



European
Commission

BUDGET SUPPORT

Trends and results 2022



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BUDGET SUPPORT

Trends and results 2022

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

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This report is mostly based on data available by the end of 2021.

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 – the state- and resilience-building contract).

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Abbreviations

DRM	domestic revenue mobilisation
EEAS	European External Action Service
EU	European Union
EUR	euro
GDP	gross domestic product
IMF	International Monetary Fund
IPA	Instrument for Pre-Accession Assistance
MFA	macro-financial assistance
NDICI-GE	Neighbourhood, Development and International Cooperation Instrument – Global Europe
OCT	overseas countries and territories
PEFA	Public Expenditure and Financial Accountability
PFM	public finance management
PPP	purchasing power parity
RMF+	risk management framework +
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
WGI	Worldwide Governance Indicators

Executive summary

EU budget support is a means to deliver effective assistance, including in situations of crisis. Budget support helps **strengthen country systems** and budget processes to implement public policies and deliver sustainable results.

It has been instrumental during the COVID-19 pandemic. Budget support offered **additional fiscal space** to tackle the negative impact of the pandemic. These efforts may continue in the near future in view of the devastating global effects of the Russian war of aggression against Ukraine.

At the same time, budget support achieves tangible and durable results in support of EU partners' reform efforts. It helps them achieve progress towards the **sustainable development goals** (SDGs) despite adverse conditions. It remains at the core of the Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-GE) and the Instrument for Pre-Accession (IPA III). It provides **a platform for policy dialogue** with authorities and promotes accountability for the use of public funds, while putting forward **EU priorities** of the Global Gateway, such as the **Green Deal and digitalisation**. Together with the guarantee instruments, it constitutes a **modality of choice for the Global Gateway**, supporting **fundamental values** (democracy, human rights and the rule of law) and a **human-centric approach to investment**. It also represents an EU asset to the Team Europe approach.

In 2021, EU budget support continued to cover a large variety of sectors, with payments in 59 countries or overseas countries and territories. Budget support payments accounted for 11.5 % of the overall payments by the Commission within the framework of NDICI-GE and IPA III or under predecessor instruments. In the past 2 years, EU budget support helped countries with **overall payments of EUR 4.2 billion** – EUR 3 billion in 2020 and EUR 1.2 billion in 2021 – to support **reforms** in different sectors and

to **prevent further economic and social setbacks**. The efforts to front-load resources in 2020 could not be fully offset in 2021, as the new Global Europe instrument entered into force during the year and the Instrument of Pre-Accession only at the end of 2021. In addition, political blockages and domestic crises hindered the implementation of ongoing programmes in several countries.

This report depicts the EU budget support's contribution to different regions and countries, mainly to advance public administration reform. The report has three parts.

Part I presents the **results** achieved by partner countries and examples of EU budget support contributions to 15 of the 17 SDGs through 38 concrete cases. In 2021, there was still a major focus on the socioeconomic response to the pandemic, besides monitoring progress towards the SDGs.

Part II analyses the **risks and mitigation measures associated with budget support**. The protracted effects of the COVID-19 pandemic strongly influenced the breadth and depth of risks. Macroeconomic and financial risks increased considerably, along with political risks, as lockdowns and political crises constrained freedoms and civic space. A new risk management framework was introduced in 2021, going beyond the previous focus on budget support.

Part III describes the **financial and geographical distribution**. Sub-Saharan Africa remains the largest recipient of EU budget support (35 %), followed by the European neighbourhood (31 %), Asia (16 %), Latin America (6 %), the western Balkans (4 %), the Caribbean (3 %), overseas countries/territories (3 %) 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 79 % of the portfolio value, compared to 19 % and 2 % respectively.

Part I – Results

EU budget support is implemented in the context of the 2030 agenda for sustainable development. This report presents the results achieved by partner countries and examples of the contribution of EU budget support to 15 of the 17 SDGs.

The results highlighted below reflect the variety of contexts in which EU budget support is implemented. The report focuses on trends and results observed by the end of 2021 and presents major budget support contributions as a response to the impact of the COVID-19 crisis, although not exclusively. Some of the cases indicate earlier contributions from EU budget support that enabled countries to strengthen their systems to better respond to the challenges unfolding since 2020.

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 recognised international databases ⁽¹⁾ and on an assessment of the 274

budget support programmes approved and implemented between 2014 and 2021 for a total of EUR 15.1 billion, and of the related 4 611 performance indicators. This analysis allows for a sector distribution of the current portfolio and for an estimate of the overall contribution of EU budget support to the SDGs. The findings are presented in Part III of this report. The 38 cases presented below illustrate more concretely the results and trends observed in partner countries, along with the efforts made by the EU to tackle the debt crisis globally and locally.

Furthermore, every budget support contract – in other words, 100 % of the EU budget support portfolio – contributes to SDG 16 through the eligibility criterion on public finance management (PFM), combined with dedicated performance indicators and capacity development measures embedded in the operations. This applies to SDG-Cs and to SRBCs – which typically address points covered by SDG 16 – but also to SRPCs, which aim to improve sector governance and contribute to strengthening institutions. Moreover, some SRPCs are focused on PFM, justice and – notably in the enlargement and neighbourhood contexts – public administration reform.

Likewise, each budget support contract contributes to SDG 17 (i.e. partnerships) through the eligibility criteria on macroeconomic stability and budget transparency, similarly combined with performance indicators and capacity development.

⁽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 (<http://info.worldbank.org/governance/wgi>); PEFA (<https://pefa.org/assessments/listing>); the 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

Cabo Verde – Eradicating extreme poverty

The EU supports government efforts to **eradicate extreme poverty** by 2026



In 2021, EU budget support provided much-needed financial support to help fund essential social and economic measures in Cabo Verde, as the COVID-19 crisis dramatically undermined the development trajectory of this highly indebted and tourism-dependent country.

The programme supports Cabo Verde in achieving its goal to eradicate extreme poverty by 2026, while promoting green economic development and gender equality. Extreme poverty currently affects 13.2 % of the population.

1 NO POVERTY



SDG 1

Moldova – Alleviating the impact of COVID-19

The EU supported Moldova in **mitigating the socioeconomic impact of the COVID-19 pandemic** and increasing the **resilience of its healthcare system**



The EU supported the resilience of the Moldovan health system and economic recovery of micro, small and medium-sized enterprises with a EUR 15 million COVID-19 resilience contract.

This grant helped Moldovan businesses mitigate the negative economic impact of the pandemic by facilitating access to loans with subsidised interest rates, financial guarantees and grants. Various measures were put in place by the government, such as the value added tax refund for agricultural producers and a support scheme for the digitalisation of small and medium-sized enterprises.

The programme is part of the wider EU economic recovery plan for the Republic of Moldova, which mobilises up to EUR 600 million in macro-financial assistance, grants and investments, and is further supported by blending and financial guarantees.

1
NO
POVERTY**SDG 1****Cambodia – Improving access of people with disabilities to social protection and care**

EU budget support helped **250 000 people with disabilities to access COVID-19 vaccines**



In Cambodia, the EU supported the development and roll-out of a national disability identification mechanism. To address the challenge of low coverage of social protection measures for people with disabilities, the Cambodian Ministry of Social Affairs launched social and rights-based identification guidelines and then built a digitalised system for the national identification of people with disabilities. The ministry trained 4 862 commune focal points (of which 1 776 women) in 1 642 communes in Cambodia, followed by the roll-out of the new identification mechanism.

As a result, 250 000 people with disabilities were identified by the end of 2021, starting from a baseline of 16 800 in 2020. Around 40 % of people with disabilities are now able to access a new cash transfer system and an even higher number will get access to social care and employment opportunities. The roll-out of the disability identification system has also been instrumental in accelerating the COVID-19 vaccination of people with disabilities.

1
NO
POVERTY**SDG 1****Tanzania – Resilient recovery from COVID-19**

The EU helped implement Tanzania's **COVID-19 response plan for a sustainable recovery**



In Tanzania, the EU supported the government's national COVID-19 response plan to maintain macroeconomic stability, revive the tourism industry and provide relief to vulnerable groups.

The plan addresses the socioeconomic effects of the COVID-19 pandemic broadly and includes interventions in health, education, water and sanitation, tourism, support to enterprises and social protection. It also contains a vaccine pillar to accelerate the uptake of COVID-19 vaccines in the country.



SDG 2

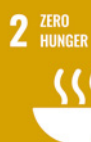
Benin – Supporting agricultural exports

EU budget support helped **double the value of agricultural exports** between 2014 and 2020



With the help of EU budget support, Benin has initiated a far-reaching reform of the agricultural sector. The coverage of the population's food needs has significantly improved over the past 4 years, not least owing to increased agricultural production. The value of agricultural exports increased from EUR 220 million to EUR 530 million between 2014 and 2020, even during the COVID-19 pandemic.

The job creation objective has also been largely met, with 238 524 jobs created in the priority value chains. At the institutional level, the sustained reform process included the establishment of an inclusive framework involving all key players in the agricultural sector: the government, technical and financial partners, private market entities (producers, processors and traders) and private non-market stakeholders (NGOs, farmers' organisations and civil society). The framework ensures better coordination at the territorial level and facilitates synergies in the implementation of interventions by the various stakeholders and in the mobilisation of resources for the development of the agricultural sector.



SDG 2

Honduras – Services for food security and nutrition

The EU helped 39 vulnerable municipalities to develop food security and nutrition development plans, benefiting **more than 700 000 inhabitants**



In Honduras, EU budget support improved health and nutrition services for pregnant women and children under 5 through the implementation of a digital health information system, strengthening of local authorities, and municipal expenditure management.

The central government has approved the preparation of 39 municipal development plans that benefited more than 700 000 inhabitants.

As a result, at least 28 municipalities increased food security, nutrition expenditures and investments, already prior to the COVID-19 pandemic. In 2020, the government also decided to bring forward specific measures to respond to the COVID-19 crisis in the municipalities. These consisted of food distribution during the lockdown. The municipalities ensured national transfers worth approximately EUR 1.1 million for food distribution, COVID-19-related supplies and water and sanitation.



SDG 4

Nepal – Disaster risk reduction in schools

The EU helped retrofit **4 386 educational institutions in 14 earthquake-affected districts** since 2016



In Nepal, EU budget support contributed to building back school infrastructure that was damaged during the 2015 earthquake. The focus of disaster risk reduction under Nepal’s school sector development plan and the Nepal–EU action plan for recovery and reconstruction has helped to safely reconstruct, repair and retro-maintain schools in earthquake-affected and non-affected areas.

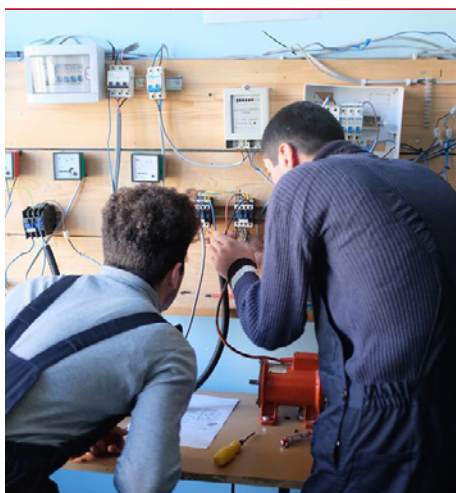
Since 2016, EU budget support has contributed to building back 4 386 educational institutions in the 14 most earthquake-affected districts. A further 345 classrooms in non-earthquake-affected districts were equally retrofitted.



SDG 4

Georgia – Vocational education for jobs

The EU contributed to upgrading **the educational skills of more than 600 vocational trainers** in 2020



Improvements in matching skills with labour market demands and in the quality of skill development systems are amongst Georgia’s top priorities for competitiveness and economic development.

The EU is supporting education and technical and vocational education and training (TVET) to cope with these issues and to ensure that the education system responds to the demand from the labour market, with a strong focus on entrepreneurship as a key competence to be included in curricula and teacher training.

In 2020, despite difficulties related to COVID-19, 619 TVET teachers completed the full pedagogy course and 336 of them also completed the dedicated ‘entrepreneurship competencies’ module. This represents 54 % of all TVET teachers in Georgia, above the target of 50 %.

4
QUALITY
EDUCATION**SDG 4****Kyrgyzstan – Supporting e-governance in the education sector**

EU support enabled **data sharing and reporting** between government services and an **electronic registration system** for students



To improve e-governance and e-services in Kyrgyzstan, the education management information system was integrated into the intergovernmental electronic system for data exchange and reporting.

To date, over 90 % of all educational data on: (i) location; (ii) enrolment, attendance and gender parity; and (iii) teaching staff and material and technical resources are publicly available on the website of the Ministry of Education. This exceeds the target set by the budget support programme on education and clearly shows the positive dynamic associated with the programme.

Furthermore, a new electronic registration system for the enrolment of children in kindergartens and students in schools, TVET and higher education institutions was activated on the website of the Ministry of Education, with the aim to increase transparency and to improve statistics.

4
QUALITY
EDUCATION**SDG 4****Namibia – Support to early childhood development and pre-primary education**

The EU supported **inclusive early childhood education**, better **data collection** and **quality assurance**



The EU supported Namibia in strengthening integrated early childhood development service delivery, with an enhanced focus on the provision of services to the most vulnerable communities. Furthermore, home-based support covered personal protective equipment for COVID-19, learning materials and feeding supplements, which ensured learning continuity and safety for young children in poor urban areas during kindergarten and school closures in 2021.

In addition, a national early childhood campaign supported the communication between policymakers, parents and community members, to ensure ongoing access to education. In particular, children with disabilities were given social recognition and better access to quality services.

4
QUALITY
EDUCATION**SDG 4****Niger – Improving data quality and facilitating better planning for education**

The EU supported **governance reforms** in the education sector



In Niger, EU budget support has contributed to essential governance reforms for better use of resources, reduction of gender disparities and better planning in the education sector.

The current budget support programme is aligned with the Nigerien educational transition plan adopted in 2020, which focuses on the improvement of data quality and school mapping.

Significant progress has been made towards better data access. This supports Niger's government in formulating a more comprehensive and effective education sector plan. Improved data collection and school mapping allow the authorities to better anticipate and manage student flows in a country with the highest population growth in the world. Moreover, it helps identify pathways to re-open education centres in regions with security concerns.

4
QUALITY
EDUCATION**SDG 4****Bonaire – Empowering children and adolescents**

Working towards **sustainable development** for children



A considerable part of Bonaire's young population faces social hardship, as many children and adolescents grow up in vulnerable single-parent households. The EU teamed up with Bonaire to achieve better social and developmental prospects for children in this Dutch overseas territory in the Caribbean. Youth empowerment is at the heart of the EU–Bonaire partnership agenda.

EU support contributed to three key milestones: firstly, the adoption of childcare regulation and secondly, the opening of two comprehensive child development centres. These centres offer a stimulating environment to the youngest members of society to enhance their social, physical and intellectual potential. Strong attention is given to improve the quality of educational programmes within these centres. Thirdly, in 2021 a pilot initiative of inclusive childcare for children with special needs was introduced by six childcare organisations together with one centre's multi-disciplinary care team, ensuring that no child is left behind. The pilot project is mostly aimed at children aged 1 to 12 with special needs.

5
GENDER
EQUALITY

SDG 5

Honduras – Improving financial inclusion of entrepreneurial women

The EU helped to **reduce the gender gap** by giving women better access to microcredits



In Honduras, EU budget support contributed to an increase in loans for female entrepreneurs by 19.3 % between 2018 and 2020.

The EU supported the implementation of the government's national employment policy and also helped facilitate access to technical assistance for female micro-entrepreneurs, who were previously excluded from the financial system. This has allowed women to become self-employed and independent.

5
GENDER
EQUALITY

SDG 5

Samoa – Water for life and gender equality

The EU contributed to improved **water quality** and better **representation of women** in water governance



In Samoa, EU budget support contributed to an increase in water quality. Quality standards increased from 58 % compliance to total compliance between 2015 and 2019.

It also substantially increased access to clean and affordable water and to basic sanitation in Samoan villages, which are critical to people's health and poverty reduction.

A gender-sensitive approach has been promoted by involving women in the design, implementation and management of infrastructure. Addressing the needs of women in relation to water, sanitation and hygiene are key to achieving gender equality.

