.0 %	2.3 %	4.8 %	2.0 %	5.8 %	6.0 %	5.7 %	8.0 %	8.0 %
PFM, transparency (PEFA)	Jun. 16	Sep. 16	Sep. 20	Aug. 21	Mar. 19	Oct. 21	Mar. 20	May. 15	Apr. 20	Jun. 19	Apr. 22	Jul. 13
Credibility of the budget	C	C+	B	C	C+	B	B	B+	B	B+	B	D+
Comprehensiveness and transparency	D+	C+	C+	B	D	B	B	B	C+	C	B	C+
Management of assets and liabilities	C	B	C	B	D	B	D+	/	/	C+	C	/
Policy-based budgeting	C+	B	C+	B	D+	B	C	B+	C	C+	B	C+

	Asia											
2022	Bangladesh	Bhutan	Cambodia	Kyrgyzstan	Laos	Mongolia	Myanmar	Nepal	Pakistan	Uzbekistan	Tajikistan	Vietnam
Predictability and control budget execution	C	C+	C	B	D+	B+	C+	C+	C	B+	B	C+
Accounting, recording and rep.	C	B	C	B	D+	B	C+	B	C+	C	C+	C+
External scrutiny and audit	C+	B+	NA	A	D+	B+	C	D+	D	C+	C	B
Budget transparency and oversight	2021	/	2021	2021	/	2021	2021	2021	2021	/	2021	2021
Open Budget Index	30	/	33	62	/	60	30	39	46	/	16	44
Control of corruption	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
WGI control of corruption	- 0.96	1.55	- 1.18	- 1.12	- 1.04	- 0.53	- 1.03	- 0.53	- 0.79	- 0.81	- 1.33	- 0.29
Macroeconomic management, DRM	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
Gen. government gross debt (% GDP)	39.1 %	124.8 %	36.5 %	53.5 %	128.5 %	82.4 %	63.9 %	43.8 %	75.8 %	34.3 %	34.6 %	37.1 %
Reserve coverage (months of imports)	6.3	9.7	7.0	5.5	2.3	4.5	/	6.7	1.5	14.2	6.7	369.0 %
Gen. gov. net lending/borrowing (% GDP)	- 3.8 %	- 7.5 %	- 4.1 %	- 1.3 %	- 1.6 %	0.8 %	- 5.2 %	- 3.3 %	- 7.8 %	- 3.9 %	- 1.4 %	- 2.5 %
Gen. government expenditure (% GDP)	5.9 %	21.7 %	7.6 %	17.6 %	/	14.9 %	19.7 %	8.4 %	10.9 %	16.7 %	11.6 %	9.6 %
Current account balance (% GDP)	- 4.1 %	- 32.1 %	- 26.9 %	- 26.8 %	- 6.0 %	- 15.8 %	- 1.4 %	- 12.9 %	- 4.6 %	1.4 %	6.2 %	- 0.9 %
Revenue excluding grants (% GDP)	9.5 %	/	18.1 %	29.5 %	/	29.0 %	15.4 %	20.2 %	12.9 %	20.3 %	/	19.5 %

	Caribbean							Central Africa	
2022	Barbados	Dominica	Dominican Republic	Haiti	Jamaica	Saint Kitts and Nevis	Saint Lucia	Cameroon	São Tomé and Príncipe
Financial implementation	2022	2022	2022	2022	2022	2022	2022	2022	2022
No of budget support contracts	1	2	2	1	3	1	1	1	2
New commitments (EUR million)	0	0	13	0	10	0	0	20	6
Total commitments (EUR million)	4	22	18	157	46	5	6	152	31
SDG-C (EUR million)	0	0	0	0	0	0	0	0	0
SRBC (EUR million)	0	20	0	157	0	0	0	0	0
SRPC (EUR million)	4	3	18	0	46	5	6	152	31
Sectors	Social protection	Resilience, energy	Administration, public services, gender	State and resilience building	Security, climate change, justice	Energy	Employment	Rural development	Water and sanitation
Disbursed	0	6	1	0	6	0	0	0	2
Poverty reduction and inequalities	/	/	2021	2012	/	/	2016	2014	2017
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	/	/	0.9 %	24.5 %	/	/	4.6 %	26.0 %	25.6 %
Income share held by lowest 20 %	/	/	6.5 %	5.5 %	/	/	3.1 %	4.5 %	6.4 %
Gini coefficient	/	/	38.5 %	41.1 %	/	/	51.2 %	46.6 %	40.7 %
Economic growth	2022	2021	2022	2022	2022	2022	2022	2022	2022
Real GDP growth (%)	10.0 %	6.7 %	4.9 %	- 1.7 %	4.0 %	9.0 %	14.9 %	3.4 %	0.9 %
PFM, transparency (PEFA)	Sep. 13	Jun. 16	Oct. 16	Jan. 12	Feb. 17	Apr. 16	Dec. 17	Jun. 17	Oct. 19
Credibility of the budget	B+	D	B+	C	B+	C	D+	C+	D+
Comprehensiveness and transparency	C+	C	B	D+	C+	D	D+	D+	D+
Management of assets and liabilities	/	C	C	/	D+	C+	C	D	D
Policy-based budgeting	C+	C+	C	D+	C+	C	C+	D+	D
Predictability and control budget execution	C+	C+	C+	D+	C	C	C	D+	D+
Accounting, recording and reporting	C+	C	B	D	D+	B+	D+	C	D
External scrutiny and audit	D+	D	D	C	B	D	D	C	D

