

Manuscript completed in 2020

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Print	ISBN 978-92-76-22108-1	ISSN 2467-4184	doi:10.2841/78156	MN-AP-20-001-EN-C
PDF	ISBN 978-92-76-22107-4	ISSN 2467-4192	doi:10.2841/081397	MN-AP-20-001-EN-N

BUDGET SUPPORT

Trends and results 2020

Directorate-General for International Cooperation and Development
Directorate-General for Neighbourhood and Enlargement Negotiations
European Commission

November 2020

Acknowledgements

This report was prepared by the Directorate-General for International Cooperation and Development (more specifically the unit in charge of budget support, public finance management and domestic revenue mobilisation) in association with the Directorate-General for Neighbourhood and Enlargement Negotiations of the European Commission and the European External Action Service. It is made up of contributions from staff at EU headquarters and in EU delegations.

This report is based on data available by the end of 2019.

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) or <http://bit.ly/EUbudgetsupportVideo3> (explaining EU budget support as a partnership for sustainable results).

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Abbreviations

DRM	domestic revenue mobilisation
ENI	European Neighbourhood Instrument
EU	European Union
GDP	gross domestic product
IMF	International Monetary Fund
IPA	Instrument for Pre-Accession Assistance
ICT	information and communication technologies
OCT	overseas countries and territories
PEFA	Public Expenditure and Financial Accountability
RMF	risk management framework
SDG	sustainable development goal
SDG-C	sustainable development goals contract
SRBC	state- and resilience-building contract
SRPC	sector reform performance contract
USD	United States dollars

Executive summary

Budget support is central to the international cooperation policy of the European Union. It is a means of delivering effective aid and durable results in support of EU partners' reform efforts and the **sustainable development goals** (SDGs). Providing a **platform for dialogue** between the EU and its partner countries and involving discussions at technical, policy and political levels, budget support is pivotal to EU external action and the **EU global strategy for foreign and security policy**. It is also instrumental in promoting progress in line with the **accession criteria in the enlargement context**. Finally it promotes **EU political priorities** and notably the Green Deal and digitalisation.

Although it refers to developments observed in 2019 and before, this new edition in the *EU Budget Support – Trends and results* series takes into account the present context. The **COVID-19 pandemic and its socioeconomic impact** have highlighted even further the value of **budget support**. The EU's response to this crisis through budget support will be presented in next year's issue, including the risks and mitigating measures. Nonetheless, the present report already refers to programmes that have contributed to strengthening health or social protection systems along with state and economic resilience in partner countries.

EU budget support covers a large variety of sectors, with **215 contracts implemented in 89 countries or territories**. On average, it accounts for about 40 % of national cooperation programmes with partner countries. **The EU disbursed EUR 1.6 billion of budget support in 2019**, providing countries with additional fiscal space to finance their public policies, bear the costs of reforms, build their administrative capacities and achieve results that are both ambitious and sustainable. In 2020, in response to the COVID-19 crisis, budget support disbursements are expected to reach unprecedented levels of up to EUR 3.5 billion, as part of the Team Europe global response.

This report describes the spread and depth of the EU budget support programmes in the different regions and countries. It presents their results as they relate to the SDGs, analyses the risks associated with budget support and depicts the financial and geographical distribution of ongoing operations.

The eradication of poverty is the primary objective of development policy along with **leaving no one behind** in line with the 2030 agenda for sustainable

development and the 2017 European consensus on development. EU budget support has an important role to play in this context. Altogether, more than **45 % of all budget support commitments and payments are made in least-developed countries**. EU budget support thereby represents a firm contribution to the commitment to allocate 0.2 % of the EU gross national income to least-developed countries. When supporting national strategies or operating at sector level, EU budget support can play a unique role in helping countries meet **SDG 1** and **SDG 10**, targeting **poverty** and **inequality reduction**, respectively. The following developments are notable:

- ▶ the **share of people living in poverty** in countries receiving EU budget support has almost halved, from more than 26 % of the population in 2002 to less than 14 % in 2017;
- ▶ the **income share of the bottom 40 % of the population** in those same countries increased by 11 % between 2004 and 2019.

Rural development and **agricultural productivity growth** are crucial for poverty reduction. Between 2014 and 2019, 12 % of budget support contracts directly contributed to advancing **SDG 2 (zero hunger)** by promoting **sustainable agriculture and fostering food security**. The following results can be reported:

- ▶ in **Nepal**, EU budget support has contributed to raising the value of the dairy market by 21 % and rice paddy production by 8.9 %;
- ▶ the establishment of irrigation schemes covering 2 449 hectares in **Bolivia** has allowed for increased and diversified production of agricultural products;
- ▶ budget support in **Honduras** has contributed to **the provision of nutritional support** services to 55 000 rural families.

Further efforts have been made to **address inequalities** in partner countries, notably by **strengthening social protection**. Budget support can enable the development of broad social protection policies and the strengthening of health and social protection systems. By supporting public expenditure, budget support contributes to a significant expansion in the coverage of key social services, accompanied by policy dialogue and other areas of capacity support. Budget support has contributed for instance to the following results:

- ▶ a 60 % increase in the allowance received by every mother in **Bangladesh** under the maternal and lactating-mothers support scheme;
- ▶ broadening social coverage of workers in **Cabo Verde** from 45.5 % in 2017 to 50.3 % in 2018;
- ▶ increasing social protection for medical coverage to nearly 69 % of the population in **Morocco**.

The **COVID-19** global public health emergency has demonstrated in particular the need for effective **social protection systems**, which are crucial in safeguarding the poor and vulnerable when a crisis hits. For years, EU budget support has been instrumental in tackling disparities in **health (SDG 3)**, which has increased the resilience of health systems and prepared countries to respond better to the pandemic. The results include the following.

- ▶ In **Burkina Faso**, budget support helped to finance free healthcare for 8.5 million children and pregnant women in 2016, rising to 15 million in 2019.
- ▶ The EU has contributed to improving health facilities in **Ethiopia**, improving access to energy supply, clean water and drugs. As a result, 96 % of facilities have essential drugs available at all times.

Also in relation to health, the EU addresses disparities in access to **clean water and sanitation (SDG 6)**:

- ▶ in **Samoa**, EU support has helped expand access to sustainable and safe water for 83 % of the population;
- ▶ in **Senegal**, EU support helped ensure access to drinking water for 95 % of the population in rural areas and increased access to sanitation from 42 % in 2017 to 55 % in 2018.

Large investments are made to support **education (SDG 4)**, providing inclusive and equitable education and lifelong learning opportunities for all. With respect to **decent work and economic growth (SDG 8)**, budget support programmes can support sectors such as employment or youth empowerment, contributing to building skills, social inclusion and employability. It also encompasses promoting reforms that can help improve the business environment and investment climate as part of the external investment plan. The following results are notable:

- ▶ EU budget support contributions to the education sector in the **Central African Republic** strengthened access to basic education and the number of girls not in school decreased from 35 % to 15 % by the end of 2018;

- ▶ in **Paraguay**, the EU joined forces with the government to support educational reforms, increasing the number of students completing primary school by 7.1 % and the rate of enrolment in the upper secondary level by 2.9 %;
- ▶ the EU has financed books and students' fees for the 34 000 Syrian refugee children enrolled in schools and kindergartens in camps in **Jordan**;
- ▶ 40 000 teachers were trained to deliver modern, outcome-oriented curricula in **Serbia**;
- ▶ in **Cambodia**, universal access to primary education has been strengthened, reaching a net school enrolment rate of 98 %;
- ▶ the EU has contributed to strengthening technical and vocational education and training for jobs in the **Dominican Republic**, resulting in a 14 % increase in students graduating between 2017 and 2018;
- ▶ in **Morocco**, through its focus on industrial ecosystems and the business climate, EU support helped to create over 400 000 jobs in key industrial sectors;
- ▶ in **Tunisia**, EU support contributed to increased transparency and simplification of trade procedures, through the adoption of an export manual.

Gender equality and women's empowerment are at the centre of EU cooperation; they cut across all SDGs and are promoted across all sectors and regions. Almost **50 % of the programmes approved** between 2014 and 2019 **contributed directly or significantly to SDG 5 (gender equality)**.

The EU continues to support **climate action (SDG 13)** to both mitigate and adapt to the impacts of climate change. Under budget support contracts, actions are often intertwined with environmental objectives, particularly promoting inclusive, green and circular economies and the conservation and sustainable use of ecosystems and natural resources to **preserve life on land (SDG 15)** and **life below water (SDG 14)**. Furthermore, the EU continues to encourage the transition to **affordable and clean energy (SDG 7)**. The results include the following:

- ▶ in **Bhutan**, budget support has contributed to improving climate resilience through the construction/renovation of 2 996.5 km of irrigation channels;
- ▶ in **Dominica**, following Hurricane Maria in 2017, the EU has supported the reconstruction of 1 568 houses with higher climate-resilience standards;
- ▶ EU support has contributed to sustainable growth in the fisheries sector in **Cambodia**, creating 80 artificial reefs to protect seagrass meadows, supporting

the registration of community fisheries to protect conservation zones and replanting 80 hectares of flooded mangrove forest;

- ▶ in **Jamaica**, EU budget support has fostered sustainable forest management through improved governance in the forestry sector and policy implementation in the long term. In addition, the programme has supported the creation of a national mangrove atlas, the protection of forests and measures for the reforestation of degraded lands with native species;
- ▶ in **Barbados**, 1.9 MW of solar infrastructure has been installed on government buildings and community centres have been equipped with solar battery systems, making the sector more resilient to natural disasters;
- ▶ in **Vietnam**, budget support allowed 58 000 remote rural households to connect to the electricity grid, and is supporting the country's shift to a future of greener energy.

Finally, an **accountable and effective public administration** at both central and local levels is key to democratic governance, and encourages inclusive economic development. In this regard, budget support, with its focus on **macroeconomic stability** and **strengthened institutions**, is a pivotal instrument for building the foundations for greater and faster progress towards the SDGs. Institutions that are more transparent and accountable are able to deliver services to their citizens more efficiently and effectively. In situations of fragility, budget support can strengthen states' capacity to provide services to the population and fosters countries' resilience. Every budget support contract contributes to **peace, justice and strong institutions (SDG 16)** and **partnerships for achieving the SDGs (SDG 17)** through both the eligibility criteria and the dedicated indicators. Capacity-development actions such as technical assistance are also embedded in the operations to support reform design and implementation, as well as to reinforce their sustainability. Data show that:

- ▶ **countries receiving EU budget support** perform better in the **control of corruption** than other developing countries;
- ▶ the European Union is the **biggest provider globally of grants to support domestic resource mobilisation**;
- ▶ in **Ukraine**, administration reform allowed for the **improved delivery of public services**, including

the provision of 99 e-services to citizens and businesses;

- ▶ in **Kosovo**⁽¹⁾, efforts to collect tax arrears mobilised additional resources to finance high-quality public services;
- ▶ in **Niger**, legal aid for people in vulnerable situations was provided to 3 502 people, 1 813 of which were women;
- ▶ in **Jamaica**, 10 000 citizens benefited from restorative justice through budget support;
- ▶ with the financial support from the EU and key reforms, **Somalia** has reached a historic milestone for debt relief that will allow for the allocation of more resources to its development needs;
- ▶ EU budget support helped secure **higher budget transparency and oversight**, resulting in an average rise of two points in the Open Budget Index of countries receiving budget support.

This is a **sample of the results** to which EU support contributed in 2019 and which are presented in more detail in the report.

The report is organised into three parts.

Part I offers **examples of results for the 17 SDGs** achieved in countries with the contribution of EU budget support.

Part II analyses the **risks associated with budget support**. Since the risk management framework (RMF) is updated regularly, it has already been strongly influenced by the COVID-19 crisis, which resulted in a triple shock to countries: a global pandemic, an economic crisis and a temporary disruption of capital flows with tightening financing conditions on financial markets. This translated into a sharp increase in the macroeconomic risks and, to a lesser extent, to increases in other risks.

Part III describes the **financial and geographical distribution**. Sub-Saharan Africa remains the largest recipient of EU budget support (36 %), followed by the European neighbourhood (32 %), Asia (16 %), Latin America (6 %), the Caribbean (3 %), candidate countries or potential candidates for accession to the EU (4 %), overseas countries/territories (2 %) and the Pacific (1 %). By contract type, sector reform performance contracts (SRPCs) outweigh state- and resilience-building contracts (SRBCs) and SDG contracts (SDG-Cs), with 81 % of the portfolio compared to 14 % and 5 %, respectively.

⁽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.

Part I – Results

The results highlighted hereafter reflect the variety of contexts in which EU budget support is implemented. The report focuses on trends and results observed by the end of 2019. It does not yet reflect the consequences of the COVID-19 pandemic and how the EU has helped partner countries cope with the crisis through budget support. Nonetheless, some of the cases indicate earlier contributions from EU budget support that enabled countries to react when the crisis hit in 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*.

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 each of the 17 SDGs.

The analysis is based on recognised international databases ⁽²⁾ and on an assessment of the 199 budget

support programmes approved and implemented between 2014 and 2019 for a total of EUR 11.6 billion, and of their 4 114 performance indicators. This analysis allows for an assessment of the sector distribution of the current portfolio and for an estimate of the overall contribution of EU budget support to each SDG. The findings can be found in Part III of this report but the 50 cases presented hereafter illustrate more concretely the results and trends observed in partner countries.

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, combined with dedicated performance indicators and capacity-development actions 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 at improving sector governance and contributing to strengthening institutions. Moreover, some SRPCs are focused on public finance management, justice and, notably in the enlargement and neighbourhood contexts, on public administration reform.

Likewise, every single budget support contract – in other words, 100 % of the EU budget support portfolio – contributes to SDG 17 through the eligibility criteria on macroeconomic stability and budget transparency, similarly combined with performance indicators and capacity development.

⁽²⁾ 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/SPROLLS/world-economic-outlook-databases>); Doing Business (<http://www.doingbusiness.org>); 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 of this report to find out where EU budget support is currently being implemented.



SDG 1

All countries – Budget support for poverty reduction

Poverty rate decreased by

46 %

in countries receiving EU budget support between 2002 and 2017



When supporting national strategies or sector policies, EU budget support plays a unique role to help countries meet SDG 1 (no poverty) and, similarly, SDG 10, which addresses inequalities.

Between 2014 and 2019, it is estimated that 60 % of the budget support portfolio directly contributed to SDGs 1 and 10, with a total amount of close to EUR 7 billion.

The share of people living in poverty almost halved in 15 years, from 26 % in 2002 to 14 % in 2017, in EU budget support countries. This downward trend is more pronounced in countries receiving EU budget support than in other developing/emerging countries.



SDG 2

Nepal – Contributing to rural development

The EU contributed to increasing by

21 %

the value of dairy products marketed



In Nepal, EU budget support has contributed to developing the agriculture sector and alleviating rural poverty. Productivity gains have been observed.

As a result, during the year 2018/2019, rice paddy production increased by an estimated 8.9 % compared to the previous year, while the value of marketed dairy products increased by 21 %. This is partly due to better access to finance. Commercial banks have fulfilled their obligation to allocate 10 % of their loans to the agriculture sectors.

Finally, even if gender equity in the agriculture sector will still take time to achieve, progress has been made: women now own 19.5 % of agricultural land, compared to 17 % 2 years ago.



SDG 2

Bolivia – Reinforcing family agriculture

EU support allowed

3 665 families

to access irrigation services and to diversify their production



In Bolivia, the EU supports the national programme for reinforcing family agriculture and food sovereignty in 35 municipalities located in outbound migration areas and coca leaf production zones.

EU budget support contributed to the establishment of irrigation schemes covering 2 449 hectares by July 2019, allowing 3 665 families to increase and diversify their production. Overall production of eight agricultural products increased by 25 % between 2017 and 2019. By 2019, 30 local markets were operational in the 35 municipalities (up from seven in 2017) to stimulate commercialisation at the local level.

More than 80 000 families/individuals (40 % of which were women) received land titles between July 2018 and July 2019. Awareness raising on climate change included the implementation of 120 actions in 10 municipalities and the training of 122 promoters on climate change adaptation. Altogether, the programme contributes to SDG 2 (zero hunger) but also to SDG 8 (decent work and economic growth), SDG 10 (reduced inequalities) and SDG 16 (peace, justice and strong institutions).



SDG 2

Honduras – Fostering food security

EU support has helped

38 000 children under the age of five

benefit from nutritional support services



In Honduras, the EU supports the national food and nutritional security policy. The budget support operation focuses on the decentralisation of food, nutritional security and health services, targeting the 39 poorest municipalities.