6 CLEAN WATER AND SANITATION



SDG 6

Bolivia – Sanitation systems in remote communities

With the contribution of the EU, **more than 40 000 people in rural areas and small communities gained access to sanitation systems** in 2020



In Bolivia, EU budget support contributed to increase access to sanitation systems in rural and remote areas, particularly in small communities of up to 10 000 inhabitants.

In 2020, EU support helped more than 40 000 people from rural areas or small communities gain access to sanitation systems. Support also ensured that schools and health facilities in 76 municipalities were connected to new or improved sanitation systems. In addition, approximately 73 % of the population in the targeted municipalities participated in training activities on sanitary, hygiene and environmental issues.

Across the total Bolivian population, access to sanitation increased from 60 % in 2017 to 62.4 % in 2020. The government's policy also improved wastewater treatment, reducing the contamination of rivers, lakes and groundwater and increasing water reuse. Four new treatment plants and 32 wastewater treatment plants in urban areas were built or rehabilitated in 2020 with EU support.

7 AFFORDABLE AND CLEAN ENERGY



SDG 7

Barbados – Energy transition to a carbon-neutral country by 2030

The EU contributed to an **increase of 200 % in renewable resources**



In Barbados, EU budget support facilitated the installation of additional capacity for renewable energy within the national electricity grid.

Barbados aims to become a carbon-neutral country by 2030, starting from almost exclusively fossil fuel-based energy production to 100 % renewable sources.

From 2018 to 2020, the EU assisted the government to increase the renewable energy mix in the national grid from 10 to 30 megawatts (an increase of 200 %). The programme also contributed to opening up the energy market to private contributions and allowed for more efficient investments in renewable energy sources. Over the last 2 years, the programme supported the increase of the renewable energy input to the grid to 54 megawatts, covering approximately 10 % of the country's energy needs.

8 DECENT WORK AND
ECONOMIC GROWTH

SDG 8

North Macedonia – Improving the resilience of the business sector

The EU helped preserve and create **more than 7 000 jobs** in the local economy



In North Macedonia, EU budget support contributed to the creation of more than 4 400 businesses, with over 2 500 operating in sectors related to the European Green Deal.

EU support helped preserve more than 2 100 jobs for people at risk of unemployment, helped save around 3 000 jobs through interest-free loans to micro and small-sized businesses and created more than 2 000 new job opportunities, all during the time when the economic impact of the COVID-19 pandemic crisis unfolded. The programme mitigated the negative impact of the pandemic.

8 DECENT WORK AND
ECONOMIC GROWTH

SDG 8

North Macedonia – Including young people in the labour market

The EU supported **educational reform and the inclusion of more than 17 000 young people** in the labour market



North Macedonia has faced high youth unemployment, with more than 35 % of young people unemployed in 2017.

EU for Youth budget support, in the form of the Youth Guarantee scheme, contributed to improving young people's skills and decreasing youth unemployment from 30.5 % in 2019 to 25 % in 2021.

Working in synergy, EU and national funds contributed to a decrease of the rate of early school leavers from 7.1 % in 2019 to 5.7 % in 2020.

The EU supports North Macedonia in addressing the mismatch between the educational offer and the demand in the labour market through the reform of its technical and vocational education and training framework. It has helped increase the enrolment in TVET schools by 6 % in the 2021–2022 school year compared to the previous school year. The first three regional TVET centres serve as a model for a stronger linkage between young people's skills and competences and the local demand in the business community.

8 DECENT WORK AND ECONOMIC GROWTH



SDG 8

Saint Pierre and Miquelon – Reinforcing economic resilience

The EU contributed to a **decrease in unemployment** to less than 5 %



In response to the severe economic and demographic challenges in Saint Pierre and Miquelon, the EU has provided support to improve the archipelago's economic resilience.

Since 2011, the EU has facilitated the implementation of the government's strategic development plan, which aims to advance economic diversification and demographic stability. Since 2006, the EU has provided EUR 4–5 million per year to Saint Pierre and Miquelon's budget on average, which has allowed the archipelago to develop its infrastructure, transport, sustainable tourism and entrepreneurship. Support has contributed to an increase in the number of tourists (+ 39 %) and registered companies (+ 27 %) and a 54 % decrease in the unemployment rate, from 10.1 % in 2009 to 4.7 % in 2019.

More recently, EU budget support mitigated socioeconomic pressure on the tourism sector in the aftermath of the COVID-19 pandemic, which contributed to a more resilient post-COVID-19 recovery.

8 DECENT WORK AND ECONOMIC GROWTH



SDG 8

Albania – Supporting socioeconomic recovery from COVID-19

The EU helped **almost 40 000 small businesses and over 170 000 individuals** cope with the effects of the COVID-19 crisis



The EU provided EUR 26 million through budget support programmes to help mitigate the economic and social impacts of the COVID-19 pandemic in Albania.

These funds were used to support government efforts in response to the crisis and to improve access to economic and humanitarian relief.

As a result, almost 40 000 small businesses and self-employed workers, who were forced to forgo their activities during the pandemic, received financial assistance. In addition, over 170 000 vulnerable people received humanitarian aid and almost 500 companies benefited from a sovereign guarantee fund that provided access to financial means through commercial banks.

8 DECENT WORK AND
ECONOMIC GROWTH

SDG 8

Kenya – Supporting business environment reforms

The EU contributed to **more efficient services to trade operators and investors**



In Kenya, the EU supported the implementation of a new multi-stakeholder PFM reform strategy from 2018 to 2023 through a budget support operation. The programme assesses the time taken to clear goods at customs. The average time required by customs authorities to complete import clearances and inspections has been considerably reduced, from 84 hours in 2019 to 54 hours in 2021.

In order to address delays in cargo clearance, the Kenyan Revenue Authority adopted a new management system. The automated system improves the cargo clearance process through online document submission. The implementation of the system offers more efficient and reliable services to trade operators and investors and thus improves the business climate.

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE

SDG 9

Georgia – Improving living conditions for 600 000 people in rural areas

The EU helped improve the quality of and access to public infrastructure in rural settlements for **over 600 000 people** (over 16 % of the population)



Economic opportunities for citizens in Georgia differ considerably in rural and urban areas. Rural poverty remains high, particularly in remote areas, due to the deterioration of agriculture in the recent past and the lack of viable economic alternatives, which affects people's resilience and ability to adapt and to recover from shocks.

The EU has been supporting rural development and agriculture for 8 years, with the aim of improving living conditions and employment opportunities. Increasing the share of exports of agricultural products remains a priority.

With the EU budget support's contribution, Georgia invested in 2 183 new infrastructure projects in different rural settlements in 2021. This is a 73 % increase compared to the baseline year of 2016. The projects cover a diverse set of measures, such as roads, better drainage systems and the construction of sports and cultural facilities.

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE

SDG 9

Kyrgyzstan – Improving standards in data protection

The EU supported the establishment of the **Personal Data Protection Agency**



In Kyrgyzstan, a national personal data protection agency was established with EU support. This was one of the performance indicators in the new EU budget support programme on digitalisation.

The measure constitutes an important step towards a fair, democratic and confident digital transformation, which helps curb data misuse, prevent breaches of data privacy and improve data protection continuously. The measure also raised general awareness of privacy rights among citizens.

10 REDUCED
INEQUALITIES

SDG 10

Albania – Helping the most vulnerable through the COVID-19 pandemic

The EU helped support **over 170 000 of the most vulnerable people to overcome social exclusion** during the COVID-19 pandemic



In Albania, EU budget support helped the government strengthen social inclusion of vulnerable groups by increasing the coverage, inclusiveness and effectiveness of social care services. This was complemented by the provision of inclusive education and employment opportunities.

As a result, around 69 000 families and around 170 000 vulnerable people benefited from COVID-19 support and relief packages. In addition, around 15 000 unemployed job seekers benefited from active measures in the labour market, including job placements and vocational training courses.

The programme helped the government respond to the needs of populations at risk of poverty and social exclusion, notably young people, women, people with disabilities and other minorities who became more vulnerable during the pandemic.

11 SUSTAINABLE CITIES
AND COMMUNITIES

SDG 11

Dominica – Building resilience for the most vulnerable against hurricanes

With the support of the EU, two **high-quality shelters** were put in service in two vulnerable regions



In Dominica, EU budget support aimed to increase the resilience of populations affected by recurrent hurricanes.

Dominica, which is prone to regular natural disasters, aims to strengthen its national strategies and policies on resilience at all levels.

Through the EU budget support programme, 1 000 houses were rebuilt according to the highest resilience standards. In addition, two high-quality shelters were built in areas where schools previously served as shelters, to give vulnerable populations access to safety in times of disaster and to resume educational activities swiftly in a post-disaster context.

11 SUSTAINABLE CITIES
AND COMMUNITIES

SDG 11

Tuvalu – Sustainable waste management

The EU helped Tuvalu to export **17 tonnes of baled aluminium cans** to external markets for recycling



The EU assisted Tuvalu in collecting, storing and exporting recyclable waste to external markets for recycling. The budget support programme helped Tuvalu to fund the construction of a recycling and transfer station, purchase the needed heavy equipment and adopt its first waste levy regulation in 2019.

In 2021, 17 tonnes of baled aluminium cans for recycling were exported for the first time from Tuvalu to South Korea. For a small island nation which cannot recycle such waste on its own territory, this is a significant first step and paves the way for future exports of other recyclable waste to external markets.

The EU also supported Tuvalu in waste prevention and the establishment of mechanisms for the sustainable financing of waste management. The budget support programme helped implement a waste levy, which yielded revenues of approximately EUR 165 000 from June 2020 to June 2021. With new items being added to the waste levy, this figure is expected to increase in the coming years.

13 CLIMATE ACTION



SDG 13

Jamaica – Raising climate change awareness

The EU contribution supported the **training of nearly 400 civil servants in forest preservation and climate change**



With EU support, 395 local government officials were trained in assessing climate change vulnerabilities and planning adaptation measures. Officials are now better equipped to undertake rural appraisals in Jamaica. EU budget support also contributed to 46 locally developed projects to support the sustainable use of forest resources.

Moreover, 137 early childhood, primary and secondary schools across the island benefited from a programme on forest conservation and climate change that reached almost 9 000 students. The students took part in field trips, question and answer sessions and tree-planting activities.

In addition, the Jamaican Forestry Department finalised two national assessments to calculate the carbon stock above ground, thereby providing quantifiable information for carbon credit trading and the reduction of emissions from deforestation and degradation.

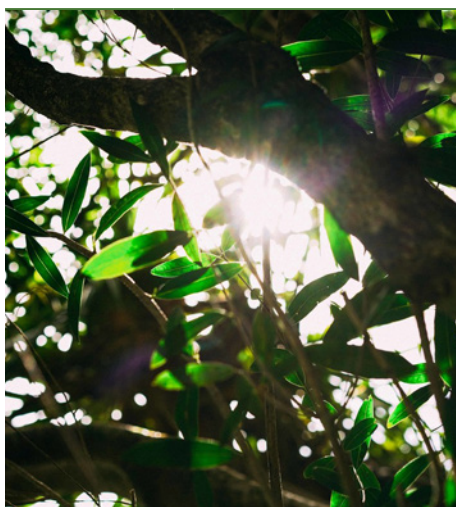
13 CLIMATE ACTION



SDG 13

Morocco – Sustainable forest management

The EU supported the **reforestation of 98 000 hectares** in Morocco



The EU budget support programme on sustainable forest management contributed to a paradigm change in the Moroccan forest policy, shifting from a prohibitive approach to sustainable and participatory management. It helped to bring the legal framework on forest management and protected areas in line with international standards.

With the contribution of the EU budget support, 12 new sites on a surface of 41 000 hectares were designated as wetlands of international importance, and five national parks now meet international standards. Moreover, the EU budget support programme contributed to the reforestation of 98 000 hectares and to the increase of officially registered forest areas to 6.37 million hectares. This has also led to the reduction of land disputes in four priority provinces of the country.



SDG 14

Cambodia – Increased patrolling of marine and inland fisheries

The EU helped provide **226 patrol boats and seven patrol vessels** for inland and marine fisheries inspection



In Cambodia, the EU supported marine conservation and compliance with laws and regulations in the fisheries sector. The project helped government authorities develop capacities and provided equipment with fast patrol vessels to effectively control and inspect inland and marine fisheries and prevent illegal marine fishing. The fisheries administration bought 20 large patrol boats and 206 smaller boats for inspectors and rangers of fishing communities in inland fisheries, along with two large patrol vessels and five small vessels for inspectors in marine fisheries. In addition, the EU funded five pickup trucks for inspections at marine fishing landing sites.

Increased patrolling has led to a reduction of illegal fishing activities and contributed to a more sustainable and inclusive growth in the fisheries sector.



SDG 15

Colombia – Sustainable development for peace and biodiversity

The EU contributed to the **rehabilitation and recovery of land and to local initiatives to overcome social and economic disadvantages**



EU budget support addressed the socioeconomic challenges of the regions previously affected by armed conflict.

The programme promoted conservation and sustainable management agreements between the authorities and the rural communities of protected areas. It also supported economic development and the reduction of both geographical and gender disparities.

Between 2016 and 2021, it contributed to the rehabilitation or recovery of nearly 28 000 hectares of forest. More than 300 local green businesses and 4 500 indigenous, peasant and vulnerable families benefited from EU support. This success encouraged the Colombian environment ministry to increase its financial support to national parks.



SDG 16

Ukraine – Delivering better services to Ukrainians

The EU supported more than **100 000 families to register their new-born children and receive related services**



From 2017 to 2021, the EU supported better services, digitalisation and decentralisation in Ukraine. Ukraine significantly improved access to administrative services and their quality. Over 120 such services were made available digitally, increasingly through a single online gateway and a mobile application with over 10 million users. It allowed the delivery of paperless services and reduced the time that citizens and businesses spent on administrative processes. The EU assisted in developing a network of nearly 1 000 administrative service centres – one-stop shops – all over Ukraine. From 2020 to 2022, more than 100 000 families with new-born children benefited from the e-baby service, combining 10 previously separate services for childbirth including civil registration.

The EU supported the upgrade of civil service standards and practices. A single online gateway for all vacancy announcements handled over 80 000 applications. New merit-based selection methods were introduced, including for senior management positions in ministries and state institutions.



SDG 16

Armenia – Improving transparency in the justice sector

EU support contributed to better **accountability and transparency safeguards** in the judiciary



The EU's support to Armenia helped achieve the targets of the anti-corruption and justice strategies to ensure transparency, accountability and anti-corruption safeguards in the judiciary.

More specifically, EU budget support to the justice branch in Armenia contributed to the launch of asset declaration checks, following a revised legal procedure in 2021. The number of judges who have undergone asset declaration checks increased from zero to 148 (corresponding to 60 % of judges), which indicates that better integrity has been achieved. In addition, around 450 asset declarations of family members of judges were examined.



SDG 16

Papua New Guinea – Tackling corruption and increasing transparency

The EU helped Papua New Guinea to improve its ranking in the **Transparency International Corruption Perception Index** in 2021



The EU–Papua New Guinea partnership for good governance, signed in December 2020, combines budget support and technical assistance to increase transparency, accountability and democratic governance, all while strengthening the country’s justice system.

It contributed to better policy dialogue in the area of good governance and supported the government to pass a number of important and long-awaited reforms. These included the establishment of the independent commission against corruption, the implementation of the national anti-corruption action plan, the enactment of a whistleblower’s legislation and the adoption of a PFM reform roadmap.

Increased efforts to reduce corruption resulted in a significant improvement of the country’s ranking in the Transparency International Corruption Perception Index in 2021 (rank 124 in 2021 compared to rank 142 in 2020). Technical assistance to the commission against corruption, the ministry for justice and the police department will help sustain the reforms and increase transparency.



SDG 16

Colombia – Supporting the reintegration of ex-combatants

The EU contributed to **formal education access** for **7 000 ex-combatants**



In Colombia, EU budget support provided education opportunities for ex-combatants and their families, in order to reintegrate them into society and consolidate the peace process. The access to formal education is fundamental to increase social acceptance of ex-combatants. Almost 13 000 people, of which a quarter are women, are registered in the reincorporation process. So far, more than 7 000 people have gained access to formal education and more than 3 500 have graduated from high school since the peace agreement was signed.

To facilitate economic reincorporation, collective and individual productive projects are being designed and supported. They will enable ex-combatants to financially care for themselves and their families. In addition, the responsible government agency has provided full-time day care to more than 1 700 children of ex-combatants and opportunities for women.