	Caribbean							Central Africa	
2022	Barbados	Dominica	Dominican Republic	Haiti	Jamaica	Saint Kitts and Nevis	Saint Lucia	Cameroon	São Tomé and Príncipe
Budget transparency and oversight	/	/	2021	/	2021	/	/	2021	2021
Open Budget Index	/	/	77	/	50	/	/	34	31
Control of corruption	2021	2021	2021	2021	2021	2021	2021	2021	2021
WGI control of corruption	1.24	0.58	-0.57	-1.42	-0.03	0.44	0.59	-1.09	0.26
Macroeconomic management, DRM	2022	2022	2022	2022	2022	2022	2022	2022	2022
Gen. government gross debt (% GDP)	120.8 %	104.8 %	58.9 %	25.0 %	84.1 %	64.8 %	83.5 %	46.4 %	58.1 %
Reserve coverage (months of imports)	/	7.3	4.7	6.3	7.1	8.6	5.6	/	4.4
Gen. gov. net lending/borrowing (% GDP)	-2.2 %	-6.2 %	-3.3 %	-2.2 %	0.3 %	-3.2 %	-3.5 %	-1.8 %	8.1 %
Gen. government expenditure (% GDP)	12.9 %	/	11.5 %	7.4 %	16.2 %	/	/	12.0 %	/
Current account balance (% GDP)	-10.8 %	-26.7 %	-5.8 %	-2.3 %	-3.2 %	-5.0 %	-6.0 %	-1.6 %	-13.8 %
Revenue excluding grants (% GDP)	/	36.8 %	15.5 %	6.6 %	30.8 %	38.1 %	20.6 %	13.6 %	17.8 %

	Eastern Africa					
2022	Ethiopia	Kenya	Rwanda	Somalia	Tanzania	Uganda
Financial implementation	2022	2022	2022	2022	2022	2022
No of budget support contracts	3	1	2	1	6	1
New commitments (EUR million)	0	0	50	0	160	0
Total commitments (EUR million)	295	26	119	93	440	41
SDG-C (EUR million)	0	0	0	0	0	0
SRBC (EUR million)	0	0	0	93	0	0
SRPC (EUR million)	295	26	119	0	440	41
Sectors	Climate change, employment	Public accountability and service delivery	Environment and climate change, agriculture	State and resilience building	Agriculture, economic and fiscal governance, gender, digital, urban development	Justice
Disbursed	0	6	13	13	21	5
Poverty reduction and inequalities	2015	2015	2016	2017	2018	2019
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	30.8 %	37.1 %	56.5 %	68.6 %	49.4 %	41.0 %
Income share held by lowest 20 %	7.3 %	6.2 %	6.0 %	/	6.9 %	6.1 %
Gini coefficient	35.0 %	40.8 %	43.7 %	36.8 %	40.5 %	42.7 %
Economic growth	2022	2022	2022	2022	2022	2022
Real GDP growth (%)	6.4 %	5.4 %	6.8 %	1.7 %	4.7 %	4.9 %
PFM, transparency (PEFA)	Nov. 19	Mar. 19	May. 17	/	Oct. 17	Dec. 17
Credibility of the budget	C	C+	C+	/	D+	B
Comprehensiveness and transparency	B	C	B+	/	C	B+
Management of assets and liabilities	C	C	B		C+	C+
Policy-based budgeting	C+	B+	B+	/	B	C+
Predictability and control budget execution	C	C+	B	/	C	C+
Accounting, recording and reporting	C	C+	C+	/	C	B
External scrutiny and audit	B	D	C+	/	B	D+
Budget transparency and oversight	2021	2021	2021	2021	2021	2021
Open Budget Index	8	50	45	20	21	58
Control of corruption	2021	2021	2021	2021	2021	2021
WGI control of corruption	- 0.40	- 0.71	0.60	- 1.78	- 0.36	- 0.99
Macroeconomic management, DRM	2022	2022	2022	2022	2022	2022
Gen. government gross debt (% GDP)	46.4 %	67.9 %	64.4 %	/	41.6 %	50.8 %