In 2019, the food security network contributed to improved decentralised governance in 86 % of country municipalities, to the participation of 52 000 rural families in business development programmes and to the provision of food security and nutrition services to an additional 55 000 rural families.

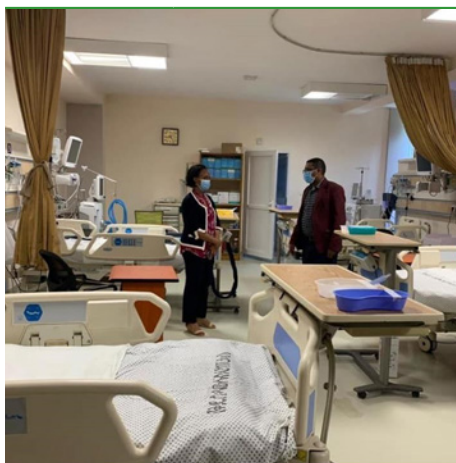
This resulted in the reduction of stunting in rural areas for nearly 38 000 children under the age of five.

3 GOOD HEALTH
AND WELL-BEING**SDG 3****Ethiopia – Improving health facilities**

With EU contributions

96 % of health facilities

had essential drugs in stock at all times



In Ethiopia, the EU contributed to durable improvements of health facilities.

This translated concretely into:

- ▶ 52 % of health facilities having access to clean water in 2018, compared to 44 % in 2015;
- ▶ 75 % having access to reliable energy supply in 2018, compared to 57 % in 2015;
- ▶ 96 % always having essential drugs available in 2018, compared to 87 % in 2015.

The Ethiopian health system was therefore more resilient when the COVID-19 pandemic hit.

3 GOOD HEALTH
AND WELL-BEING**SDG 3****Burkina Faso – Fighting maternal and child mortality**

The EU helped finance free healthcare for

15 million children and pregnant women

and improve health outcomes accordingly



In Burkina Faso, the EU budget support programme for the health sector started in 2016. It allowed the quality of healthcare in hospitals and other health facilities to be upgraded. It contributed to improving access, in particular for children and pregnant mothers. It helped the government to better monitor the health system and make efficient use of budget allocations. This progress made it more resilient when the COVID-19 pandemic hit.

The results that EU budget support has helped achieve have been impressive. For instance, 11 million children benefited from free healthcare in 2018, up from 8.5 million in 2016. In 2018, the country established its first national health insurance fund and, in 2019, 15 million children and pregnant women were able to receive free care.



SDG 4

Central African Republic – Getting kids into school

The number of girls not in school decreased
from 35 % to 15 %
 between 2016 and 2018



Through an SRBC with a strong education component, EU budget support has helped the Central African Republic in restoring and strengthening access to basic education since the 2013 crisis. Access to and quality of education have improved, along with the governance of the system.

The programme has contributed to decreasing the number of girls not in school from 35 % in 2016 to 15 % at the end of 2018. Additionally, the state was able to organise certification examinations at the end of the 2019 school year in almost 98 % of the country.

By 2019, the Central African government was also able to adopt a transition plan for the development of the education sector and to publish education statistics for three consecutive school years: 2017, 2018 and 2019. These two achievements are important for efficiently steering the education sector towards improving access and quality throughout the country.



SDG 4

Morocco – Improving literacy

Women make up
80 %
 of the beneficiaries of the literacy programme



For the last decade, EU budget support has been helping efforts to improve literacy in the adult population (aged 15 to 34). More than 6 million people have benefited from literacy programmes developed as part of this strategy, prioritising women and the rural population. Women make up approximately 80 % of the learners participating in these programmes every year. More than 14 000 literacy instructors have been trained. The illiteracy rate in Morocco, which was 43 % in 2004, dropped to 32 % in 2017. The EU also has a long-term partnership with the Ministry of Education in Morocco, supporting the reinforcement of the education system, notably aiming at increasing the retention of children in school. The government of Morocco aims to reduce the illiteracy rate to 20 % by 2021 and to 10 % in 2026. The aim is to provide 1 050 000 people each year with literacy training between 2017 and 2021.

4 QUALITY
EDUCATION**SDG 4****Kyrgyzstan – Upgrading the education system**

The total number of children enrolled in school in 2019

amounted to over 1.26 million

compared to slightly over 1 million in 2013



In Kyrgyzstan, EU budget support contributed to enhancing the relevance of education by supporting a more inclusive approach, developing infrastructure and improving curricula and teacher training.

The total number of children enrolled in school in 2019 exceeded 1.26 million, whereas in 2013 this figure was slightly over 1 million.

Besides access to school, EU support has been instrumental in developing and implementing a national qualifications system for the teaching profession in line with the European qualification framework, along with an inclusive education development plan aimed at furthering the inclusion of children with disabilities in the education system.

4 QUALITY
EDUCATION**SDG 4****Tunisia – Access to high-quality education**

In the final year of preschool,

100 %

of teaching personnel were trained according to reform priorities



The EU supported the government's measures for promoting access to and increasing the quality of preschool education. In 2019, 88.5 % of children registered in grade 1 of primary education received a 1-year preschool preparatory course. In addition, a curriculum for preschool now ensures that the final year of preschool education meets teaching and educational standards. Trainers, education inspectors and 4 000 teachers received training on this curriculum. The EU support focused on the inclusion of innovative teaching practices, integrating life skills into the curriculum.



SDG 4

Paraguay – Completing universal schooling

The EU has contributed to an increase of

7.1 %

in the number of students completing primary school



In Paraguay, the EU supported education reforms from 2014 to 2017, which resulted in an increase of 7.1 % in children successfully completing the 6 years of primary school. It also led to a 2.9 % increase in enrolment in the upper secondary level.

Paraguay is characterised by a youthful nation (50 % of the population is under the age of 25). EU support focuses on eliminating barriers to access to education and improving the quality of education through better learning results. The national teacher assessment system has been strengthened by the adoption of a teacher performance assessments manual, resulting in 2 904 teachers being evaluated by the end of 2017. In addition, the public accountability of schools improved, with the approval of 2 602 school management reports by the end of 2017 (double the number in 2014).



SDG 4

Cambodia – For inclusive and equitable education

The EU has contributed to raising

the net school enrolment rate to 98 %

to achieve universal access to primary education



EU budget support is helping to ensure inclusive and equitable education in Cambodia, with a focus on early childhood education.

Between 2016/2017 and 2019/2020, the percentage of 5-year-old children accessing preschool education increased by almost 10 percentage points, from 53.0 % to 62.8 %. Moreover, by the end of 2019/2020, over 88 % of students were completing their primary school education and transitioning to secondary school, compared to 82 % in 2016/2017.

With EU support, a continuous professional development framework has now been developed for teachers and school directors, aimed at strengthening the quality of teaching in Cambodia.



SDG 4

Serbia – Improving quality and equity in schools

With EU support

40 000 teachers were trained

to deliver modern, outcome-oriented curricula in their classrooms



In Serbia, the EU has been funding a programme to improve the quality, equity and relevance of education, focusing also on the education needs of underprivileged students. Thanks to EU support, 40 000 teachers were trained to deliver modern, outcome-oriented curricula in their classrooms. Students have better access to textbooks in eight national minority languages, and Roma students, half of whom are girls, receive scholarships. The national qualifications system was set up under the current programme, ensuring the quality and relevance of study programmes at all levels of education.



SDG 4

Jordan – Access to education for refugee children

The EU has financed books and students' fees for the

34 000 Syrian refugee children

enrolled in schools and kindergartens in camps in Jordan



The budget support programme under the EU Regional Trust Fund in response to the Syrian crisis is helping the Ministry of Education school system in the Syrian refugee camps to promote inclusive, equitable and high-quality education for Syrian children in refugee camps in Jordan.

In 2019, the programme helped finance the salaries of teachers in schools and kindergartens (1 466 teachers and 192 administrators in schools; 114 teachers and 11 administrators in kindergartens). It contributed to the training of new teachers (161 in camps have been trained), to the provision of books and fees for all children (for around 34 000 children enrolled in schools and kindergartens), the provision of libraries and computer and science labs and the improvement of the quality of the education.

The aim is to apply the same standard of education as in the state schools in the host community. The programme supports the landmark commitment taken by Jordan and backed by the EU and the international community according to which all children, regardless of their nationality, will have access to high-quality education opportunities in Jordan.

5
GENDER
EQUALITY**SDG 5****All countries – Empowering women and girls**

Between 2014 and 2019,

47 % of the budget support portfolio

contributed to gender equality and women's empowerment



Gender equality and women's empowerment are at the centre of EU cooperation and EU budget support has been helping partner countries to achieve progress towards SDG 5 (gender equality).

Gender equality is therefore a core dimension of EU budget support, through the dialogue on policies, performance measurement and capacity development. Between 2014 and 2019, 47 % of the programmes approved contributed mainly or significantly to SDG 5 –amounting to about EUR 5.5 billion.

Efforts to promote gender equality and women's empowerment apply across the board, in access to basic public services (e.g. education, health, social protection or justice), as beneficiaries of economic support schemes (e.g. support for small to medium-sized enterprises or agriculture/irrigation services) and in the reform of administrations or public finance management (e.g. appointment to management positions in public entities or gender-responsive budgeting).

6
CLEAN WATER
AND SANITATION**SDG 6****Senegal – Accessing safe water and sanitation**

EU support helped

95 % of the population access drinking water

in rural areas



In Senegal, EU budget support contributed to increasing access to drinking water and basic sanitation, in particular by improving equity of access in disadvantaged rural areas and reducing the need for young girls and women to endure the hard work of carrying water by securing access through the development of home connections.

In rural areas of Senegal, the rate of access to drinking water increased from 91 % in 2017 to 95 % in 2018 and the rate of access to sanitation increased from 42 % to 55 % within the same period.

6 CLEAN WATER
AND SANITATION

SDG 6

Samoa – Reliable and sustainable access to water

EU support allowed

83 % of the population

to have sustainable access to water



In Samoa, the EU has been supporting the government's 'water for life' programme through budget support, with specific attention paid to improving the quality of water and sanitation, along with enhancing the resilience of water resources given the country's vulnerability to natural disasters and climate change.

EU support has been instrumental in ensuring that at the start of 2020 the majority of the Samoa population (89 %) had access to piped water, almost 100 % of which complies with national quality standards. Similarly, 98 % of households and 88 % of schools now have access to improved sanitation facilities.

7 AFFORDABLE AND
CLEAN ENERGY

SDG 7

Vietnam – Improving access to electricity

EU support allowed

more than 58 000

remote rural households to connect to the electricity grid



In Vietnam, the EU's programme for sustainable energy has been improving access to energy for households in rural and remote areas and has been supporting the country's shift towards a future of greener energy.

With EU support, more than 58 000 rural households were connected to the electricity grid in 2018. Moreover, by the end of 2019 renewable energy production had been strengthened, with the country having installed 353 MW of wind power capacity and 4 875 MW of solar power capacity. This has ensured that, combined, wind and solar power represented close to 10 % of the country's electricity generation at the start of 2020.

7 AFFORDABLE AND
CLEAN ENERGY**SDG 7****Barbados – Building resilience in the energy sector**

EU support contributed to installing solar infrastructure with a capacity of
1.9 MW
 on government buildings



In Barbados, the EU supports the state's national energy policy aims to foster the country's energy security and make the sector more resilient to natural disasters. Barbados recently adopted the target of a 100 % renewables-based energy sector by 2030.

By the end of 2019, 19 community centres were equipped with solar battery systems. A production capacity of 1.9 MW is already in place and an additional solar infrastructure with a capacity of 2.6 MW is being installed on government buildings. In addition, 27 250 streetlights are being retrofitted with light-emitting diodes.

8 DECENT WORK AND
ECONOMIC GROWTH**SDG 8****All countries – Upgrading business environment**

The ease of doing business score improved by
6 points
 in budget support countries between 2010 and 2020



Improvements in countries' business environments are usually monitored through the World Bank's *Doing Business* reports. Progress since 2010 has been faster in EU budget support countries than in other developing or emerging countries. Their average ease of doing business score increased from 53 to 59 out of 100 between 2010 and 2020.

The pace of change remains too modest however and further reforms are expected from partner countries in order to support local entrepreneurs and attract foreign investors. The EU supports these efforts through the external investment plan in order to stimulate investment in partner countries, raise additional funds to finance their development agendas and allow them to meet the SDGs. The COVID-19 crisis makes this agenda even more important, given the need to accelerate the economic recovery.

8 DECENT WORK AND ECONOMIC GROWTH

**SDG 8****Tunisia – Facilitating trade**

EU support contributed to

increased transparency and simplification of export procedures

through the adoption of an export manual



In Tunisia, the budget support programme encouraged the government to adopt the measures necessary to increase Tunisia's share of exports and access to foreign markets. A streamlined approach – the export manual – applies to all economic entities, e.g. manufacturers, artisans, traders or farmers, by providing key assistance with the administrative procedures applicable to goods for export.

A comprehensive package of measures seeking to simplify the formalities related to transport and customs clearance is well on its way. The government proceeded further with the digitalisation of several export-related procedures and wants to adopt a similar manual for imports, where administrative procedures are even more complex.

8 DECENT WORK AND ECONOMIC GROWTH

**SDG 8****Dominican Republic – Vocational training for jobs**

EU support contributed to a

14 % increase in graduates of technical and vocational education and training

between 2017 and 2018



In the Dominican Republic, the EU supports the programme for strengthening technical and vocational education and training, a key element for enhanced productivity and job creation.

A revised skills-based curriculum was rolled out in 2019 in all state secondary technical schools. EU budget support contributed to a 12 % increase in the number of students enrolled and a 14 % increase in the number of graduates between 2017 and 2018.

8 DECENT WORK AND ECONOMIC GROWTH



SDG 8

Morocco – Promoting sustainable industry

EU support helped to create
405 496 jobs
 in key industrial sectors



The programme helped establish 49 industrial ecosystems, with an estimated 405 496 jobs created. Morocco improved its ranking in both *The Global Competitiveness Report 2019* and *Doing Business 2020*. The EU supported the digitalisation of trade and customs clearance processes. Between 2013 and 2018, Morocco’s industrial exports increased by 50 % in value, with the automotive sector accounting for 40 % of them in the last 2 years.

8 DECENT WORK AND ECONOMIC GROWTH



SDG 8

Albania – Linking training and the job market

The EU financed
six employment programmes reaching 13 500 citizens
 including minority groups



In Albania, the EU supported the improvement of the employment services: the authorities modernised 35 labour offices (97 % of the countrywide total), trained the staff in high-quality delivery and outreach and contributed to the creation or upgrade of six employment programmes launched since 2016, serving 13 500 citizens. The share of people from minority groups benefiting from these employment promotion programmes doubled during the life of the programme and 70 % of all the vocational education and training teachers received special training and support to improve the quality of the education.

8 DECENT WORK AND
ECONOMIC GROWTH**SDG 8****South Africa – Creating employment**

The EU financed support for
more than 72 000 enterprises
owned by vulnerable groups



In South Africa, the EU seeks to support government efforts to create employment by improving the competitiveness of small, medium and microenterprises, and their ability to meet the procurement requirements of multinational/local corporations and of state-owned enterprises.

EU support financed direct disbursements to more than 72 000 women-owned or black-owned enterprises.

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE**SDG 9****Montenegro – Improving border management**

EU support contributed to
a 20 % increase in inspections of goods
at the Montenegrin border, with 39 644 inspections conducted in 2018–2019



In Montenegro, EU budget support contributed to consolidating a positive track record on border management such as a reduced number of serious crimes and illegal border crossings along with an increase in joint patrolling with neighbouring forces.

Integrated border management is part of the broader rule-of-law policy, which represents an essential part of the accession negotiations with Montenegro.



SDG 10 All countries – Fighting inequalities

The income share of the bottom 40 % of the population increased by **11 %** in countries receiving EU budget support between 2004 and 2019



EU budget support is intended for inclusive public policies to promote shared growth and to help tackle social or geographical disparities.

The income share of the bottom 40 % of the population in countries receiving EU budget support increased from 15.6 % to 17.4 % of gross national income between 2004 and 2019, while it decreased slightly in other developing or emerging countries.

While this is not enough to accelerate the eradication of poverty, the trend is encouraging. Further efforts are being made to address inequalities in partner countries, notably by strengthening social protection systems.



SDG 10 Bangladesh – Social protection for the poorest

The EU contributed to increasing the amount received by each mother by **60 %** under the maternal and lactating-mothers allowance programme



In Bangladesh, EU budget support has provided resources towards transitional government support (food or cash transfers) for poor and vulnerable households, with a view to reducing poverty and eliminating malnutrition.