SDG 16

Jordan – Peace, justice and strong institutions

The EU partnership contributed to **capacity building in the judicial system**



In Jordan, EU budget support contributed to more than 1 600 free legal aid representations in courts, paid by the state through a specific national fund. As one of the reform activities, the EU also helped conduct 67 specialised training courses for judges and prosecutors in 2021.

The budget support programme in the justice sector advanced the digitalisation process. There are now 49 ongoing e-services available, of which 11 are provided through mobile applications.

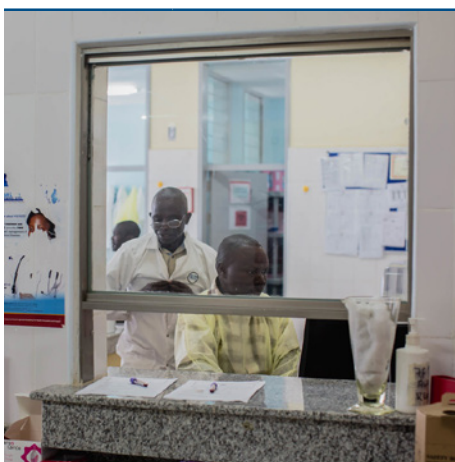
The e-services facilitate administrative and judicial processes, for example by reducing the number of services provided by the courts. The Ministry of Justice is now connected to 114 police stations and 85 public prosecution departments. In addition, 18 courts were equipped with videoconferencing systems to support witness and victim protection.



SDG 16

Uganda – Fiscal decentralisation and service delivery

The EU supported local government **service delivery standards**



In Uganda, EU budget support helped establish local government service delivery standards in eight sectors, including health and education. The standards also apply to healthcare facilities for the treatment of common diseases such as malaria, which serve several thousand people.

Intergovernmental fiscal transfers to local governments increased by 11 % between 2020–2021 and 2021–2022 despite COVID-19-related revenue shortfalls. EU budget support supported this fiscal decentralisation process.

17 PARTNERSHIPS
FOR THE GOALS

SDG 17

Kyrgyzstan – 10 years of successful partnership through budget support

EU budget support helped **foster budgetary control and fiscal transparency** and **progress in service delivery to the Kyrgyz population**



In the last 10 years, the EU built a sustainable partnership with Kyrgyzstan through different budget support operations in education, social protection, PFM and electoral reform. The EU also contributed to blending operations with the European Bank for Reconstruction and Development, Swiss Cooperation and the European Investment Bank to support public investments in the energy and water sectors, fostering links with budget support where possible.

A recent external evaluation ⁽²⁾ concluded that the operations contributed to improving the legal, policy and institutional framework, and helped Kyrgyzstan to deliver more and better goods and services to the Kyrgyz population. This included improving confidence in the overall social protection system.

Both budget support and technical assistance to PFM reform helped foster budgetary control and transparency. The internal audit function was strengthened. Latvian, Lithuanian and Polish supreme audit institutions delivered training on international auditing standards to the Chamber of Accounts.

⁽²⁾ The evaluation report on Kyrgyzstan can be found at https://ec.europa.eu/international-partnerships/evaluation-eu-budget-support-and-blending-kyrgyz-republic-2010-2019_en.

17 PARTNERSHIPS
FOR THE GOALS

SDG 17

All countries – A decisive use of budget support at the time of COVID-19

EU budget support provided fiscal space **to finance fiscal measures and preserve public services** during the COVID-19 pandemic in 2020



An external evaluation of the EU global response to the COVID-19 pandemic in 2020 ⁽³⁾ concluded that budget support operations proved to be instrumental in helping countries cope with the pandemic and deploy much-needed support to vulnerable households and businesses.

It stressed the importance of continuing to build up countries' fiscal resilience to crises through PFM and domestic revenue mobilisation (DRM) reforms ⁽⁴⁾. It also fostered accountability on special fiscal measures or funds at the time of crisis, similarly to regular provisions applying to budget transparency.

⁽³⁾ The evaluation report on the EU Initiative Response to COVID-19 can be found at https://ec.europa.eu/international-partnerships/fast-track-assessment-eu-initial-response-covid-19-crisis-partner-countries-and-regions-2020_en.

⁽⁴⁾ This reflects the priority given by the European Commission to the 'Collect more, spend better' agenda (see https://ec.europa.eu/international-partnerships/system/files/swd-collect-more-spend-better_en.pdf).

Part II – Risk management

1. A new Risk Management Framework

In 2021, a new country Risk Management Framework (RMF+) came into force. This new tool builds on the previous risk management framework, which was put in place in 2013.

The RMF+ is adapted to the changing context for international partnerships, the evolving geopolitical landscape and the new NDICI-GE. It applies to countries with which the EU has bilateral cooperation, including a significant number of countries where budget support is not provided.

The RMF+ assesses risks related to the new Commission priorities and to which EU measures within the framework of the NDICI-GE and IPA III 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 rule of law).

The RMF+ includes four categories of risks: (i) political system and corruption; (ii) sustainable jobs and growth; (iii) sector policies; and (iv) sustainable finance, PFM, transparency and oversight. Each risk category consists of several dimensions (from 7 to 9) whose rating is 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 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 EU measures and their implementation and are limited to budget support programmes and disbursements in the enlargement and neighbourhood regions.

The RMF+ continues assessing risks associated with the use of partner countries' systems and the provision of budget support. The new tool also contributes to the assessment and management of risks associated with other aid modalities, including in the use of EU guarantees and blending grants to support sovereign loans for public investments or similar operations designed for private sector development under the new European Fund for Sustainable Development (EFSD+). It provides a structured way to monitor the main components of the investment climate and associated risks. It 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 EEAS and where relevant with the support of other Commission departments. Exceptional circumstances can trigger more frequent updates within a year. In 2021, a total of 135 RMF+ reports were prepared for 121 countries and territories in sub-Saharan Africa, Asia, the Pacific region, Central and South America, the Caribbean region and 14 for countries in the western Balkans and the Eastern and Southern Neighbourhoods. Out of the 135 RMF+, 84 concerned budget support countries or territories (five overseas countries and territories (OCTs) benefiting from budget support were not covered by the latest exercise). As the 2021 RMF+ were prepared between October 2021 and February 2022, they do not reflect the spillover risks stemming from the Russian war of aggression against Ukraine. The risk levels for Ukraine and for Armenia, Georgia and Moldova are undergoing regular updates in view of this fluid situation, and they will be reflected in the 2022 update of the RMF+.

2. Results of the risk analysis and risk mitigation ⁽⁵⁾

The aggregated results obtained for the first RMF+ exercise are presented in the graphs below ⁽⁶⁾. The first graph shows, for all countries covered by the exercise, the average global risk level across the four categories as well as 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.

Given the changes introduced by the RMF+, the comparison with the previous RMF assessment could not be systematically carried out. However, for the dimensions similar to those of the previous RMF, the 2021 risk levels remain broadly consistent with 2020. This is particularly the case for the political risks and risks for sustainable finance, PFM, transparency and oversight.

Across the whole list of countries subject to the RMF+ assessment, the average country risk level 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). The same holds for two categories: 'Political system and corruption' and 'Sector policies'. The average risk level is however substantial for the two remaining categories: 'Sustainable jobs and growth' and 'Sustainable finance, PFM, transparency and oversight'. In 87 % of the countries, risks have been assessed

as substantial or high for at least one risk sub-dimension of the category 'Sustainable jobs and growth', which notably includes macroeconomic and debt sustainability.

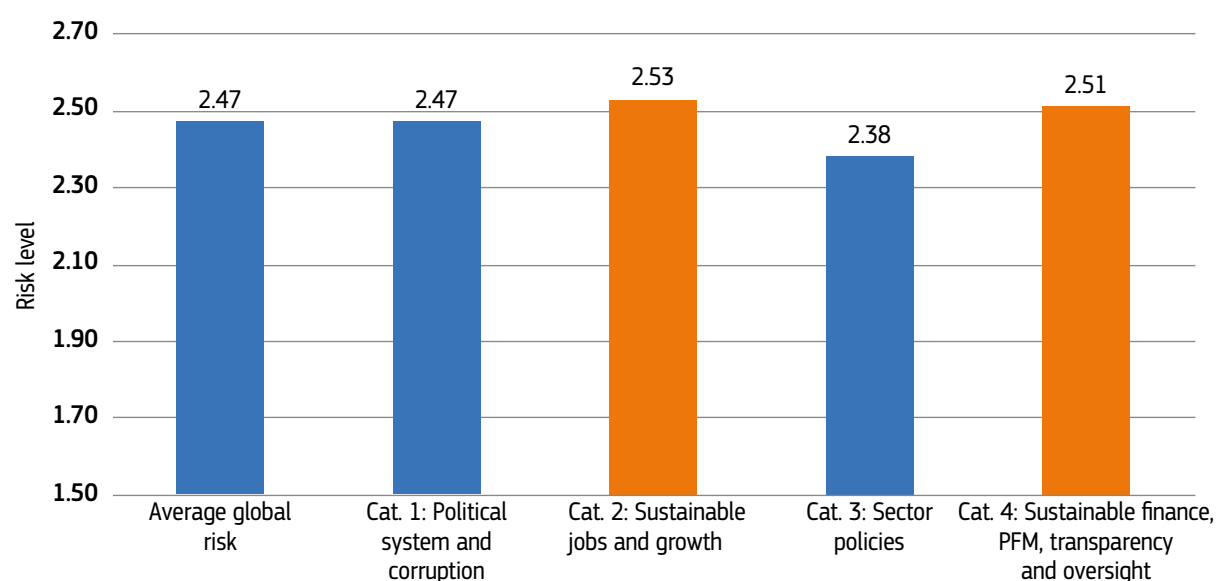
The highest average risk levels are found in sub-Saharan Africa, Asia and in the Southern Neighbourhood region ⁽⁷⁾. Many countries in these regions are fragile and confronted with multiple pressures on their budgets stemming from increasing security risks, high vulnerability to climate and economic shocks and needs for social spending to improve living standards of fast-growing populations.

More than half of the countries in these sub-regions present a substantial or high level of risk for macroeconomic stability, debt management, green transition and sustainable growth. The Commission and EEAS 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 (84) and other countries (51) show that the risk profile of countries without budget support is slightly higher in all risk categories except for category 3, 'Sector policies', which may also reflect a stricter assessment of the quality of countries' policies in the context of budget support.

Overall higher risks in non-beneficiaries of budget support may indicate elements not allowing countries to meet the eligibility criteria or difficulties in

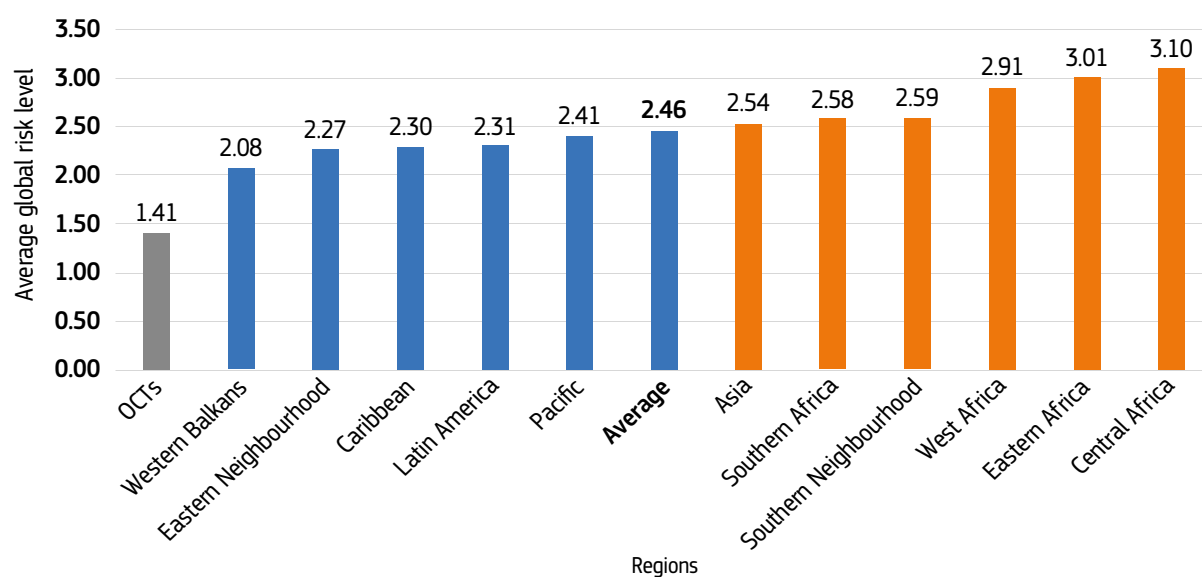
FIGURE 1. Average risk levels per category



⁽⁵⁾ The 2021 RMF+ analysis should be considered as reflecting the situation before the Russian war of aggression against Ukraine and its multidimensional consequences, in particular for the Eastern Neighbourhood region.

⁽⁶⁾ In figures 1, 2 and 5, orange is used for substantial risk, blue for moderate risk and grey for low risk.

⁽⁷⁾ However, as stated above, the consequences of the Russian war of aggression against Ukraine are not reflected in those risk levels, in particular for the Eastern Neighbourhood.

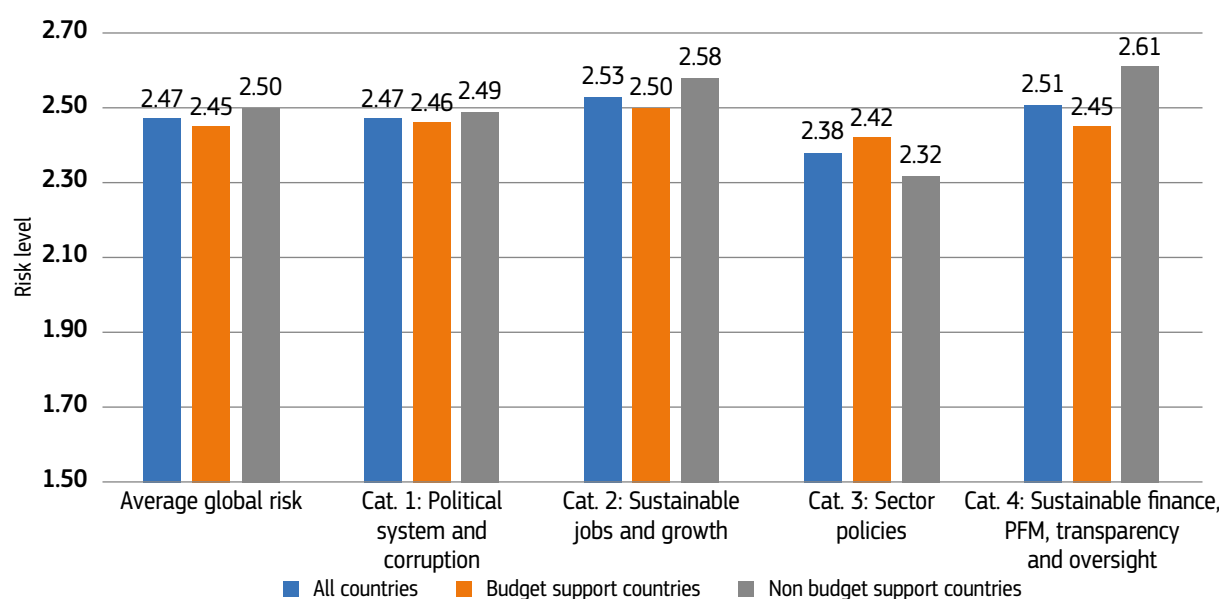
FIGURE 2. Average global risk profile per region

the dialogue with countries' authorities, making it difficult to provide budget support.

However, the differences in risk levels are small and several explanations can be given. 47 % of the budget support portfolio is implemented in least-developed countries (LDCs) and, where eligibility criteria are met, it is used in difficult conditions to help countries face domestic crises, natural disasters or the consequences of global shocks (lately the COVID-19 pandemic and the Russian war of aggression against Ukraine).

The RMF+ has also been extended to more countries including upper-middle income countries with

stronger capacities, where 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. Non-budget support beneficiaries comprise both emerging economies where budget support would not be relevant and least-developed countries where it is not possible in view of the political situation or due to issues with respect to budget support eligibility. This can explain why the average risk level for this group comes very close to the average risk level in budget support beneficiary countries.