	Eastern Africa					
2022	Ethiopia	Kenya	Rwanda	Somalia	Tanzania	Uganda
Reserve coverage (months of imports)	/	4.8	5.6	/	/	/
Gen. gov. net lending/borrowing (% GDP)	- 4.2 %	- 6.0 %	- 6.5 %	0.0 %	- 3.3 %	- 5.8 %
Gen. government expenditure (% GDP)	8.8 %	12.1 %	17.0 %	8.9 %	8.5 %	9.9 %
Current account balance (% GDP)	- 4.3 %	- 4.7 %	- 11.6 %	- 16.8 %	- 4.6 %	- 8.1 %
Revenue excluding grants (% GDP)	10.2 %	18.7 %	19.0 %	4.6 %	14.1 %	14.0 %

	Eastern Neighbourhood			
2022	Armenia	Georgia	Moldova	Ukraine
Financial implementation	2022	2022	2022	2022
No of budget support contracts	4	6	1	3
New commitments (EUR million)	43	12	75	686
Total commitments (EUR million)	103	248	135	775
SDG-C (EUR million)	0	0	0	0
SRBC (EUR million)	30	0	135	686
SRPC (EUR million)	73	248	0	89
Sectors	COVID- 19 resilience, justice, public administration, employment, public finance	Economic governance, economic development, employment, rural and territorial development, COVID- 19 resilience	State and resilience building, police reform, COVID- 19 resilience	Public administration
Disbursed	14	21	75	698
Poverty reduction and inequalities	2021	2021	2021	2020
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	0.5 %	5.5 %	0.0 %	0.0 %
Income share held by lowest 20 %	9.4 %	7.0 %	10.1 %	10.0 %
Gini coefficient	27.9 %	34.2 %	25.7 %	25.6 %
Economic growth	2022	2022	2022	2022
Real GDP growth (%)	12.6 %	10.1 %	- 5.6 %	- 30.3 %
PFM, transparency (PEFA)	May 14	Jun. 18	Dec. 15	Nov. 19
Credibility of the budget	A	A	A	B+
Comprehensiveness and transparency	B+	A	A	B+
Management of assets and liabilities	/	C+	/	B
Policy-based budgeting	B+	B+	B+	C
Predictability and control budget execution	B	B+	B	B
Accounting, recording and reporting	B+	B	B+	B
External scrutiny and audit	C	B	B	B+
Budget transparency and oversight	2021	2021	2021	2021
Open Budget Index	61	87	65	65
Control of corruption	2021	2021	2021	2021
WGI control of corruption	0.07	0.69	- 0.45	- 0.77

	Eastern Neighbourhood			
2022	Armenia	Georgia	Moldova	Ukraine
Macroeconomic management, DRM	2022	2022	2022	2022
Gen. government gross debt (% GDP)	49.3 %	39.8 %	33.5 %	81.7 %
Reserve coverage (months of imports)	5.5	3.8	5.5	3.6
Gen. gov. net lending/borrowing (% GDP)	- 2.1 %	- 2.6 %	- 3.3 %	- 16.7 %
Gen. government expenditure (% GDP)	15.8 %	14.0 %	16.6 %	18.0 %
Current account balance (% GDP)	0.1 %	- 3.1 %	- 13.1 %	5.7 %
Revenue excluding grants (% GDP)	23.4 %	25.2 %	28.7 %	30.0 %

	Latin America							
2022	Bolivia	Colombia	Ecuador	El Salvador	Guyana	Honduras	Paraguay	Peru
Financial implementation	2022	2022	2022	2022	2022	2022	2022	2022
No of budget support contracts	4	5	1	2	1	2	2	1
New commitments (EUR million)	0	11	0	0	5	0	0	0
Total commitments (EUR million)	133	61	26	137	5	114	86	14
SDG-C (EUR million)	0	0	0	0	0	0	0	0
SRBC (EUR million)	0	0	0	0	0	0	0	0
SRPC (EUR million)	133	61	26	137	5	114	86	14
Sectors	Agriculture, drugs, food, water and sanitation	Agriculture, environment, rural	Agriculture, trade	Social protection	Environment	Environment, rural development, employment	Education, social protection	COVID-19 and Venezuela crisis mitigating measures
Disbursed	23	5	4	0	0	11	9	12
Poverty reduction and inequalities	2021	2021	2021	2021	/	2019	2021	2021
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	2.0 %	6.6 %	3.6 %	3.6 %	/	14.8 %	0.7 %	2.9 %
Income share held by lowest 20 %	5.3 %	3.6 %	4.6 %	5.6 %	/	3.6 %	5.5 %	5.8 %
Gini coefficient	40.9 %	51.5 %	45.8 %	39.0 %	/	48.2 %	42.9 %	40.2 %
Economic growth	2022	2022	2022	2022	2022	2022	2022	2022
Real GDP growth (%)	3.2 %	7.5 %	3.0 %	2.8 %	62.3 %	4.0 %	0.2 %	2.7 %
PFM, transparency (PEFA)	Oct. 09	Oct. 16	Apr. 19	Jul. 19	Nov. 19	May. 17	Feb. 23	Jun. 15
Credibility of the budget	B	B	D+	B+	B+	C+	C	B
Comprehensiveness and transparency	B	B	C+	C+	C+	C+	C+	A
Management of assets and liabilities	/	B	D+	C	D	B	C+	/
Policy-based budgeting	C	B+	C	C	D	B	C+	B+
Predictability and control budget execution	B	C+	C	C	C+	C	B	B
Accounting, recording and reporting	C	C	B	D+	C	C+	C	C+
External scrutiny and audit	D+	C	D	D	D	B+	D	B
Budget transparency and oversight	2021	2021	2021	2021	/	2021	2021	2021
Open Budget Index	20	50	46	41	/	61	47	61
Control of corruption	2021	2021	2021	2021	2021	2021	2021	2021
WGI control of corruption	- 0.86	- 0.34	- 0.57	- 0.53	- 0.17	- 1.07	- 1.01	- 0.63
Macroeconomic management, DRM	2022	2022	2022	2022	2022	2022	2022	2022
Gen. government gross debt (% GDP)	82.6 %	63.6 %	57.3 %	77.2 %	27.8 %	50.0 %	40.9 %	33.4 %