As a result, there have been increases in both the coverage of social protection and the levels of benefits for targeted vulnerable groups, including pregnant women and new mothers, the elderly and people with disabilities. In 2018/2019, the amount each mother received under the transitional government’s maternal and lactating-mothers allowance programme increased by 60 % and the entitlement period was extended from 24 months to 36 months. The number of beneficiaries also increased from 600 000 to 700 000. Similarly, the number of people receiving the old age pensions and allowances increased from 3.5 million to 4 million.



SDG 10

Cabo Verde – Broadening social security

The EU contributed to increasing social security coverage to more than **50 %** of workers



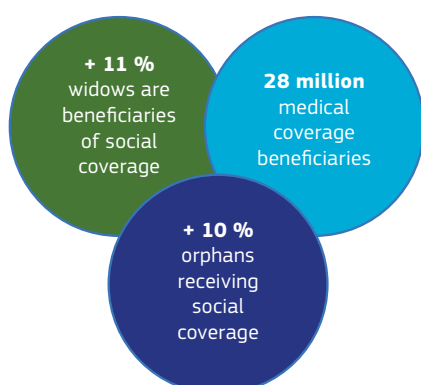
In Cabo Verde, EU budget support has contributed to increasing the social protection of workers through a broader social security coverage in all labour regimes. The overall coverage among workers increased from 45.5 % in 2017 to 50.3 % in 2018, or an increase of 5.5 percentage points, surpassing the target of 47 %. This result is based on the increased number of beneficiaries under all labour regimes but especially under the special regime for small to medium-sized enterprises, which saw an increase of 3 764 beneficiaries.



SDG 10

Morocco – Social protection for the vulnerable

The EU contributed to increasing social protection to **nearly 69 % of the population for medical coverage** with 11 % of more vulnerable beneficiaries granted extra social coverage



In Morocco, EU budget support has supported the introduction of an individual social security number in order to improve access and increase systemic efficiency. In 2019, medical coverage was extended to more than 24 million people, representing 68.8 % of the total population. Under the same programme, the social coverage of vulnerable populations, i.e. women and children, through non-contributory systems has reached 98 994 women and 168 290 children.



SDG 11

Colombia – Peacebuilding through green growth

The EU has contributed to

combining business opportunities and environmental objectives
in conflict-affected areas



In Colombia, the EU has contributed to peacebuilding through green growth in marginalised or conflict-affected areas. It has notably contributed to consolidating the legal framework for responsible forestry enterprises and sustainable consumption of legal timber.

It has promoted green business and green entrepreneurship with a focus on circular economy. It supported local sustainable economic activities in national natural parks and in conflict-affected and environmentally sensitive areas. It seeks the right balance between the conservation and the sustainable use of natural capital. In addition, it will increase employment and incomes in environmentally vulnerable territories through the sustainable use of ecosystem services and surrounding biodiversity.



SDG 12

Tuvalu – Sustainable waste management

EU support has made possible

Tuvalu's first waste transfer station

for sustainable waste management



In Tuvalu, the EU has contributed to improving the separate collection of general solid waste, green waste, nappies, bulky waste and hazardous waste in the capital, Funafuti, and the separate collection of general solid waste and green waste in outer islands.

EU support has strengthened Tuvalu's capacity to manage waste sustainably by providing this Pacific nation with its first waste transfer station in Funafuti. Four islands (out of seven) have improved the operation and security of their dump sites. Technical staff have enrolled in training on waste management.

The Tuvalu waste information system allows data to be collected daily or weekly and reports are shared with stakeholders regularly. The Waste Management and Recyclers Association was established in 2019. It collaborates with similar associations in Samoa, the Solomon Islands and Vanuatu.

13 CLIMATE ACTION



SDG 13

Bhutan – Resilience to the impacts of climate change

The EU contributed to constructing or renovating
close to 3 000 km
 of irrigation channels



In Bhutan, EU budget support aims to reduce poverty by enhancing food self-sufficiency and improving rural livelihoods. The programme also seeks to build the country's resilience to the negative impacts of climate change by enhancing the sustainable management of natural resources.

With EU support, 2 765 hectares were afforested/reforested in 2018 and about 262 949 hectares of forest area were brought under sustainable management. Furthermore, 9 858 km of farm roads have been built, 2 996.5 km of irrigation channels constructed/renovated and 99 farmers groups and cooperatives registered, creating 584 employment opportunities.

13 CLIMATE ACTION



SDG 13

Dominica – Building back better

By the end of 2019
1 568 houses
 resilient to climate change were built or under construction



The EU supports the climate resilience and recovery plan of Dominica, which was created following the devastating Hurricane Maria in 2017. With the assistance of EU budget support, the climate resilience executive agency of Dominica is now operational.

A new construction legal code and its implementation plan were approved to enforce higher standards of climate resilience for the reconstruction/repairing of houses. By the end of 2019, the construction of over 500 new homes was complete, 1 068 houses were under construction and the procurement process for the construction of approximately 3 853 houses was ongoing.

In addition, 76 public buildings have been reconstructed/repared/upgraded since Hurricane Maria.

Finally, the total number of beneficiaries of social protection programmes for 2019/2020 reached 13 563, well above targets.



SDG 14

Cambodia – Sustainable growth in the fisheries sector

EU support helped to deploy
80 artificial reefs
 to protect seagrass meadows



The EU programme for sustainable and inclusive growth in the fisheries sector has bolstered the livelihoods of coastal fishing communities, while protecting crucial ecosystems upon which Cambodia's marine fisheries are reliant.

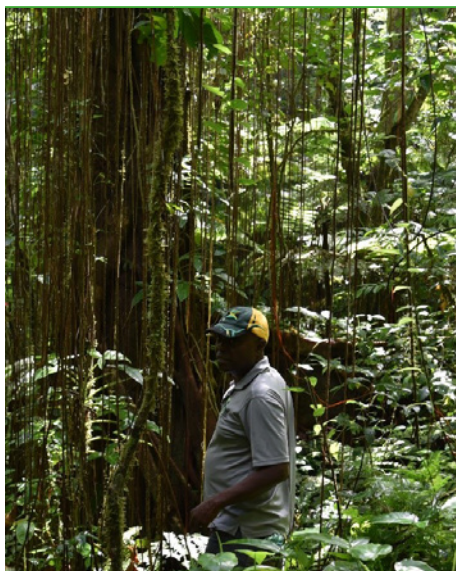
EU support has helped establish conservation zones, where aquatic animals and aquatic plants can shelter, spawn, feed and grow. To that end, 80 large concrete reefs were deployed in seagrass meadows and 80 hectares of flooded and mangrove forest were replanted. Efforts have also been made to better regulate the fishing industry, with 7 581 motorised fishing vessels operating on the coast having been registered with the fisheries administration. Networks of community fisheries have also been created in five provinces, with a view to better educating fishing communities in the benefits of managing fish stocks and reducing overfishing.



SDG 15

Jamaica – Sustainable forest management

The EU helps Jamaica meet
its nationally determined contribution
 in the fight against climate change



Forests play a transformative role in Jamaica's sustainable development path. They cover about one third of the country and need to be kept safe from destructive development models. Jamaica's prosperity relies on the sustainable management of its environment, and the current degradation of ecosystems has increased its vulnerability to environmental threats, including from climate change and natural hazards. This impacts growth prospects and social progress.

The EU supports improved governance of the forestry sector (data collection, knowledge management, carbon stock monitoring and forest planning) and the development of alternative livelihoods for forest communities in timber/non-timber activities. The programme also supported the start of the national mangrove atlas, the register of private closed broadleaf forests and measures for the reforestation of degraded lands with native species.



SDG 16

Serbia – Strengthened border administration

The EU facilitated strengthened cooperation facilitating

1 161 joint patrols

between Serbia and neighbouring countries



In Serbia, the EU budget support programme in the field of home affairs has led to improved cooperation between various agencies (border police, customs and phytosanitary and veterinary inspections) leading to more coherent state action. To this end, Serbia adopted 24 regulations and by-laws to ensure the implementation of the law on foreigners, the law on state border control and the law on asylum and temporary protection. Better cooperation with neighbouring countries also allowed for 1 161 joint patrols in 2018 with Romania, Bulgaria and Bosnia and Herzegovina. Overall, the programme led to the improvement of operational capacities in the agencies conducting border management, through the training of 527 police officers of the border police directorate and 189 officers of the customs administration.



SDG 16

Kosovo – Modernising public finance

EU budget support allowed for

an efficient tax revenue regime

to improve public services



In Kosovo, the public finance management programme focuses, among other things, on raising tax revenues in order for the administration to be able to increase and improve on the public services it offers. In this regard, the government succeeded in collecting an increased amount of outstanding taxes from taxpayers who had not fulfilled their tax duties. In 2018, the tax administration collected 29 % of the outstanding debt, and in 2019 this rose to 38 %. This increased collection contributed to increased revenues, which can eventually be translated into improved public services such as better schools.



SDG 16

Georgia – Accountability of public services

The user satisfaction rate for rural community centres reached **98 %**

demonstrating the impact of public administration reform



EU budget support has supported the government in improving the efficiency, accountability and transparency of the administration.

A harmonised approach is applied to the remuneration, appraisal and classification of civil servants across ministries. In the area of accountability, the asset-declaration monitoring system is effective (448 declarations have been made since 2018, largely due to the mobilisation of civil society organisations). The rate of public requests for information answered has also grown.

Public service delivery has continuously improved with the roll-out of community centres (one-stop shops) in rural areas and the expansion of the web portal for public services. Access to public services in rural areas has continued to improve, with 64 community centres operational. User satisfaction with services provided by community centres remained very high (98 %) and a large majority of users (87 %) recommend the use of community centres to fellow members of the public.



SDG 16

Ukraine – Reforming public administration

The EU supported the provision of **99 e-services**

through a unified state administrative portal



EU budget support contributed to the improvement of the professionalism, accountability, effectiveness and efficiency of public administration. Ukraine adopted new rules of procedure for the government, introduced a policy framework for the reorganisation of central administration and established a competitive, merit-based procedure to recruit 562 reform-minded officials.

The government launched a unified state portal providing 99 e-services and improved the interoperability of state registries. This allowed for a reduction of the administrative burden, a reduced risk of corruption, the simplification of procedures and the improvement of the business environment.

In 2018, Ukraine introduced an electronic system for document exchange, which connects 193 bodies and processes 5 400 documents on a daily basis. In 2019, the country piloted a modern human-resources-management information system in three institutions with a planned roll-out in all central executive bodies to enhance the accountability, rightsizing and efficiency of the administration.



SDG 16

All countries – Fighting corruption

Countries receiving EU budget support

perform better in the control of corruption

than other developing/emerging countries



The EU fights corruption through all possible avenues, including through its global support for tax governance and its actions against illicit financial flows. The EU promotes improvements in countries' public finance management and transparency through budget support and capacity development. This includes supporting anti-corruption agencies, audit institutions, parliaments and civil society. EU support extends to the police and the justice sector. Budget support is making institutions stronger and more able to monitor and tackle corruption.

According to the Worldwide Governance Indicators, budget support countries perform better in controlling corruption than other developing/emerging countries (with an average score of – 0.35 compared to – 0.56 in 2019) and with an improving trend over time (from a score of – 0.50 in 2005).



SDG 16

Jordan – Strengthening the rule of law

The overall number of men and women benefiting from legal aid support

increased by 10 %

fostering access to justice



In Jordan, the EU supports the government in consolidating the rule of law and its effectiveness, transparency, accountability and accessibility, in line with universal democratic principles. Access to justice improved over the year, with the enhancement of a national system of legal aid to ensure the right to a lawyer in court. The budget for legal aid increased significantly and free legal representation in courts went up by 10 %. The number of beneficiaries of free legal representation almost tripled in 2019, reaching 993 cases.

Judicial infrastructures and ICT systems also improved, with a new training centre for judges and the enhancement of the connectivity between the prosecution office and the police. Several courts have been equipped with videoconferencing systems so as to ease the logistics of hearings and better protect witnesses and juveniles.

A system of alternatives to detention started to be rolled out with the development of community sanctions. The legislative and administrative framework was drafted and made ready for adoption in 2019, so as to promote a more humane treatment of convicted people and avoid the use of detention for minor felonies.



SDG 16

Jamaica – Bringing justice closer to people

With EU support for the Jamaican justice system,

10 000 citizens

benefited from restorative justice



EU budget support in Jamaica promoted the productivity of the parish courts, whose clearance rate exceeded 100 % in criminal proceedings with a substantial reduction in the backlog of cases.

The EU supports efforts towards improving the delivery of services and increasing access to gender-responsive, accountable and effective justice services, especially for the vulnerable and children.

Results include the adoption of several new pieces of legislation guiding the restorative justice approach in order to foster mutual respect and concern for community members, empowering citizens to resolve conflicts at the community level. By mid 2019, 10 000 citizens had benefited from the restorative justice sessions and 80 % of cases had been resolved or had reached a mutually acceptable result for victims and offenders. Regarding access to services, two new family courts became operational (in 2019) and two more are being established in rural areas offering justice services for rural women and children.



SDG 16

Niger – Increasing access to justice

Legal aid was provided to

3 502 people, including 1 813 women

with the help of EU budget support



EU budget support in Niger secured substantial increases in the state budget allocations to the justice sector. It supported the extension of the coverage rate of judicial infrastructures and the widening of the judicial map (raising jurisdictional coverage up to 67 % in 2019). It promoted a reduction in the use of pretrial detention, the introduction of community service as a diversionary measure and the provision of free legal aid for people in vulnerable situations (legal aid was provided to 3 502 people – 1 689 men and 1 813 women – and 775 children – 251 girls and 524 boys – in 2019). It also supported the opening of the first shelter for victims of human trafficking in the country.



SDG 16

All countries – Fostering fiscal transparency

The EU helped secure

higher budget transparency and oversight

in countries receiving budget support



As one of the four eligibility criteria of EU budget support, budget transparency and oversight is a key element of policy dialogue and a major component of all budget support programmes.

Reforms to strengthen accountability, transparency and oversight are continuously promoted, where needed, through specific indicators. This involves encouraging access to information for members of the public and their participation in budgetary processes. It also involves empowering supreme audit institutions, parliaments and other external control bodies.

The 2019 Open Budget Survey confirms that countries receiving budget support perform better than other developing or emerging countries, with an average score of 43.4 points compared to 34 in other countries. This is also an improvement from the last survey in 2017, up from 41.1 points. This average score, though still relatively low for global standards, is encouraging at a time when the COVID-19 response calls for scrutiny of the use of exceptional financial/procurement procedures. The progress achieved will provide safeguards for public finance and fuel domestic accountability, both from audit institutions and civil society organisations.



SDG 16

Albania – Modernising public finance

EU budget support facilitated

tremendous gains in fiscal transparency

involving citizens in the budget-making process



In Albania, EU budget support has contributed to the adoption of new standards and rules that are improving the quality of the planning of public funds in becoming more credible, realistic and better linked to sector policies. Budget data and information on what public funds have achieved are increasingly made public and transparent. New publications include a citizen budget, started in 2016, and a mid-year budget implementation report, started in 2017, along with detailed information for the budget of each municipality online. Citizens directly benefit from being able to access more information and engage with the new budget consultation process, which is promoted through the 'It's my money! It's my budget!' and 'My voice is my superpower' initiatives.



SDG 16

Fragile countries – Building up resilience

The EU helped
23 countries in situations of fragility
 with EUR 3.9 billion between 2012 and 2018



Many developing countries are marked by structural fragility factors, compounded by health, economic, political, climatic and/or security crises, which make it very difficult to pursue growth and poverty-reduction policies.

Others may not be fragile but are subject to shocks (e.g. natural disasters) with potentially devastating effects.

In these contexts, the EU can offer quick and flexible assistance. The SRBCs help with responding to urgent needs, in particular maintaining states' capacities to fulfil their core functions, minimising the destabilising economic and social effects of crises and consolidating systems to implement structural policies to foster economic resilience, poverty reduction and democratic governance.



SDG 17

All countries – Mobilising domestic revenue

The European Commission is
the biggest provider globally of grants
 in support of domestic revenue mobilisation



Reforms and progress in the field of domestic revenue mobilisation (DRM) are conditions for budget support, as part of the assessment of public finance management (revenue administration), macroeconomic stability (revenue policy) and budget transparency (e.g. information on revenue in budget statements/reports, tax expenditures, specific audits and controls).