FIGURE 3. Average global risk levels for budget support countries and non budget support 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. It provides a structured analysis, which informs the design and implementation of programmes and feeds into the policy and political dialogue with the partner country. Risk assessment also helps to foster the complementarity with other operations and align the operation with EU priorities.

High or substantial risk levels in a given country do not rule out the provision of budget support as such. They call for special monitoring and mitigation measures. In certain situations, high risks can be accepted, as long as there are opportunities for engagement with the authorities, concrete prospects for improvement and tangible mitigating measures. They also call for strong coordination with other key partners, primarily the EU Member States active in the country and the International Monetary Fund (IMF).

In a fragile context, the risks associated with non-intervention sometimes outweigh the risks of providing budget support, as a deteriorating situation can threaten political stability, wipe out development gains recently achieved and directly affect the most vulnerable parts of the population. Together with other partners, notably the IMF, budget support has a stabilising function, contributing to fiscal space, helping preserve key public services, supporting important reforms and avoiding the deterioration of a situation.

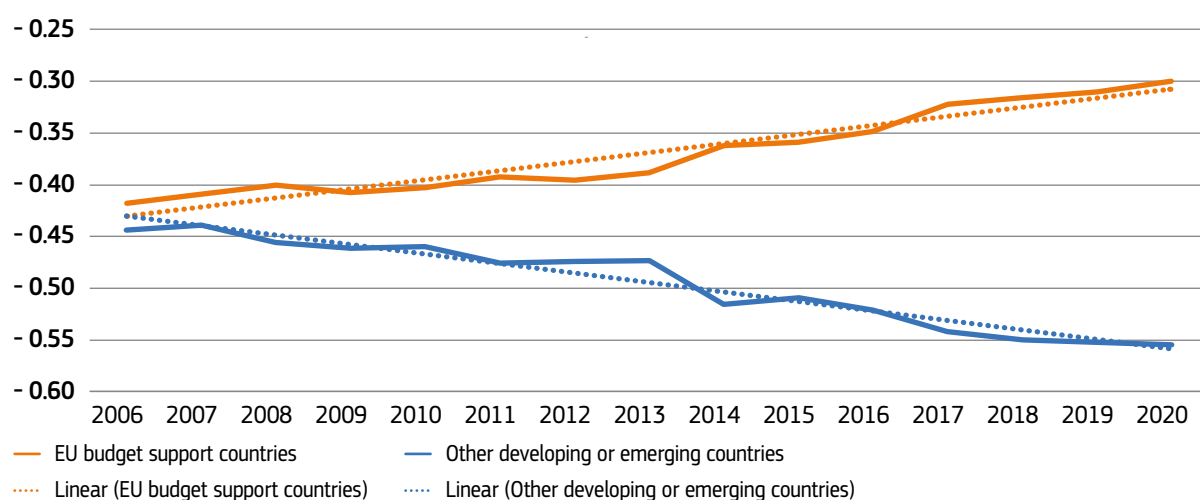
The mitigation of all sorts of risks is also a core dimension of risk management. For instance, the miti-

gation of corruption risks continued to be a priority and budget support in itself is instrumental in controlling corruption. It contributes to making oversight institutions stronger and enabling them to tackle corruption more systemically. It promotes follow-up on audit recommendations, be it through legal proceedings, disciplinary sanctions or systemic reforms to improve PFM.

According to the Worldwide Governance Indicators, budget support countries have improved in controlling corruption⁽⁸⁾ over the last 15 years with an average score of – 0.30 in 2020 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 is – 0.55 in 2020 and where the control of corruption has declined in the last 15 years. It averaged – 0.44 in 2006, at roughly the same level as EU budget support beneficiaries.

Additional safeguards to address the corruption risks for EU cooperation take many forms. They can range from direct provision of assistance to anti-corruption institutions, legislative and judicial bodies to strengthening political/policy dialogue on transparency and oversight functions. It implies 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.

FIGURE 4. Control of corruption – Worldwide governance indicators 2006-2020 (World Bank)
Interpretation: the higher score, the higher control of corruption



⁽⁸⁾ The 'control of corruption' is measured as part of the World Governance Indicators 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, as well as '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>.

However, continuous efforts to help fight corruption in partner countries are required, as there are numerous deficiencies that hinder development prospects and undermine populations' trust in their institutions. These must come alongside 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 PFM, domestic revenue mobilisation and fraud.

3. Focus on the risks associated with domestic resource mobilisation

The RMF+ allows deeper analysis on structural weaknesses affecting countries. The focus below on DRM is provided as an example, as it is also a central part of EU dialogue with partner countries, notably through budget support.

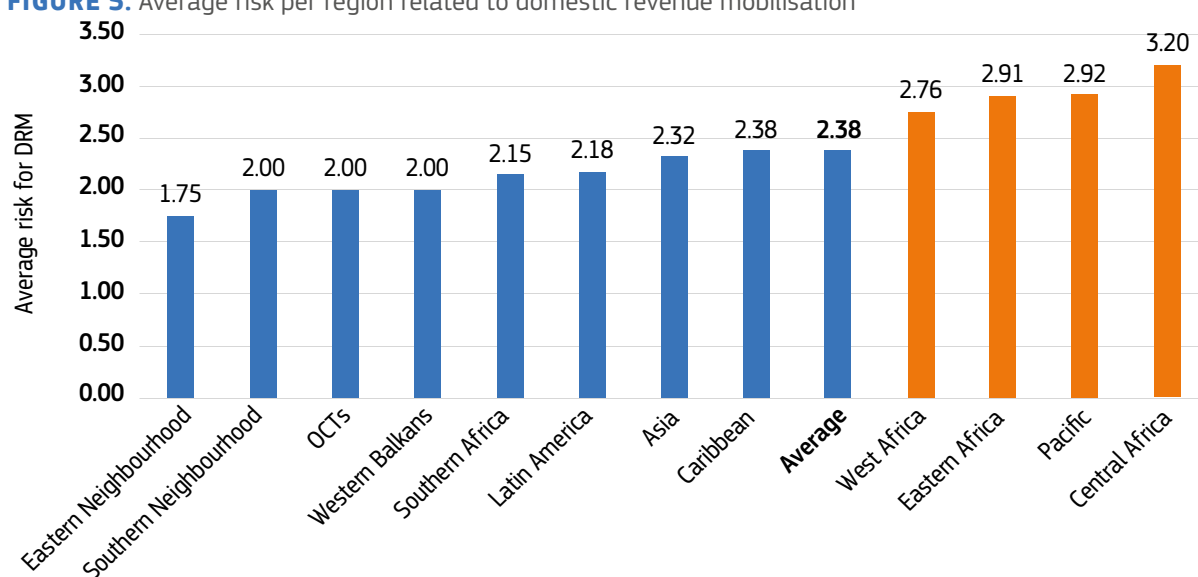
According to the RMF+, the sub-Saharan Africa and Pacific regions have the highest risk for DRM (see graph below). It is crucial to mitigate such risks, as they undermine public policy financing and imply potential inequity in taxation and associated fraud. Several countries are confronted with weaknesses in their revenue administration. The implementation of PFM reforms is a top EU priority in many countries, including for tax and customs administrations.

The significance of the informal sector in countries also implies specific risks. Therefore, support measures to further formalise the economy and fight against illicit financial flows are put in place. Similarly, some regions are supported with budget and tax transparency measures. Support measures can also relate to the management of revenue arising from natural resources, which also meet EU objectives with respect to the environment, biodiversity and climate scheme. In order to make mitigation measures as relevant and efficient as possible, the EU sets policy dialogue priorities with partner authorities and links up measures in countries with global initiatives at the level of the Organisation for Economic Co-operation and Development or the Group of Twenty (G20).

Countries without a sufficiently diversified economy, another source of weakness for DRM, may also suffer from macroeconomic instabilities. This is the case for the Caribbean, Southern Africa and Central and South Asia regions, where broader economic reforms are highlighted as a policy dialogue priority for DRM.

Despite all of these challenges, a number of countries have managed to increase their revenues over time. For instance, progress in digitalising tax and customs processes has been achieved, which was useful to face the consequences of the COVID-19 pandemic and the related disruptions. Following important reforms by national authorities supported by the EU, countries such as Belize, Mauritius, Namibia and Tunisia were removed from the EU list of non-cooperative jurisdictions for tax purposes ⁽⁹⁾.

FIGURE 5. Average risk per region related to domestic revenue mobilisation



⁽⁹⁾ For further background information, refer to the latest [EU list of non-cooperative jurisdictions for tax purposes](#).

Part III – Geographical and financial distribution

1. Commitments

In 2021, the ongoing EU budget support portfolio amounted to nearly EUR 10.8 billion, including, in most cases, the technical assistance components related to the programmes. This total amount includes budget support operations funded under EU trust funds (EU Emergency Trust Fund for Africa, Madad Trust Fund in Jordan, Trust Fund for Colombia). New budget support operations approved in 2021 under the Global Europe instrument, the Instrument for Pre-Accession and the Instrument for OCTs, including Greenland, amounted to EUR 1.4 billion.

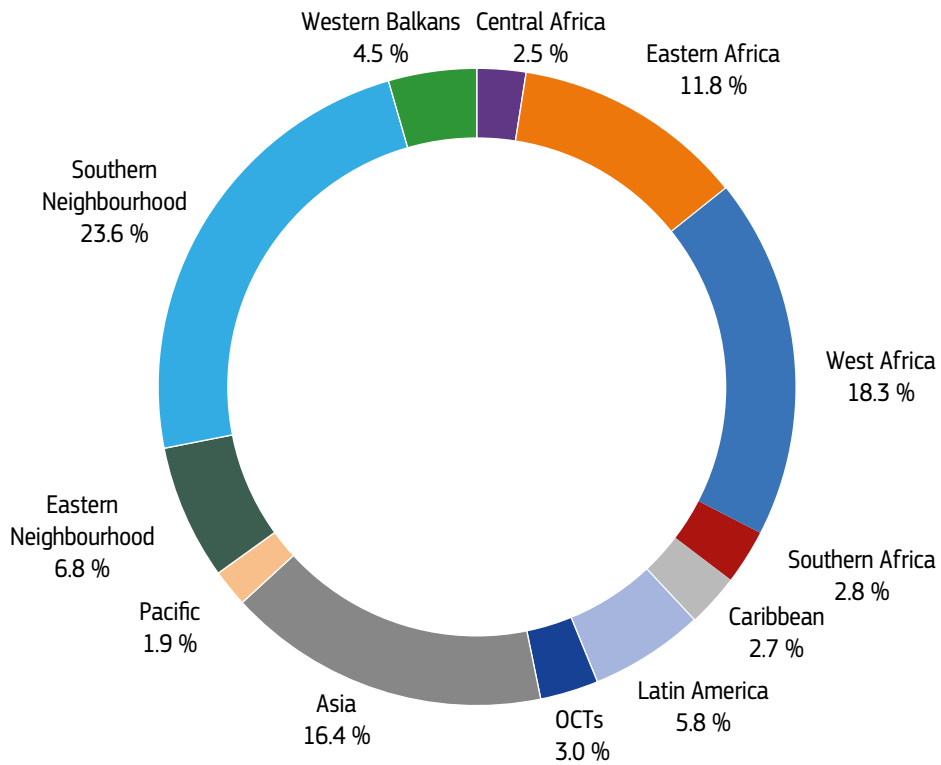
Region	Number of countries	Number of budget support contracts	Type of budget support contract (number)			Budget support commitments (in million EUR)		Total disbursed in 2021
			SDG-C	SRBC	SRPC	Total ongoing	New commitments in 2021	
Asia	11	26	0	0	26	1 771.1	147	270.8
Caribbean	7	12	0	2	10	291.2	-	14.6
Central Africa	3	4	0	1	3	268.3	-	23.3
Eastern Africa	6	13	0	1	12	1 273.1	249	99.2
Eastern Neighbourhood	4	17	0	4	13	740.2	100	147
Latin America	8	18	0	0	18	625	8.5	68.6
OCTs	11	14	0	0	14	320.2	60	20.7
Pacific	10	12	0	0	12	205.1	31.5	20.2
Southern Africa	6	11	0	2	9	299.8	-	31.2
Southern Neighbourhood	4	43	0	2	41	2 551.9	331	271.2
West Africa	12	26	3	12	11	1 977.8	512.6	143.6
Western Balkans	5	15	0	3	12	483.1	-	70.7
All	87	211	3	27	181	10 806.8	1 439.6	1 181.1

Sub-Saharan Africa (35 %) and the European neighbourhood (31 %) remain the largest recipients of budget support, followed by Asia (16 %), Latin America (6 %), the western Balkans (4 %), the OCTs (3 %), the Caribbean (3 %) and the Pacific region (2 %).

In the European neighbourhood and in the western Balkans, the EU may provide macro-financial assistance (MFA) alongside budget support ⁽¹⁰⁾. Although the two instruments have different purposes (MFA is provided as a support to countries' balances of payments in crisis situations), synergies are sought both in terms of pursued objectives (e.g. support to macroeconomic stabilisation) and reforms under focus (e.g. PFM).

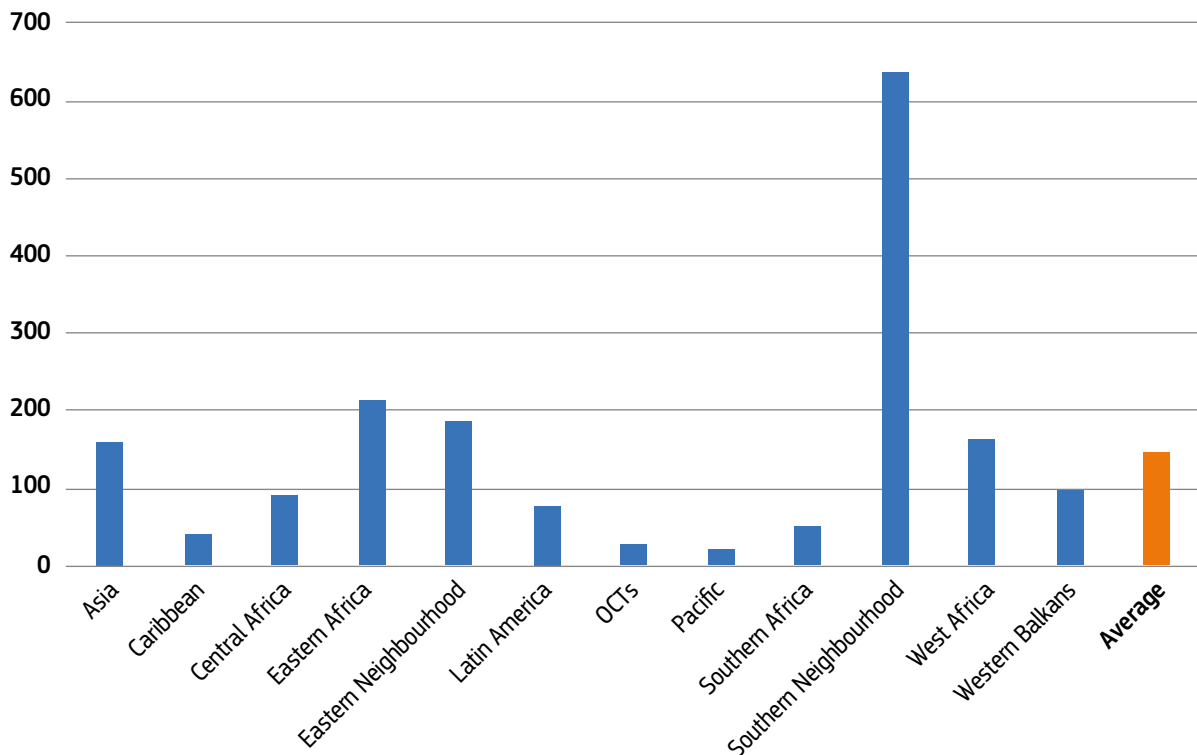
⁽¹⁰⁾ In 2021, the EU provided close to EUR 1.7 billion of macro-financial assistance in total through concessional loans. For further background information, refer to the Commission's report on the implementation of MFA in 2021 (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52022DC0341&qid=1658923758339>).