	Latin America							
2022	Bolivia	Colombia	Ecuador	El Salvador	Guyana	Honduras	Paraguay	Peru
Reserve coverage (months of imports)	4.8	8.1	3.1	2.3	1.2	6.2	7.3	/
Gen. gov. net lending/borrowing (% GDP)	- 7.3 %	- 6.7 %	0.1 %	- 2.5 %	- 5.2 %	0.7 %	- 4.5 %	- 1.3 %
Gen. government expenditure (% GDP)	19.3 %	16.3 %	15.3 %	19.7 %	/	14.6 %	12.6 %	14.0 %
Current account balance (% GDP)	- 1.5 %	- 6.2 %	2.2 %	- 8.3 %	27.3 %	- 3.4 %	- 5.2 %	- 4.5 %
Revenue excluding grants (% GDP)	28.8 %	23.7 %	33.2 %	24.1 %	24.7 %	25.1 %	17.1 %	21.0 %

2022	Pacific									
	Fiji	Kiribati	Marshall Islands	Papua New Guinea	Samoa	Solomon Islands	Timor– Leste	Tonga	Tuvalu	Vanuatu
Financial implementation	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
No of budget support contracts	1	2	1	1	1	1	3	1	2	1
New commitments (EUR million)	0	5	0	0	0	0	0	0	5	0
Total commitments (EUR million)	20	26	9	27	14	8	60	10	11	30
SDG-C (EUR million)	0	0	0	0	0	0	0	0	0	0
SRBC (EUR million)	0	26	0	0	0	8	0	0	0	0
SRPC (EUR million)	20	0	9	27	14	0	60	10	11	30
Sectors	Rural development	Economic development	Energy	Good governance	Water, climate change	Resilience building	Nutrition, public finance management	Energy	Environment	Value chain development
Disbursed	5	3	2	0	0	0	4	0	1	3
Poverty reduction and inequalities	2019	2019	2019	2009	2013	2012	2014	2015	2010	2019
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	1.3 %	1.3 %	0.8 %	38.0 %	1.1 %	24.7 %	22.0 %	1.8 %	3.3 %	8.6 %
Income share held by lowest 20 %	8.4 %	9.5 %	7.2 %	5.1 %	6.8 %	7.0 %	9.4 %	7.7 %	6.6 %	7.5 %
Gini coefficient	30.7 %	27.8 %	35.5 %	41.9 %	38.7 %	37.1 %	28.7 %	33.5 %	39.1 %	32.3 %
Economic growth	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
Real GDP growth (%)	14.5 %	1.2 %	1.3 %	4.5 %	- 6.0 %	- 4.1 %	3.3 %	- 2.0 %	0.7 %	1.9 %
PFM, transparency (PEFA)	Feb. 20		Oct. 12	Aug. 20	Sep. 18	Dec. 12	Jun. 20	Jan. 20	Jun. 11	Aug. 13
Credibility of the budget	D	/	C+	D+	D+	C	C	D	C+	B+
Comprehensiveness and transparency	C	/	D+	C	D+	C+	C+	C+	C+	C+
Management of assets and liabilities	C+	/	/	1	B	/	C	C+	/	/
Policy-based budgeting	C+	/	C+	D+	C	C+	D+	C	B	B+
Predictability and control budget execution	B	/	D+	D+	C+	C	C	C	D+	C+
Accounting, recording and reporting	B	/	D	D	C+	C+	C	C	D+	B
External scrutiny and audit	B	/	C	D	C	D+	D+	D	B	D+
Budget transparency and oversight	2021	/	/	2021	/	/	2021	/	/	/
Open Budget Index	37	/	/	50	/	/	52	/	/	/
Control of corruption	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
WGI control of corruption	0.47	0.28	0.05	- 0.76	0.63	- 0.14	- 0.05	- 0.38	0.67	- 0.02
Macroeconomic management, DRM	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
Gen. government gross debt (% GDP)	92.8 %	15.2 %	21.2 %	49.2 %	43.7 %	16.9 %	7.5 %	46.6 %	7.6 %	45.8 %
Reserve coverage (months of imports)	6.9	/	/	/	7.7	12.7	7.1	14.2	/	15.1