Increasingly and where necessary, budget support programmes include specific performance indicators on DRM. According to data from the International Monetary Fund (IMF), African countries where the Commission introduced such DRM indicators saw increased ratios of tax to gross domestic product (GDP) by 2 percentage points on average between 2015 and 2019 (namely Benin, Burkina Faso, Cabo Verde, Cameroon, the Central African Republic, Chad, Côte d'Ivoire, Ghana, Guinea, Liberia, Mali, Morocco, Niger, Sierra Leone, Somalia, Tanzania, The Gambia, Togo and Tunisia).

The focus on DRM in budget support complements support provided by the EU for capacity development (e.g. projects and technical assistance) along with efforts to improve tax transparency and fight tax evasion globally (e.g. through listings on non-cooperative tax jurisdictions or anti-money laundering / counterterrorist financing).

17 PARTNERSHIPS
FOR THE GOALS

SDG 17

Tunisia – More fiscal transparency

EU budget support facilitated

more transparency and accountability

in budget planning



In Tunisia, a budget support programme has helped reform the state budgeting, thus contributing to increased transparency and accountability. The organic budget law adopted in 2019 transposed the constitutional provisions following the 2011 Jasmine Revolution to increase the budget oversight – with a stronger role for the parliament and the court of auditors. It also imposed strict information requirements on budget documents, making information on the public debt available along with information on the financial situation of a number of public organisations outside the central government.

The new approach contributes to increased fiscal transparency. The parliament submits the information for discussions, as civil society organisations and the media are also doing increasingly. The regular publication of clear and objective information contributes to an enriched and more informed debate on how to address some of these challenges and more generally to democratic insight.

17 PARTNERSHIPS
FOR THE GOALS

SDG 17

Somalia – Debt relief to build resilience

With EU support, Somalia has reached a

historic milestone for debt relief

that will allow more resources to be dedicated to its development needs



Somalia's access to debt relief has been at the centre of the EU's strategy in the country over the past few years. The EU has been the first donor to start budget support with Somalia in close cooperation with the World Bank and the IMF. This included a direct contribution from the EU to bridge the financing gap for the clearance of Somalia's arrears with the IMF and the African Development Bank. The EU's budget support programme has been instrumental in assisting Somalia in its economic reforms and poverty-reduction efforts. It contributed to building trust and triggering additional donor support for state-building.

With the clearance of its arrears, Somalia has reached the first of two milestones necessary for debt relief. Somalia will now have access to significant new financial resources to address its development needs, expand the provision of much-needed public services and strengthen its response to crises, including the COVID-19 pandemic.

Part II – Risk management

The RMF assessed the risks in budget support programmes associated with the use of partner countries' systems. As of 2020, it has been extended to assess these risks in **all countries with which the EU has a bilateral cooperation programme**, including those where this does not include a budget support programme.

The RMF allows 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 budget support programmes in the first place and feeds into the policy and political dialogue with the partner country.

It consists of five risks (political, macroeconomic, developmental, public finance and corruption), which are each rated according to a questionnaire. Risks are rated from 1 (lowest) to 4 (highest) and an assessment of the short-term outlook (positive, neutral or negative) adds to the analysis.

RMFs are updated on a yearly basis, or more frequently if needed. In 2020, **a total of 129 RMFs** were prepared, 95 of which were in budget support countries or territories.

1. Risk analysis

(a) Risk category analysis

In order to allow for comparison across years by risk category, **this section and the chart below will**

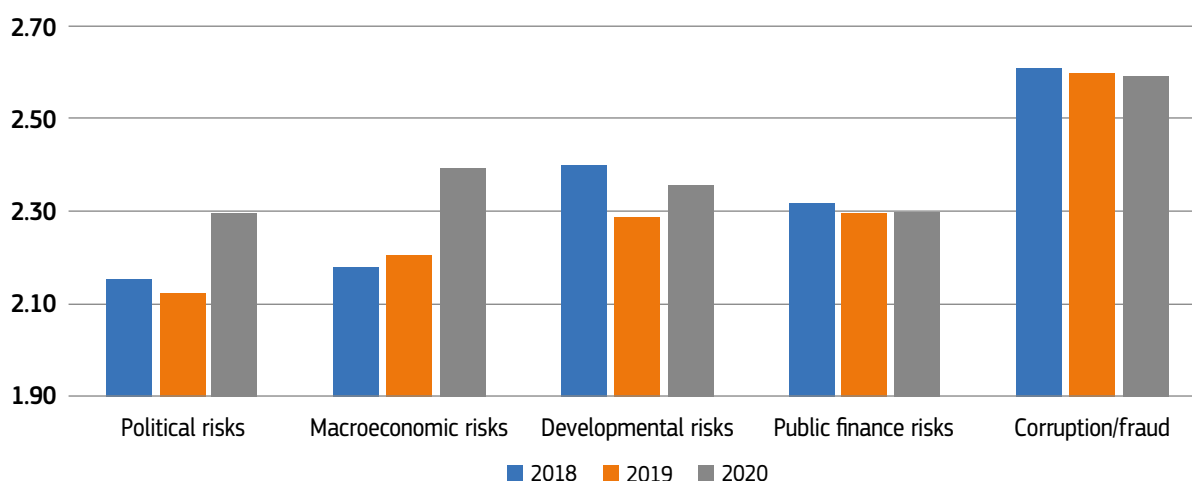
focus on countries receiving budget support only.

The risk levels in those countries are strongly influenced by the COVID-19 crisis, which resulted in a triple shock to countries: a global pandemic, an economic crisis and a temporary disruption of capital flows with tightening financing conditions. As a result, a dramatic increase in **macroeconomic risks** was observed compared to previous years. The crisis entailed a drop in export revenues and remittances, widening fiscal deficits, increasing financing costs and affecting debt sustainability. The risks for financial sector stability are also significant in many countries.

A tangible increase in the perception of **political risks** is also observed. It mostly affects risks to human rights, democracy and the rule of law. The current pandemic seems to create an increased risk for democratic institutions and the respect for human rights and the rule of law in many partner countries, hence the importance of continuing to focus on these areas, especially in the political dialogue.

The crisis undoubtedly entails higher **developmental risks**, which will stem from the potential disruption in the implementation of ongoing policies, the design of new policies and, notably, their financing. Priority is given to the COVID-19 response in the short term, which often includes both health and socioeconomic measures to support the most affected businesses and people.

FIGURE 1. Evolution of average risk per risk category (for budget support countries)



Risks related to **public financial management and corruption/fraud** are more structural and have remained stable over the last 3 years. However, the short-term risks stemming from the use of exceptional financial/procurement procedures in the response to the crisis were factored into the outlook and mitigating measures devised accordingly. The risk of corruption and fraud remains the highest perceived risk in all regions, though a small decrease is observed over time.

Among the specific risk dimensions, the highest risks in the partner countries are associated with vulnerability to exogenous shocks, government effectiveness and public investment and procurement. It is particularly important to mitigate these last two dimensions in order to ensure that development finance for investments can contribute to sustainable growth in the long term. The pandemic has also demonstrated the importance of diversification as well as fiscal buffers, as it exposed countries' vulnerabilities, particularly those dependent on oil, commodities or tourism.

The inclusion of countries without budget support in the risk assessment allows for a comparison of their average risk profiles with those of countries with budget support programmes. The risk profile of countries without budget support is consistently higher in all risk categories. Higher risks may be indicative of elements that do not allow countries to meet the eligibility criteria or difficulties in the dialogue with countries' authorities, which make it impossible to provide budget support.

High levels of risks do not necessarily rule out EU budget support. In certain situations, high risks can be accepted, as long as there are **opportunities for engagement with the authorities and concrete prospects for improvement**, to the extent that risks can be mitigated and, in a fragile context, that the **risks associated with non-intervention** outweigh the risks of providing budget support.

(b) Risk analysis by region

The inclusion of countries with no budget support programmes resulted in higher risk profiles in all regions. Central, East and West Africa remain the regions with the highest risks. Many countries in these regions are fragile, confronted with multiple pressures on their budgets stemming from increasing security constraints, high vulnerability to climate and economic shocks and needs for social spending to improve living standards for fast-growing populations. Many countries in central and East Africa in particular face high risks with respect to democracy and human rights.

The COVID-19 crisis has contributed to a relatively faster risk increase in sub-Saharan Africa than in other regions. African countries are perceived as more vulnerable to the crisis. The high risk levels observed in the southern neighbourhood regions is mainly due to the inclusion of new countries, not receiving budget support, with higher risk profiles (including Lebanon and Algeria).

FIGURE 2. Risk profile of budget support countries and countries without budget support in 2020

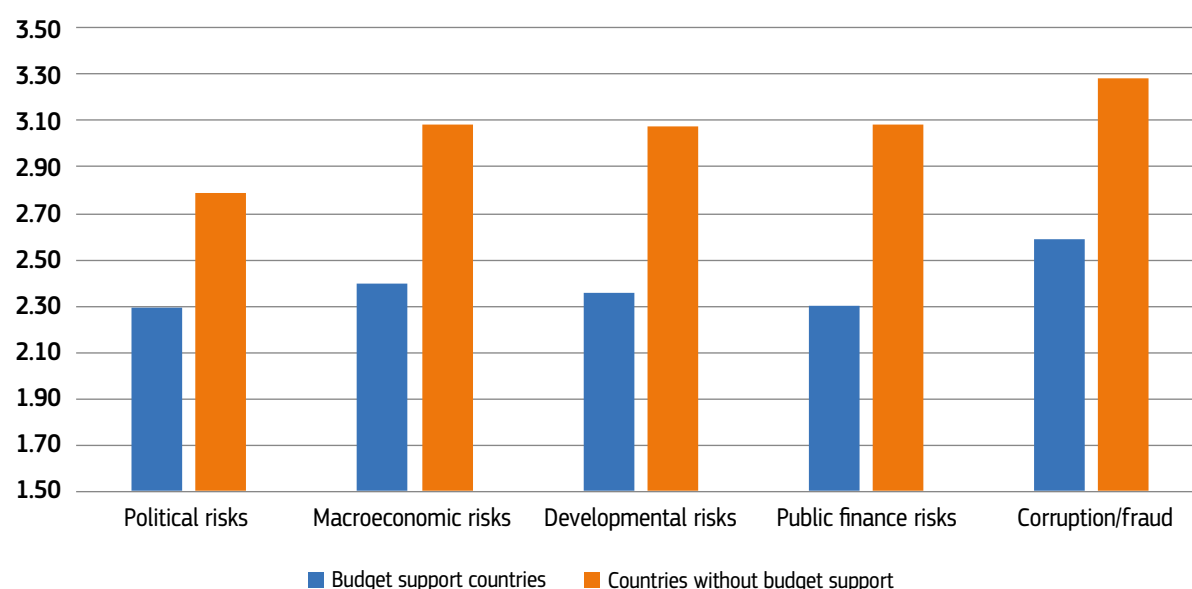
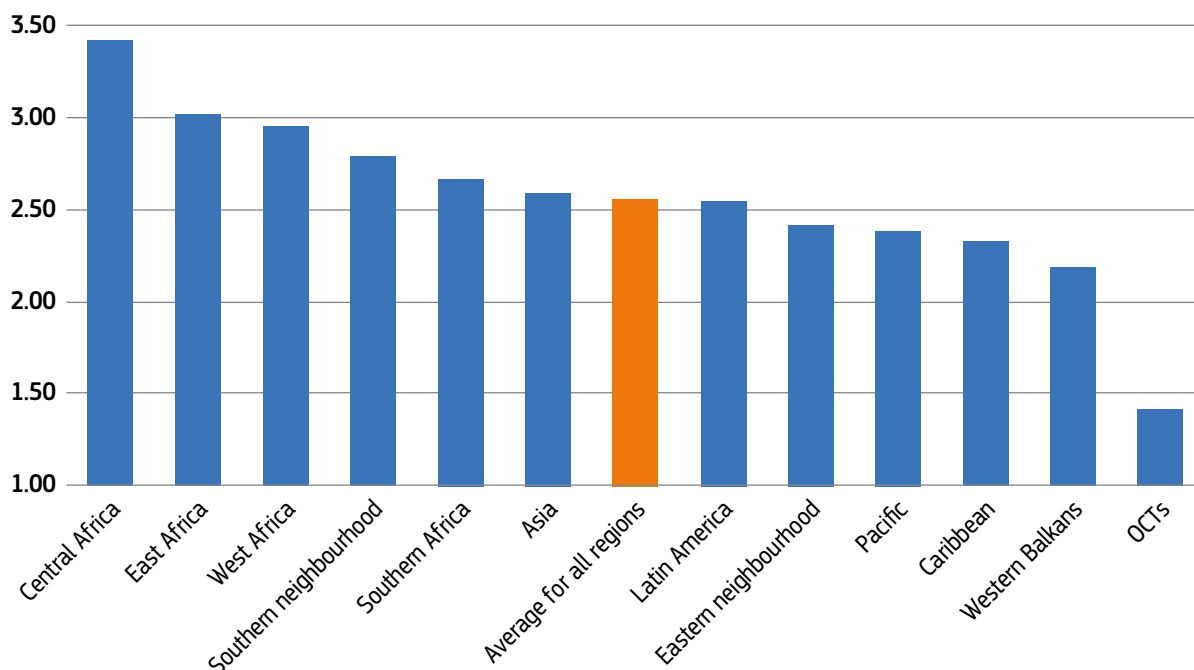


FIGURE 3. Average risk level per region in 2020

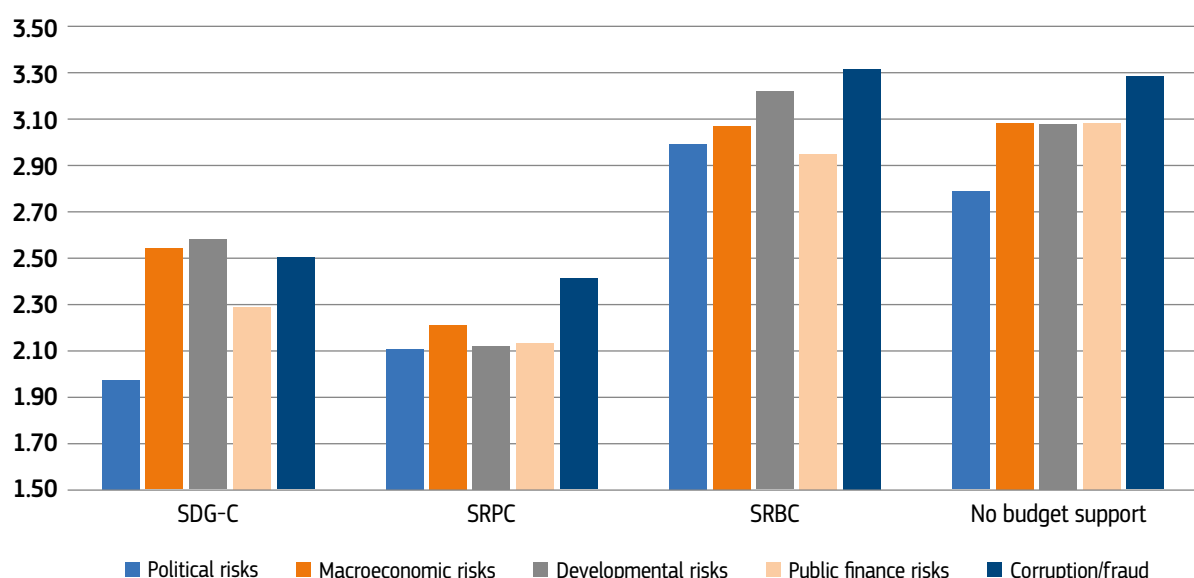


(c) Risk profile by type of budget support contract

Countries implementing only SRPCs have the lowest risk profile and this type of contract accounts for the vast majority of budget support programmes (82 % in terms of amount committed). SRBCs, on the other hand, are used in fragile situations, often in countries affected by conflict, and therefore risk levels are higher overall.

In these countries, the high risks should be carefully balanced with the risk of non-intervention and the potential development gains, combined with a proactive risk-mitigation strategy. Risks in countries with SDG-Cs are in between, but the sample size is too small (only five countries) to draw significant conclusions. The risk profiles of countries without budget support, compared to the different budget support contracts, show that countries with no budget support have a very similar risk profile to fragile countries, where the use of SRBCs is common.

FIGURE 4. Average risk of contract types per risk category



2. Mitigating measures and risk response

Mitigating measures allow EU development cooperation strategies and programmes to achieve their objectives despite the level and nature of risks observed in countries. The Commission identifies a range of measures and progress reported in the implementation of previously identified actions. The risk response consists of ensuring that the expected benefits of EU budget support outweigh the identified risks and that appropriate mitigation measures are in place.