FIGURE 6. Distribution of the EU budget support portfolio by region at end 2021



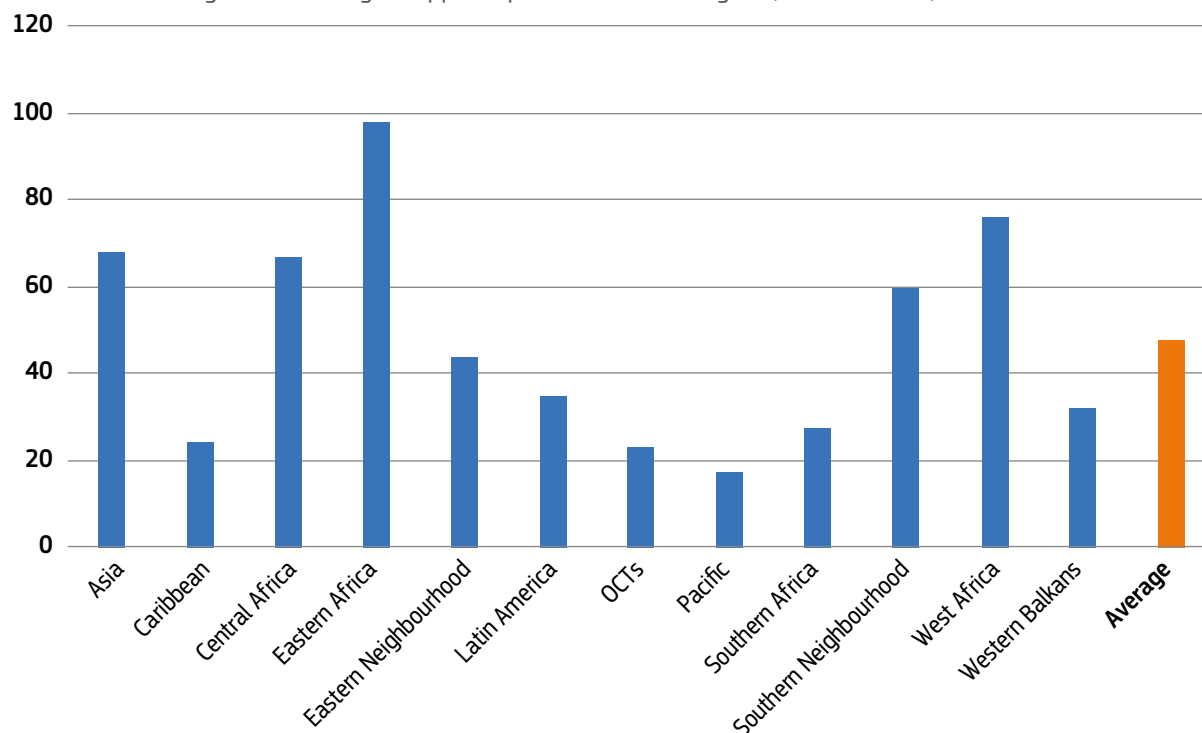
The average budget support portfolio per country amounted to EUR 147 million, with the Southern Neighbourhood standing out as it hosts the two largest portfolios globally (Morocco and Tunisia). On average, there were about 2.4 budget support operations per country.

FIGURE 7. Average size of portfolio per country in each region (in million EUR)



The average size of a budget support operation was EUR 51 million globally, with average amounts across regions ranging from EUR 17 million to nearly EUR 100 million.

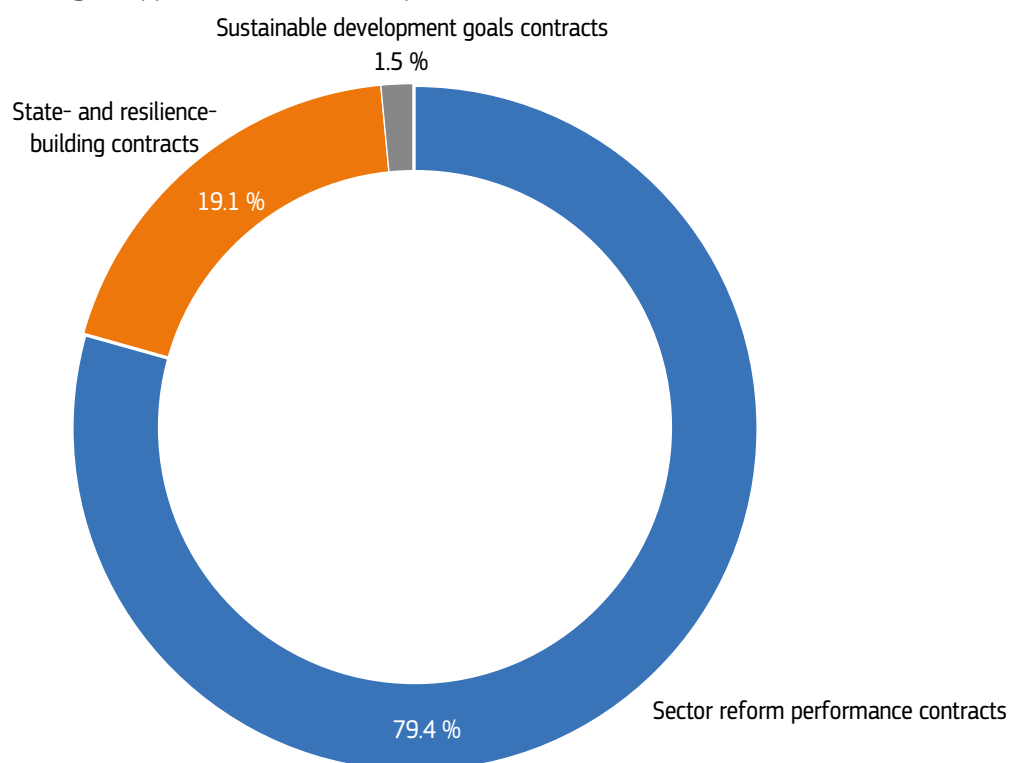
FIGURE 8. Average size of budget support operation in each region (in million EUR)



On average, SRBCs amount to EUR 76.6 million, SRPCs to EUR 47.4 million and SDG-Cs to EUR 54.0 million.

Type of contract	Number of ongoing budget support contracts	Commitments (in million EUR)	Average size (in million EUR)
SRPC	181	8 576.0	47.4
SDG-C	3	161.9	54
SRBC	27	2 068.9	76.6
All	211	10 806.8	51.2

SRPCs account for 79.4 % of the EU budget support portfolio in financial terms, with the SRBCs taking 19.1 % and the SDG-Cs 1.5 %. Out of the number of operations, the share of SRPCs reaches 85.8 % of the total compared to 12.8 % for SRBCs and 1.4 % for SDG-Cs.

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

2. Disbursements

In 2021, nearly EUR 1.2 billion were paid through budget support, or 11.5 % of the official development assistance managed by the Directorate-General for International Partnerships (INTPA) and the Directorate-General for Neighbourhood and Enlargement Negotiations (NEAR) of the Commission.

In comparison, disbursements ranged between EUR 1.5–1.8 billion between 2014 and 2019 and budget support accounted for 16 %–18 % of payments from the directorates-general in the same period. The year 2020 was exceptional, with close to EUR 3 billion of payments in a context where budget support played a central part in the EU COVID-19 response (24 % of payments).

This response in 2020 was achieved by committing the remaining funds under the 2014–2020 multiannual EU budget to design new programmes, top up existing ones or front-load tranches scheduled for later years.

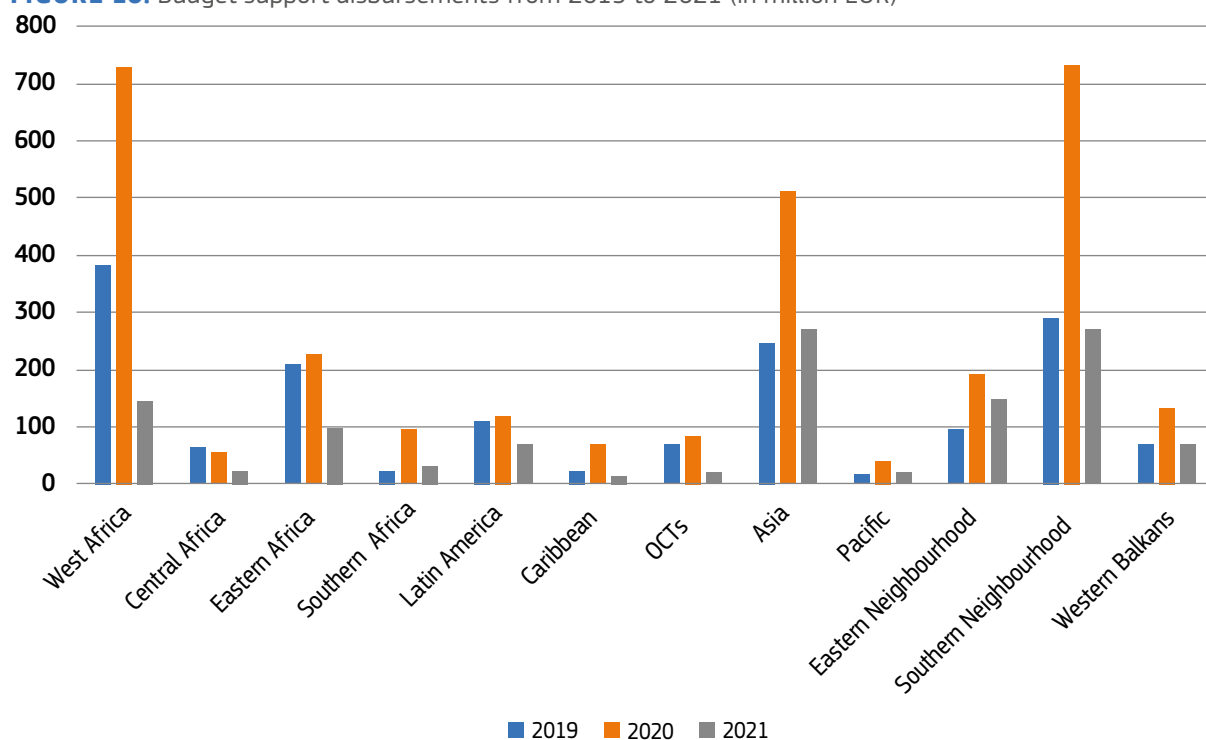
This effort, along with the progressive transition to the Global Europe instrument under the 2021–2027 multiannual budget, lowered the level of payments in 2021. Indeed, new programmes designed in 2021 will only give rise to payments from 2022 onwards. There were only two exceptions of programmes designed in 2021 under the Global Europe instrument and for which a payment could already be made in 2021 (Cabo Verde and Moldova).

Furthermore, several crises in large budget support beneficiary countries led to payments being put on hold or budget support operations being suspended, resulting in a significant decrease overall.

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

The decrease in 2021 compared to 2020 and even 2019 is observed in all regions. This can be explained by the issues described above: significant front-loading to respond to the COVID-19 crisis in 2020 (disbursement level almost doubled in 2020 compared to 2021) and new programmes identified in 2021 under Global Europe only being able to start disbursements in 2022. In addition, various programmes were put on hold due to political instability.

FIGURE 10. Budget support disbursements from 2019 to 2021 (in million EUR)



In payment terms, the Eastern and Southern Neighbourhoods (35.4 %), sub-Saharan Africa (25.2 %) and Asia (22.9 %) remain the top recipients of budget support in 2021. The lower share of payments for sub-Saharan Africa compared to its share in the portfolio stemmed from a relatively higher number of political crises and issues with eligibility criteria in the region than in other parts of the world.

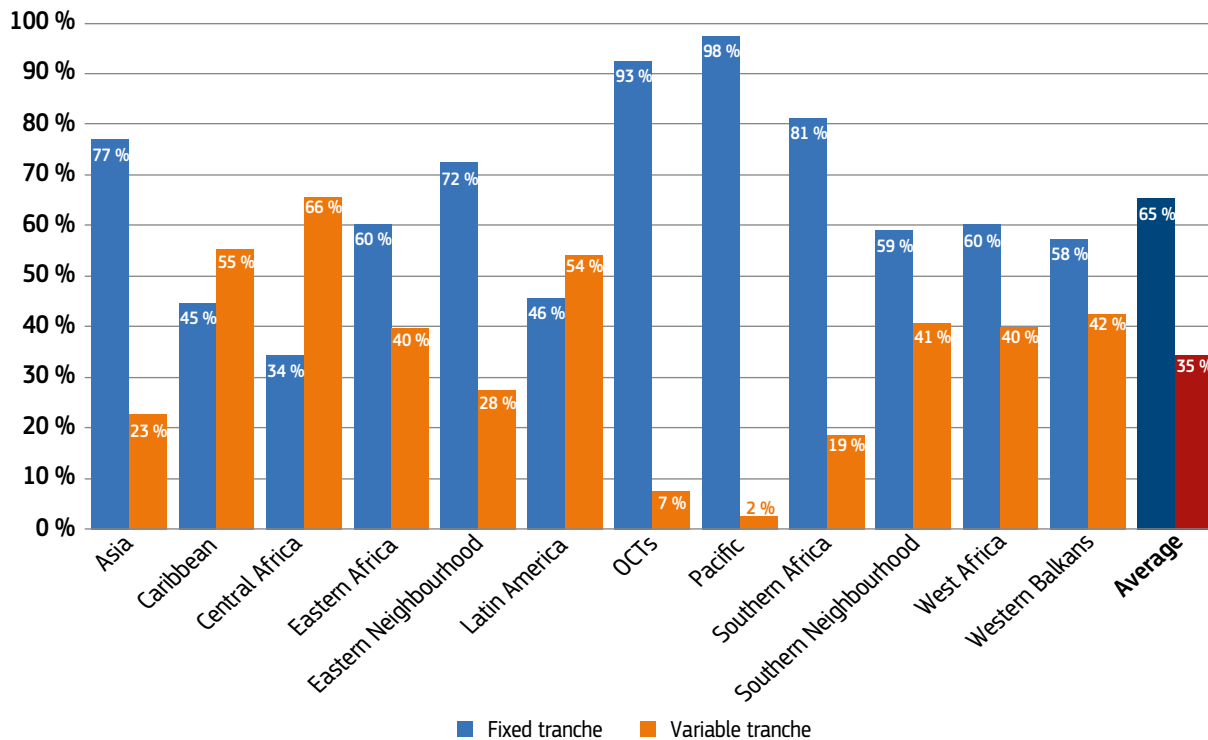
3. Fixed and variable tranches

The adaptation of programmes to respond to the COVID-19 crisis in 2020 continued to apply to some extent in 2021 but, progressively and where conditions allowed, the design of budget support started shifting back to pre-pandemic patterns, notably for the new programmes under Global Europe.

While in 2020 the split between fixed and variable tranches had reached a share of 84 % fixed and 16 % variable on average, it turned out to be 65 % and 35 % in 2021 respectively. In 2019, this split was of 44 % for fixed tranches and 56 % for variable tranches. The use of larger variable tranches (often above the pre-pandemic level) was observed in the design of new operations in 2021 and should therefore translate into higher shares of variable tranches in disbursements in the coming years.

However, new crises arise either globally or locally in some contexts and this may lead to a continuing significant fixed component of budget support. While fixed tranches are contingent on meeting budget support general conditions and notably evidencing progress in the implementation of countries' policies, they offer greater predictability for partner countries in times of crisis.