2022	Pacific									
	Fiji	Kiribati	Marshall Islands	Papua New Guinea	Samoa	Solomon Islands	Timor– Leste	Tonga	Tuvalu	Vanuatu
Gen. gov. net lending/borrowing (% GDP)	- 12.4 %	- 19.8 %	- 2.8 %	- 5.4 %	5.4 %	- 4.1 %	- 266.0 %	- 0.7 %	11.3 %	- 6.6 %
Gen. government expenditure (% GDP)	/	/	55.6 %	/	16.9 %	/	28.3 %	30.7 %	/	/
Current account balance (% GDP)	- 12.1 %	- 4.0 %	- 7.6 %	34.0 %	- 11.6 %	- 13.3 %	- 4.7 %	- 6.3 %	4.1 %	- 2.2 %
Revenue excluding grants (% GDP)	19.1 %	104.3 %	32.8 %	14.2 %	33.5 %	23.2 %	67.0 %	23.4 %	94.9 %	31.3 %

	Southern Africa							
2022	Angola	Botswana	Madagascar	Mauritius	Mozambique	Namibia	South Africa	
Financial implementation	2022	2022	2022	2022	2022	2022	2022	2022
No of budget support contracts	2	1	1	1	1	1	1	5
New commitments (EUR million)	60	0	0	0	0	0	16	0
Total commitments (EUR million)	80	13	21	8	100	16	82	
SDG-C (EUR million)	0	0	0	0	0	0	0	0
SRBC (EUR million)	0	0	21	0	100	0	0	0
SRPC (EUR million)	80	13	0	8	0	16	82	
Sectors	COVID- 19 resilience	Education	COVID- 19 resilience	Health	COVID- 19 resilience	Education	Economic development, gender, innovation, education, employment	
Disbursed	3	0	0	4	39	0	11	
Poverty reduction and inequalities	2018	2015	2012	2017	2014	2015	2014	
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	49.9 %	14.5 %	78.8 %	0.2 %	63.7 %	13.8 %	18.7 %	
Income share held by lowest 20 %	3.8 %	3.9 %	5.7 %	7.2 %	4.2 %	2.8 %	2.4 %	
Gini coefficient	51.3 %	53.3 %	42.6 %	36.8 %	54.0 %	59.1 %	63.0 %	
Economic growth	2022	2022	2022	2022	2022	2022	2022	
Real GDP growth (%)	2.8 %	6.4 %	4.2 %	8.3 %	4.1 %	3.8 %	2.0 %	
PFM, transparency (PEFA)		Mar. 20	Nov. 21		Apr.21	Nov. 15	Oct. 14	
Credibility of the budget	/	B	D	/	C	B+	A	
Comprehensiveness and transparency	/	C+	C	/	D+	C+	A	
Management of assets and liabilities	/	C	C	/	D+	/	/	
Policy-based budgeting	/	C	D+	/	C	C	B+	
Predictability and control budget execution	/	C	D+	/	C	C+	B	
Accounting, recording and reporting	/	C	C	/	C+	C+	B+	
External scrutiny and audit	/	C	D+	/	C	C	B+	
Budget transparency and oversight	2021	2021	2021	/	2021	2021	2021	
Open Budget Index	30	34	27	/	45	42	86	
Control of corruption	2021	2021	2021	2021	2021	2021	2021	
WGI control of corruption	- 0.66	0.69	- 0.93	- 0.82	- 0.81	0.26	0.02	
Macroeconomic management, DRM	2022	2022	2022	2022	2022	2022	2022	
Gen. government gross debt (% GDP)	67.0 %	19.9 %	57.0 %	80.9 %	104.5 %	71.3 %	71.0 %	
Reserve coverage (months of imports)	6.9	6.1	5.5	9.5	4.1	4.7	5.6	

2022	Southern Africa						
	Angola	Botswana	Madagascar	Mauritius	Mozambique	Namibia	South Africa
Gen. gov. net lending/borrowing (% GDP)	1.6 %	- 2.0 %	- 6.8 %	- 3.2 %	- 5.2 %	- 7.3 %	- 4.5 %
Gen. government expenditure (% GDP)	7.9 %	33.2 %	21.8 %	16.9 %	19.0 %	25.4 %	19.6 %
Current account balance (% GDP)	11.0 %	3.1 %	- 5.6 %	- 13.5 %	- 36.0 %	- 13.5 %	- 0.5 %
Revenue excluding grants (% GDP)	22.1 %	35.0 %	11.1 %	21.4 %	25.7 %	30.4 %	26.8 %