Mitigating measures often take the form of policy dialogue initiatives or capacity building, but also include adapting programme design and implementation frameworks in response to anticipated risks. The range of mitigating measures is wide and they should be tailored to the needs of specific countries. Based on the 2020 RMFs, mitigating measures focus mostly on the following areas.

Due to the large shock of the COVID-19 crisis, **increasing economic and fiscal resilience** is a priority in partner countries, coupled with strengthening social protection programmes and health systems. Redesigning programmes to provide more extensive and quicker budget support and increase countries' fiscal space to combat the sanitary and socioeconomic impact of the crisis while preserving budget transparency and accountability is in itself a measure for mitigating macroeconomic risks arising from the pandemic. In the accession and neighbourhood context, countries can also count on EU macrofinancial assistance ⁽³⁾.

DRM, including from natural resources and limiting tax exemptions, is key to increasing countries' resilience and building fiscal space in the medium term, including in view of the large fiscal deficits to be expected in 2020 in all countries. Working on revenue policies and the effectiveness of revenue administration is a critical measure alongside most budget support programmes. At the same time, **effective debt management** should contribute to reducing debt service costs and ensure the long-term, sustainable financing of productive investments.

Increasing budget credibility and reliability of medium-term financial planning calls for significant strengthening of budgeting systems. This is also crucial for underpinning the costing of SDGs and the integrated national financing frameworks for their achievement. In budget allocations, maintaining a sufficient level of social spending in spite of increasing debt service costs or a need to spend more efficiently on security in some contexts remains very important

for human development and inclusive growth. **Quality of external auditing and oversight** often constitutes a weakness in public finance management. The EU supports supreme audit institutions through global and country-level initiatives. This also involves teaming up with civil society organisations to foster domestic accountability.

The increase in risks related to democracy, human rights and the rule of law in the current crisis underlines the importance of focusing on these areas, especially in the political dialogue.

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

While core dimensions of public finance management (expenditure controls, comprehensive budget documentation and reporting) have been improving in most countries, according to Public Expenditure and Financial Accountability (PEFA) data, risks have shifted towards **public procurement and public investment management**. The World Trade Organization estimates that public procurement accounts for 10 % to 15 % of GDP globally. In many developing countries, it accounts for more than half of government spending. In procurement, restriction of competition, corruption and overpricing can lead to significant waste in public spending and investment. According to the Organisation for Economic Co-operation and Development, 57 % of corruption is found in procurement practices. It is an area with vested interests, widespread mismanagement, significant discretion to use public funds and large contracts at stake. Improving transparency and public oversight of procurement systems and public investments should be an important element of reform dialogue.

The mitigation of corruption and fraud risks continues to be a key focus. Such mitigation can take many forms, ranging from direct provision of assistance to anti-corruption institutions or judicial bodies to strengthened political/policy dialogue on transparency and oversight functions. It can also target reforms of departments prone to corruption, such as revenue and customs administrations. Support for civil society organisations, for example to enable participation in the budgetary and policy process, can further mitigate corruption risks.

⁽³⁾ For information on macrofinancial assistance, see https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/international-economic-relations/macro-financial-assistance-mfa-non-eu-partner-countries_en.

Part III – Geographical and financial distribution

1. Commitments

As of the end of 2019, ongoing commitments of EU budget support totalled EUR 10.6 billion. New budget support commitments approved in 2019 amounted to EUR 1.8 billion.

Region/instrument	Number of countries	Number of budget support contracts	Type and number of budget support contracts			Budget support commitments (in million EUR)		Total disbursed in 2019
			SDG-C	SRBC	SRPC	Total ongoing	New commitments in 2019	
Asia and Central Asia	12	30	0	2	28	1 687.9	401.7	246.4
Caribbean	8	16	0	2	14	330.3	25.0	23.6
East and southern Africa ⁽⁴⁾	9	20	0	1	19	1 258.5	85.0	230.4
Eastern neighbourhood	4	21	0	0	21	812.5	109.0	94.7
Southern neighbourhood ⁽⁵⁾	4	38	0	1	37	2 589.6	704.0	290.8
Western Balkans	5	15	0	0	15	415.0	45.0	69.0
Latin America	8	17	0	0	17	634.7	133.0	108.7
Overseas countries and territories (OCTs)	12	13	0	0	13	254.6	34.0	70.0
Pacific	9	10	0	1	9	124.6	20.8	17.0
West and central Africa ⁽⁶⁾	18	36	6	14	16	2 511.8	242.0	449.3
European Neighbourhood Instrument (ENI) and EU trust funds ⁽⁷⁾	8	60	0	1	59	3 402.1	813.0	385.5
Development Cooperation Instrument	21	58	0	2	56	2 596.7	574.7	355.1
European Development Fund and EU Emergency Trust Fund for Africa ⁽⁸⁾	55	82	6	17	59	4 205.7	366.8	790.3
Instrument for Pre-Accession Assistance (IPA)	5	15	0	0	15	415.0	45.0	69.0
All	89	215	6	20	189	10 619.5	1 799.5	1 599.9

⁽⁴⁾ This row includes the two budget support programmes in the region funded under the EU Emergency Trust Fund for Africa for a total of EUR 157.4 million in Ethiopia and Somalia, respectively.

⁽⁵⁾ This row includes two budget support programmes in the region, one funded under the EU Emergency Trust Fund for Africa for a total of EUR 100 million in Morocco and the other funded under the Madad Trust Fund in Jordan for EUR 55 million.

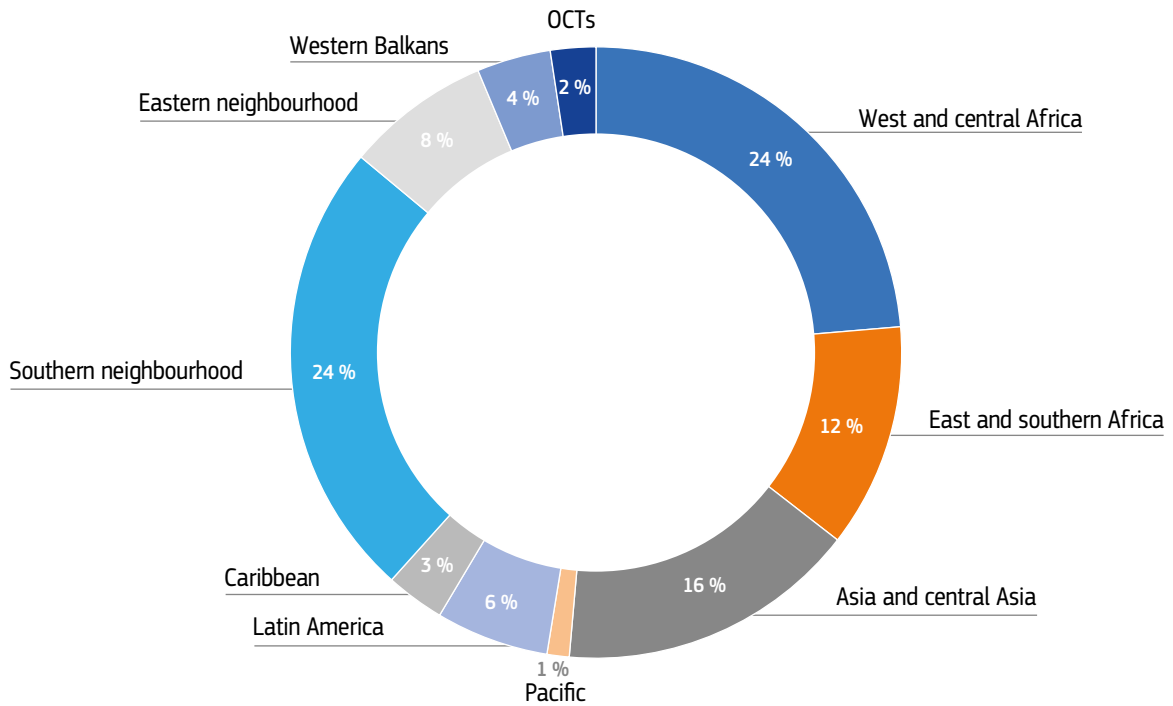
⁽⁶⁾ This row includes the four budget support programmes in the region funded under the EU Emergency Trust Fund for Africa for a total of EUR 206.5 million in Burkina Faso, Chad, Mauritania and Niger, respectively.

⁽⁷⁾ This row includes two budget support programmes in the region, one funded under the EU Emergency Trust Fund for Africa for a total of EUR 100 million in Morocco and the other funded under the Madad Trust Fund in Jordan for EUR 55 million.

⁽⁸⁾ This row includes the six budget support programmes funded under the EU Emergency Trust Fund for Africa for a total of EUR 363.9 million in Burkina Faso, Chad, Ethiopia, Mauritania, Niger and Somalia, respectively.

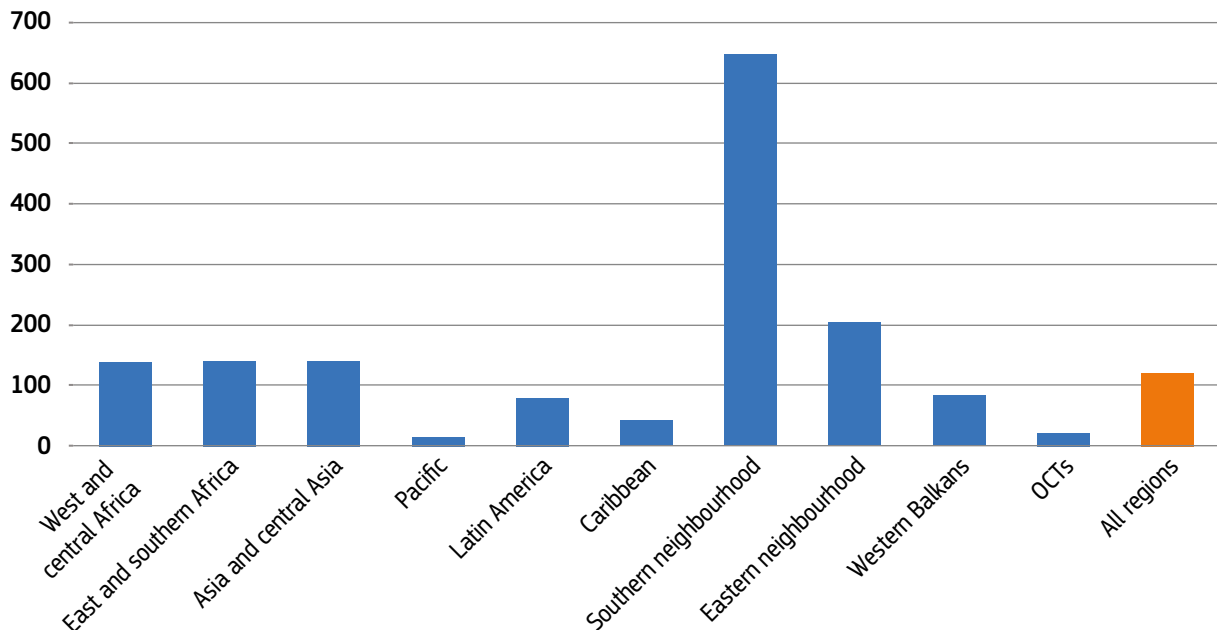
Sub-Saharan Africa (36 %) remains the largest recipient of budget support, followed by the European neighbourhood (32 %), Asia / central Asia (16 %), Latin America (6 %), the Caribbean (3 %), the western Balkans (4 %), OCTs (2 %) and the Pacific region (1 %).

FIGURE 5. Share of total budget support by region



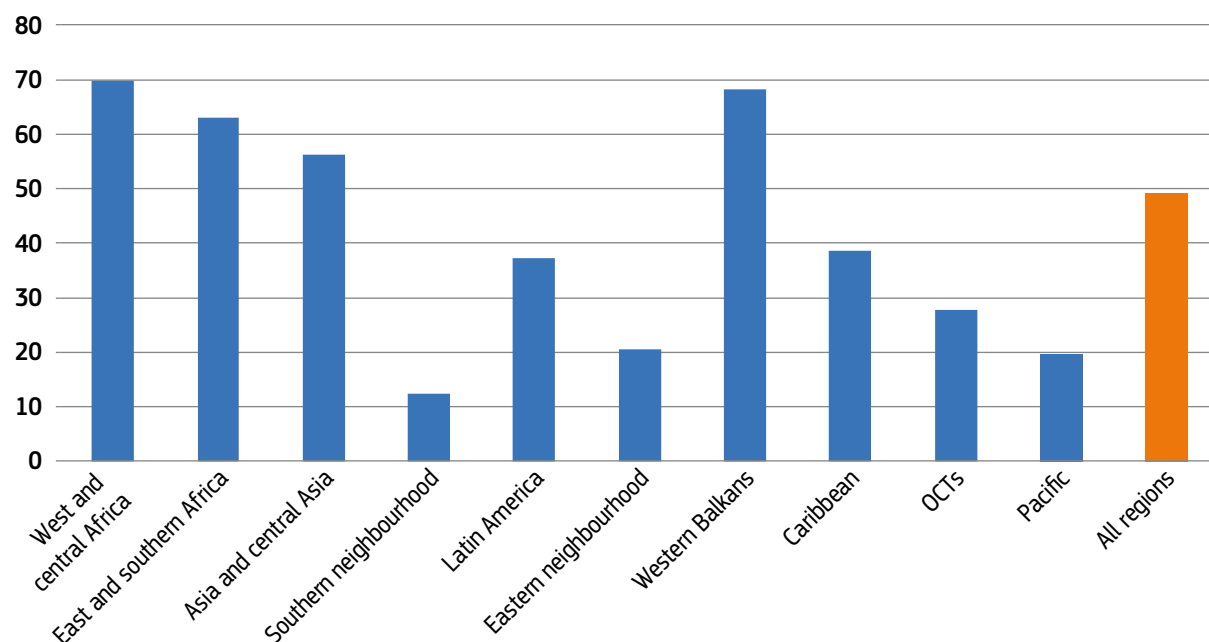
The average amount of total budget support commitments per country is about EUR 119 million, with substantial differences across regions. On average, there are about 2.4 budget support contracts per recipient country. Commitments are particularly large in the ENI – South, where EU official development assistance is high and concentrated on four countries and where a significant share is delivered through budget support (in Morocco and Tunisia, particularly).

FIGURE 6. Average size of country budget support portfolios in each region (in million EUR)



The largest budget support contracts were provided in sub-Saharan Africa, with an average of around EUR 70 million per contract compared to EUR 12 million for the southern neighbourhood. The larger size of contracts in sub-Saharan Africa relates to the concentration of general budget support contracts in this region, which are generally larger.

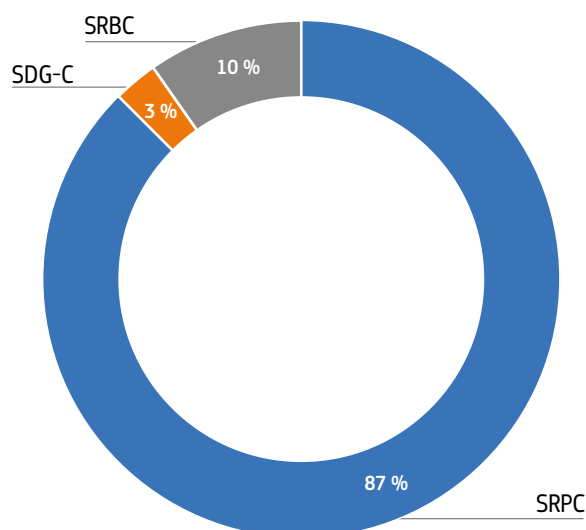
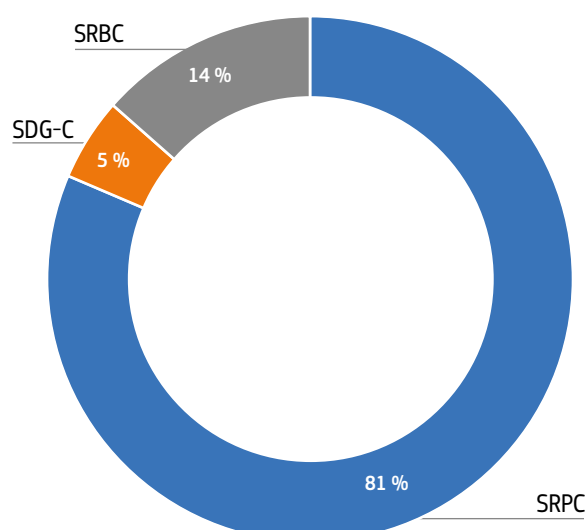
FIGURE 7. Average size of budget support contracts in each region (in million EUR)



On average, SDG-Cs and SRBCs amount to EUR 90 million and EUR 68 million, respectively, compared to EUR 45 million for SRPCs. The average size of a budget support contract is EUR 49 million.

