

**European Development**  
**Fund (EDF)**

# What is the purpose of the EDF ?



THE EUROPEAN DEVELOPMENT FUND, OR “EDF”, IS THE MAIN FINANCIAL INSTRUMENT USED FOR COOPERATION BETWEEN THE EUROPEAN UNION AND THE GROUP OF AFRICAN, CARIBBEAN AND PACIFIC (ACP) STATES. IT CONTRIBUTES AS WELL TO THE DEVELOPMENT OF SOME TWENTY OVERSEAS COUNTRIES AND TERRITORIES (OCTS) LINKED TO THE EUROPEAN UNION.

# List of countries benefiting from the European Development Fund

## **ACP States** (Cotonou Agreement)

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### **Africa (47)**

Angola  
Benin\*  
Botswana  
Burkina-Faso\*  
Burundi\*  
Cameroon  
Cape Verde\*  
Comoros Islands\*  
Congo  
Congo (DRC)\*  
Ivory Coast  
Djibouti\*  
Eritrea\*  
Ethiopia\*  
Gabon  
Gambia\*  
Ghana  
Guinea\*  
Guinea Bissau\*  
Equatorial Guinea  
Kenya  
Lesotho\*  
Liberia\*  
Madagascar\*  
Malawi\*  
Mali\*  
Mauritius  
Mauritania\*  
Mozambique\*  
Namibia  
Niger\*  
Nigeria  
Uganda\*  
Central African Republic\*  
Rwanda\*  
Sao Tome & Príncipe\*  
Senegal\*  
Seychelles  
Sierra Leone\*  
Somalia\*  
Sudan\*  
Swaziland  
Tanzania\*  
Chad\*  
Togo\*  
Zambia\*  
Zimbabwe

### **Caribbean (15)**

Antigua and Barbuda  
Bahamas  
Barbados  
Belize  
Dominica  
Grenada  
Guyana  
Haiti\*  
Jamaica  
Dominican Republic  
St Christopher and Nevis  
St Lucia  
St Vincent and the Grenadines Is.  
Surinam  
Trinidad and Tobago

### **Pacific (14)**

Cook Islands  
Fiji  
Kiribati\*  
Marshall Is.  
Micronesia  
Nauru  
Niue  
Palau  
Papua  
New Guinea  
Samoa\*  
Solomon Is.  
Tonga  
Tuvalu\*  
Vanuatu\*

# European development fund



- Created in 1957 by the Treaty of Rome
- Launched in 1959
- The EDF is established within the framework of an international agreement between the EU and its partner countries. This ACP-EU Partnership Agreement – also known as the ‘Cotonou Agreement’ – was concluded in 2000 and is revised every five years.

# What is the origin of EDF resources?



- ❖ The financial resources that make up the EDF are taken from the public funds of each Member State, and so are funded directly by European taxpayers.
- ❖ Every five years, Member Country representatives meet at intergovernmental level to decide on an overall amount that will be allocated to the Fund and to oversee its implementation. This makes the EDF different from the components of the general budget as it operates according to its own financial regulations.



