

Development
Co-operation
Review Series

Belgium

D e v e l o p m e n t A s s i s t a n c e C o m m i t t e e

1997
No. 23



Development Co-operation
Review Series

Belgium

1997 No. 23

Development Assistance Committee

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

Pursuant to Article 1 of the Convention signed in Paris on 14th December 1960, and which came into force on 30th September 1961, the Organisation for Economic Co-operation and Development (OECD) shall promote policies designed:

- to achieve the highest sustainable economic growth and employment and a rising standard of living in Member countries, while maintaining financial stability, and thus to contribute to the development of the world economy;
- to contribute to sound economic expansion in Member as well as non-member countries in the process of economic development; and
- to contribute to the expansion of world trade on a multilateral, non-discriminatory basis in accordance with international obligations.

The original Member countries of the OECD are Austria, Belgium, Canada, Denmark, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The following countries became Members subsequently through accession at the dates indicated hereafter: Japan (28th April 1964), Finland (28th January 1969), Australia (7th June 1971), New Zealand (29th May 1973), Mexico (18th May 1994), the Czech Republic (21st December 1995), Hungary (7th May 1996), Poland (22nd November 1996) and the Republic of Korea (12th December 1996). The Commission of the European Communities takes part in the work of the OECD (Article 13 of the OECD Convention).

In order to achieve its aims the OECD has set up a number of specialised committees. One of these is the Development Assistance Committee, whose Members have agreed to secure an expansion of aggregate volume of resources made available to developing countries and to improve their effectiveness. To this end, Members periodically review together both the amount and the nature of their contributions to aid programmes, bilateral and multilateral, and consult each other on all other relevant aspects of their development assistance policies.

The Members of the Development Assistance Committee are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom, the United States and the Commission of the European Communities.

Publié en français sous le titre :

SÉRIE DES EXAMENS EN MATIÈRE DE COOPÉRATION POUR LE DÉVELOPPEMENT
BELGIQUE

© OECD 1998

Permission to reproduce a portion of this work for non-commercial purposes or classroom use should be obtained through the Centre français d'exploitation du droit de copie (CFC), 20, rue des Grands-Augustins, 75006 Paris, France, Tel. (33-1) 44 07 47 70, Fax (33-1) 46 34 67 19, for every country except the United States. In the United States permission should be obtained through the Copyright Clearance Center, Customer Service, (508)750-8400, 222 Rosewood Drive, Danvers, MA 01923 USA, or CCC Online: <http://www.copyright.com/>. All other applications for permission to reproduce or translate all or part of this book should be made to OECD Publications, 2, rue André-Pascal, 75775 Paris Cedex 16, France.

FOREWORD

The Development Assistance Committee (DAC) conducts periodic reviews to improve the individual and collective development co-operation efforts of DAC Members. The policies and efforts of individual Members are critically examined approximately once every three years. Some six programmes are examined annually.

The peer review is prepared by a team, consisting of representatives of the Secretariat working with officials from two DAC Members who are designated as examiners. The country under review provides a memorandum setting out the main developments in its policies and programmes. Then the Secretariat and the examiners visit the capital to interview officials, parliamentarians, and NGO representatives of the donor country to obtain a first-hand insight into current issues surrounding the development co-operation efforts of the Member concerned. Brief field visits investigate how Members have absorbed the major DAC policies, principles and concerns, and examine operations in recipient countries, particularly with regard to sustainability, gender equality and other aspects of participatory development, and local aid co-ordination.

Putting all this information and analysis together, the Secretariat prepares a draft report on the Member's development co-operation which is the basis for the DAC review meeting. At this meeting senior officials from the Member under review discuss a series of questions posed in a brief document: "Main issues for the Review". These questions are formulated by the Secretariat in association with the examiners. The main discussion points and operational policy recommendations emerging from the review meeting are set out in the Summary and Conclusions section of the publication.

This publication contains the Summary and Conclusions as agreed by the Committee following its review on 17 September 1997 in Paris, and the Report prepared by the Secretariat in association with the examiners, representing Finland and Norway, on the development co-operation policies and efforts of Belgium. The report is published on the responsibility of the Secretary-General of the OECD.

James Michel
DAC Chair

LIST OF ABBREVIATIONS

AGCD*	General Administration for Development Co-operation	PCSP*	Programme de coopération pour le secteur privé (private sector co-operation programme)
ALA	Asian and Latin American countries	PIPO*	Planification des interventions par objectif (objective-based action planning)
APEFE*	Association for the promotion of education and training abroad	SADC	Southern Africa Development Community
CIUF*	French-speaking community inter-university committee	SMEs	Small and medium-sized enterprises
DAC	Development Assistance Committee	SPA	Special Programme for Africa
EBRD	European Bank for Reconstruction and Development	UNCDF	United Nations Capital Development Fund
EDF	European Development Fund	UNDP	United Nations Development Programme
FAO	Food and Agriculture Organisation	UNFPA	United Nations Fund for Population
FCD*	Development Co-operation Fund	UNHCR	United Nations High Commissioner for Refugees
FEB*	Federation of Belgian Enterprises	UNICEF	United Nations International Children's Emergency Fund
GDP	Gross Domestic Product	UNIDO	United Nations Industrial Development Organization
GEF	Global environment facility	UNIFEM	United Nations Development Fund for Women
GNP	Gross National Product	UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
GTICD*	Interdepartmental working party on development co-operation	VLIR*	Flemish inter-university Council
ICRC	International Committee of the Red Cross	VVOB*	Flemish association for development co-operation and technical assistance
IDA	International Development Association	WFP	World Food Programme
IFAD	International Fund for Agricultural Development	WHO	World Health Organisation
IFC	International Finance Corporation		
MED	Mediterranean Basin countries		
NGO	Non-governmental organisation		
ODA	Official Development Assistance		
OND*	Office national du Du croire (National Del Credere Office)		

Signs used

- () Secretariat estimate, either wholly or in part
- Zero
- 0.0 Negligible
- . . Not available
- . . . Not separately available, but included in the total
- n.a. Not applicable

The figures being rounded, the totals do not always correspond to the sum of the parts.

TABLE OF CONTENTS

Summary and conclusions	7
-------------------------------	---

Chapter I **Strategic framework**

1.	General framework and new directions of government action	11
	General situation	11
	Recommended new policy thrust	11
	Other proposed measures	12
2.	Measures taken to implement the DAC recommendations	12
3.	Key themes related to capacity development in partner countries	13
	Poverty alleviation	13
	Social development	14
	Promotion of the private sector	15
	Gender equality	15
	Environment	16
	Conflict prevention and societal consolidation	16
4.	Aid co-ordination, consistency, strategies for different countries	17
5.	Aid evaluation and effectiveness	18
6.	Aid management	18
7.	Heightening general awareness of development issues	21
	Public opinion	21
	Development education	22

Chapter II **Main characteristics**

8.	Volume and future outlook	23
9.	Composition and sectoral breakdown of aid	26
10.	Multilateral contributions	27
11.	Debt relief and rescheduling	28
12.	Geographical distribution	31
13.	Technical co-operation	35
14.	Financial terms and conditions of aid	36
15.	Non-governmental organisations	37
	Press Release on the DAC Aid Review of Belgium	39
	Description of Key Terms	43

Tables

1. Main ODA volume indicators	24
2. Total financial flows	25
3. ODA net disbursements by main categories	26
4. Distribution of bilateral ODA commitments by major purposes	27
5. Allocable ODA net disbursements by major groupings, regions and main recipients	32
6. Major recipients of bilateral ODA net disbursements.....	34

Figures

Chart 1. General Administration for Development Co-operation.....	20
Figure 1. ODA net disbursements	25

Box

1. Belgian aid to Bolivia	29
---------------------------------	----

SUMMARY AND CONCLUSIONS

GENERAL SITUATION AND NEW POLICY ORIENTATIONS

The Belgian aid system is currently going through a particularly crucial transition period, and other changes will be introduced over the coming months. Although there are already a number of encouraging developments, it is still too soon to gauge the success of these reforms. Over the past two years, the relevance and effectiveness of some of the courses of action undertaken in the context of Belgian development co-operation have come in for a great deal of criticism, and it was with the object of silencing that criticism that the government decided to reorganise the administration of aid completely and to rethink its development co-operation policy. A parliamentary monitoring commission was set up and, in autumn 1996, the State Secretary for Development Co-operation, Mr. R. Moreels, submitted to it an action plan entitled *Annoncer la couleur – Plan d'avenir pour la coopération belge au développement*. The said plan, which has not yet been approved by the Council of Ministers, was, at the time of writing, in the process of being amended to allow for the reactions of the various actors involved in development co-operation. The State Secretary for Development Co-operation wants to give Belgium the medium- and long-term development co-operation strategy it has never had, the lack of which was moreover reproved by the Development Assistance Committee (DAC) at the time of the last peer review of Belgium in 1994. The adoption of such a strategy would respond to a need and constitute real progress for Belgian development co-operation policy.