Type of contract	Number of ongoing budget support contracts	Amount of budget support commitment (in million EUR)	Average size (in million EUR)
SRPC	189	8 646.3	45.7
SDG-C	6	540.6	90.1
SRBC	21	1 432.7	68.2
All	216	10 619.5	49.2

Most budget support programmes are SRPCs, which accounted for 87 % of the total number of operations. Due to their relatively smaller size, they represent only 81 % of ongoing commitments.

FIGURE 8. Types of budget support (as a percentage of all contracts)**FIGURE 9.** Types of budget support (as a percentage of total commitments)

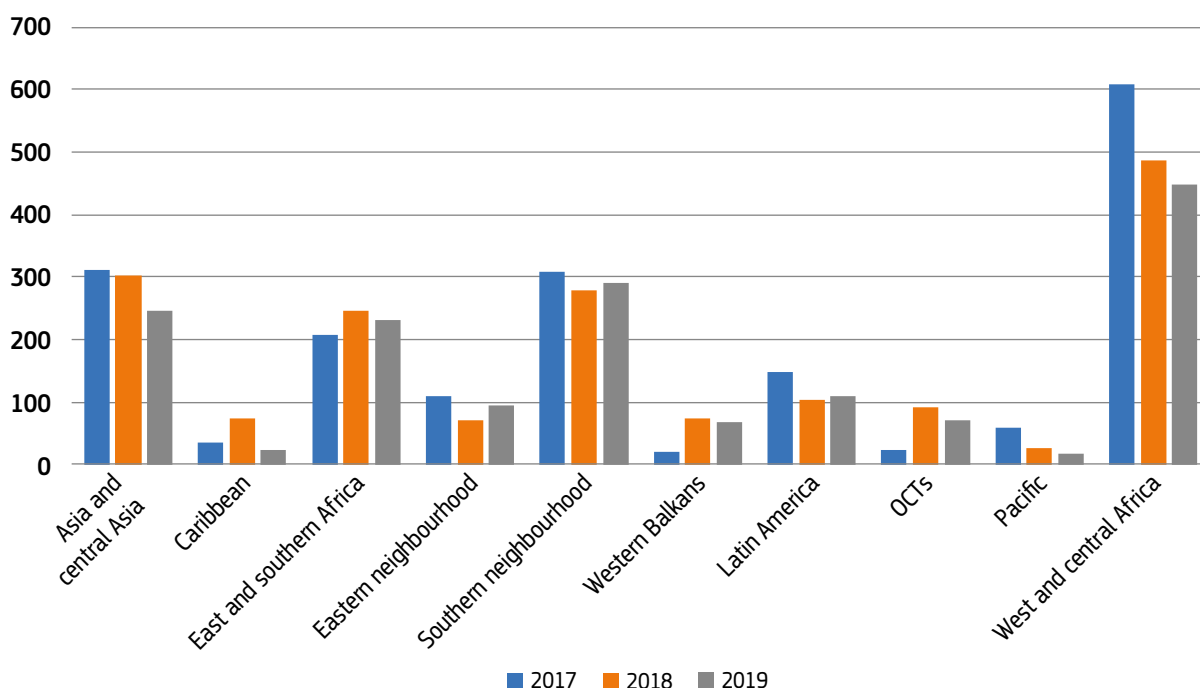
2. Disbursements

In 2019, EUR 1.6 billion was disbursed through budget support, amounting to about 16 % of total official development assistance payments by the Directorate-General for International Cooperation and Development and the Directorate-General for Neighbourhood and Enlargement Negotiations of the European Commission.

Region/instrument	Budget support disbursements 2014–2019 (in million EUR)					
	2014	2015	2016	2017	2018	2019
Asia and central Asia	107	164	204	312	302	246
Caribbean	127	77	98	36	75	24
East and southern Africa	218	279	141	208	247	230
Eastern neighbourhood	345	84	213	109	70	95
Southern neighbourhood	243	249	303	307	280	291
Western Balkans	0	0	35	21	75	69
Latin America	58	126	150	147	102	109
OCTs	34	41	57	23	93	70
Pacific	16	26	20	58	25	17
West and central Africa	459	542	508	609	488	449
Total ENI	588	333	516	416	350	386
Total Development Cooperation Instrument	165	411	462	533	449	355
Total European Development Fund and EU Emergency Trust Fund for Africa	854	844	716	860	882	790
Total IPA			35	21	75	69
Total	1 607	1 588	1 729	1 830	1 756	1 600

Disbursements have ranged between EUR 1.5 billion and EUR 1.8 billion for the last 6 years with 2019 disbursements being at the lower end of the range. West and central Africa remained the first recipient regions. In 2020, disbursements should reach unprecedented levels due to additional funds provided to countries to help them cope with the COVID-19 crisis. These are estimated to amount to EUR 3.5 billion in 2020.

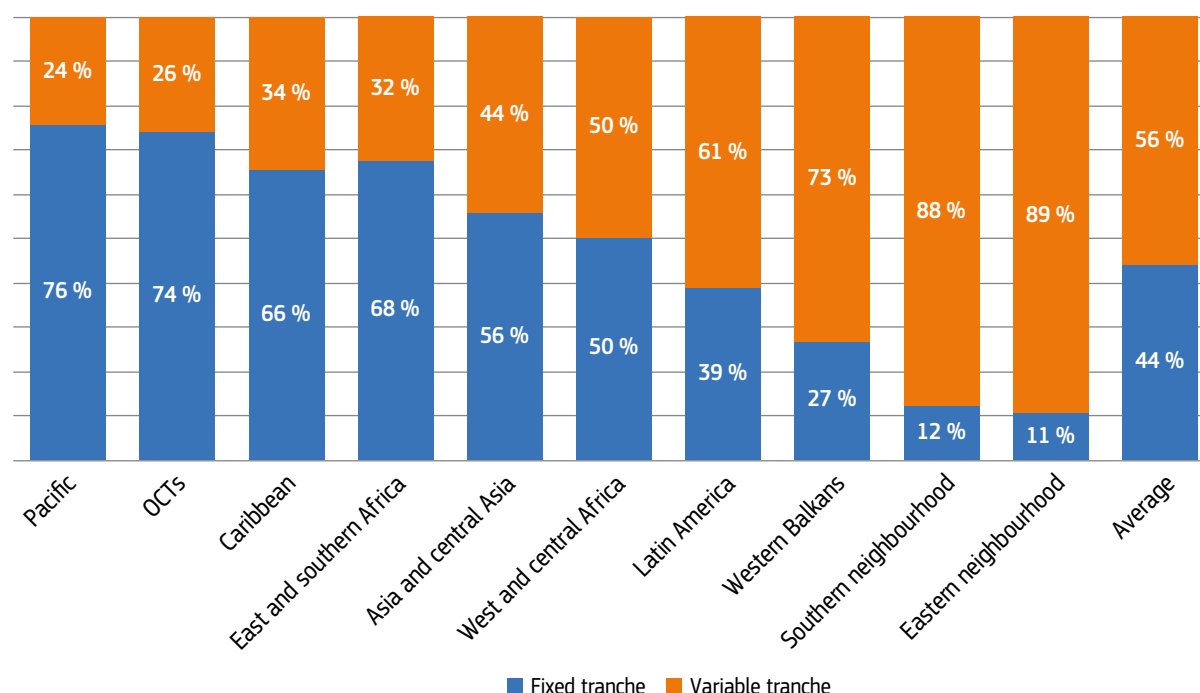
FIGURE 10. Budget support disbursements from 2017 to 2019 per region (in million EUR)



3. Fixed and variable tranches

In 2019, on average, programmes consisted more of variable tranches than of fixed ones, with a split of 56 % and 44 % respectively. Variable tranches remain largest in the European neighbourhood and in Latin America, while the high share of fixed tranches in OCTs, the Pacific and the Caribbean illustrates the need to smoothen large domestic revenue fluctuations affecting these small countries and territories. In sub-Saharan Africa, budget support programmes have been characterised by a higher share of fixed tranches. However, the decision on whether to make disbursements remains strongly linked to performance, which is measured through eligibility criteria and progress on policies.

FIGURE 11. Average share of fixed and variable tranches in total disbursements for 2019 (per region and globally)

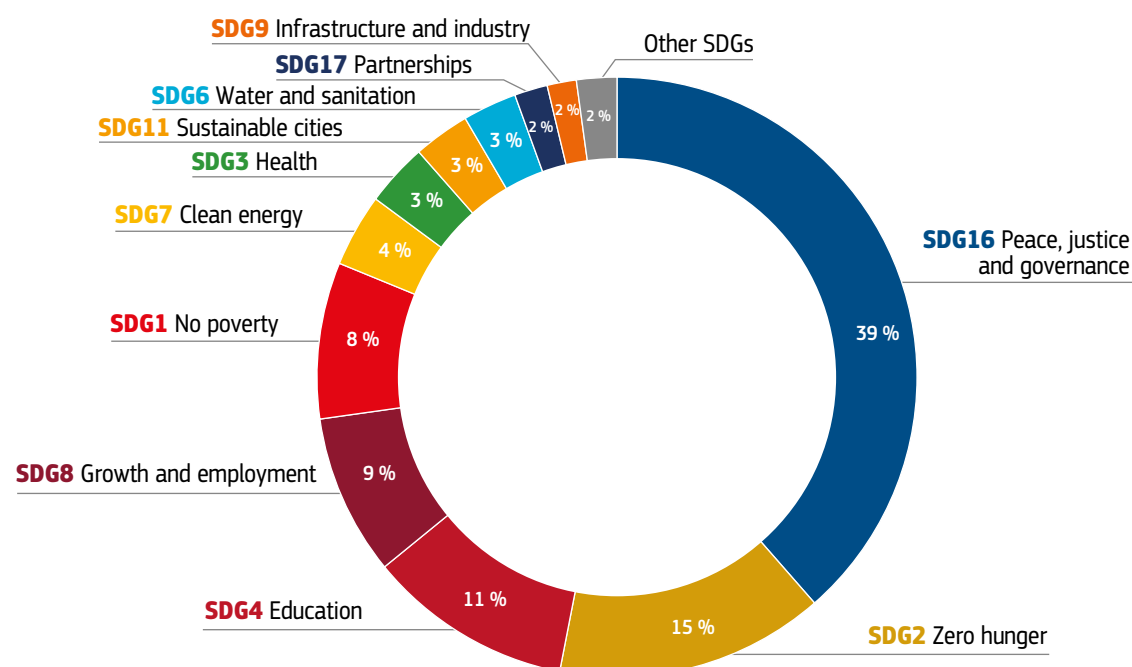


Variable tranches, based on jointly agreed performance indicators, can offer an incentive to focus dialogue and monitoring/evaluation on key reforms or expected results. This should reinforce and support a broader political and policy dialogue and performance assessment, beyond selected indicators, and sustain partners' commitments and engagement. While deciding on the size of the variable tranche, the particularities of fragile countries have to be taken into account, as does the predictability principle, but disbursements remain linked to progress towards accountability on public finance management and policy results.

4. Distribution by SDG and country income group

When looking at the 199 budget support contracts approved and implemented between 2014 and 2019, SDG 16 (peace, justice and strong institutions, encompassing public finance management and public administration reform), SDG 2 (zero hunger), SDG 4 (quality education), SDG 8 (decent work and economic growth) and SDG 1 (no poverty) top the list of focal SDGs.

FIGURE 12. Distribution by main SDG of the budget support contracts between 2014 and 2019 as a percentage of the total portfolio

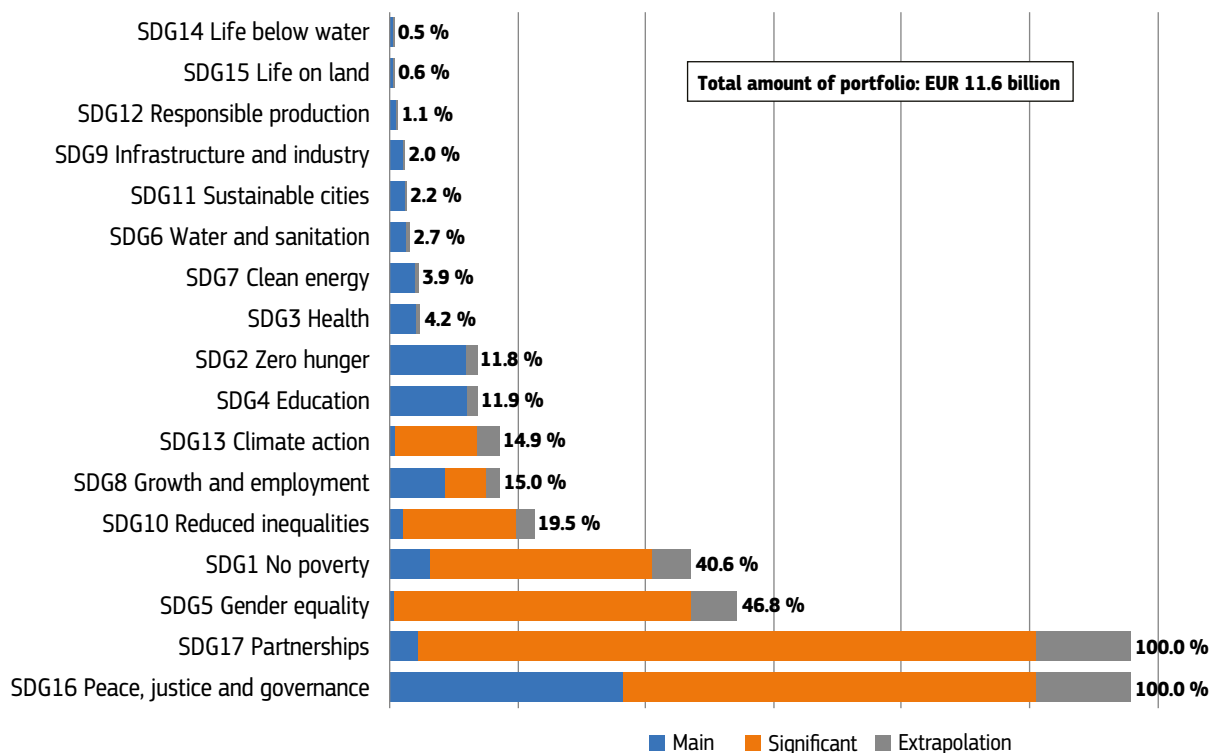


However, this distribution must be handled with care. EU budget support contracts are not sector-exclusive and there are many interlinkages between the SDGs. This is particularly true for general budget programmes such as SDG-Cs and SRBCs, which by definition have a multidimensional scope covering several SDGs. Furthermore, SRPCs often contribute to more than one SDG. For instance, 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 and SDG 15. An energy programme will typically contribute to SDG 13.

Therefore, a more granular approach – looking at the various SDGs covered respectively by the programme's general conditions, by specific variable tranche indicators and/or by the additional component for capacity development – provides a more comprehensive picture of the EU budget support contribution to each SDG. This makes it possible to highlight the fact that close to 50 % of EU budget support programmes contribute mainly or significantly to gender equality (SDG 5).