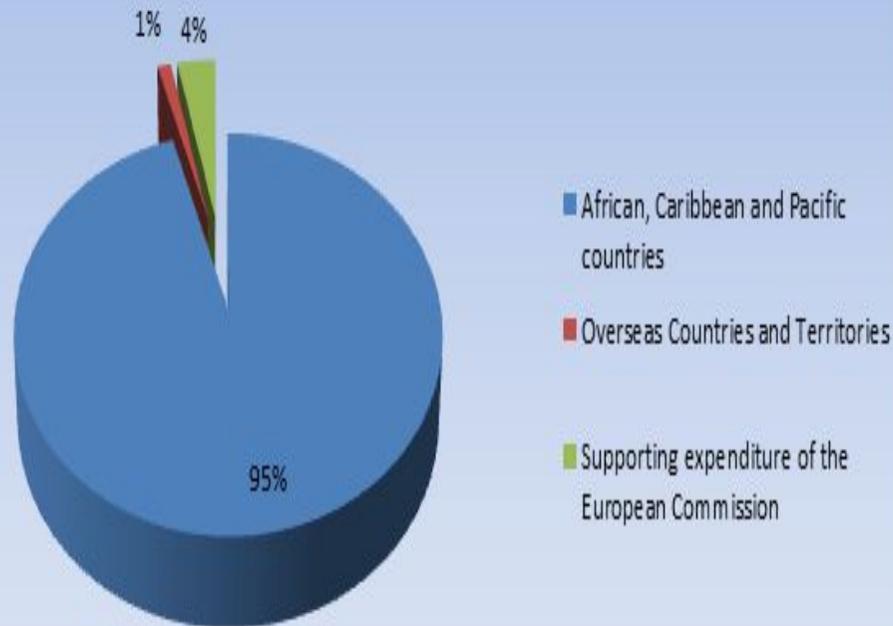
# EDF priorities



- The EDF priorities in determining the allocation of funds are as follows:
- ✓ Economic cooperation
- ✓ Regional integration and institutional support
- ✓ Health
- ✓ Education and Training
- ✓ Rural Development
- ✓ Environment
- ✓ Transport and infrastructure
- ✓ Horizontal policies

# Internal Agreement 11<sup>th</sup> EDF

## Financial Resources of the 11th EDF (30 506 million EUR)



- The 11<sup>th</sup> EDF was created by an intergovernmental agreement signed in June 2013 – as it is not part of the EU Budget – and entered into force on the 1<sup>st</sup> March 2015.
- The total financial resources of the 11th EDF amount to €30.5 billion for the period 2014-2020.
- There are only minor modifications in the 11<sup>th</sup> EDF compared to the 10<sup>th</sup> EDF.

# AID *for* TRADE





## Background

- The Aid for Trade initiative was launched at the Hong Kong Ministerial Conference in December 2005. In February 2006 the WTO established a Task Force, with the aim of “operationalizing” Aid for Trade.
- The Task Force recommended in July 2006 that Aid for Trade should focus on identifying the needs within recipient countries, responding to donors and acting as a bridge between donors and developing countries. It also recommended the establishment of a monitoring body in the WTO, which would undertake a periodic global review based on reports from a variety of stakeholders.



# The Global Agenda

The Global Aid for Trade Initiative set in motion a two-track process:

- 1. WTO Member countries agreed to increase aid for trade, but without setting a target.
- 2. The OECD began a Global Aid for Trade Review, which is conducted every two years.

In 2010, the G20 pledged to ‘at least maintain beyond 2011, aid for trade levels that reflect the average of the years 2006 to 2008 (or US\$24 billion)’.

The new post-2015 development agenda (the Sustainable Development Goals) builds on the Millennium Development Goals (MDGs). The new Goals, agreed in September 2015, are to finish the job of the MDGs.

## Aid for Trade Coverage

- **Trade policy and regulations**: capacity building and technical assistance for trade policy mainstreaming, compliance with trade standards and implementation of trade agreements.
- **Trade development**: improvement of business climate, promotion of investments and exports, better access to finance and insurance.
- **Trade-related infrastructure**: transport, energy supply, communications.
- **Building productive capacity**: removal of supply side constraints to boost productivity.
- **Trade-related adjustments**: accompanying measures to assist countries to benefit from liberalised trade.

# Working in cooperation



The WTO works in cooperation with, and encourages coordination among, a number of key players in the Aid for Trade initiative to take forward the Task Force recommendations. Key players include:

- the African Development Bank,
- Asian Development Bank,
- European Bank for Reconstruction and Development,
- International Monetary Fund (IMF),
- Inter-American Development Bank,
- Islamic Development Bank,
- Organization for Economic Cooperation and Development (OECD),
- United Nations Conference on Trade and Development (UNCTAD),
- United Nations Development Programme (UNDP), United Nations Economic Commission for Africa (UNECA), United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), United Nations Industrial Development Organization (UNIDO), World Bank, World Customs Organization, the Enhanced Integrated Framework, and the Standards and Trade Development Facility.