The new Belgian policy thrust spelt out in *Annoncer la couleur* shares many of the objectives and strategies of the report approved by the DAC *Shaping the 21st Century: the Contribution of Development Co-operation*, OECD, Paris, 1996, particularly as regards the partnership concept with the developing countries. The priorities which now shape the Belgian aid programme are: sustainable human development via measures to combat physical poverty, support

for democratisation and development and backing for networks which promote peace through reconciliation. The Belgian strategy underlines the humanistic vocation of development co-operation and sees human beings as central to the concerns of the Belgian aid programme. Special importance is also attached to the promotion of small and medium-sized businesses and to partnerships with private sector firms.

Social development is seen as one of the cornerstones of sustainable development and the fight against poverty. One of the main channels for the financing of specific projects to combat poverty is through the *Fonds de Survie pour le Tiers Monde* (Third World Survival Fund) implemented jointly by multilateral organisations and Belgian NGOs. Ideally, the Belgian authorities need to draw on the experience gained from the Survival Fund for the benefit of other Belgian development co-operation projects.

Belgium is to include conflict prevention and societal consolidation in its priorities, and has stressed the similarities between the Belgian approach and the guidelines adopted by the DAC at its last High-Level Meeting in May 1997.

The action plan drawn up by the State Secretary for Development Co-operation has been supplemented by strategic papers and sectoral action plans devised by the *Administration générale de la coopération au développement* (General Administration for Development Co-operation – AGCD). The latter mainly concern health, agriculture and food security, small basic infrastructures, gender equality, conflict prevention and peacekeeping, education and economic development, looked at from the microeconomic standpoint. These sectoral strategic papers have been seen as a positive development in Belgium's aid programme, and as complying with the DAC recommendations. The draft action plan had been criticised for its lack of a macroeconomic perspective on development, and for the insufficient importance attached to the environment and gender equality. The updated version of the

plan, submitted to the Council of ministers in October 1997, has further developed the macro-economic aspects of development, gender equality, environment, the social economy and the promotion of small- and medium-sized enterprises.

Henceforth, the three basic principles governing Belgian development co-operation policy are to be simplicity, transparency and effectiveness, implying sectoral and geographic concentration of the aid programme, together with efforts to consolidate multilateral co-operation. Belgian aid will in future be concentrated on health care, education, agriculture, basic infrastructure and societal consolidation. Similarly, the bilateral aid provided by AGCD is to be limited to 19 countries and one region. Priority will be given to Sub-Saharan Africa and those countries with which Belgium has had particularly close ties. Lastly, Belgium wishes to concentrate its multilateral approach and reduce the number of multilateral organisations to which it contributes, especially when the amounts involved are small.

In order to prevent other inconsistencies arising in the future, the new policy options will also mean abandoning major infrastructure projects and the unilateral suspension of the tying of bilateral Belgian aid disbursed by AGCD.

AID MANAGEMENT

An efficient aid administration has to have the means to implement the policy options laid down and achieve the targets which have been set. In order to remedy the problems that Belgium's aid administration has been faced with for a number of years, the government has decided to reorganise it and redefine its role. AGCD is in future to concentrate on: 1) policy back-up studies; 2) programme and project evaluation; and 3) internal and external controls. New organisational structures were decided upon in January 1997 and set up in March 1997 with the object of decentralising responsibilities inside AGCD, simplifying procedures and speeding up the handling of dossiers. A "Policy Evaluation and Back-up" Directorate has also been created. Other more fundamental reforms are scheduled. Thus the establishment of a new implementing agency in the form of a public corporation was decided by the Council of Ministers in July 1997 and is to be the subject of legislation before the end of the year.

Improving human resource management is one of the major tasks facing the Belgian aid administra-

tion, and one which was mentioned in 1994 during the last peer review of Belgian aid. Civil service recruitment has been frozen for a good many years, but the new thrust given to aid administration, which means concentrating human resources on key activities, should enable AGCD to strengthen and shift the focus of its staff. The Civil Service Ministry, which is responsible for the recruitment of civil servants in Belgium, very often does not have specialists in the areas AGCD needs. On the other hand, because of its status AGCD cannot, as a public administration, offer attractive career prospects to co-operation personnel who have experience in the field while, conversely, staff in Brussels are only rarely posted to the developing countries. The result is that AGCD has more and more frequently to resort to staff on fixed-term contracts, with all the problems that this can cause. The creation of the new implementing agency could help to overcome the problem of the shortage of staff and the requisite skills, which is seriously impairing AGCD's effectiveness and competence. It seems, however, regrettable that the competencies of this agency should be limited to direct bilateral assistance which only accounts for a relatively small part of AGCD's activities.

Coupled with the reorganisation of AGCD has been increased delegation of authority at various levels. In the past, relations between the State Secretary and his private office on the one hand and AGCD on the other were not always very clear. As part of an administrative overhaul undertaken by the government, these responsibilities have been redefined under an agreement on labour relations and the delegation of authority between the State Secretary and his office and AGCD, which was signed in February 1997. Similarly, a ministerial decision has been taken introducing temporary measures relating to the organisation of responsibilities and the delegation of authority, under the heading of the reform of AGCD, including its local representations. It is to be hoped that this will speed up the processing of dossiers and improve the policy dialogue with local authorities.

In accordance with the recommendations contained in the DAC strategy for the 21st century, country strategies are to be devised for Belgian aid programme countries. Four such country notes are currently being prepared on an experimental basis for submission to Parliament.

Although the State Secretary attaches importance to aid evaluation and to the findings thereof being reflected in projects and programmes, a full

evaluation function is still only in its infancy. There needs to be a proper policy in this respect, and AGCD needs to be given the means to set up a true evaluation service and follow-up system. Also, there is still room for progress in terms of integrating certain horizontal themes in AGCD's projects and programmes, especially concerning the environment. Despite its lack of resources, the unit responsible for gender equality has had some encouraging results.

AID POLICY COHERENCE

Recent years have seen improvements in aid policy coherence – for example, where food security and multilateral debt are concerned – particular responsibility for co-ordinating these themes having been entrusted to an interministerial working party chaired by the State Secretary for Development Co-operation. Where inter-government loans are concerned, however, coherence is still lacking, loans being granted on a case-by-case basis, generally at the request of the recipient country which is itself guided by the Belgian exporter. As a result, these loans are more or less unconnected with development co-operation policy and take no direct account of AGCD's sectoral or geographical policy. The criteria for the granting of State to State loans have, however, recently improved.

VOLUME OF AID

In 1996, Belgian official development assistance totalled \$937 million, or 0.35 per cent of GNP, *i.e.* a decline in real terms of 6.4 per cent on the previous year. It has to be remembered, though, that the high level of Belgian ODA in 1995 was attributable to exceptional multilateral contributions which reverted to their normal level in 1996. At the start of his term of office, the State Secretary for Development Co-operation undertook to do all he could to reverse the downward trend in the share of GNP devoted to aid and to ensure that net ODA was equivalent to at least 0.5 per cent of GNP before he left office.