FIGURE 11. Share of fixed and variable tranches in 2021 budget support payments

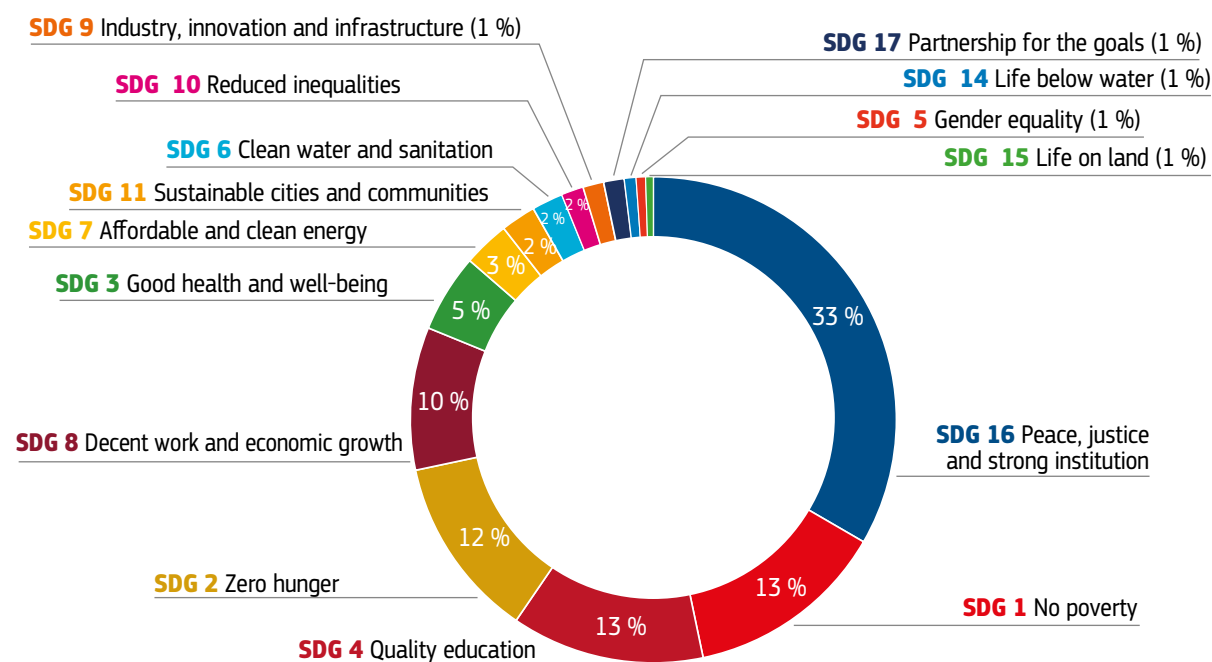


The variable tranches were disbursed at a rate of only 64 % in 2021, against an average of 76 % for the 2014–2020 period. In situations where the disbursement of budget support is not possible at all, this affects the variable tranches in their totality as much as the fixed tranches. The relatively high number of political crises and occurrence of concerns with budget support eligibility in 2021 explain this low disbursement rate.

4. Distribution by SDG and country income group

When looking at the 271 EU budget support operations approved and implemented between 2014 and 2020, SDG 16 (Peace, justice and strong institutions, encompassing PFM and public administration reform), SDG 1 (No poverty), SDG 4 (Quality education), SDG 2 (Zero hunger), SDG 8 (Decent work and economic growth) and SDG 3 (Good health and well-being) top the list of focal SDGs.

FIGURE 12. Distribution of the total EU 2014–2020 budget support portfolio by main SDG of each operation



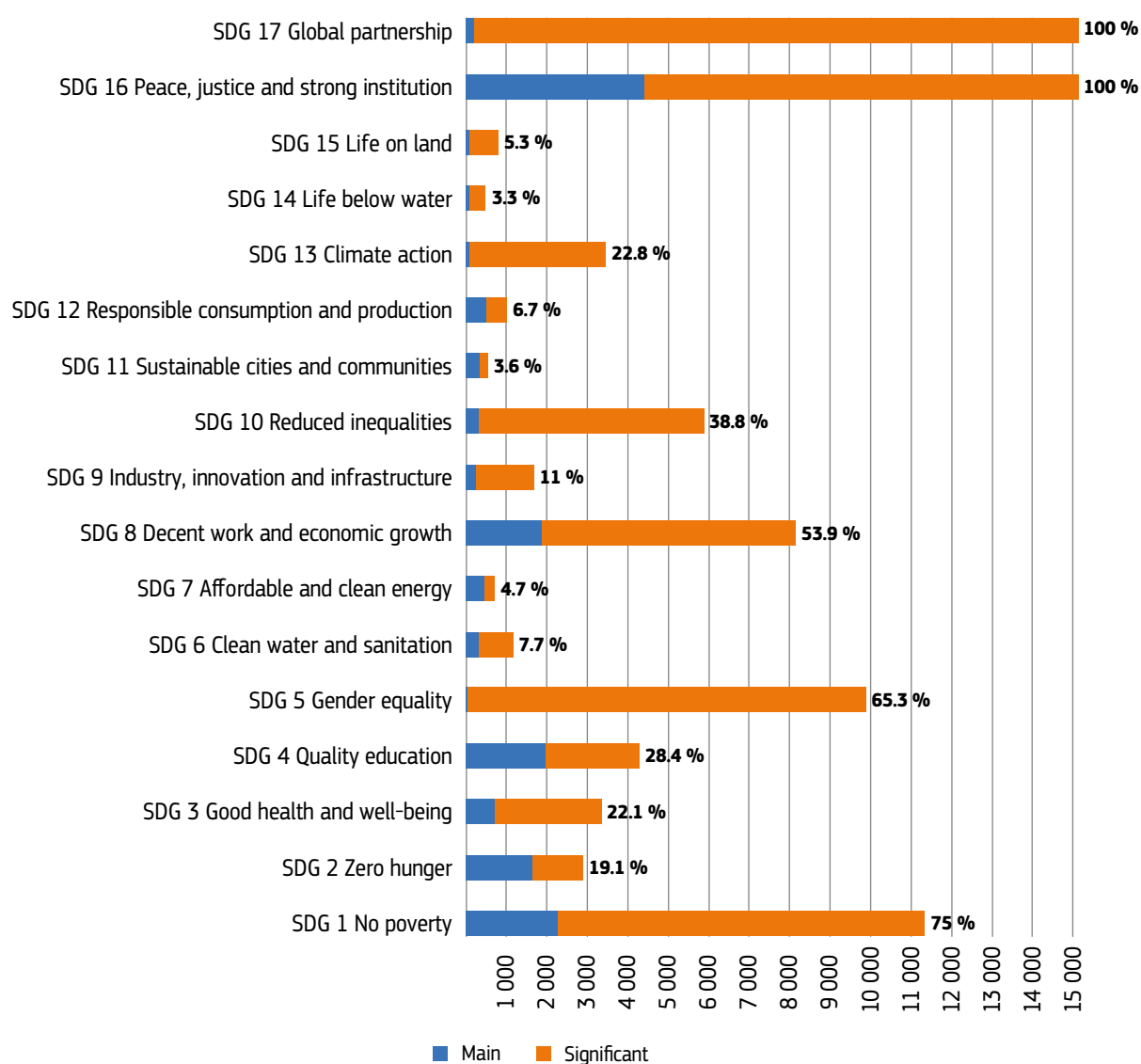
However, EU budget support operations are not sector-exclusive and there are many interlinkages between the SDGs. This is particularly true for general budget programmes such as SDG-Cs and SRBCs, which cover several SDGs. In addition, SRPCs often contribute to more than one SDG. A health programme may have a component on nutrition, linking SDG 2 with SDG 3. A water and sanitation programme will usually contribute to both SDG 6 (Clean water and sanitation) and SDG 15 (Life on land). An energy programme will typically contribute to SDG 13 (Climate action).

A granular approach, looking at how each operation contributes to various SDGs, provides a more comprehensive picture of the EU budget support contribution to SDGs. It takes 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/or through the capacity development component. This analysis is provided in the graph below.

It highlights that, in financial terms, 75 % of the budget support operations have contributed mainly or significantly to the fight against poverty (SDG 1), 65.3 % to gender equality (SDG 5), 53.9 % to the promotion of sustainable growth and decent work (SDG 8) and 22.9 % to climate action (SDG 13). This contribution did not stand out from a flat distribution of the decision by main focal SDG as above. It also reflects the systematic focus on PFM, DRM, fiscal transparency and macroeconomic stability – and therefore that all budget support operations contribute to SDGs 16 and 17.

However, this shows room for progress to make new programmes being designed and implemented under NDICI-GE contribute further to EU priorities. Notable examples are the implementation of the [Gender Action Plan III](#) and related NDICI-GE target of at least 85 % of actions significantly addressing gender equality – among which 5 % specifically targeting gender equality – or deployment of the EU Green Deal in partner countries for environment, biodiversity and climate action.

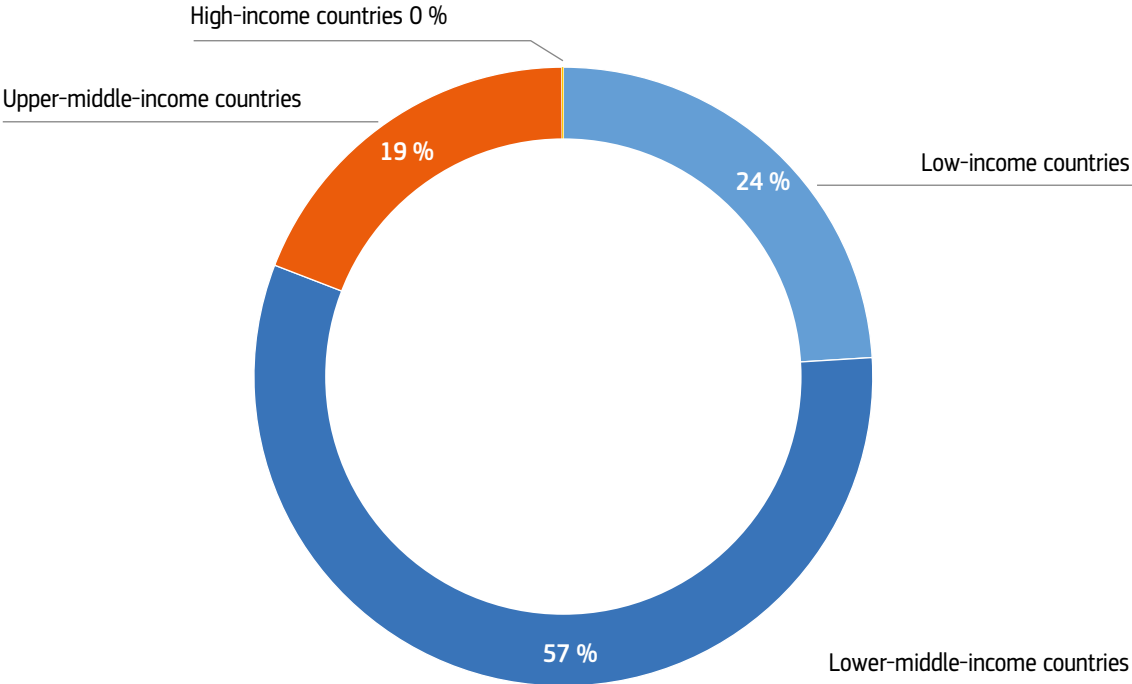
FIGURE 13. Contribution of the EU 2014–2020 budget support portfolio to each of the SDGs as a principal or a significant objective of operations (in million EUR and in % of total)



By country group, low-income and lower-middle-income countries together account for 71 % of the total on-going commitments (OCTs are not recorded in the chart below due to the difficulties in assigning them to an income group). The relatively high share of upper-middle-income countries stems from the significance in the total portfolio of countries in the European neighbourhood and the western Balkans. Nonetheless, altogether, 47 % of ongoing budget support programmes (in volume) are implemented in least-developed countries ⁽¹⁾.

⁽¹⁾ The list of least-developed countries is set out at the United Nations level and reviewed every 3 years. Least-developed countries are not necessarily low-income countries only. 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 14. Distribution of the EU budget support portfolio by income group of countries



Annex 1 – Selected country indicators

Asia											
2021	Bangladesh	Bhutan	Cambodia	Kyrgyzstan	Laos	Mongolia	Myanmar	Nepal	Pakistan	Uzbekistan	Vietnam
Financial Implementation	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
Number of budget support contracts	2	2	4	3	2	1	2	4	1	1	1
New commitments (EUR million)	100	15	0	32	0	0	0	0	0	0	0
Total commitments (EUR million)	476	42	254	78	117	51	333	177	50	40	142
SDG-C (EUR million)	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
SRPC (EUR million)	476	42	254	78	117	51	333	145	50	40	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	Energy
Disbursed	75	4	20	19	43	6	0	72	20	11	0
Poverty reduction and inequalities	2016	2017	/	2020	2018	2018	2017	2010	2018	2015	2018
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 %	3.6 %	4.8 %	1.8 %
Income share held by lowest 20 %	8.6 %	6.7 %	/	9.4 %	7.0 %	7.9 %	8.9 %	8.3 %	9.1 %	7.4 %	6.7 %
Gini coefficient	32.4 %	37.4 %	/	29.0 %	38.8 %	32.7 %	30.7 %	32.8 %	29.6 %	34.0 %	35.7 %
Economic growth	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
Real GDP growth (%)	5.0 %	-3.7 %	-2.2 %	3.7 %	2.1 %	1.4 %	-17.9 %	2.7 %	5.6 %	7.4 %	2.9 %
PFM, transparency (PEFA)	Jun. 16	Sep. 16	Sep. 20	Aug. 21	Mar. 19	Oct. 21	Mar. 20	May. 15	Apr. 20	Jun. 19	Jul. 13
Credibility of the budget	C	C+	B	C	C+	B	B	B+	B	B+	D+
Comprehensiveness and transparency	D+	C+	C+	B	D	B	B	B	C+	C	C+
Management of assets and liabilities	C	B	C	B	D	B	D+	/	/	C+	/
Policy-based budgeting	C+	B	C+	B	D+	B	C	B+	C	C	C+
Pred. and control budget ex.	C	C+	C	B	D+	B+	C+	C+	C	B+	C+
Accounting, recording and rep.	C	B	C	B	D+	B	C+	B	C+	C	C+
External scrutiny and audit	C+	B+	NA	A	D+	B+	C	D+	D	C+	B

2021	Asia													
	Bangladesh	Bhutan	Cambodia	Kyrgyzstan	Laos	Mongolia	Myanmar	Nepal	Pakistan	Uzbekistan	Vietnam			
	2019	/	2019	2019	/	2019	2019	2019	2019	/	2019	2020	2020	2020
Budget transparency and oversight	36	/	32	63	/	56	28	41	28	/	38			
Open budget index														
Control of corruption	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020
World Governance Indicators (WGI) control of corruption	-0.98	1.65	-1.23	-1.11	-1.07	-0.46	-0.65	-0.58	-0.84	-1.05	-0.35			
Macroeconomic management, DRM	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
Gen. government gross debt (% GDP)	41.4 %	134.9 %	38.7 %	61.0 %	95.2 %	94.7 %	62.3 %	47.2 %	74.0 %	36.8 %	40.2 %			
Reserve coverage (months of imports)	6.5	10.9	9.7	6.1	1.7	5.8	3.9	8.9	2.9	15.5	3.9			
Gen. government net lending/borrowing (% GDP)	-4.2 %	-6.3 %	-5.6 %	-1.3 %	-5.5 %	-3.5 %	-7.8 %	-4.2 %	-6.1 %	-4.6 %	-4.1 %			
Gen. government expenditure (% GDP)	15.1 %	40.1 %	29.0 %	35.2 %	18.7 %	36.6 %	21.9 %	28.5 %	18.6 %	30.6 %	20.1 %			
Current account balance (% GDP)	-1.3 %	-11.8 %	-15.8 %	-26.7 %	-5.0 %	-13.0 %	-1.3 %	-8.2 %	-0.6 %	-7.0 %	-0.5 %			
Revenue excluding grants (% GDP)	10.2 %	22.2 %	22.8 %	27.3 %	13.8 %	28.5 %	15.4 %	22.4 %	12.9 %	20.3 %	19.5 %			

2021	Caribbean										Central Africa		
	Barbados	Dominica	Dominican Republic	Haiti	Jamaica	Saint Kitts and Nevis	Saint Lucia	Cameroon	Central African Republic	São Tomé and Príncipe			
	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	
Financial implementation	1	2	3	1	3	1	1	1	2	1			
Number of budget support contracts	0	0	0	0	0	0	0	0	0	0			
New commitments (EUR million)	4	23	37	157	61	5	6	152	92	24			
Total commitments (EUR million)	0	0	0	0	0	0	0	0	0	0			
SDG-C (EUR million)	0	20	0	157	0	0	0	0	45	0			
SRBC (EUR million)	4	3	37	0	61	5	6	152	47	24			
SRPC (EUR million)													
Sectors	Social protection	Resilience, energy	Administration, public services, gender	State and resilience building	Security, climate change, justice	Energy	Employment	Rural development	State and resilience building	Water and sanitation			