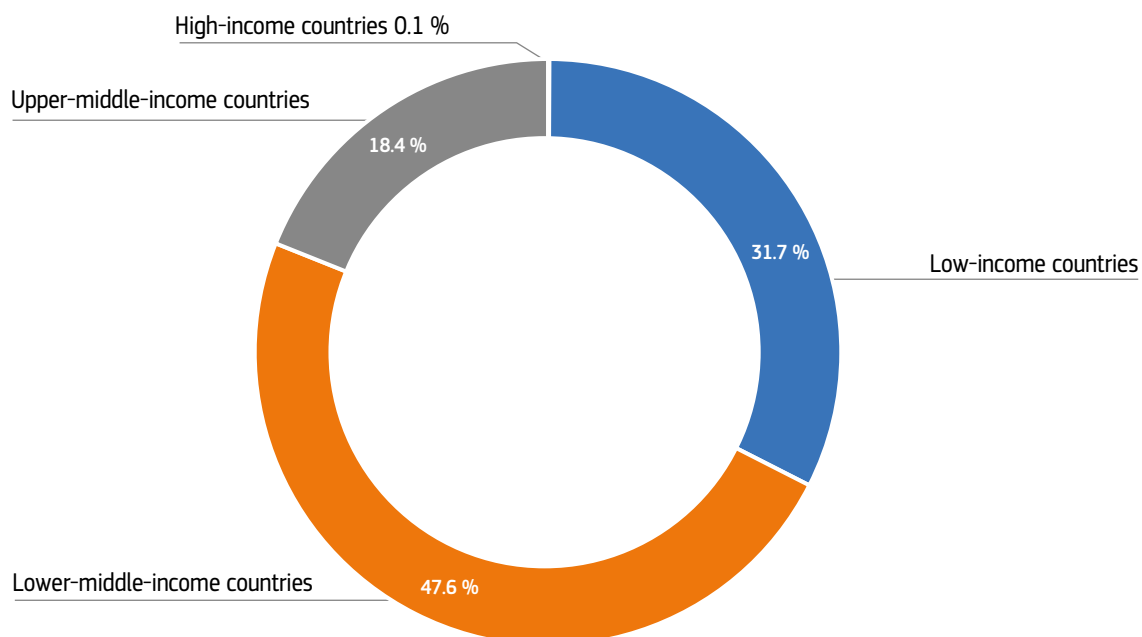
It also takes into account the fact that, through their systematic focus on public finance management, DRM, fiscal transparency and macroeconomic stability, all budget support contracts promote progress on SDGs 16 and 17.

FIGURE 13. Relative contribution of the EU budget support 2014–2019 portfolio to each SDG



By country group, lower-middle-income countries are the largest beneficiaries of budget support, representing 47 % of the total ongoing commitments. In this category, Morocco is the first recipient of budget support, with around 10 % of the portfolio. Nonetheless, low-income countries account for close to 32 % of total commitments. Altogether, **45 % of all budget support commitments and payments are made in least-developed countries** ⁽⁹⁾.

FIGURE 14. Distribution of the EU budget support portfolio by country income group



⁽⁹⁾ The list of least-developed countries is set out at United Nations level and reviewed every 3 years. Least-developed countries are not necessarily only low-income countries. To date, the list includes 47 countries (see <https://www.un.org/development/desa/dpad/least-developed-country-category.html>).

Annex 1 – Selected country indicators

Western and eastern Africa																			
2019	Benin	Burkina Faso	Cape Verde	Ethiopia	Gambia	Ghana	Guinea	Côte d'Ivoire	Kenya	Liberia	Mali	Mauritania	Niger	Senegal	Sierra Leone	Somalia	Tanzania	Togo	
Financial Implementation	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	
Number of budget support contracts	3	6	1	3	1	2	1	2	1	1	2	1	1	4	3	1	1	2	1
New commitments (in million EUR)	—	25.0	—	36.0	50.0	40.0	—	—	26.0	—	—	25.0	—	—	—	—	—	—	33.0
Total commitments (in million EUR)	253.5	484.2	74.0	251.0	50.0	85.0	95.1	130.3	26.0	27.0	250.0	25.0	470.0	132.9	78.5	107.4	205.0	33.0	
SDG-C	114.0	135.2	74.0	—	—	40.0	—	89.3	—	—	—	—	—	88.0	—	—	—	—	—
SRBC	—	105.0	—	—	50.0	—	95.1	—	—	27.0	170.0	25.0	180.0	—	78.5	107.4	—	—	33.0
SRPC	139.5	244.0	—	251.0	—	45.0	—	41.0	26.0	—	80.0	—	290.0	44.9	—	—	205.0	—	—
Sectors	Governance, rural and local development, economic and nutrition, security	State building and resilience, health, water and sanitation, rural development and nutrition, security	Competitiveness, gender development, employment	Climate change, health, economic development, employment	State building and resilience	Investment climate and business environment	State building and resilience	Economic and financial governance, rural development	Accountability and service delivery	State building and resilience	State building and resilience	Security and migration, public finance management	State building and resilience, rural development and nutrition, education	State building and resilience, water and sanitation, economic and financial governance	State building and resilience	State building and resilience	State building and resilience	Economic and financial governance, rural development	State building and resilience
Disbursed (in million EUR)	—	91.1	14.7	67.1	22.0	15.9	19.0	13.4	—	5.8	69.8	11.6	69.3	16.1	21.0	26.4	52.1	16.0	16.0
Poverty reduction and inclusive growth	2015	2014	2015	2015	2015	2016	2012	2015	2015	2017	2009	2014	2014	2011	2018	N.A.	2017	2015	2015
Poverty headcount ratio at \$1.90 a day (2011 purchasing power parity) (% of population)	49.6	43.8	3.4	32.6	10.3	13	36.1	29.8	37.1	44.4	50.3	6	45.4	38.5	43	N.A.	49.4	51.1	51.1
Poverty headcount ratio at \$3.20 a day (2011 purchasing power parity) (% of population)	76.3	76.7	15.4	70.5	38.4	30.1	70.9	59.1	66.5	75.6	79.8	24.1	77.2	68.4	76	N.A.	76.8	74.2	74.2
Income share held by lowest 20 %	3.2	8.3	5.7	7.3	7.4	4.7	7.6	5.7	6.2	7.2	8	7.5	7.8	6.1	7.9	N.A.	6.9	5	5
Gini index (World Bank estimate)	47.8	35.3	42.4	35	35.9	43.5	33.7	41.5	40.8	35.3	33	32.6	34.3	40.3	35.7	N.A.	40.5	43.1	43.1

Western and eastern Africa																																						
2019	Benin		Burkina Faso		Cape Verde		Ethiopia		Gambia		Ghana		Guinea		Côte d'Ivoire		Kenya		Liberia		Mali		Mauritania		Niger		Senegal		Sierra Leone		Somalia		Tanzania		Togo			
	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019				
Real GDP growth (%)	6.9	5.7	5.7	6.5	9.0	6.5	5.6	5.6	6.5	6.5	5.4	-2.5	5.1	5.9	5.9	5.9	5.9	5.4	5.3	5.4	2.9	7.0	0.05															
Open Budget Index	49	31	N.A.	N.A.	4	54	N.A.	34	50	38	38	38	N.A.	17	46	39	3	17	N.A.																			
Control of corruption	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019		
World Governance Indicators - Corruption	-0.32	-0.19	0.87	-0.41	-0.29	-0.08	-0.90	-0.53	-0.78	-0.88	-0.70	-0.86	-0.55	0.05	-0.41	0.05	-0.41	0.05	-0.41	0.05	-0.41	0.05	-0.41	0.05	-0.41	0.05	-0.41	0.05	-0.41	0.05	-0.41	0.05	-0.41	0.05	-0.41	0.05	-0.41	
Macroeconomic management, DRM	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	
General government gross debt (% GDP)	41.2	42.7	125.0	37.9	57.6	62.8	34.5	37.8	62.10	53.3	40.5	58.1	41.7	64.1	70.0	N.A.	38.2	70.9																				
Reserve coverage (months of imports)	3.3	2.7	8.8	3.5	2.2	3.6	2.5	3.5	6.1	2.3	2.8	3.72	2.0	3.8	3.9	N.A.	5.8	1.0																				
General government net lending/borrowing (% GDP)	-0.5	-3.5	-1.8	-2.3	-2.5	-7.3	-0.5	-2.3	-7.7	-4.5	-1.7	2.8	-3.6	-3.8	-2.7	N.A.	-1.7	2.1																				
General government expenditure (% GDP)	14.6	23.9	31.2	17.3	15.3	21.1	14.6	17.3	25.4	32.6	23.1	18.5	21.6	24.0	20.3	N.A.	16.4	21.2																				
Current account balance (% GDP)	-4.3	-4.8	0.3	-2.7	-5.3	-2.7	-13.7	-2.6	-5.8	-21.5	-4.2	-10.6	-12.6	-7.7	-13.5	-10.5	-2.3	-4.3																				
Revenue excluding grants (% GDP)	12.9	18.9	26.2	11.5	21.0	13.5	13.7	14.2	17.5	13.9	19.5	19.7	11.2	18.6	14.3	N.A.	14.1	19.5																				

Central and southern Africa																			
2019	Botswana		Cameroon		Central African Republic		Chad		Namibia		Rwanda		São Tomé and Príncipe		South Africa		Uganda		
	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	
Financial implementation																			
Number of budget support contracts	1	1	1	3	2	2	1	1	1	2	2	1	1	1	8	1	1	1	
New commitments (in million EUR)	13.0	—	—	15.0	54.0	54.0	—	—	—	—	—	—	—	—	10.0	—	—	—	
Total commitments (in million EUR)	13.0	146.0	146.0	89.0	64.0	64.0	27.0	27.0	27.0	381.0	381.0	24.3	24.3	182.4	182.4	66.0	66.0	66.0	
SDG-C	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
SRBC	—	—	—	64.0	64.0	64.0	—	—	—	—	—	—	—	—	—	—	—	—	
SRPC	13.0	146.0	146.0	25.0	—	—	27.0	27.0	27.0	381.0	381.0	24.3	24.3	182.4	182.4	66.0	66.0	66.0	
Sectors																			
	Education	Rural development	State building and resilience, security	State building and resilience	Education	Agriculture, energy	Water and sanitation	Trade, competitiveness, innovation, gender, education, employment	Justice										
Disbursed (in million EUR)	2.0	35.0	25.7	—	4.6	42.2	3.0	16.0	20.0										
Poverty reduction and inclusive growth																			
Poverty headcount ratio at \$1.90 a day (2011 purchasing power parity) (% of population)	14.5	0.2	65.9	38.1	13.8	56.5	35.6	18.7	41.5										
Poverty headcount ratio at \$3.20 a day (2011 purchasing power parity) (% of population)	36.5	0.5	82.9	66.3	30.3	80.3	65.4	37.3	69.8										
Income share held by lowest 20 %	3.9	7.1	3.3	4.9	2.8	6	3.9	2.4	6.1										
Gini index (World Bank estimate)	53.3	33.3	56.2	43.3	59.1	43.7	56.3	63	42.8										
Real GDP growth (%)																			
	3.0	3.9	3.0	3.0	-1.0	9.4	1.3	0.2	6.7										
Open Budget Index																			
	38	28		14	51	39	24	38	58										
Control of corruption																			
World Governance Indicators - Corruption	0.71	-1.21	-1.23	-1.42	0.37	0.56	0.22	0.08	-1.17										
Macroeconomic management, DRM																			
General government gross debt (% GDP)	15.1	42.7	47.2	44.3	54.7	51.4	73.1	62.2	38.2										
Reserve coverage (months of imports)	13.8	5.8	6.0	0.8	2.7	5.7	3.5	8.2	4.4										
General government net lending/borrowing (% GDP)	-6.3	-3.3	1.4	-0.2	-5.9	-5.2	-1.8	-6.3	-5.0										
General government expenditure (% GDP)	33.3	19.1	16.9	14.4	38.5	28.8	24.3	35.3	18.7										
Current account balance (% GDP)	-7.6	-4.4	-4.9	-4.9	-2.3	-9.2	-12.5	-3.0	-6.5										
Revenue excluding grants (% GDP)	26.2	15.2	8.7	12.6	32.3	19.5	14.8	29.1	12.8										

Latin America									
2019	Bolivia	Colombia	Ecuador	El Salvador	Guatemala	Honduras	Paraguay	Peru	
Financial implementation	2019	2019	2019	2019	2019	2019	2019	2019	2019
Number of budget support contracts	5	2	1	2	1	3	2	1	
New commitments (in million EUR)	350	180	—	—	—	320	480	—	
Total commitments (in million EUR)	1730	498	260	1040	210	1259	950	400	
SDG-C	—	—	—	—	—	—	—	—	
SRBC	—	—	—	—	—	—	—	—	
SRPC	1730	498	260	1040	210	1259	950	400	
Sectors	Rural development, nutrition, fight against drugs, water and sanitation	Rural development, competitiveness	Earthquake recovery	Security, social protection	Rural development	Employment, nutrition	Social protection, education	Social protection	
Disbursed (in million EUR)	271	13.1	80	22.1	2.0	22.4	14.0	—	
Poverty reduction and inclusive growth	2018	2018	2018	2018	2014	2018	2018	2018	
Poverty headcount ratio at \$1.90 a day (2011 purchasing power parity) (% of population)	4.5	4.2	3.3	1.5	8.8	16.9	1.4	2.7	
Poverty headcount ratio at \$3.20 a day (2011 purchasing power parity) (% of population)	10.5	11.1	9.7	7.9	24.4	30.6	5.8	8.5	
Income share held by lowest 20 %	4.6	4	4.6	6.2	4.5	3	4.7	4.9	
Gini index (World Bank estimate)	42.2	50.4	45.4	38.6	48.3	52.1	46.2	42.8	
Real GDP growth (%)	2019	2019	2019	2019	2019	2019	2019	2019	
	2.2	3.3	0.1	2.4	3.8	2.7	0.0	2.2	
Open Budget Index	2019	2019	2019	2019	2019	2019	2019	2019	
	12	47	38	46	65	59	46	76	
Control of corruption	2019	2019	2019	2019	2019	2019	2019	2019	
World Governance Indicators - Corruption	-0.74	-0.23	-0.50	-0.55	-0.90	-0.81	-0.83	-0.45	
Macroeconomic management, DRM	2019	2019	2019	2019	2019	2019	2019	2019	
General government gross debt (% GDP)	590	52.3	51.8	69.4	26.6	40.3	26.1	27.1	
Reserve coverage (months of imports)	7.7	12.4	1.5	5.2	9.3	6.0	9.1	19.7	
General government net lending/borrowing (% GDP)	-7.2	-2.5	-3.2	-3.1	-2.3	0.1	-3.9	-1.4	
General government expenditure (% GDP)	36.1	31.9	36.6	25.2	13.5	25.7	23.3	21.3	
Current account balance (% GDP)	-3.3	-4.2	-0.1	-2.1	2.4	-1.4	-1.0	-1.4	
Revenue excluding grants (% GDP)	28.8	29.4	33.4	21.8	11.3	25.1	19.4	19.9	

Caribbean										
	Barbados	Dominica	Dominican Republic	Grenada	Guyana	Haiti	Jamaica	Saint Kitts and Nevis		
	2019	2019	2019	2019	2019	2019	2019	2019		
Financial implementation										
Number of budget support contracts	1	2	4	1	1	1	5	1		
New commitments (in million EUR)	—	—	5.0	—	—	—	20.0	—		
Total commitments (in million EUR)	3.0	22.2	53.0	3.3	30.0	120.0	93.8	5.0		
SDG-C	—	—	—	—	—	—	—	—		
SRBC	—	19.6	—	—	—	120.0	—	—		
SRPC	3.0	2.6	53.0	3.3	30.0	—	93.8	5.0		
Sectors										
	Energy	Hurricane recovery, energy	Vocational education and training, gender, public administration reform, public finance management	Health	Climate change	State building and resilience	Justice, security, public finance management, climate change	Energy		
Disbursed (in million EUR)	1.4	6.7	10.4	1.5	—	—	3.6	—		
Poverty reduction and inclusive growth	N.A.	N.A.	2018	N.A.	N.A.	2012	2004	N.A.		
Poverty headcount ratio at \$1.90 a day (2011 purchasing power parity) (% of population)	N.A.	N.A.	0.4	N.A.	N.A.	24.5	1.7	N.A.		
Poverty headcount ratio at \$3.20 a day (2011 purchasing power parity) (% of population)	N.A.	N.A.	2.6	N.A.	N.A.	50.3	8.9	N.A.		
Income share held by lowest 20 %	N.A.	N.A.	5.8	N.A.	N.A.	5.5	5.3	N.A.		
Gini index (World Bank estimate)	N.A.	N.A.	43.7	N.A.	N.A.	41.1	45.5	N.A.		
	2019	2019	2019	2019	2019	2019	2019	2019		
Real GDP growth (%)	-0.1	8.4	5.1	3.0	5.4	-1.2	0.9	2.8		
	2019	2019	2019	2019	2019	2019	2019	2019		
Open Budget Index	N.A.	N.A.	75	N.A.	N.A.	N.A.	42	N.A.		
	2019	2019	2019	2019	2019	2019	2019	2019		
Control of corruption										
World Governance Indicators - Corruption	1.26	0.53	-0.76	0.34	-0.09	-1.34	-0.06	0.39		
	2019	2019	2019	2019	2019	2019	2019	2019		
Macroeconomic management, DRM										
General government gross debt (% GDP)	122.2	85.7	53.8	59.1	39.8	47.7	93.9	56.2		
Reserve coverage (months of imports)	5.2	8.2	5.1	5.7	1.6	5.5	7.3	9.1		
General government net lending/borrowing (% GDP)	3.8	-8.8	-2.2	5.0	-2.6	-2.3	0.9	-1.0		
General government expenditure (% GDP)	27.4	45.7	16.6	21.6	28.4	14.4	29.6	39.9		
Current account balance (% GDP)	-3.1	-27.2	-1.4	-15.8	-33.9	-1.4	-2.0	-2.1		
Revenue excluding grants (% GDP)	30.0	33.7	14.4	23.7	24.7	10.8	30.4	38.0		