AGCD has for a number of years been finding it impossible to use the budget credits allocated to it, with the result that some BF 2 billion (approximately \$66 million) go back into the central budget every year. This situation is partly due to the persistent political troubles that have dogged the three main countries in which Belgian aid used to be concentrated (Burundi, Rwanda and Zaire), but it has been aggravated since 1993 by the abolition of the Fonds

de coopération au développement (Development Co-operation Fund – FCD) which used to allow unused appropriations to be carried forward to the following year. Given the tight budget situation, this difficulty in disbursing is one of the main reasons invoked against a significant increase of AGCD's budget.

Although AGCD has recently succeeded in increasing its capacity to disburse, mainly by channelling a growing share of its aid through NGOs and multilateral institutions, achieving the target of 0.5 per cent of GNP between now and end-1998 would, given the increase in GNP, be a major challenge.

PUBLIC OPINION

The State Secretary for Development Co-operation and AGCD attach great importance to development education activities, as a result of which budget appropriations aimed at improving public information and awareness have tripled since 1995. In addition to the traditional information and education activities, the Belgian authorities launched a novel campaign in March 1997, which is intended to bring the State Secretary's plan for the future to the attention of the public. Such experiments could usefully be tried by other DAC Member countries.

Public opinion does not show great interest in development co-operation and has reacted unfavourably to a number of events more or less directly linked to Belgium's aid programme. That said, one of the positive results of the Belgian public's loss of confidence over the past two years has been that Parliament, which had never been interested in development co-operation, has begun to concern itself with these matters, appointing a monitoring commission which is responsible for analysing the present situation and making recommendations for the future. The commission will very probably become permanent and be made part of the Foreign Affairs Commission.

CONCLUSIONS

Over the years, the shortcomings of AGCD worsened and led to a serious crisis as from 1995. It is still too soon to say whether the measures taken thus far and the reforms that are now envisaged will suffice to overcome it. The policy options and targets set in the State Secretary's action plan should, at any rate, make for a more transparent and

coherent development co-operation policy, provided that the necessary instruments are put in place in the sectors where they are needed.

It is to be hoped that geographical and sectoral concentration and the consolidation of multilateral co-operation will enhance the effectiveness and efficiency of the Belgian aid programme. Also needed is a more consistent approach to aid channelled via non-governmental organisations, universities and multilateral aid.

In the context of the reforms currently underway, the Aid administration has major challenges to meet in a number of areas. It will, in particular, have to:

- increase effectiveness by decentralising operational tasks to specialised structures and by delegating authority internally and to the development co-operation offices/sections;
- concentrate administrative activities on policy content and the achieving of objectives;
- monitor efficiency by means of an active policy of evaluation and application of the findings;
- improve staff skills by means of better training in the key areas of concern and by allowing exchanges of staff between the Brussels headquarters and local offices;
- improve the management and disbursement capacity;
- develop a new partnership-based approach, taking advantage of the experience gained from joint management;
- draw up individual country strategies;
- use the appropriate tools and management techniques to carry out professional-type approaches *vis-à-vis* private-sector SMEs;
- draw up sectoral policies, with respect in particular to: poverty alleviation, social development, democratisation and human rights, and conflict prevention;
- integrate the new approach to technical co-operation, in particular set up the executing agency for technical co-operation.

Other action could be considered under the heading of aid co-ordination and coherence.

STRATEGIC FRAMEWORK

1. GENERAL FRAMEWORK AND NEW DIRECTIONS OF GOVERNMENT ACTION

General situation

Over the past few years the Belgian Government has made a number of attempts to reorganise its aid system and improve its effectiveness. AGCD has been restructured several times, while an inter-departmental working party on development co-operation (GTICD) was set up in November 1994 to formulate a more consistent co-operation policy. Following a press campaign attacking certain projects financed by the Belgian aid programme (most of them by mixed credits), a parliamentary monitoring commission was set up in 1995 to assess the existing aid programme and make recommendations as to how the focus of co-operation policy and its instruments might be shifted. Then, in May 1996, came the capsizing of the Bukoba in Tanzania, which resulted in the death of more than 800 passengers. The Bukoba had been financed by means of a Belgian tied mixed credit, coupled with a technical assistance component for the Tanzanian railways. The enquiries carried out at both national and international level concluded that responsibility for the accident lay with the Tanzanian railways. However, to the extent that the Bukoba incident has illustrated the operational weaknesses and the structural deficiencies of the Belgian aid administration, it has been instrumental to the reforms that are needed. To remedy the situation, the State Secretary for Development Co-operation, who had taken up his duties in June 1995, decided to dismantle the existing system and rebuild the development co-operation programme on new foundations. He therefore ordered a complete overhaul of AGCD and presented the monitoring committee with an ambitious plan entitled: *Annoncer la couleur – Plan d'avenir pour la coopération belge au développement* (Showing our colours – Plan for the future of Belgian development co-operation) in October 1996, and ordered a complete overhaul of AGCD in January 1997. The principle of a new and much more radical reorganisation

was decided upon by the Council of Ministers in July 1997. It implies the establishment of an independent corporation in charge of implementing the bilateral programme which is presently directly managed by AGCD. The latter is likely to be attached to the Ministry of Foreign Affairs.

The initial version of the plan, which is still being changed, was discussed in the parliamentary foreign affairs commission and the monitoring commission, while the final version should have been approved by the government by end-1997. The State Secretary wanted first of all to know how the main actors involved in Belgian development co-operation were going to react before he made the necessary adjustments and, thereby, give his policy options a degree of continuity which would extend beyond the end of his Ministerial term of office. Belgian co-operation has in the past suffered a great deal from the frequent changes in Minister, each one introducing his own policy ideas which would then be abandoned by the incoming Minister. A framework-law on Belgian development co-operation is due to be established covering the new policy orientations and structures of the Belgian aid administration.

Recommended new policy thrust

According to the new thrust of Belgian policy, three basic principles will from now on govern development co-operation: simplicity, transparency and effectiveness. The State Secretary, who before taking up his present Ministerial duties had for several years headed the Belgian section of an international humanitarian aid association (Médecins sans Frontières – Belgique), is anxious to stress the humanitarian vocation of development co-operation and make human beings central to the objectives of Belgium's aid programme. This implies giving priority to:

- sustainable development;
- support for democratisation, human rights and peacekeeping;

- public awareness.

Development co-operation has to be an integral part of a world social policy and be aimed at promoting sustainable human development via measures to combat physical poverty and achieve more equitable distribution of wealth. In this context, special attention is being given to debt relief and conversion measures, the securing of equitable prices for commodities and a more favourable investment climate for business. At the local level, special emphasis must be placed on meeting basic requirements, to the detriment of major infrastructure projects.

Belgian development co-operation should also be designed to consolidate society in partner countries, in particular by helping to keep or make peace and by creating conditions conducive to development. Lastly, it is important to inform and heighten the awareness of the public so as to change the population's perception of development co-operation.

Other proposed measures

The report *Annoncer la couleur* attributes AGCD's failings to the excessive number of activities and ways of implementing projects and programmes, and therefore advocates a radical cut-back in AGCD's range of activities and a better definition of the latter's role. Also recommended is increased concentration of Belgian development co-operation on a limited number of countries and sectors – ideas which were debated at the last peer review of Belgian aid in 1994. In order to avoid any confusion between development co-operation and export promotion, the State Secretary wants to see the tying of direct bilateral aid ended and the introduction of clear, transparent and open procurement procedures. Also, the aid administration will have to ensure stricter application of development criteria to inter-government loans booked as official development assistance (ODA).

To increase the impact of Belgian aid to multi-lateral institutions, the State Secretary intends to halve the number of organisations in receipt of Belgian contributions, and is also planning to reorganise relations between the authorities and the non-government sector and to implement a programme to promote the private sector, especially small and medium-sized enterprises.

