



Mapping EU development aid to Central Asia

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EUCAM Factsheet 1

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Abbreviations

DCI	Development Cooperation Instrument
EC	European Commission
EBRD	European Bank for Reconstruction and Development
EIB	European Investment Bank
EIDHR	European Instrument for Democracy and Human Rights
EU	European Union
IfS	Instrument for Stability
NSA-LA	Non-State Actors and Local Authorities in Development
NSCI	Nuclear Safety Co-operation Instrument
OSCE	Organisation for Security and Cooperation in Europe
PFM	Public Finance Management
SME	Small and Medium-Size Enterprises
SPSP	Sector Policy Support Programme
TACIS	Technical Assistance to Commonwealth Independent States
UN	United Nations

Introduction

This collection of factsheets provides an overview of European Union (EU) aid allocations to Central Asia (2007-13) through various geographical and regional instruments and programmes. The information below offers a succinct description of EU funding instruments, followed by specific regional and national EU allocations to Central Asia. The figures presented concern only EU instruments and programmes, and exclude aid and financial support provided through bilateral development cooperation from EU member states or through the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB).

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The information herein is based on EUCAM desk research and a series of interviews conducted with EU officials in Brussels and in Central Asia. In this context, the figures are 'our facts' and might occasionally deviate slightly from official EU statistics. The European Commission's (EC) Directorate General Development and Cooperation – the EU's main implementing body – provides in the publication 'European Union – Central Asia Development Cooperation' basic information on the priorities of the Development Cooperation Instrument (DCI) in Central Asia, overall figures and percentages. Our overview goes a step further, by identifying specific annual budgetary commitments and aid allocations to projects, programmes and sector budget support through various EU instruments and programmes, while indicating which allocations fall under which instruments. We refer to the EUCAM working paper 'EU Assistance to Central Asia: back to the drawing board' for analyses on the matter.

The aim of this publication is twofold. First, EUCAM's core task is to monitor European policies towards Central Asia: EU development aid is a cornerstone of the broader European engagement in the region. This overview seeks to provide additional transparency on the use of European taxpayers' money for EU development aid in Central Asia. We hope that these factsheets will be a useful source of information for policy-makers, elected

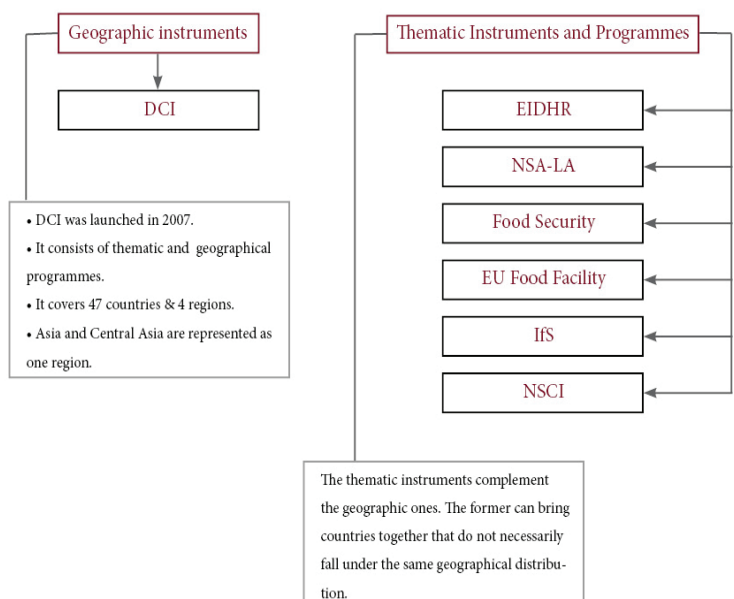
representatives, media and the broader public in the EU and Central Asia. Second, these factsheets can serve as a tool for researchers working on Europe-Central Asia relations or broader EU development aid studies. While EUCAM will make use of these figures, we hope that it will also inform European, Central Asian and other academic and policy-oriented research.