	Caribbean										Central Africa		
	Barbados	Dominica	Dominican Republic	Haiti	Jamaica	Saint Kitts and Nevis	Saint Lucia	Cameroon	Central African Republic	São Tomé and Príncipe			
2021													
Disbursed	3.0	0	5	0	4	0	3	23	0	0			
Poverty reduction and inequalities	/	/	2020	2012	/	/	2016	2014	2008	2017			
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	/	/	0.8 %	24.5 %	/	/	4.6 %	26.0 %	65.9 %	25.6 %			
Income share held by lowest 20 %	/	/	6.2 %	5.5 %	/	/	3.1 %	4.5 %	3.3 %	6.4 %			
Gini coefficient	/	/	39.6 %	41.1 %	/	/	51.2 %	46.6 %	56.2 %	40.7 %			
Economic growth	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021			
Real GDP growth (%)	1.4 %	3.7 %	12.3 %	-1.8 %	4.4 %	-3.6 %	6.8 %	3.5 %	1.0 %	1.8 %			
PFM, transparency (PEFA)	Sep. 13	Jun. 16	Oct. 16	Jan. 12	Feb. 17	Apr. 16	Dec. 17	Jun. 17	Jul. 10	Oct. 19			
Credibility of the budget	B+	D	B+	C	B+	C	D+	C+	D+	D+			
Comprehensiveness and transparency	C+	C	B	D+	C+	D	D+	D+	C	D+			
Management of assets and liabilities	/	C	C	/	D+	G+	C	D	/	D			
Policy-based budgeting	C+	C+	C	D+	C+	C	C+	D+	C	D			
Pred. and control budget ex.	C+	C+	C+	D+	C	C	C	D+	C	D+			
Accounting, recording and rep.	C+	C	B	D	D+	B+	D+	C	D+	D			
External scrutiny and audit	D+	D	D	C	B	D	D	C	D	D			
Budget transparency and oversight	/	/	2019	/	2019	/	/	2019	/	2019			
Open budget index	/	/	75	/	42	/	/	28	/	24			
Control of corruption	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020			
WGI control of corruption	1.23	0.56	-0.68	-1.32	-0.01	0.38	0.51	-1.13	-1.28	0.16			
Macroeconomic management, DRM	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021			
Gen. government gross debt (% GDP)	135.8 %	101.9 %	63.0 %	24.2 %	91.5 %	63.4 %	95.0 %	47.1 %	47.6 %	61.3 %			
Reserve coverage (months of imports)	5.2	8.6	5.5	6.0	9.0	7.6	5.0	5.9	5.6	4.4			
Gen. gov. net lending/borrowing (% GDP)	-4.9 %	-9.0 %	-2.9 %	-2.5 %	0.3 %	7.2 %	-7.1 %	-3.2 %	-6.0 %	0.9 %			
Gen. government expenditure (% GDP)	35.5 %	60.0 %	18.5 %	10.8 %	30.0 %	35.1 %	29.4 %	17.0 %	19.7 %	24.7 %			
Current account balance (% GDP)	-11.4 %	-31.4 %	-2.5 %	-0.5 %	0.7 %	-4.8 %	-10.9 %	-3.3 %	-10.6 %	-9.7 %			
Revenue excluding grants (% GDP)	/	36.8 %	15.5 %	6.6 %	30.8 %	38.1 %	20.6 %	13.6 %	8.8 %	17.8 %			

Eastern Africa						
2021	Ethiopia	Kenya	Rwanda	Somalia	Tanzania	Uganda
Financial implementation	2021	2021	2021	2021	2021	2021
Number of budget support contracts	3	1	2	1	4	1
New commitments (EUR million)	0	0	69	0	105	0
Total commitments (EUR million)	295	24	304	107	402	66
SDG-C (EUR million)	0	0	0	0	0	0
SRBC (EUR million)	0	0	0	107	0	0
SRPC (EUR million)	295	24	304	0	402	66
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	5	36	0	35	22
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	2021	2021	2021	2021	2021	2021
Real GDP growth (%)	6.3 %	7.2 %	10.2 %	2.0 %	4.9 %	5.1 %
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+
Pred. and control budget ex.	C	C+	B	/	C	C+
Accounting, recording and rep.	C	C+	C+	/	C	B
External scrutiny and audit	B	D	C+	/	B	D+
Budget transparency and oversight	/	2019	2019	2019	2019	2019
Open budget index	/	50	39	3	17	58

Eastern Neighbourhood					
Armenia	Georgia	Moldova	Ukraine		
2021	2021	2021	2021		
5	7	3	2		
0	0	60	40		
102	377	132	129		
0	0	0	0		
30	75	75	0		
72	302	57	129		
COVID-19 resilience, justice, public administration, employment, public finance	Economic governance, economic development, rural and territorial development, COVID-19 resilience	State and resilience building, police reform, COVID-19 resilience	Public administration		
2	35	96	14		
2020	2020	2019	2020		
0.4 %	4.2 %	0.0 %	0.0 %		
10.2 %	7.0 %	10.0 %	10.0 %		
25.2 %	34.5 %	26.0 %	25.6 %		
2021	2021	2021	2021		
5.7 %	10.4 %	14.0 %	3.4 %		
May 14	Jun. 18	Dec. 15	Nov. 19		
A	A	A	B+		
B+	A	A	B+		
/	C+	/	B		
B+	B+	B+	C		
B	B+	B	B		
B+	B	B+	B		
C	B	B	B+		
/	2019	2019	2019		
/	81	57	63		

Eastern Africa												
2021	Ethiopia		Kenya		Rwanda		Somalia		Tanzania		Uganda	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Control of corruption	-0.36	-0.86	0.55	-1.67	-0.39	-1.05						
WGI control of corruption												
Macroeconomic management, DRM												
Gen. government gross debt (% GDP)	53.0 %	68.0 %	68.6 %	/	40.8 %	51.6 %						
Reserve coverage (months of imports)	1.6	4.4	4.6	/	4.9	4.0						
Gen. government net lending/borrowing (% GDP)	-2.5 %	-2.8 %	-6.9 %	-1.1 %	-3.3 %	-7.8 %						
Gen. government expenditure (% GDP)	13.8 %	24.9 %	31.3 %	6.2 %	17.9 %	22.1 %						
Current account balance (% GDP)	-3.2 %	-5.4 %	-10.5 %	-14.9 %	-3.3 %	-7.9 %						
Revenue excluding grants (% GDP)	10.2 %	16.4 %	19.0 %	4.6 %	14.1 %	13.1 %						

Eastern Neighbourhood								
2021	Armenia		Georgia		Moldova		Ukraine	
	2020	2021	2020	2021	2020	2021	2020	2021
Control of corruption	0.03	0.60	-0.57	-0.78				
WGI control of corruption								
Macroeconomic management, DRM								
Gen. government gross debt (% GDP)	60.3 %	49.5 %	33.0 %	49.0 %				
Reserve coverage (months of imports)	6.5	4.6	5.9	4.9				
Gen. government net lending/borrowing (% GDP)	-4.6 %	-6.0 %	-2.6 %	-4.0 %				
Gen. government expenditure (% GDP)	28.7 %	31.4 %	34.6 %	40.6 %				
Current account balance (% GDP)	-2.4 %	-9.8 %	-10.5 %	-1.1 %				
Revenue excluding grants (% GDP)	23.9 %	24.9 %	27.1 %	31.9 %				

Latin America																
2021	Bolivia		Colombia		Ecuador		El Salvador		Guyana		Honduras		Paraguay		Peru	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	
Financial implementation																
Number of budget support contracts	4	4	4	4	1	1	2	2	1	3	2	1	3	2	2	1
New commitments (EUR million)	0	0	9	9	0	0	0	0	0	0	0	0	0	0	0	0
Total commitments (EUR million)	136	136	49	49	26	26	137	137	30	30	147	147	86	86	14	14
SDG-C (EUR million)	0	0	0	0	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	0	0	0	0
SRPC (EUR million)	136	136	49	49	26	26	137	137	30	30	147	147	86	86	14	14
Sectors																
Disbursed	9	9	22	22	0	0	0	0	8	8	18	18	13	13	0	0
Poverty reduction and inequalities																
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	4.4 %	4.4 %	10.3 %	10.3 %	6.5 %	6.5 %	1.3 %	1.3 %	/	/	14.8 %	14.8 %	0.8 %	0.8 %	4.4 %	4.4 %
Income share held by lowest 20 %	4.7 %	4.7 %	2.8 %	2.8 %	4.1 %	4.1 %	6.3 %	6.3 %	/	/	3.6 %	3.6 %	5.3 %	5.3 %	4.8 %	4.8 %
Gini coefficient	43.6 %	43.6 %	54.2 %	54.2 %	47.3 %	47.3 %	38.8 %	38.8 %	/	/	48.2 %	48.2 %	43.5 %	43.5 %	43.8 %	43.8 %
Economic growth																
Real GDP growth (%)	6.1 %	6.1 %	10.6 %	10.6 %	4.2 %	4.2 %	10.3 %	10.3 %	19.9 %	19.9 %	12.5 %	12.5 %	4.2 %	4.2 %	13.3 %	13.3 %

Latin America										
2021	Bolivia	Colombia	Ecuador	El Salvador	Guyana	Honduras	Paraguay	Peru		
PFM, transparency (PEFA)	Oct. 09	Oct. 16	Apr. 19	Jul. 19	Nov. 19	May. 17	Aug. 16	Jun. 15		
Credibility of the budget	B	B	D+	B+	B+	C+	D	B		
Comprehensiveness and transparency	B	B	C+	C+	C+	C+	G+	A		
Management of assets and liabilities	/	B	D+	C	D	B	D+	/		
Policy-based budgeting	C	B+	C	C	D	B	G+	B+		
Pred. and control budget ex.	B	C+	C	C	C+	C	G+	B		
Accounting, recording and rep.	C	C	B	D+	C	C+	D+	C+		
External scrutiny and audit	D+	C	D	D	D	B+	D	B		
Budget transparency and oversight	2019	2019	2019	2019	/	2019	2019	2019		
Open budget index	12	47	38	46	/	59	46	76		
Control of corruption	2020	2020	2020	2020	2020	2020	2020	2020		
WGI control of corruption	-0.76	-0.18	-0.54	-0.59	-0.15	-0.86	-0.86	-0.49		
Macroeconomic management, DRM	2021	2021	2021	2021	2021	2021	2021	2021		
Gen. government gross debt (% GDP)	82.6 %	64.6 %	62.2 %	83.6 %	43.7 %	48.2 %	37.0 %	35.9 %		
Reserve coverage (months of imports)	5.4	10.1	3.3	2.6	2.0	7.2	8.8	16.3		
Gen. government net lending/borrowing (% GDP)	-9.3 %	-6.8 %	-1.5 %	-5.7 %	-7.4 %	-2.8 %	-6.2 %	-2.6 %		
Gen. government expenditure (% GDP)	35.9 %	34.5 %	35.5 %	32.1 %	26.2 %	27.8 %	23.3 %	23.7 %		
Current account balance (% GDP)	0.5 %	-5.7 %	2.5 %	-4.3 %	-30.0 %	-4.9 %	0.8 %	-2.8 %		
Revenue excluding grants (% GDP)	28.8 %	24.2 %	33.2 %	24.1 %	24.7 %	25.1 %	17.6 %	19.5 %		

Pacific										
2021	Fiji	Kiribati	Marshall Islands	Papua New Guinea	Samoa	Solomon Islands	Timor-Leste	Tonga	Tuvalu	Vanuatu
Financial implementation	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
Number of budget support contracts	1	1	1	1	1	1	1	1	1	1
New commitments (EUR million)	0	0	0	0	14	8	0	10	0	0
Total commitments (EUR million)	20	21	9	27	14	8	15	10	7	30
SDG-C (EUR million)	0	0	0	0	0	0	0	0	0	0
SRBC (EUR million)	0	0	0	0	0	0	0	0	0	0
SRPC (EUR million)	20	21	9	27	14	8	15	10	7	30

Sectors	Rural development	Economic development	Energy	Good governance	Water, climate change	Resilience building	Nutrition, public finance management	Energy	Environment	Value chain development

2021	Pacific										
	Fiji	Kiribati	Marshall Islands	Papua New Guinea	Samoa	Solomon Islands	Timor-Leste	Tonga	Tuvalu	Vanuatu	
Disbursed	5	0	3	3	0	0	3	0	2	5	
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)	2.6 %	1.3 %	0.8 %	38.0 %	1.1 %	24.7 %	22.0 %	1.0 %	3.3 %	8.6 %	
Income share held by lowest 20 %	8.5 %	9.5 %	7.2 %	5.1 %	6.8 %	7.0 %	9.4 %	6.8 %	6.6 %	7.5 %	
Gini coefficient	30.1 %	27.8 %	35.5 %	41.9 %	38.7 %	37.1 %	28.7 %	37.6 %	39.1 %	32.3 %	
Economic growth	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	
Real GDP growth (%)	-4.0 %	1.5 %	-1.5 %	1.7 %	-8.1 %	-0.2 %	1.8 %	-0.7 %	2.5 %	0.5 %	
PFM, transparency (PEFA)	Feb. 20		Oct. 12	Aug. 20	Sep. 18	Dec. 12	Jun. 20	Jan. 2020	Jun. 11	Aug. 13	
Credibility of the budget	D	/	G+	D+	D+	C	C	D	G+	B+	
Comprehensiveness and transparency	C	/	D+	C	D+	C+	C+	C+	G+	G+	
Management of assets and liabilities	C+	/	/	1	B	/	C	C+	/	/	
Policy-based budgeting	C+	/	G+	D+	C	C+	D+	C	B	B+	
Pred. and control budget ex.	B	/	D+	D+	C+	C	C	C	D+	G+	
Accounting, recording and rep.	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	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	
Open budget index	39	/	/	50	/	/	40	/	/	/	
Control of corruption	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	
WGI control of corruption	0.64	0.45	-0.03	-0.57	0.69	0.10	-0.32	-0.35	0.49	-0.15	
Macroeconomic management, DRM	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	
Gen. government gross debt (% GDP)	79.2 %	17.6 %	14.8 %	49.3 %	49.6 %	16.5 %	9.9 %	44.7 %	6.0 %	47.3 %	
Reserve coverage (months of imports)	6.6	/	/	4.7		12.2	10.7	8.2	13.1	15.2	
Gen. government net lending/borrowing (% GDP)	-12.9 %	-16.5 %	3.8 %	-7.4 %	1.9 %	-3.1 %	-29.5 %	-0.4 %	6.1 %	2.3 %	
Gen. government expenditure (% GDP)	32.4 %	127.6 %	78.0 %	21.8 %	37.2 %	33.8 %	69.2 %	44.7 %	94.7 %	43.0 %	
Current account balance (% GDP)	-16.9 %	16.9 %	3.4 %	22.0 %	-15.3 %	-5.8 %	1.8 %	4.9 %	2.1 %	-1.9 %	
Revenue excluding grants (% GDP)	24.9 %	118.6 %	32.8 %	14.2 %	35.6 %	24.4 %	67.0 %	23.4 %	94.9 %	31.3 %	

				Southern Africa					
2021		Angola	Botswana	Madagascar	Mauritius	Mozambique	Namibia	South Africa	
Financial implementation	2021	2021	2021	2021	2021	2021	2021	2021	
Number of budget support contracts	1	1	1	1	1	1	0	6	
New commitments (EUR million)	0	0	0	0	0	0	0	0	
Total commitments (EUR million)	20	13	21	8	100	0	138	138	
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)	20	13	0	8	0	0	138	138	
Sectors	COVID-19 resilience	Education	COVID-19 resilience	Health	COVID-19 resilience		Last operation came to an end in 2020 and a new operation is expected to be approved in 2022	Economic development, gender, innovation, education, employment	
Disbursed	15	2	0	0	0	0	0	14	
Poverty reduction and inequalities	2018	2015	2012	2017	2014	2015	2014	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 %	18.7 %	
Income share held by lowest 20 %	3.8 %	3.9 %	5.7 %	7.2 %	4.2 %	2.8 %	2.4 %	2.4 %	
Gini coefficient	51.3 %	53.3 %	42.6 %	36.8 %	54.0 %	59.1 %	63.0 %	63.0 %	
Economic growth	2021	2021	2021	2021	2021	2021	2021	2021	
Real GDP growth (%)	0.7 %	12.5 %	3.5 %	4.0 %	2.2 %	0.9 %	4.9 %	4.9 %	
PFM, transparency (PEFA)		Mar. 2020	Nov. 21		Apr.21	Nov. 15	Oct. 14		
Credibility of the budget	/	B	D	/	C	B+	A	A	
Comprehensiveness and transparency	/	C+	C	/	D+	C+	A	A	
Management of assets and liabilities	/	C	C	/	D+	/	/	/	
Policy-based budgeting	/	C	D+	/	C	C	B+	B+	
Pred. and control budget ex.	/	C	D+	/	C	C+	B	B	
Accounting, recording and rep.	/	C	C	/	C+	C+	B+	B+	
External scrutiny and audit	/	C	D+	/	C	C	B+	B+	