In conjunction with these new policy options, and in response to criticism by the parliamentary

monitoring commission and other bodies, including the DAC, concerning the lack of a clear development policy, AGCD has drawn up strategy notes together with sectoral action plans. Three such notes (on public health, agriculture and food security, and equality of opportunity for men and women) have already been approved by the State Secretary, while others are still being drafted (on education, conflict prevention, peace and development, and microeconomic development).

2. MEASURES TAKEN TO IMPLEMENT THE DAC RECOMMENDATIONS

Annoncer la couleur – Plan d'avenir pour la coopération belge au développement has the personal stamp of the State Secretary, reflecting his experiences as a surgeon working in war-torn countries. Without referring directly to the strategy approved by the DAC in *Shaping the 21st Century: The Contribution of Development Co-operation*, or to other DAC principles and recommendations, it does contain many of the targets listed in the DAC strategy, particularly with regard to the fight against poverty, the social aspects of development, the quest for a genuine partnership with the developing countries, and ways of improving the quality and effectiveness of aid. The topics which are not discussed, or are only touched on, such as the environment, gender equality and the macroeconomic aspects of development, will be dealt with in the final version of the report. As things stand, the plan is being applied as and when problems arise. For example, AGCD was reorganised in March 1997, but more far-reaching reforms were decided upon in July 1997. AGCD has also begun to trim its range of activities both geographically and sectorally. Its major infrastructure projects, which in many cases were financed out of inter-government loans, are gradually being dropped and the untying of aid is just beginning to take shape, in particular as part of the balance-of-payments support programmes and the new Special Programme for Africa (SPA).

Before, however, these new policy options are approved by Parliament and the Council of Ministers, a lot of opposition will have to be overcome, particularly as regards dropping the clause of origin giving Belgian companies a monopoly of contracts tied to development co-operation. Also criticised has been the proposal to drop major infrastructure projects in favour of small ones, the financing of which is not tied to the purchase of goods and services in Belgium. The argument here is that big

projects are important for the development of Belgium's partner countries and that abandoning them would make Belgian development co-operation resemble the sort of aid measures usually undertaken by NGOs.

Although, in contrast with his predecessors, the State Secretary for Development Co-operation now reports directly to the Prime Minister instead of to the Minister for Foreign Affairs, it is by no means sure that his administration is able to influence the other actors involved in relations with the developing countries as much as he would wish. This is particularly true of the Foreign Affairs, Trade and also Finance departments which, in the past, had a lot of influence over the policy stance of Belgian development co-operation. Lastly, AGCD finds it difficult to accept that it is often made the scapegoat for mistakes which, in its opinion, were made by others.

3. KEY THEMES RELATED TO CAPACITY DEVELOPMENT IN PARTNER COUNTRIES

Poverty alleviation

In line with the new stance of Belgian development co-operation policy, poverty reduction measures are seen as the prime objective of the aid programme. For the time being, the recommendations in the plan for the future are fairly general, however, the administration being asked to:

- negotiate the introduction of social standards and the insertion in all bilateral co-operation agreements of the 20/20 clause adopted at the Copenhagen Summit on Social Development;
- back the introduction of safety nets against poverty, in particular in the form of social security systems in the developing countries;
- concentrate aid on the social sectors, especially health, agriculture and food security, education, basic infrastructure and societal consolidation;
- assist efforts at participatory development;
- pay special attention to the most vulnerable population groups (women, minorities, indigenous populations, etc.).

The need to improve the indicators used to calculate the degree of human development and define an index of social development is also emphasized in the plan for the future.

At present, the only schemes aimed specifically at combating poverty are the projects financed by the Survival fund for the third world and certain projects financed jointly with NGOs. The Survival fund was set up in 1983 in the wake of the famine which hit Ethiopia, Sudan and the Sahel in the early 1980s, the Belgian Parliament passing a law which allowed the government to commit BF 10 billion (some \$330 million) of national lottery money to combat hunger, malnutrition and under-development in countries threatened by famine. The projects financed by the Survival Fund are managed separately from other AGCD projects. They are implemented jointly by multilateral organisations [the International Fund for Agricultural Development (IFAD), the United Nations International Children's Emergency Fund (UNICEF), the United Nations Development Programme (UNDP), the Food and Agriculture Organisation (FAO) and others] and Belgian NGOs, but fell seriously behind, particularly during the first phase. Since 1994 programming has been on an annual basis, which seems to have speeded up the rate of disbursements, the latter totalling BF 667 million (some \$22 million) in 1996, while BF 650 million (about \$21 million) were committed for 1997. At that pace, the Fund's resources will have been completely programmed by the year 2000. Similarly, efforts have been made during the second phase of implementation to attach more importance to the projects' innovative side and multiplier effect in terms of reducing poverty and improving food security. It is no longer merely a matter of alleviating the effect of famines, but of putting in place instruments which will lastingly reduce the vulnerability of the populations concerned and make sure that civil society is more involved in implementing the necessary measures. Yet doubts still remain as to whether the Survival Fund's projects have sufficient critical mass to trigger sustainable development. The intervention countries for Belgium have been Ethiopia, Eritrea, Kenya, Uganda, Somalia and Tanzania.

As part of a research effort in support of development co-operation policy, a study entitled "*Politique contre la pauvreté*" was commissioned by the Belgian Government in 1995. It concludes that, although the poverty reduction dimension is not at present incorporated as such in AGCD projects, the latter does in fact have the means, as long as it develops certain specific skills – in the geographical services and local offices in particular – needed to identify the problems posed by poverty in different countries. The study emphasizes the importance of

taking a formal decision to incorporate poverty alleviation in the Belgian aid programme, even if it means changing existing procedures and certain traditional ways of thinking. It also recommends preparing "poverty" files for each country, which would serve as a basis for the policy dialogue on this subject, and stresses the importance of co-ordinating action with any other measures being taken in a given country. Also advocated is systematic monitoring of the impact of Belgian action to reduce poverty.

Social development

Social development is seen as one of the cornerstones of the measures to combat poverty, and in particular basic education, primary health care and agricultural projects which help to create jobs and generate income. **Education** has always played an important part in Belgian development co-operation, but it used to be concentrated on secondary and, above all, higher education. The concept of basic education only goes back as far as the 1990 Jomtien Conference on Education for All and the 1995 Copenhagen Summit on Social Development. In line with the new strategic and policy options, greater priority will henceforth be given to basic education, followed by vocational and technical secondary education and, to a lesser extent, higher education. Basic education should improve literacy and enrolment rates, including those for girls, thanks to better teacher training and support for local institutions. Special attention is being given to non-formal education for adults and the least favoured population categories (women, ethnic minorities, people living far away from urban centres, etc.). Belgian development co-operation schemes need to be incorporated in local structures and to reinforce existing non-formal structures. Basic education has accounted for 15 per cent of Belgium's aid to education over the past three years, compared to 2 per cent in 1980.

As far as vocational and technical secondary education is concerned, particular care is being devoted to matching it with the labour market situation, to providing further training for instructors in co-operation with the industrial sector and to alternative forms of learning, the latter being intended in particular for those who are excluded from the formal education system. Technical education for girls is another of AGCD's concerns.

Aid to higher education will be designed primarily to consolidate higher education establishments,

improve the level of teaching, provide scientific, educational and logistical backing and improve training for managers.

The bulk of Belgian aid to education is channelled through two associations – one Flemish, the other Walloon – for the promotion of education and training abroad (VVOB/APEFE), the inter-university councils of the Flemish (VLIR) and Walloon (CIUF) linguistic communities and a number of NGOs. For this purpose, AGCD concluded general agreements with the VLIR/CIUF and the VVOB/APEFE in 1995, entrusting them with the task of implementing most of the schemes relating to university co-operation and to vocational and technical training.

In accordance with the February 1997 policy paper on the **health** sector, AGCD will be channeling the bulk of its efforts in this area in two main directions:

- implementation of a primary health care strategy;
- strengthening of national programmes to combat major endemic diseases, malnutrition and sexually-transmitted diseases.