These factsheets will be updated on a regular basis. With the current EU budget cycle 2007-13 coming to an end, we envisage to soon be able to focus on development aid allocated for the period 2014-20 that is currently under consideration in the EU.

1. EU development aid instruments and mechanisms

EU development aid is a complex business. Central Asian countries have been recipients of EU assistance since their independence in the early 1990s. In the past aid was delivered through the Technical Assistance to the Commonwealth of Independent States (TACIS) programme, which in 2007 was replaced by a broader regional instrument, the Development Cooperation Instrument. DCI delivers aid to developing countries and has a broad range of objectives, including poverty reduction, governance and assistance in post-crisis situations to fragile states. Out of the EU programmes and instruments applied to Central Asia, only DCI provides multi-annual indicative programming, which in 2007-10 amounted to €314 million and in 2011-13 to €321 million.

Figure 1
Geographic and Thematic Instruments



In Central Asia, DCI is complemented by several thematic instruments and programmes. The Instrument for Stability (IfS) addresses global security and development challenges, especially in emerging crises and post-crisis countries. The European Instrument for Democracy and Human Rights (EIDHR) provides support to civil society through democracy and human rights-oriented projects. The Non-State Actors and Local Authorities in Development (NSA-LA) aims to support local participation in development and improve governance. The Food Security programme seeks to assist states with extreme poverty levels, while the EU Food Facility programme supports countries that are severely affected by increased food prices. Additionally, Central Asia benefits from an Instrument for a Nuclear Safety Co-operation Instrument (NSCI), primarily targeted at Kyrgyzstan, Tajikistan and Uzbekistan.

EU aid delivery methods to Central Asia could be divided into i) sector budget support; ii) technical assistance (project approach); and iii) support to civil society and non-state actors. In 2007-13, Kyrgyzstan and Tajikistan received the bulk of EU assistance delivered through sector budget support. These funds are targeted for sectoral programmes, mostly focusing on poverty alleviation, health, and pensions.

Allocations are divided into several tranches and each tranche is released subject to reforms implemented by the recipient country in the selected sectors. In Central Asia, under the technical assistance (project approach) the EU provides support for various reforms, from criminal justice to education to public administration reform. Projects are frequently implemented through Western consultancy companies that absorb a large part of the funds available. Some technical assistance funds are also channelled through projects by the Organisation for Security and Cooperation in Europe (OSCE) and United Nations (UN) agencies. Civil society in Kazakhstan, Kyrgyzstan and Tajikistan also has the opportunity to participate in calls for proposals under various programmes.

2. EU regional funding to Central Asia

The EU has three flagship regional programmes in Central Asia: the Rule of Law Initiative (including the Rule of Law Platform), the Education Initiative, and the Environment and Water Initiative. The EU Rule of Law Platform has a budget of €2 million

for a 36-month project (2011-13). The Education Initiative brings together several existing cooperation programmes: Tempus, Erasmus Mundus, Vocational Education and Training, and the Central Asia Research and Education Network. The Environment Initiative focuses on developing integrated water resource management, environmental protection and climate change. Under the regional DCI header, the EU also provides support for border management, transport and other sectors (see tables below).

3. EU bilateral funding to Central Asian countries

The tables below take into account EU allocations in one specific year, while the duration of the project might run over several years. The year indicated is the year in which the financing agreement was signed between the EU and the recipient country. In some instances – for example budget support, under which big sums are committed – the funds are not transferred at once, but are divided over several years in smaller instalments.