	Southern Neighbourhood			
2022	Egypt	Jordan	Morocco	Tunisia
Financial implementation	2022	2022	2022	2022
No of budget support contracts	3	12	16	8
New commitments (EUR million)	0	135	363	0
Total commitments (EUR million)	277	473	1089	842
SDG-C (EUR million)	0	0	0	0
SRBC (EUR million)	0	45	0	100
SRPC (EUR million)	277	428	1089	742
Sectors	Health, energy, water and sanitation	Economic development, justice, education, employment, environment	Social protection, public administration, COVID- 19 resilience, health, education, decentralisation, environment and climate change, migration, economic development	Economic governance, energy, justice, competitiveness, social inclusion, rural development, education, COVID- 19 resilience
Disbursed	118	95	114	253
Poverty reduction and inequalities	2019	2010	2013	2015
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	1.5 %	0.1 %	0.9 %	0.2 %
Income share held by lowest 20 %	9.0 %	8.2 %	6.7 %	7.8 %
Gini coefficient	31.9 %	33.7 %	39.5 %	32.8 %
Economic growth	2022	2022	2022	2022
Real GDP growth (%)	6.6 %	2.7 %	1.1 %	2.5 %
PFM, transparency (PEFA)	Oct. 09	Oct. 21	Sep. 16	May. 16
Credibility of the budget	B+	B	B+	B+
Comprehensiveness and transparency	B	B	C+	C+
Management of assets and liabilities	/	C	C+	/
Policy-based budgeting	B	B	C+	C+
Predictability and control budget execution	C	B+	B	B+
Accounting, recording and reporting	C	B	C	B
External scrutiny and audit	C	D+	C	D+
Budget transparency and oversight	2021	2021	2021	2021
Open Budget Index	43	61	48	42
Control of corruption	2021	2021	2021	2021
WGI control of corruption	- 0.68	0.05	- 0.43	- 0.23
Macroeconomic management, DRM	2022	2022	2022	2022
Gen. government gross debt (% GDP)	88.5 %	89.4 %	68.8 %	79.4 %

2022	Southern Neighbourhood			
	Egypt	Jordan	Morocco	Tunisia
Reserve coverage (months of imports)	4.4	/	6.8	4.1
Gen. gov. net lending/borrowing (% GDP)	- 5.8 %	- 6.9 %	- 5.1 %	- 6.6 %
Gen. government expenditure (% GDP)	7.9 %	18.8 %	18.6 %	21.0 %
Current account balance (% GDP)	- 3.5 %	- 7.4 %	- 4.3 %	- 8.5 %
Revenue excluding grants (% GDP)	13.0 %	22.0 %	24.1 %	29.9 %

2021	Western Africa										
	Benin	Cabo Verde	Chad	Côte d'Ivoire	The Gambia	Guinea	Mali	Mauritania	Niger	Senegal	Togo
Financial implementation	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
No of budget support contracts	1	1	1	4	1	1	2	1	2	1	1
New commitments (EUR million)	64	0	0	0	0	0	0	0	25	0	40
Total commitments (EUR million)	64	18	40	57	58	95	232	40	220	70	40
SDG-C (EUR million)	64	18	0	0	0	0	0	0	0	70	0
SRBC (EUR million)	0	0	40	0	58	95	155	0	220	0	40
SRPC (EUR million)	0	0	0	57	0	0	77	40	0	0	0
Sectors	Agriculture, decentralisation	Economic development	State and resilience building	COVID-19 resilience, agriculture, rural development	State and resilience building	State and resilience building	State and resilience building, agriculture	Human development, health	State and resilience building, education, rural development, nutrition	Youth	Resilience
Disbursed	0	0	6	11	0	0	0	11	49	0	0
Poverty reduction and inequalities	2018	2015	2018	2018	2020	2018	2018	2014	2018	2011	2018
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	19.2 %	3.4 %	30.9 %	9.2 %	17.2 %	23.2 %	16.3 %	6.0 %	41.4 %	7.6 %	24.1 %
Income share held by lowest 20 %	7.0 %	5.7 %	7.1 %	7.0 %	6.6 %	8.5 %	7.5 %	7.5 %	7.6 %	7.1 %	5.8 %
Gini coefficient	37.8 %	42.4 %	37.5 %	37.2 %	38.8 %	29.6 %	36.1 %	32.6 %	37.3 %	38.1 %	42.4 %
Economic growth	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
Real GDP growth (%)	6.0 %	10.5 %	2.5 %	6.7 %	4.4 %	4.3 %	3.7 %	5.0 %	11.1 %	4.7 %	5.4 %
PFM, transparency (PEFA)	Nov. 14	May. 16	Oct. 18	Feb. 19	Jan. 15	Jun. 18	Jul. 21	Jun. 20	Mar. 17	Mar. 20	Jun. 16
Credibility of the budget	A	C+	D	B+	C	D	D+	C	D+	B	D+
Comprehensiveness and transparency	D+	B+	D	C	C	B	C	D+	D+	D+	D+
Management of assets and liabilities	/	/	D+	C	/	D+	C+	D+	D+	D	D
Policy-based budgeting	B	B+	D	C+	B+	D+	B	D	C	C	D+
Predictability and control budget execution	C	B	D+	C+	C	C	C+	C	D+	C	D+
Accounting, recording and reporting	C	B	D	C	C+	D+	D+	D+	D+	D+	D+
External scrutiny and audit	C	C+	D	D	D+	D	D	D	C	D	D+
Budget transparency and oversight	2021	/	2021	2021	2021	/	2021	/	2021	2021	2021
Open Budget Index	65	/	6	47	35	/	8	/	27	40	31
Control of corruption	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
WGI control of corruption	-0.15	1.04	-1.48	-0.37	-0.36	-0.99	-0.86	-0.82	-0.54	0.06	-0.67