With regard to primary health care, Belgian development co-operation favours the decentralisation of health areas or districts, with basic infrastructure being strengthened and the management of available material, financial and human resources improved. In the course of a field trip in Bolivia, the OECD Secretariat visited a development project involving the development of the local health system in the town of Santa Cruz. The object is to improve management capacity at all staffing levels, introduce an appropriate financing system and implement intra- and extra-sectoral strategic planning, in accordance with the legislation on popular participation and administrative decentralisation. The project, which is scheduled to last for five years, seems to be functioning to the entire satisfaction of local partners and it is planned to extend it to a rural community in the near future. Other factors considered important in the context of decentralisation are enhancing the value of human resources, including women, developing priority preventive and curative health care and assisting the training of local health care staff. To enable the developing countries to reform their national health care policies, AGCD is helping to strengthen national capacity at central level and is encouraging the development of government and private initiatives, as well as the introduction of mechanisms for financing health care.

Promotion of the private sector

Under Belgium's new policy options, the private sector is going to play a predominant role in the developing countries' economic development and their fight against poverty. AGCD is to set up a private sector co-operation programme (PCSP), the object of which will be to promote relations between small and medium-sized enterprises (SMEs), microenterprises as well as partnership arrangements between enterprises. The purpose is to provide them with the technical and organisational expertise, and facilitate access to capital, that they are often lacking. The programme is aimed, more especially, to:

- help local small and medium-sized enterprises to acquire the necessary technology and know-how via, or in partnership with, Belgian small and medium-sized enterprises (SMEs);
- promote the emergence of a new generation of heads of enterprise in the developing countries;
- foster the creation of joint ventures;
- provide support for small-scale economic initiatives, particularly in countries emerging from conflict situations;
- help the support structures for microenterprises and enterprises belonging to the social economy sector.

The programme, which is currently being prepared by AGCD, is in two parts; the first is designed to promote investment in the developing countries by Belgian SMEs, while the second provides direct support for local SMEs by means of decentralised technical and financial support structures. The programme, together with the instruments needed to manage it, should be finalised in the near future. In view of the fact that a public administration is not best placed to generate private initiatives, the intention is to set up an independent management body with the expertise and flexibility needed to bring the programme to fruition.

Gender equality

Since the last peer review of Belgian aid in 1994, considerable progress has been made in incorporating the concept of gender equality in the Belgian aid programme. A policy note entitled *L'égalité entre les femmes et les hommes: une politique pour un développement durable* was drafted by the Women in

Development unit for the fourth United Nations Conference which was held in Beijing in 1995. The note, together with its action plan, were updated after the Conference and approved by the State Secretary in October 1996. The thrust of the strategy advocated in the plan of action is fourfold:

- to improve management instruments and ensure better horizontal collaboration at AGCD level;
- to concentrate on four priority areas: *a)* education for girls and women, in the broad sense; *b)* better access for women and girls to health care, including reproductive health; *c)* increased participation by women in income-generating activities; and *d)* measures to combat various forms of violence;
- to incorporate gender equality in a view of economic development which takes human beings into account;
- to strengthen local institutional capacities and human resources.

As a result of the work of the Women in Development unit, the Belgian aid authorities now view gender equality as an issue relevant to development. The unit has, for example, been asked to shift the emphasis of objective-based action planning (PIPO) and make greater allowance for the priorities of local communities, and especially women. It has been consulted in connection with the preparation of sectoral notes concerning health, education and conflict prevention and will be contributing to the preparation of country strategies.

The Women in Development unit took part in project evaluation trips to Ethiopia and Mali and helped to set up the joint commission for Burkina Faso, both in general terms and in terms of taking women into account in a multisectoral programme. It is continuing its efforts to inform and make people aware of gender equality questions, even if it does not always have quite the success it expects. To assess the impact on women of AGCD-financed projects, the unit intends to produce monitoring and appraisal indicators which will enable it to look more closely at the qualitative aspects and outcome of aid. The unit also acts as the secretariat for the Women in Development advisory board which has been in operation since 1994. The board is made up of representatives of NGOs, universities, AGCD and women's councils, and its role is to advise the State Secretary for Development Co-operation.

Since January 1997 the Women in Development unit has consisted of two non-established staff working full time. At its request, the budget line for small-scale projects was removed at the start of 1996, mainly because of procedural constraints, and projects aimed specifically at women now come under the same budgetary rules as those applying to very small-scale measures. In addition to their work with AGCD and the Women in Development advisory board, the people responsible for the Women in Development unit have been very active members of the DAC Expert Group on Women in Development.

Because of the present statistical coding system, it is difficult to quantify AGCD's activities on behalf of women. In recent years, AGCD has financed one project targeted specifically at women in the Philippines (\$815 000 for the period 1996-98) and is considering another in Vietnam (\$1.6 million). It has helped to finance 159 NGO projects totalling \$20.6 million over the period 1993-95 and has contributed to a number of projects undertaken by specialised multilateral organisations such as the United Nations Fund for Population (UNFPA), the United Nations Industrial Development Organization (UNIDO) and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). Also, AGCD has made contributions worth between \$300 000 and \$400 000 to the United Nations Development Fund for Women (UNIFEM), notably as part of the preparations for the Beijing Conference. In 1996, it contributed \$0.5 million to the latter organisation.

Although the State Secretary did not deal in depth with the role of women in *Annoncer la couleur - Plan d'avenir pour la coopération belge au développement*, the final version of the report will contain a chapter devoted specifically to this question, and this will provide welcome backing for the activities of the AGCD Women in Development unit.

Environment

The bulk of Belgium's effort in support of the environment takes the form of multilateral contributions, particularly to the Global Environment Facility (GEF) to which Belgium contributed BF 360 million (some \$12 million) in 1996/97 (or 1.68 per cent of the total budget), and to the Montreal Protocol (BF 60 million per year, *i.e.* some \$2 million). On the bilateral side, little has changed since the last aid review of Belgium. Although the environment is seen as an important horizontal theme, the concept

thereof is not yet really part of the various sectors targeted by AGCD schemes, and there is no assessment of the impact on the environment of the development projects and programmes that Belgium finances. This is largely because of the limited resources that the Environment unit has at its disposal from both the organisational and the staffing points of view. The unit consists at present of two non-established staff working full time, one of them dealing mainly with multilateral questions and the other with general issues, but, because of their temporary status, such staff change relatively frequently. Nor does the unit have its own budget, though it does have access to a fund enabling it to sub-contract studies outside, which is how it was able to have the Free University of Brussels carry out a study on a computer-assisted method of assessing the impact on the environment, which it hopes to be able to include in the PIPO objective-based action planning) in the near future. The method is simple to use and is considered very original. The unit has no specific manual and it would seem that the DAC guidelines on the environment have not been followed.

Responsibility for the follow-up to Agenda 21 has been entrusted to the National Council for Sustainable Development which Belgium set up in 1993 along the lines of the United Nations Commission on Sustainable Development. It has a secretariat provided by AGCD and is made up of representatives of different ministries and NGOs active in the area of the environment and development. The Council was to meet at least six times a year and was to express its opinion on certain national projects and on development co-operation projects, but in fact it does not seem to be very active and has only rarely voiced opinions on questions to do with development co-operation. In 1995 and 1996 Belgium hosted two international workshops in Ghent with a view to establishing indicators on sustainable development. Early 1997 saw the appointment of a "green ambassador" whose task it will be to keep track of all international conferences.

Annoncer la couleur attaches relatively little importance to the environment, but that should be rectified in the final version of the report.

Conflict prevention and societal consolidation

Conflict prevention, democratisation and the rule of law are now among the prime objectives of the Belgian aid programme. AGCD now has a special unit responsible for conflict prevention activities

and in 1997, for the first time, a budget line of BF 500 million (some \$16 million) was set aside for such activities, of which BF 400 million for direct bilateral co-operation and 100 million for multilateral measures. To this should be added a budget line of BF 700 million (\$23 million) for emergency relief and restoration and reconstruction schemes. A large proportion of these funds are to be channelled through specialised NGOs.