Table 1
Regional Cooperation 2007-2010
(all numbers in million EUR)

Sectors	Amount in million €
Education	25
Energy	22
Transport	15
Environment	16.2
Border management	16
Total	94.2

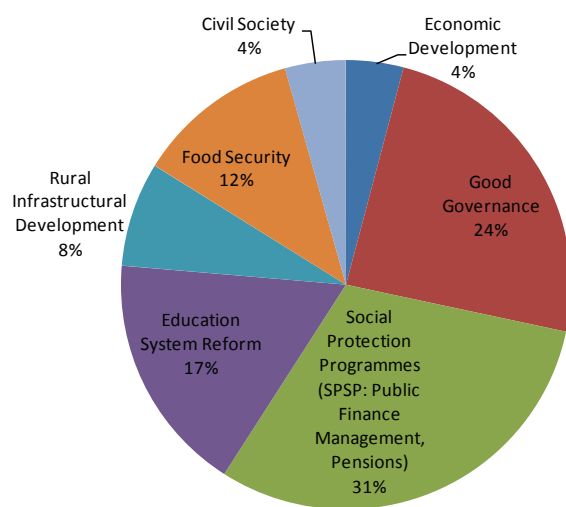
Table 2
Regional Cooperation 2011-2013
(all numbers in million EUR)

Sectors	Amount in million €
Sustainable regional development	50
Education, Science and People-to-People activities	45
Rule of law, border management, customs and the fight against organised crime	10
Nuclear Safety	7
Total	112

3.2. Kyrgyzstan

From 2007 to 2012, the EU committed an estimated €106.15 million to Kyrgyzstan. In addition, €21.11 million were allocated to DCI thematic programmes (Food Security, Food Facility and NSA-LA) and €17.83 million through other instruments (EIHRD and IfS). Kyrgyzstan saw a boost in funds allocated under the IfS instrument after the April 2010 revolution and subsequent ethnic violence in the south of the country in June 2010. From 2007 to 2012, the EU provided estimated €61 million through sector budget support.

Figure 3
EU allocations to Kyrgyzstan in 2007-2013



Under the allocations for civil society, only amounts for NSA-LA and the EIDHR are calculated.

Table 4
Sector-by-sector allocations in 2007-2013
(all numbers in million EUR)

2007-2013 - Kyrgyzstan							
	2007	2008	2009	2010	2011	2012	2013
Development Cooperation Instrument							
Support to economic diversification through improvement of the agro-processing sector	1.6						
Support to prison reform	2.949						
Sector policy support programme, social protection and PFM – Kyrgyzstan 2007-2009		9					
Support to the education sector		5.5					
Support to infrastructural development in rural areas (irrigation)		2.5					
Sector policy support programme: social protection and PFM Kyrgyzstan			9				
Operationalising good governance for social justice			3				
Rural infrastructure development and social reintegration (Fergana Valley part of Kyrgyzstan)			8.6				
Sector policy support programme: social sector				13			
Sector policy support programme: social protection and PFM					13		
Income generating activities in rural areas				4.5			
Promotion of the respect for the rule of law, with particular emphasis on transparency and accountability						13.5	
Sector policy support programme: support to the reform of the education sector						20	
TOTAL							106.15
Thematic Programmes							
Food Security Strategic Priority 5: special allocation to chronically food-insecure countries (Central Asia)	8.36						
Food Facility (animal health and production)			7				