	Western Africa										
2021	Benin	Cabo Verde	Chad	Côte d'Ivoire	The Gambia	Guinea	Mali	Mauritania	Niger	Senegal	Togo
Macroeconomic management, DRM	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
Gen. government gross debt (% GDP)	52.4 %	127.4 %	50.4 %	56.8 %	84.0 %	33.4 %	53.2 %	47.7 %	51.1 %	75.0 %	68.0 %
Reserve coverage (months of imports)	/	7.9	/	/	10.0	/	/	5.4	/	/	/
Gen. gov. net lending/borrowing (% GDP)	- 5.6 %	- 4.5 %	5.1 %	- 6.7 %	- 4.8 %	- 0.7 %	- 4.8 %	- 1.1 %	- 6.9 %	- 6.1 %	- 7.3 %
Gen. government expenditure (% GDP)	10.4 %	24.5 %	4.7 %	10.0 %	9.8 %	17.3 %	16.2 %	14.6 %	17.3 %	14.6 %	13.2 %
Current account balance (% GDP)	- 5.7 %	- 7.5 %	2.8 %	- 6.5 %	- 15.0 %	- 6.2 %	- 6.9 %	- 14.3 %	- 15.5 %	- 16.0 %	- 2.8 %
Revenue excluding grants (% GDP)	13.4 %	22.3 %	15.1 %	13.2 %	14.7 %	11.9 %	21.4 %	28.3 %	10.8 %	18.6 %	14.5 %

	Western Balkans					
2022	Albania	Kosovo *	Montenegro	North Macedonia	Serbia	Bosnia and Herzegovina
Financial implementation	2022	2022	2022	2022	2022	2022
No of budget support contracts	5	3	3	3	3	1
New commitments (EUR million)	80	75	59	98	225	70
Total commitments (EUR million)	267	127	59	115	225	70
SDG-C (EUR million)	0	0	0	0	0	0
SRBC (EUR million)	80	102	30	80	165	70
SRPC (EUR million)	187	25	29	35	60	0
Sectors	Energy, administration reform, transport, justice, social inclusion and good governance, anti- corruption	Administration reform, economic development	Border management, administration reform, economic development	Economic development, youth	Administration, border management, education, economic development	Energy support
Payments	16	10	0	3	0	0
Poverty reduction and inequalities	2020	2017	2016	2019	2020	2011
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	0.0 %	0.4 %	2.9 %	2.7 %	1.6 %	0.1 %
Income share held by lowest 20 %	8.4 %	9.2 %	5.3 %	5.8 %	6.6 %	7.5 %
Gini coefficient	29.4 %	29.0 %	36.8 %	33.5 %	35.0 %	33.0 %
Economic growth	2022	2022	2022	2022	2022	2022
Real GDP growth (%)	3.7 %	2.7 %	6.4 %	2.2 %	2.3 %	3.8 %
PFM, transparency (PEFA)	Dec. 17	Jan. 16	Dec. 19		Jun. 21	
Credibility of the budget	B	B	B+	/	B	B+
Comprehensiveness and transparency	B	A	B	/	C	B
Management of assets and liabilities	C+	/	C	/	C+	/
Policy-based budgeting	B	B	B	/	B	C
Predictability and control budget execution	B	B	B	/	B	B
Accounting, recording and reporting	C	B+	C	/	C+	B+
External scrutiny and audit	B	B	B+	/	B+	C+
Budget transparency and oversight	2021	/	/	2021	2021	2021
Open Budget Index	52	/	/	36	46	32
Control of corruption	2021	2021	2021	2021	2021	2021
WGI control of corruption	-0.55	-0.32	-0.02	-0.35	-0.44	-0.64