The Belgian aid authorities are endeavouring at present to conceptualise this theme and identify activities likely to promote peace, which is not always easy. However, the DAC work in this area is of valuable assistance. It is generally believed that peace initiatives need to be combined with development co-operation activities in the field, as well as with measures which further democracy and good governance. In regions on a war footing, the State Secretary advocates backing steps aimed at reconciliation and the restoration of confidence between the warring parties (on-the-spot diplomacy). In regions where peace has recently been restored, the object of Belgian co-operation will be to help with mine clearance and disarmament operations, coupled with job-creation and training schemes. Another objective will be food security and the re-establishment of the administrative and legal system. In stable societies, Belgium will focus on the defence of human rights, on the development of civil society and its effective participation in policy-making, and on strengthening democratic public bodies.

To avoid being pressed by public opinion to take precipitate emergency measures, the Belgian aid authorities want to focus on financing research activities, grasping the underlying causes of wars and interpreting the portents of conflict. Also, they wish to stimulate communication between institutions specialised in these questions. Dealing in arms, especially light weapons and personnel mines, is another area targeted by Belgian development co-operation, and one in which it is working in conjunction with the Foreign Affairs Ministry.

4. AID CO-ORDINATION, CONSISTENCY, STRATEGIES FOR DIFFERENT COUNTRIES

At international level, Belgium participates in the World Bank's advisory groups and the round tables organised by UNDP, and also in specialised programmes such as that implemented under World Bank auspices for Sub-Saharan Africa (SPA). At local level, Belgium endeavours to adapt its aid to the

recipient country's sectoral priorities and to co-ordinate it with local strategies, as the DAC recommends in its report on *Shaping the 21st Century: The Contribution of Development Co-operation*.

At national level, responsibility for co-ordinating aid lies in principle with AGCD. Up until now, however, it has been too weak to make its views really known, especially with regard to export credits and inter-government loans administered by the Ministry of Finance. In order to avoid, in future, situations where official development assistance is used mainly to promote Belgian exports, AGCD now has a right of veto in the interministerial advisory board, but it is obvious that the priorities of the Finance and Trade Ministries differ from those of AGCD, even if they say that they are prepared to pay more heed to recipient countries' real needs. Likewise, if AGCD is not in a position to carry out detailed prior appraisals, its right of veto is unlikely to be of much practical effect.

Realising that the lack of co-ordination was undermining the consistency of its aid programme, the government set up an interministerial working party in late 1994 which was chaired by the State Secretary for Development Co-operation or his head of private office and was made up of representatives from the Development Co-operation, Finance, Foreign Affairs, Foreign Trade, Agriculture, Economic Affairs, Science Policy and Defence Ministries. Although initially not very active, the working party has been meeting at fairly regular intervals since 1996 with the object of co-ordinating Belgian aid efforts in the developing countries. Following a campaign conducted by the NGOs for Africa, it concentrated on putting together a co-ordinated response to their initiative and worked on the follow-up to the FAO Summit on food and on the question of multi-lateral debt – an initiative which received strong backing from the Finance Ministry. The hope is that the press campaign against AGCD will at least have resulted in it being given the resources it needs, so that it can play a more active role in the working party and is listened to more carefully by the other ministries.

For countries in which Belgian aid is concentrated, bilateral co-operation is programmed by means of a general co-operation "convention" specifying in which of the partner country's sectors and regions Belgium will intervene. The overall appropriation for a given country and a given period is negotiated by joint commissions which meet as a rule every two years at Ministerial level. In accor-

dance with the recommendations in the *Plan d'avenir pour la coopération belge au développement*, the intention is to prepare a strategic note for each programme country, setting out the objectives and instruments of co-operation between Belgium and the partner country in question. Local authorities and civil society in both the partner countries and Belgium are to be involved in the preparation of these notes which will subsequently be submitted to the Federal Parliament for discussion. Apart from a general note on Latin America, no other strategic country notes have yet been drafted, and work on them will not in fact start until the responsibilities of AGCD and its local offices in this respect have been more clearly defined.

5. AID EVALUATION AND EFFECTIVENESS

One of the weaknesses of the Belgian aid programme is undoubtedly that evaluation and monitoring are inadequate. Organisational and administrative capacities are changeable and the staff responsible for assessments few in number (just two people), although the section does at present have a budget which would allow it to recruit outside consultants. The new Belgian policy options contain recommendations for strengthening the evaluation and monitoring structures.

Generally speaking, assessments are carried out in accordance with DAC recommendations and follow the objective-based action planning method (PIPO) used by AGCD for the prior examination and monitoring of projects. As a rule, it is a member of the evaluation service who is in charge of supervising aid evaluations, including those performed in the field. As far as possible, the experts appointed by the local authorities are involved in the assessments, which was not always the case in the past. It has happened that assessments have had to be abandoned while in progress, either because they were cancelled by the applicants or because they were blocked higher up in the administration. During the period 1993-95, 26 evaluations were programmed, of which half have now been finished and six abandoned, while the remainder are in various stages of preparation or completion. One evaluation which was programmed and submitted to the Cabinet for approval in 1993 is still pending. While assessments have usually concerned individual projects, sectoral ones are not unknown.

Progress also needs to be made as regards implementing the feedback from assessments. Their recommendations are not by any means taken systematically into account and it is not certain that

AGCD is always aware of the content of the corresponding reports. A 1995 study of the findings of all the assessments carried out by the evaluation service showed that the majority of the projects assessed had not been properly monitored, and that where monitoring had been adequate, it was often thanks to multilateral or foreign partners.

Although evaluation reports are binding only on their authors and do not have to be approved by the Minister before publication, their distribution is restricted to local authorities and to the various institutions involved in the project assessed. The same is true of the assessments of projects financed jointly with NGOs, which have to be approved by the NGO concerned before they can be circulated to a wider audience.

With the exception of the report by the parliamentary monitoring commission, which was published in July 1997, the OECD Secretariat has not heard of any reports by the Audit Office or other organisations which might have carried out a sufficiently extensive and credible assessment of the effectiveness and results of Belgian aid. It is a pity that the Belgian authorities did not use the evaluation work done by the aid administration as the starting point for a broader debate about development co-operation in general, and it is to be hoped that the monitoring commission's report will help to trigger that debate.

6. AID MANAGEMENT

Ministers in Belgium usually have a substantial number of advisers in their private offices, which has created difficulties where development co-operation is concerned, the private office often taking over the role of AGCD when it was considered too slow in tackling certain issues. As a result, a real parallel aid administration came into being over the years, which some observers said undermined the credibility and transparency of Belgium's aid programme. To remedy this situation, an agreement was signed in February 1997 between the State Secretary for Development Co-operation and AGCD. The agreement, which is part of an overall reform of the Belgian federal administration, defines the relations between the State Secretary for Co-operation, his private office and AGCD. It describes the principles, the implementation of co-operation and relations between the private office and the Administration, and contains a number of special provisions concerning management, staff and the delegation of authority.

AGCD, which handles some 60 per cent of Belgium's development co-operation programme, was completely restructured in early 1997 after having already been reorganised a number of times in the past few years, most recently in 1992. A special commissioner, from another ministry, is acting as administrator and has been given the specific task of preparing and implementing the AGCD reforms over a two-year transition period. The main aims of AGCD's new structure decided upon in January 1997 (see Chart 1) involve:

- flattening the hierarchy and ensuring increased delegation of responsibilities within AGCD;
- consolidating services and units which handle similar themes and/or areas;
- simplifying procedures and reducing delays.