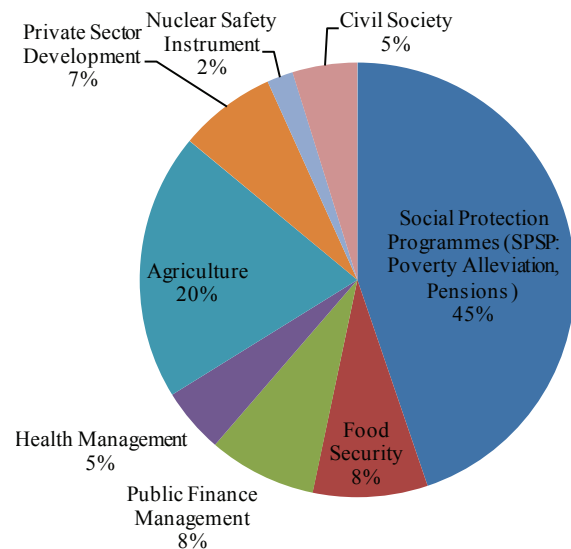
	2007	2008	2009	2010	2011	2012	2013
Support to the improvement of a food security information system in Kyrgyzstan				2			
Non-State Actors / Local Authorities in Development	0.6	0.75	0.75	0.75	0.45	0.45	
TOTAL							21.11
Instruments							
EIDHR		0.6	0.6	0.6		0.9	
TOTAL							2.7
Support to judicial reform (IfS)		2.5					
Support to constitutional reform (IfS)		1.46					
Promotion of democracy and stabilisation (IfS)			5.35				
International commission of inquiry into the June 2010 events (IfS)				0.25			
Political leadership for democratic transition in Kyrgyzstan (IfS)				0.35			
Reform of legislation (IfS)				0.08			
Social stabilisation through reconstruction of destroyed houses (IfS)				2.00			
Fergana Valley border delimitation					0.319		
Strengthening decision-making capacities and dialogue (IfS)				0.07			
Kyrgyzstan election support project (IfS)				1.45			
Civil monitoring for human rights protection and conflict prevention (IfS)					2		
Institutional support to the implementation of the new legal framework (IfS)					1		
Support of media reform and strengthening conflict-sensitive reporting (IfS)					0.3		
TOTAL							15.13
GRAND TOTAL							146.45

3.3. Tajikistan

In 2007-2012, the EU committed an estimated €100.2 million under the DCI to Tajikistan. In addition, €21.65 million was provided through DCI thematic programmes (Food Security and NSA-LA) and €2.7 million through the EIDHR. As part of the DCI, the EU has been providing assistance through sector budget support, amounting to €47.75 from 2007 to 2012.

Figure 4

EU allocations to Tajikistan in 2007-2013



Under the allocations for civil society, only amounts for NSA-LA and the EIDHR are calculated.

Table 5

Sector-by-sector allocations in 2007-2013 (all numbers in million EUR)

2007-2013 - Tajikistan							
	2007	2008	2009	2010	2011	2012	2013
Development							
Cooperation Instrument							
Sector policy support programme: social protection	14						
PFM modernisation project		2					
Poverty alleviation in rural areas of the Khatlon and Sughd provinces		5					
Development of a health management information system		1					
Support to mapping and certification capacity of the agency for land management, geodesy and cartography		1					
Sector policy support programme: sector budget support		7.75					
Health sector strategy support project			5				
Support to policy sector programme: social protection / PMF and institutional capacity development			3				
Support to private sector development			7				



Established in 2008 as a project seeking to monitor the implementation of the EU Strategy for Central Asia, EUCAM has grown into a knowledge hub on broader Europe-Central Asia relations. Specifically, the project aims to:

- Scrutinise European policies towards Central Asia, paying specific attention to security, development and the promotion of democratic values within the context of Central Asia's position in world politics;
- Enhance knowledge of Europe's engagement with Central Asia through top-quality research and by raising awareness among European policy-makers and civil society representatives, as well as discuss European policies among Central Asian communities;
- Expand the network of experts and institutions from European countries and Central Asian states and provide a forum to debate on European-Central Asian relations.

Please follow our work on www.eucentralasia.eu. If you have any comments or suggestions, please email us at email.eucam@gmail.com



FRIDE is a European think tank for global action, based in Madrid, which provides fresh and innovative thinking on Europe's role on the international stage. Our mission is to inform policy and practice in order to ensure that the EU plays a more effective role in supporting multilateralism, democratic values, security and sustainable development. We seek to engage in rigorous analysis of the difficult debates on democracy and human rights, Europe and the international system, conflict and security, and development cooperation. FRIDE benefits from political independence and the diversity of views and intellectual background of its international team.

"The views expressed by the author do not necessarily reflect the opinion of EUCAM.
If you have any comments on this document or any other suggestions, please email us at eucam@gmail.com"