				Southern Neighbourhood				
Egypt		Jordan	Morocco	Tunisia				
2021	2021	2021	2021	2021				
3	11	20	9					
0	0	231	100					
287	369	1.053	843					
0	0	0	0					
0	0	71	100					
287	369	982	743					
				Social protection, public administration, COVID-19 resilience, health, education, decentralisation, social protection, rural development, environment and climate change, migration, economic development				
80	73	118	0					
2017	2010	2013	2015	2015				
3.8 %	0.1 %	0.9 %	0.2 %	0.2 %				
9.0 %	8.2 %	6.7 %	7.8 %	7.8 %				
31.5 %	33.7 %	39.5 %	32.8 %	32.8 %				
2021	2021	2021	2021	2021				
3.3 %	2.0 %	7.2 %	3.1 %	3.1 %				
Oct. 09	Oct. 21	Sep. 16	May. 16					
B+	B	B+	B+	B+				
B	B	C+	C+	C+				
/	C	C+	/	/				
B	B	C+	C+	C+				
C	B+	B	B+	B+				
C	B	C	B	B				
C	D+	C	C	D+				

	Southern Africa						Southern Neighbourhood									
	Angola	Botswana	Madagascar	Mauritius	Mozambique	South Africa	Egypt	Jordan	Morocco	Tunisia						
	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019						
Budget transparency and oversight																
Open budget index	36	38	40	/	42	51	43	61	43	35						
Control of corruption	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020						
WGI control of corruption	-0.93	0.63	-0.97	0.47	-0.72	0.32	-0.07	0.13	-0.35	-0.07						
Macroeconomic management, DRM	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021						
Gen. government gross debt (% GDP)	82.3 %	21.3 %	53.4 %	100.7 %	102.3 %	70.2 %	93.5 %	91.8 %	76.3 %	82.0 %						
Reserve coverage (months of imports)	6.2	6.2	5.2	14.7	2.5	5.1	4.8	9.1	6.0	3.4						
Gen. government net lending/borrowing (% GDP)	2.8 %	-4.7 %	-6.3 %	-7.2 %	-3.7 %	-8.9 %	-7.3 %	-7.9 %	-6.5 %	-7.7 %						
Gen. government expenditure (% GDP)	19.3 %	35.6 %	18.7 %	30.9 %	30.6 %	38.9 %	27.3 %	33.2 %	32.7 %	33.5 %						
Current account balance (% GDP)	11.3 %	-0.5 %	-5.5 %	-11.1 %	-22.4 %	-7.3 %	-4.6 %	-10.1 %	-2.9 %	-6.2 %						
Revenue excluding grants (% GDP)	22.1 %	30.8 %	10.8 %	22.9 %	25.3 %	29.9 %	13.0 %	22.0 %	25.5 %	29.9 %						
West Africa (i)																
2021	Benin		Burkina Faso		Cabo Verde		Chad		Côte d'Ivoire		The Gambia		Guinea		Liberia	
Financial implementation	2021		2021		2021		2021		2021		2021		2021		2021	
Number of budget support contracts	2		2		1		3		4		1		1		1	
New commitments (EUR million)	0		150		18		40		0		0		0		0	
Total commitments (EUR million)	140		334		18		101		79		58		95		30	
SDG-C (EUR million)	0		0		18		0		0		0		0		0	
SRBC (EUR million)	0		334		0		101		0		58		95		30	
SRPC (EUR million)	140		0		0		0		79		0		0		0	
Sectors	Agriculture, decentralisation		State and resilience building		Economic development		State and resilience building		COVID-19 resilience, agriculture, rural development		State and resilience building		State and resilience building		State and resilience building	
Disbursed	13		21		7		5		24		8		0		0	
Poverty reduction and inequalities																
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	2018		2018		2015		2011		2018		2015		2018		2016	
Income share held by lowest 20 %	19.2 %		33.7 %		3.4 %		33.2 %		9.2 %		10.3 %		23.2 %		44.4 %	
	7.0 %		5.5 %		5.7 %		7.1 %		7.0 %		7.4 %		8.5 %		7.2 %	

2021	West Africa (i)									
	Benin	Burkina Faso	Cabo Verde	Chad	Côte d'Ivoire	The Gambia	Guinea	Liberia		
Gini coefficient	378 %	47.3 %	42.4 %	37.5 %	37.2 %	35.9 %	296 %	35.3 %		
Economic growth	2021	2021	2021	2021	2021	2021	2021	2021		
Real GDP growth (%)	6.6 %	6.9 %	6.9 %	-1.1 %	6.5 %	5.6 %	4.2 %	4.2 %		
PFM, transparency (PEFA)	Nov. 14	Dec. 17	May. 16	Oct. 18	Feb. 19	Jan. 15	Jun. 18	May. 21		
Credibility of the budget	A	D+	C+	D	B+	C	D	C		
Comprehensiveness and transparency	D+	C	B+	D	C	C	B	D+		
Management of assets and liabilities	/	D+	/	D+	C	/	D+	C		
Policy-based budgeting	B	C+	B+	D	C+	B+	D+	C		
Pred. and control budget ex.	C	C	B	D+	C+	C	C	C		
Accounting, recording and rep.	C	C	B	D	C	C+	D+	D+		
External scrutiny and audit	C	D	C+	D	D	D+	D	D+		
Budget transparency and oversight	2019	2019	/	2019	2019	2019	/	2019		
Open budget index	49	31	/	14	34	4	/	38		
Control of corruption	2020	2020	2020	2020	2020	2020	2020	2020		
WGI control of corruption	-0.04	-0.10	0.83	-1.41	-0.53	-0.34	-0.97	-0.87		
Macroeconomic management, DRM	2021	2021	2021	2021	2021	2021	2021	2021		
Gen. government gross debt (% GDP)	50.6 %	50.7 %	154.1 %	58.2 %	51.4 %	83.0 %	39.3 %	53.0 %		
Reserve coverage (months of imports)	4.4	4.0	7.4	0.3	3.3	5.8	2.2	4.0		
Gen. government net lending/borrowing (% GDP)	-5.8 %	-5.6 %	-8.5 %	-0.8 %	-5.6 %	-4.4 %	-1.5 %	-2.9 %		
Gen. government expenditure (% GDP)	14.6 %	20.1 %	32.7 %	17.1 %	20.1 %	21.6 %	14.1 %	32.2 %		
Current account balance (% GDP)	-4.5 %	-3.1 %	-12.5 %	-4.5 %	-3.7 %	-9.5 %	-4.0 %	-17.8 %		
Revenue excluding grants (% GDP)	13.4 %	16.1 %	22.3 %	15.1 %	14.2 %	14.7 %	11.9 %	16.7 %		

2021	West Africa (ii)				
	Mali	Mauritania	Niger	Senegal	Togo
Financial Implementation	2021	2021	2021	2021	2021
Number of budget support contracts	2	2	5	1	0
New commitments (EUR million)	0	40	195	70	0
Total commitments (EUR million)	232	64	684	70	0
SDG-C (EUR million)	0	0	0	70	0
SRBC (EUR million)	155	0	411	0	0
SRPC (EUR million)	77	64	273	0	0

2021	Western Balkans			
	Albania	Kosovo (*)	Montenegro	North Macedonia
Albania	2021	2021	2021	2021
Number of budget support contracts	7	2	3	2
New commitments (EUR million)	0	0	0	0
Total commitments (EUR million)	241	52	56	55
SDG-C (EUR million)	0	0	0	0
SRBC (EUR million)	0	27	18	40
SRPC (EUR million)	241	25	38	15

2021	West Africa (ii)				Western Balkans					
	Mali	Mauritania	Niger	Senegal	Togo	Albania	Kosovo (*)	Montenegro	North Macedonia	Serbia
Sectors	State and resilience building, agriculture	Human development, health	State and resilience building, education, rural development, nutrition	Youth	<i>Last operation came to an end in 2020 and a new operation is expected to be approved in 2022</i>	Administration reform, economic recovery, transport, justice, social inclusion and good governance, anticorruption	Administration reform, economic development	Border management, administration reform, economic development	Economic development, youth	Administration, border management, education, economic development
Disbursed	0	0	66	0	0	35	0	14	11	11
Poverty reduction and inequalities	2018	2014	2018	2011	2018	2019	2017	2016	2018	2019
Poverty headcount ratio at USD 1.90 a day (2011 PPP) (% of population)	16.3 %	6.0 %	41.4 %	7.6 %	24.1 %	0.0 %	0.4 %	2.9 %	3.4 %	2.3 %
Income share held by lowest 20 %	7.5 %	7.5 %	7.6 %	7.1 %	5.8 %	8.3 %	9.2 %	5.3 %	6.1 %	6.4 %
Gini coefficient	36.1 %	32.6 %	37.3 %	38.1 %	42.4 %	30.8 %	29.0 %	36.8 %	33.0 %	34.5 %
Economic growth	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
Real GDP growth (%)	3.1 %	3.0 %	1.3 %	6.1 %	5.1 %	8.5 %	9.5 %	12.4 %	4.0 %	7.4 %
PFM, Transparency (PEFA)	Jul. 21	Jun. 20	Mar. 17	Mar. 20	Jun. 16	Dec. 17	Jan. 16	Dec. 19	Jun. 21	Jun. 21
Credibility of the budget	D+	C	D+	B	D+	B	B	B+	/	B
Comprehensiveness and transparency	C	D+	D+	D+	D+	B	A	B	/	B
Management of assets and liabilities	C+	D+	D+	D	D	C+	/	C	/	C+
Policy-based budgeting	B	D	C	C	D+	B	B	B	/	B
Pred. and control budget ex.	C+	C	D+	C	D+	B	B	B	/	B
Accounting, recording and rep.	D+	D+	D+	D+	D+	C	B+	C	/	C+
External scrutiny and audit	D	D	C	D	D+	B	B	B+	/	B+
Budget transparency and oversight	2019	/	2019	2019	/	2019	/	/	2019	2019
Open budget index	38	/	17	46	/	55	/	/	41	40
Control of corruption	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020
WGI control of corruption	-0.78	-0.81	-0.66	0.03	-0.74	-0.54	-0.45	0.00	-0.42	-0.43
Macroeconomic management, DRM	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
Gen. government gross debt (% GDP)	52.1 %	54.7 %	52.9 %	75.7 %	63.8 %	74.2 %	22.5 %	86.8 %	53.2 %	57.2 %
Reserve coverage (months of imports)	2.8	5.7	3.7	3.6	1.0	8.4	/	6.0	4.3	6.0
Gen. government net lending/borrowing (% GDP)	-4.9 %	-0.7 %	-5.9 %	-6.3 %	-6.5 %	-4.5 %	-1.6 %	-1.6 %	-5.4 %	-3.3 %
Gen. government expenditure (% GDP)	27.1 %	19.0 %	24.2 %	25.7 %	22.8 %	31.6 %	30.3 %	44.4 %	35.6 %	46.6 %
Current account balance (% GDP)	-4.5 %	-2.2 %	-15.8 %	-11.8 %	-3.3 %	-7.7 %	-9.1 %	-9.2 %	-3.5 %	-4.4 %
Revenue excluding grants (% GDP)	21.4 %	28.3 %	10.8 %	18.6 %	14.5 %	25.1 %	/	41.3 %	28.3 %	41.1 %

(*) 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.

Annex 2 – Country classifications

Countries with EU budget support contracts (78) (*)					Other EU development assistance recipients (62)		
Low-income countries (15)	Lower-middle-income countries (35)	Upper-middle-income countries (26)	High-income countries (2)	Low-income countries (12)	Lower-middle-income countries (15)	Upper-middle-income countries (28)	High-income countries (7)
<ul style="list-style-type: none"> ▶ Burkina Faso ▶ Central African Republic ▶ Chad ▶ Ethiopia ▶ The Gambia ▶ Guinea ▶ Liberia ▶ Madagascar ▶ Mali ▶ Mozambique ▶ Niger ▶ Rwanda ▶ Somalia ▶ Togo ▶ Uganda 	<ul style="list-style-type: none"> ▶ Angola ▶ Bangladesh ▶ Benin ▶ Bhutan ▶ Bolivia ▶ Cabo Verde ▶ Cambodia ▶ Cameroon ▶ Côte d'Ivoire ▶ Egypt ▶ El Salvador ▶ Haiti ▶ Honduras ▶ Kenya ▶ Kiribati ▶ Kyrgyzstan ▶ Laos ▶ Mauritania ▶ Mongolia ▶ Morocco ▶ Myanmar/Burma ▶ Nepal ▶ Pakistan ▶ Papua New Guinea ▶ Samoa ▶ Senegal ▶ São Tomé and Príncipe ▶ Solomon Islands ▶ Tanzania ▶ Timor-Leste ▶ Tunisia ▶ Ukraine ▶ Uzbekistan ▶ Vanuatu ▶ Vietnam 	<ul style="list-style-type: none"> ▶ Albania ▶ Armenia ▶ Botswana ▶ Colombia ▶ Dominica ▶ Dominican Republic ▶ Ecuador ▶ Fiji ▶ Georgia ▶ Guyana ▶ Jamaica ▶ Jordan ▶ Kosovo (**) ▶ Marshall Islands ▶ Mauritius ▶ Moldova ▶ Montenegro ▶ Namibia ▶ North Macedonia ▶ Paraguay ▶ Peru ▶ Saint Lucia ▶ Serbia ▶ South Africa ▶ Tonga ▶ Tuvalu 	<ul style="list-style-type: none"> ▶ Barbados ▶ Saint Kitts and Nevis 	<ul style="list-style-type: none"> ▶ Afghanistan ▶ Burundi ▶ Democratic Republic of the Congo ▶ Eritrea ▶ Guinea-Bissau ▶ Malawi ▶ Sierra Leone ▶ South Sudan ▶ Sudan ▶ Syria ▶ Tajikistan ▶ Yemen 	<ul style="list-style-type: none"> ▶ Algeria ▶ Comoros ▶ Congo ▶ Djibouti ▶ Eswatini ▶ Ghana ▶ India ▶ Lesotho ▶ Nicaragua ▶ Nigeria ▶ Palestine (***) ▶ Philippines ▶ Sri Lanka ▶ Zambia ▶ Zimbabwe 	<ul style="list-style-type: none"> ▶ Argentina ▶ Azerbaijani ▶ Belarus ▶ Belize ▶ Bosnia and Herzegovina ▶ Brazil ▶ China ▶ Cook Islands ▶ Costa Rica ▶ Cuba ▶ Equatorial Guinea ▶ Gabon ▶ Grenada ▶ Guatemala ▶ Indonesia ▶ Iran ▶ Iraq ▶ Kazakhstan ▶ Lebanon ▶ Libya ▶ Maldives ▶ Mexico ▶ Saint Vincent and the Grenadines ▶ Suriname ▶ Thailand ▶ Republic of Türkiye ▶ Turkmenistan ▶ Venezuela 	<ul style="list-style-type: none"> ▶ Antigua and Barbuda ▶ Chile ▶ Nauru ▶ Palau ▶ Panama ▶ Seychelles ▶ Trinidad and Tobago

(*) OTCs are not included in the table, due to the difficulty of assigning them to an income group. The 11 OTCs with an ongoing budget support programme in 2021 were Anguilla; Bonaire; the Falkland Islands; French Polynesia; Greenland; Montserrat; New Caledonia; Saint Helena Ascension and Tristan da Cunha; Saint Pierre et Miquelon; Turks and Caicos Islands; and Wallis and Futuna. Moreover this list might include countries where the operations are put on hold due to political crises or issues with budget support eligibility. It also includes countries for which there was no ongoing programme in 2021 but one which came to an end in 2020 and another one expected to be approved in 2022 (Namibia and Togo).

(**) 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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