Whereas in the previous structure all authority was vested in the administrator-general and the directors-general, all responsibilities and the delegation thereof within the aid administration are now governed by a Ministerial decision of 27 February 1997. The special commissioner is in charge of administrative and technical questions and for seeing whether the activities of AGCD are in line with the options decided on by the State Secretary. He is assisted by three directors-general (D1, D2 and D3) who are responsible for the general implementation of: *a*) bilateral co-operation policy; *b*) co-operation with international institutions; and *c*) human resource management and logistical support. The management, organisation and functioning of the different services are the responsibility of "heads of administration". The services, designated by the letters E to M, are grouped together by theme or area of activity. The heads of administration are helped by heads of service responsible for the day-to-day running of their service. In accordance with the above-mentioned agreement on relations between the State Secretary for Development Co-operation and AGCD, periodic meetings are held between the State Secretary and his private office on the one hand, and the special commissioner and his team on the other, to discuss what policy to pursue and look at the problems and priorities requiring government action. The head of the private office and the special commissioner and his team meet regularly to exchange information, plan their work and settle any practical problems. The State Secretary attends these meetings at least once a month.

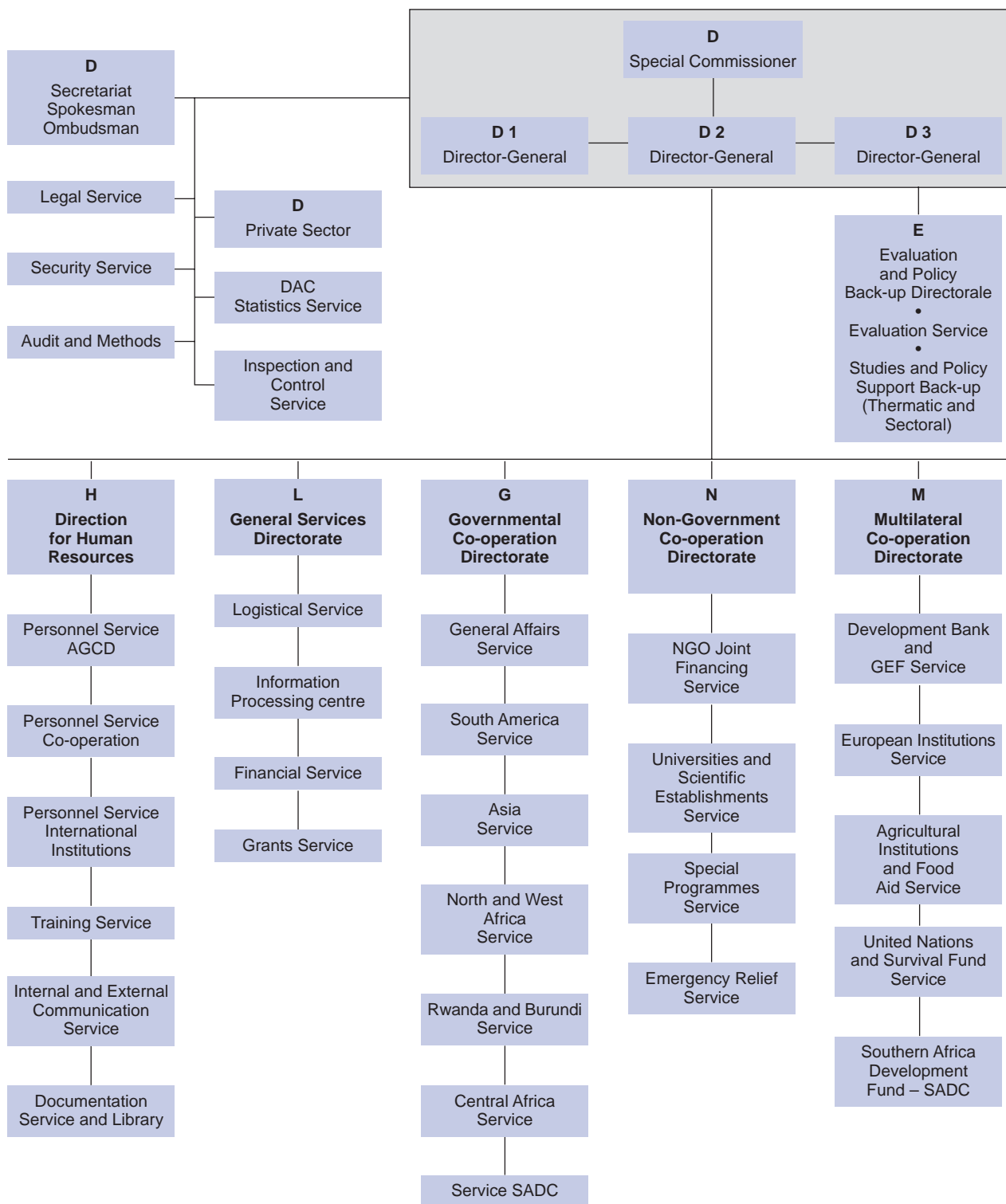
The way in which aid is administered has not yet been fully reorganised, and the first restructur-

ing decided upon in January 1997 will be followed by a second more radical one which will take place much earlier than originally planned, *i.e.* before the end of 1997. An independent public executive corporation will be established to carry out the bilateral technical co-operation programme directly managed by AGCD. This programme represents less than one-third of total AGCD disbursements. Policy departments and the internal and external audit services will eventually come under the Foreign Affairs Ministry. This project will be discussed in Parliament and a law will be drawn up by the end of 1997. The corporation will then be assigned the appropriate technical and staff resources to manage projects effectively. It is, however, regrettable that its competencies will be limited to direct bilateral technical co-operation only.

As stressed during the last peer review of Belgium, the shortage of staff, particularly qualified staff, is one of the most serious impediments to applying the new thrusts of Belgium's development co-operation policy and to effective and efficient management of the aid programme. For reasons concerning the public service in general, there has been little change since the last review. In common with the rest of the public service, AGCD has had its established staff cut significantly over the last few years. It currently employs 360 people, of whom 240 are established civil servants (*fonctionnaires d'état*), 45 are field co-operation workers (*chargés de mission*) assigned to the department for a maximum of three years, 36 are contract employees assigned to specific duties and the remainder are temporary staff. In addition, a number of staff work part-time only. On the skills side, AGCD has great difficulty in finding the specialists it requires, especially among civil servants whose recruitment is centralised in the Civil Service Ministry. To overcome the shortages it recruits temporary staff, with all the drawbacks that this can entail in terms of motivation and lack of continuity. It is also striking to note that, apart from the co-operation workers who for administrative reasons are often in relatively junior positions, AGCD staff and in particular the younger members have little or no field experience. Training is largely on the job, while formal courses relate mainly to administrative practices and appear to deal only marginally with the problems of underdevelopment or of the developing countries in general.

At the beginning of 1997 AGCD had 37 co-operation sections or bureaux in Belgium's embassies, and that figure is to be brought down to 34

Chart 1. General Administration for Development Co-operation



during 1997 and to 20 shortly thereafter. Alongside the reduction in the number of local sections, the staff they employ (excluding local employees) is expected to rise from 69 at the beginning of 1997 to around 90 in the course of the year. To date the co-operation sections or bureaux have little devolved authority to approve or indeed manage projects and programmes, which slows the handling of business considerably and makes procedures cumbersome. To relieve AGCD of administrative tasks, the State Secretary for Co-operation is considering decentralising the administration of aid and giving the co-operation bureaux greater responsibility. This issue was discussed at a meeting with AGCD and all bureau heads in July 1997 in Brussels.

For a number of years AGCD has experienced serious difficulties in laying out its appropriations, remitting over BF 2 billion (approximately \$66 million) of out-of-time aid appropriations to the central budget every year (see the table below). Among other factors, this is due to the political situation in the three main recipient countries and to the abolition of the Development Co-operation Fund (FCD) in 1993. Under the arrangements governing the fund, from which around half of AGCD's projects and programmes were financed, unused appropriations for one year could be carried forward, giving due weight to the particular nature of development co-operation expenditure. With FCD's disappearance and the budgeting constraints facing the Belgian Government, in order to step up the pace of disbursements AGCD has been compelled to channel a growing proportion of its funds via indirect bilateral co-operation (NGOs, universities and multilateral institutions), to the detriment of direct bilateral assistance. It has now reached a point where it can reduce no further the proportion of direct bilateral aid, which represented no more than 24 per cent of total AGCD disbursements in 1995 and 27 per cent in 1996. AGCD is thus faced with a cut, in real terms, in budget appropriations for development co-operation.