Asia and central Asia																									
2019	Afghanistan		Bangladesh		Bhutan		Cambodia		Kyrgyzstan		Laos		Mongolia		Myanmar		Nepal		Pakistan		Uzbekistan		Vietnam		
	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	
Financial implementation																									
Number of budget support contracts	2	3	3	3	5	4	4	4	4	4	2	2	1	2	3	3	3	3	3	3	1	1	1	1	
New commitments (in million EUR)	100.0	—	—	—	1.8	238	500	508	1120	23.3	508	1120	508	1120	23.3	508	1120	23.3	508	1120	40.0	40.0	—	—	
Total commitments (in million EUR)	211.1	3375	48.8	3375	1638	789	1120	508	3330	124.8	792	40.0	108.0	—	—	—	—	—	—	—	—	—	—	—	
SDG-C	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
SRBC	211.1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
SRPC	—	3375	48.8	3375	1638	789	1120	508	3330	124.8	792	40.0	108.0	—	—	—	—	—	—	—	—	—	—	—	
Sectors																									
State building and resilience	97.5	—	9.5	28.3	8.1	18.8	—	35.0	16.8	9.4	—	23.0	—	—	—	—	—	—	—	—	—	—	—	—	
Disbursed (in million EUR)	N.A.	2016	2017	N.A.	2018	2012	2018	2017	2010	2015	2003	2018	2018	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2018	
Poverty reduction and inclusive growth	N.A.	14.5	1.5	N.A.	0.6	21.2	0.5	1.4	15	4	61.6	1.9	—	—	—	—	—	—	—	—	—	—	—	—	
Poverty headcount ratio at \$1.90 a day (2011 purchasing power parity) (% of population)	N.A.	52.5	12.2	N.A.	10.9	56.8	5.2	15	50.8	35.1	86.2	6.8	—	—	—	—	—	—	—	—	—	—	—	—	
Poverty headcount ratio at \$3.20 a day (2011 purchasing power parity) (% of population)	N.A.	8.6	6.7	N.A.	9.9	7.6	7.9	8.9	8.3	8.9	7.4	6.7	—	—	—	—	—	—	—	—	—	—	—	—	
Income share held by lowest 20 %	N.A.	32.4	37.4	N.A.	27.7	36.4	32.7	30.7	32.8	33.5	35.3	35.7	—	—	—	—	—	—	—	—	—	—	—	—	
Gini index (World Bank estimate)	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	
Real GDP growth (%)	3.9	8.2	3.8	7.0	4.5	5.2	5.1	6.5	7.1	1.9	5.6	7.0	—	—	—	—	—	—	—	—	—	—	—	—	
Open Budget Index	50	36	N.A.	32	63	N.A.	56	28	41	28	N.A.	N.A.	—	—	—	—	—	—	—	—	—	—	—	—	
2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	
Control of corruption	—	1.40	—	0.99	1.62	—	1.06	—	0.63	—	1.05	—	—	—	—	—	—	—	—	—	—	—	—	—	
World Governance Indicators - Corruption	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	
Macroeconomic management, DRM	6.1	35.8	104.4	28.6	54.1	62.6	N.A.	38.8	30.1	85.6	29.3	43.4	—	—	—	—	—	—	—	—	—	—	—	—	
General government gross debt (% GDP)	14.4	6.5	10.1	10.1	5.2	1.6	0.1	0.0	8.7	2.9	15.60	3.8	—	—	—	—	—	—	—	—	—	—	—	—	
Reserve coverage (months of imports)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
General government net lending/borrowing (% GDP)	28.0	15.1	250	230	34.2	20.4	31.7	20.3	30.6	22.0	28.2	22.8	—	—	—	—	—	—	—	—	—	—	—	—	
General government expenditure (% GDP)	11.7	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Current account balance (% GDP)	14.1	97	179	250	31.8	13.8	32.6	160	248	12.9	280	19.5	—	—	—	—	—	—	—	—	—	—	—	—	
Revenue excluding grants (% GDP)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	

Pacific																			
2019	Cook Islands		Kiribati		Marshall Islands		Samoa		Solomon Islands		Timor-Leste		Tonga		Tuvalu		Vanuatu		
	2019	2019	2019	2006	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	
Financial implementation																			
Number of budget support contracts	1	1	1	—	1	1	1	1	1	1	2	1	1	1	1	1	1	1	1
New commitments (in million EUR)	—	—	20.8	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total commitments (in million EUR)	1.4	1.4	20.8	—	9.1	17.1	17.1	17.1	17.4	15.0	15.0	12.0	6.8	25.0	6.8	25.0	25.0	25.0	25.0
SDG-C	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
SRBC	—	—	20.8	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
SRPC	1.4	—	—	—	9.1	17.1	17.1	17.4	15.0	15.0	12.0	6.8	25.0	6.8	25.0	25.0	25.0	25.0	25.0
Sectors	Water and sanitation	State building and resilience	Energy	Water and sanitation	Water and sanitation	Water and sanitation	Water and sanitation	Water and sanitation	Water and sanitation	Water and sanitation	Public finance management	Energy	Waste management	Waste management	Waste management	Waste management	Waste management	Economic development	Economic development
Disbursed (in million EUR)	—	—	2.0	—	2.0	4.1	4.1	2.1	5.9	5.9	1.6	1.3	—	—	—	—	—	—	—
Poverty reduction and inclusive growth	N.A.	N.A.	N.A.	2006	N.A.	2013	2013	2013	2013	2013	2014	2015	2010	2010	2010	2010	2010	2010	2010
Poverty headcount ratio at \$1.90 a day (2011 purchasing power parity) (% of population)	N.A.	N.A.	12.9	—	N.A.	1.1	1.1	25.1	22	22	1	1	3.3	13.2	3.3	13.2	13.2	13.2	13.2
Poverty headcount ratio at \$3.20 a day (2011 purchasing power parity) (% of population)	N.A.	N.A.	34.6	—	N.A.	9.6	9.6	58.8	65.9	65.9	7.5	7.5	17.6	39.4	17.6	39.4	39.4	39.4	39.4
Income share held by lowest 20 %	N.A.	N.A.	6.6	—	N.A.	6.8	6.8	7	9.4	9.4	6.8	6.8	6.6	6.7	6.6	6.7	6.7	6.7	6.7
Gini index (World Bank estimate)	N.A.	N.A.	37	—	N.A.	38.7	38.7	37.1	28.7	28.7	37.6	37.6	39.1	37.6	39.1	37.6	37.6	37.6	37.6
Real GDP growth (%)	N.A.	N.A.	N.A.	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019
Open Budget Index	N.A.	N.A.	N.A.	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019
Control of corruption	N.A.	N.A.	N.A.	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019
World Governance Indicators - Corruption	N.A.	N.A.	N.A.	2019	N.A.	0.64	0.64	-0.01	-0.38	-0.38	-0.35	0.41	-0.26	-0.26	0.41	-0.26	-0.26	-0.26	-0.26
Macroeconomic management, DRM	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019
General government gross debt (% GDP)	N.A.	N.A.	18.3	—	22.6	47.5	47.5	8.9	11.4	11.4	41.3	19.5	45.3	19.5	45.3	45.3	45.3	45.3	45.3
Reserve coverage (months of imports)	N.A.	N.A.	N.A.	—	N.A.	5.1	5.1	10.9	10.6	10.6	8.1	17.0	16.2	17.0	16.2	16.2	16.2	16.2	16.2
General government net lending/borrowing (% GDP)	N.A.	N.A.	15.2	—	0.3	2.7	2.7	-1.7	-32.1	-32.1	3.2	-8.6	4.6	-8.6	4.6	4.6	4.6	4.6	4.6
General government expenditure (% GDP)	N.A.	N.A.	111.1	—	66.0	31.2	31.2	34.0	88.5	88.5	38.5	125.9	38.2	125.9	38.2	38.2	38.2	38.2	38.2
Current account balance (% GDP)	N.A.	N.A.	32.0	—	8.0	2.3	2.3	-9.6	8.2	8.2	-4.8	12.4	13.1	12.4	13.1	13.1	13.1	13.1	13.1
Revenue excluding grants (% GDP)	N.A.	N.A.	101.8	—	33.0	29.7	29.7	26.1	44.1	44.1	23.4	75.7	32.4	75.7	32.4	32.4	32.4	32.4	32.4

2019	Eastern neighbourhood					Southern neighbourhood					Western Balkans				
	Armenia	Georgia	Moldova	Ukraine	Egypt	Jordan	Morocco	Tunisia	Albania	Kosovo	Montenegro	North Macedonia	Serbia		
	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019		
Financial implementation															
Number of budget support contracts	4	8	7	2	3	7	17	11	7	2	2	1	3		
New commitments (in million EUR)	–	1090	–	–	–	1290	265.0	310.0	30.0	–	–	15.0	–		
Total commitments (in million EUR)	54.3	381.6	244.0	132.5	287.3	410.0	1 073.6	818.7	189.6	50.0	35.0	15.0	125.4		
SDG-C	–	–	–	–	–	–	–	–	–	–	–	–	–		
SRBC	–	–	–	–	–	–	–	62.2	–	–	–	–	–		
SRPC	54.3	381.6	244.0	132.5	287.3	410.0	1 073.6	756.5	189.6	50.0	35.0	15.0	125.4		
Sectors															
	Public administration reform, public finance management, employment, human rights	Economic rural and territorial development, trade, police reform, public employment, public finance management	Rural development, trade, police reform, public finance management	Public administration reform, energy	Health, water and sanitation, energy	Waste management, rule of law, economic development, education, support to refugees	Social protection, education, economic development, public administration reform, public finance management, justice	Economic and financial governance, energy, justice, rural development, social inclusion, trade and competitiveness	Public administration reform, employment, public finance management, social inclusion, transport	Public administration reform, public finance management	Border management, public administration reform	Youth	Border management, public administration reform, education		
Disbursed (in million EUR)	–	28.8	53.8	12.1	–	56.7	158.9	75.2	23.4	11.5	6.0	–	28.1		
Poverty reduction and inclusive growth															
Poverty headcount ratio at \$1.90 a day (2011, purchasing power parity) (% of population)	1.4	4.5	0	0	3.8	0.1	0.9	0.2	1.3	0.4	1.4	4.6	5.4		
Poverty headcount ratio at \$3.20 a day (2011, purchasing power parity) (% of population)	9.4	15.5	0.9	0.4	28.9	2	7.3	3	8.2	3.6	8	9	8.9		
Income share held by lowest 20 %	8.1	6.5	10.2	9.9	9	8.2	6.7	7.8	7.5	9.2	5.2	5.6	5.2		
Gini index (World Bank estimate)	34.4	36.4	25.7	26.1	31.5	33.7	39.5	32.8	33.2	29	39	34.2	36.2		
Real GDP growth (%)	7.6	5.1	3.6	3.2	5.6	2.0	2.2	1	2.2	4.0	3.6	3.6	4.2		
Open Budget Index	N.A.	81	57	63	61	61	N.A.	35	55	N.A.	N.A.	41	40		
Control of corruption															
World Governance Indicators - Corruption	-0.18	0.67	-0.62	-0.71	0.13	0.13	-0.28	-0.08	-0.53	-0.55	-0.03	-0.41	-0.45		
Macroeconomic management, DRM															
General government gross debt (% GDP)	49.9	42.6	28.4	50.1	83.8	78.0	65.8	72.3	67.7	17.5	79.3	40.2	52.8		
Reserve coverage (months of imports)	5.6	5.1	6.0	4.9	7.5	9.7	7.3	5.3	8.5	N.A.	N.A.	5.1	6.3		
General government net lending/borrowing (% GDP)	-1.0	-1.8	-1.4	-2.0	-7.4	-6.0	-4.1	-3.9	-2.0	-2.8	-2.4	-2.0	-0.005		
General government expenditure (% GDP)	24.8	28.5	31.4	41.5	27.5	30.3	30.0	31.9	29.4	29.5	45.0	31.2	42.1		
Current account balance (% GDP)	-8.2	-5.1	-8.9	-2.7	-3.6	-2.3	-4.2	-8.5	-7.6	-5.5	-15.2	-2.8	-6.9		
Revenue excluding grants (% GDP)	23.6	25.9	29.2	39.4	20.1	21.8	25.6	27.8	26.9	N.A.	41.7	29.2	41.8		

Annex 2 – Country classifications

Countries with EU budget support contracts (*) (77)			Other EU development assistance recipients (58)				
Low-income countries (19)	Lower-middle-income countries (30)	Upper-middle-income countries (26)	High-income countries (2)	Low-income countries (11)	Lower-middle-income countries (16)	Upper-middle-income countries (28)	High-income countries (3)
▶ Afghanistan	▶ Bangladesh	▶ Albania	▶ Barbados	▶ Burundi	▶ Angola	▶ Algeria	▶ Antigua and Barbuda
▶ Benin	▶ Bhutan	▶ Armenia	▶ Saint Kitts and Nevis	▶ Democratic Republic of the Congo	▶ Comoros	▶ Argentina	▶ Barbuda
▶ Burkina Faso	▶ Bolivia	▶ Botswana		▶ Eritrea	▶ Congo	▶ Azerbaijan	▶ Palau
▶ Central African Republic	▶ Cabo Verde	▶ Colombia		▶ Guinea-Bissau	▶ Djibouti	▶ Belarus	▶ Panama
▶ Chad	▶ Cambodia	▶ Cook Islands		▶ Madagascar	▶ Eswatini	▶ Belize	
▶ Ethiopia	▶ Cameroon	▶ Dominica		▶ Malawi	▶ India	▶ Bosnia and Herzegovina	
▶ Guinea	▶ Côte d'Ivoire	▶ Dominican Republic		▶ Mozambique	▶ Indonesia	▶ Brazil	
▶ Haiti	▶ Egypt	▶ Ecuador		▶ South Sudan	▶ Lesotho	▶ China	
▶ Liberia	▶ El Salvador	▶ Georgia		▶ Syria	▶ Nicaragua	▶ Costa Rica	
▶ Mali	▶ Ghana	▶ Grenada		▶ Tajikistan	▶ Nigeria	▶ Cuba	
▶ Nepal	▶ Honduras	▶ Guatemala		▶ Yemen	▶ Papua New Guinea	▶ Fiji	
▶ Niger	▶ Kenya	▶ Guyana			▶ Philippines	▶ Gabon	
▶ Rwanda	▶ Kiribati	▶ Jamaica			▶ Sudan	▶ Iran	
▶ Sierra Leone	▶ Kyrgyzstan	▶ Jordan			▶ West Bank and Gaza	▶ Iraq	
▶ Somalia	▶ Laos	▶ Kosovo			▶ Zambia	▶ Kazakhstan	
▶ Tanzania	▶ Mauritania	▶ Marshall Islands			▶ Zimbabwe	▶ Lebanon	
▶ The Gambia	▶ Moldova	▶ Montenegro				▶ Libya	
▶ Togo	▶ Mongolia	▶ Namibia				▶ Maldives	
▶ Uganda	▶ Morocco	▶ North Macedonia				▶ Mauritius	
	▶ Myanmar/Burma	▶ Paraguay				▶ Mexico	
	▶ Pakistan	▶ Peru				▶ Sri Lanka	
	▶ São Tomé and Príncipe	▶ Samoa				▶ Saint Lucia	
	▶ Senegal	▶ Serbia				▶ Saint Vincent and the Grenadines	
	▶ Solomon Islands	▶ South Africa				▶ Suriname	
	▶ Timor-Leste	▶ Tonga				▶ Thailand	
	▶ Tunisia	▶ Tuvalu				▶ Turkey	
	▶ Ukraine					▶ Turkmenistan	
	▶ Uzbekistan					▶ Venezuela	
	▶ Vanuatu						
	▶ Vietnam						

(*) OCTs are not included in the table, due to the difficulty of assigning them to an income group. The 12 OCTs that received EU budget support in 2019 were Anguilla; Bonaire; the Falkland Islands; French Polynesia; Greenland; Montserrat; New Caledonia; Pitcairn Islands; Saint Helena; Saint Pierre and Miquelon; the Turks and Caicos Islands; and Wallis and Futuna.

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