	Western Balkans					
2022	Albania	Kosovo *	Montenegro	North Macedonia	Serbia	Bosnia and Herzegovina
Macroeconomic management, DRM	2022	2022	2022	2022	2022	2022
Gen. government gross debt (% GDP)	67.7 %	19.3 %	71.2 %	51.8 %	53.5 %	29.6 %
Reserve coverage (months of imports)	7.8	2.4	6.0	4.1	5.3	8.3
Gen. gov. net lending/borrowing (% GDP)	- 3.8 %	- 0.6 %	- 4.6 %	- 4.4 %	- 0.1 %	1.8 %
Gen. government expenditure (% GDP)	11.8 %	12.9 %	19.7 %	16.0 %	16.9 %	19.5 %
Current account balance (% GDP)	- 7.8 %	- 10.8 %	- 13.3 %	- 6.0 %	- 6.9 %	- 3.8 %
Revenue excluding grants (% GDP)	24.7 %	/	41.3 %	29.2 %	36.2 %	37.3 %

Annex 2 – Country classifications

Countries with open EU budget support operations at the end of 2022 (*) (77)				Other EU development assistance recipients (63)			
Low-income countries (12)	Lower-middle-income countries (36)	Upper-middle-income countries (27)	High-income countries (2)	Low-income countries (15)	Lower-middle-income countries (15)	Upper-middle-income countries (27)	High-income countries (6)
▶ Chad	▶ Angola	▶ Albania	▶ Barbados	▶ Afghanistan	▶ Algeria	▶ Argentina	▶ Antigua and Barbuda
▶ Ethiopia	▶ Bangladesh	▶ Armenia	▶ Saint Kitts and Nevis	▶ Burkina Faso	▶ Comoros	▶ Azerbaijan	▶ Chile
▶ The Gambia	▶ Benin	▶ Bosnia and Herzegovina		▶ Burundi	▶ Congo	▶ Belarus	▶ Nauru
▶ Guinea	▶ Bhutan	▶ Botswana		▶ Central African Republic	▶ Djibouti	▶ Belize	▶ Panama
▶ Madagascar	▶ Bolivia	▶ Colombia		▶ Democratic Republic of the Congo	▶ Eswatini	▶ China	▶ Seychelles
▶ Mali	▶ Cabo Verde	▶ Dominica		▶ Eritrea	▶ Ghana	▶ Cook Islands	▶ Trinidad and Tobago
▶ Mozambique	▶ Cambodia	▶ Dominican Republic		▶ Guinea-Bissau	▶ India	▶ Costa Rica	
▶ Niger	▶ Cameroon	▶ Ecuador		▶ Liberia	▶ Lebanon	▶ Cuba	
▶ Rwanda	▶ Côte d'Ivoire	▶ Fiji		▶ Malawi	▶ Lesotho	▶ Equatorial Guinea	
▶ Somalia	▶ Egypt	▶ Georgia		▶ Sierra Leone	▶ Nicaragua	▶ Gabon	
▶ Togo	▶ El Salvador	▶ Guyana		▶ South Sudan	▶ Nigeria	▶ Grenada	
▶ Uganda	▶ Haiti	▶ Jamaica		▶ Sudan	▶ Palestine***	▶ Guatemala	
	▶ Honduras	▶ Jordan		▶ Syria	▶ Philippines	▶ Indonesia	
	▶ Kenya	▶ Kosovo**		▶ Yemen	▶ Sri Lanka	▶ Iran	
	▶ Kiribati	▶ Marshall Islands		▶ Zambia	▶ Zimbabwe	▶ Iraq	
	▶ Kyrgyzstan	▶ Mauritius				▶ Kazakhstan	
	▶ Laos	▶ Moldova				▶ Libya	
	▶ Mauritania	▶ Montenegro				▶ Maldives	
	▶ Mongolia	▶ Namibia				▶ Mexico	
	▶ Morocco	▶ North Macedonia				▶ Palau	
	▶ Myanmar/Burma	▶ Paraguay				▶ Saint Vincent and the Grenadines	
	▶ Nepal	▶ Peru				▶ Suriname	
	▶ Pakistan	▶ Saint Lucia				▶ Thailand	
	▶ Papua New Guinea	▶ Serbia				▶ Türkiye	
	▶ Samoa	▶ South Africa				▶ Turkmenistan	
	▶ São Tomé and Príncipe	▶ Tonga				▶ Venezuela	
	▶ Senegal	▶ Tuvalu					
	▶ Solomon Islands						
	▶ Tajikistan						
	▶ Tanzania						
	▶ Timor-Leste						
	▶ Tunisia						
	▶ Ukraine						
	▶ Uzbekistan						
	▶ Vanuatu						
	▶ Vietnam						

(*) OCTs are not included in the table, due to the difficulty of assigning them to an income group. The 11 OCTs with an ongoing budget support programme in 2022 were: Bonaire, French Polynesia, Greenland, Montserrat, New Caledonia, Saba, Saint Barthelemy, Saint Helena, Saint Pierre et Miquelon, Sint Eustatius, and Wallis and Futuna. Moreover this list might include countries where the operations are on hold.

(**) This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

(***) This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

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