The Finance Ministry administers around 30 per cent of the Belgian aid programme, in the form of inter-government loans and contributions to the World Bank and regional development banks. It is also responsible for the Belgo-Congolese Fund, but no disbursements have been made in that respect in 1996 or 1997. The Education, Defence, Environment and Health Ministries, and regional and community Ministries, also have certain activities to do with development co-operation.

7. HEIGHTENING GENERAL AWARENESS OF DEVELOPMENT ISSUES

Public opinion

The administration has not conducted any opinion polls recently; the last dates back to 1987. Surveys by NGOs are not representative, as each contains different questions and is put to one or other of the linguistic communities only. According to a Europe-wide poll run in late 1995 by the European Commission, public opinion in Belgium is more concerned with domestic problems (unemployment, law enforcement and justice, corruption, etc.) than by co-operation with the developing countries. Only 59 per cent of those polled considered development co-operation to be important, against a European average of 77 per cent. That is the lowest rate in any EU country. Four years earlier, the proportion of Belgians looking favourably on development co-operation had been 75 per cent. According to a 1996 UNFPA survey dealing among other things with development issues, 35 per cent of those polled thought that investment should go to health care, 12 per cent wanted to improve the circumstances of women and 14 per cent were in favour of abolishing development assistance entirely. Thirty-nine per cent of interviewees said that they supported a humanitarian organisation, and one Belgian in seven said that he/she did voluntary work for a development group. When interpreting these findings, it should be borne in mind that the timing and

Utilisation of AGCD appropriations

BF millions

	1994	1995	1996	1997	1998
AGCD budget (appropriations for disbursement)	20 324.2	20 588.5	19 412.7	21 602.7	21 649.9*
Disbursements	15 641.1	17 051.7	16 823.7	..	..
Disbursements as % of appropriations for disbursement	77.0	82.8	86.7	..	..

* Provisional figure.

background to the surveys was unfavourable. The events of 1994 in Rwanda, where ten Belgian soldiers in the UN force and several aid workers lost their lives, followed by the disturbances in Burundi and Zaire when many Belgian nationals had to return home, certainly had an adverse impact on public opinion concerning these three countries, to which Belgians as a rule have considerable attachment. Finally the Bukoba incident in 1996, which occurred just after newspapers (especially in the northern part of Belgium) had published a series of critical articles about certain aid-financed projects, tarnished the image of AGCD and development co-operation in the eyes of public opinion in Belgium.

Indignant at the repeated and unwarranted attacks on their department, to which their duty of discretion prevented them from making any public reply, the leading AGCD officials sent an open letter to the Prime Minister and the State Secretary for Development Co-operation protesting at the biased information being put out by some parts of the press, and the accusations of fraud levelled at them. The letter emphasized the difficult if not deplorable conditions under which AGCD was working, particularly the impossibility of recruiting qualified staff to strengthen its services and the budget problems that had arisen since the FCD was abolished. This had led to abnormal delays in handling business, making any proper evaluation or control impossible. The letter further called for a clarification and redefinition of the links between foreign trade and development assistance, and for public funds intended for development co-operation no longer to be used simply to promote foreign trade.

To clarify the crisis, the government appointed a parliamentary monitoring commission in 1995 to examine the range of issues raised in the press, and ordered an enquiry into responsibility for the sinking of the Bukoba. For a period a special spokesman was in fact appointed in the private office of the State Secretary for Co-operation, to deal with the various accusations. It may be hoped that Belgian co-operation will ultimately be strengthened by this crisis of confidence, which aroused far more interest than previously in Belgian political circles about development co-operation issues. It thus seems probable that the monitoring commission will become a parliamentary development co-operation commission reporting to the foreign affairs commis-

sion, once it has presented the final report on its investigations. Similarly, there is reason to think that the crisis will have favoured the cause of evaluating operations by Belgian co-operation and demonstrating the need for greater transparency, and hence more professionalism, right across government activities. Paradoxically, the context is a favourable one for genuine reforms that would finally secure for Belgian development co-operation the status, structures and operational instruments that have by and large been lacking in the past.

Development education

Reflecting the State Secretary's policy decision to enhance the profile of development co-operation, AGCD has received one appropriation for information activity proper and another for heightening public awareness of development co-operation issues. Appropriations for these two activities have risen considerably over the last three years, from BF 44 million (US\$1.2 million) in 1995 to BF 86 million (\$2.3 million) in 1996 and BF 136 million (\$3.4 million) in 1997. In addition, BF 224 million (about \$7 million) have been provided to NGOs for development education activities in Belgium.

AGCD's development education activities are largely focused on schools, taking the form in particular of:

- series of talks and events;
- support for audiovisual productions;
- co-financing of television productions on developing countries;
- arranging events in various towns and regions in Belgium;
- festivals of developing country films, etc.

AGCD also produces educational material for pupils and teachers and publishes a bi-monthly newsletter. In the spring of 1997 the AGCD communications service made an active contribution to an awareness drive concerning the State Secretary for Co-operation's plan for the future of Belgian co-operation, and distributed material designed for the general public (posters, brochures, etc.) in public buildings (post offices, railway stations, schools, etc.). There are to be special activities for schools as part of this drive, actively involving pupils and teachers.

MAIN CHARACTERISTICS

8. VOLUME AND FUTURE OUTLOOK

Recent trends

Belgian official development assistance, which had risen from \$726 million in 1994 to \$1.3 billion in 1995, fell back to \$937 million in 1996 (\$868 million at 1995 prices and exchange rates), a reduction of 6.4 per cent in real terms. Expressed as a percentage of GNP, the volume of assistance rose from 0.32 per cent in 1994 to 0.38 per cent in 1995 and then fell back to 0.35 per cent in 1996, placing Belgium in seventh position among DAC countries. The trend is largely due to the return to a normal level in multilateral disbursements, which had been exceptionally high in 1995 because two annual payments had been made to the International Development Association (IDA) as part of the tenth reconstitution of IDA resources. Over the period 1990/91-1995/96 the volume of Belgian ODA fell in real terms by 11 per cent, slightly less than the DAC average over the same period of time (-13 per cent).

Future outlook

Belgium has pledged to devote 0.7 per cent of its GNP to official development assistance by the year 2000 or as soon as possible thereafter, and reaffirmed that undertaking at the Rio de Janeiro Summit. In 1995 the present government made stepping up the co-operation effort one point in its programme of government, and promised to:

- reverse the current downward trend in the proportion of GNP devoted to assistance;
- maximise expenditure disbursed under the federal budget;
- ensure that the co-operation budget's share of current and capital spending does not fall below 2 per cent;
- devote at least 0.5 per cent of GNP to development co-operation by the end of 1998.

As the table below shows, Belgian development co-operation has not fulfilled these undertakings. Total ODA disbursements, amounting to 0.78 per cent of government expenditure in 1992 and 0.74 per cent in 1995, fell to 0.64 per cent in 1996. The same applies to AGCD disbursements, which represented 0.51 per cent of total government spending in 1992 and had declined to 0.40 per cent in 1996.

Given the rate at which Belgium's GNP is growing and the inability of AGCD to use up its appropriations, the interim objective of 0.5 per cent set for 1998 seems unrealistic in present circumstances, even though the utilisation rate rose from 83 per cent in 1995 to 87 per cent in 1996. Members of Parliament rightly consider that until AGCD has overcome the utilisation problem it cannot expect any significant increase in appropriations. Short of a spectacular turnaround, of which there seems no sign at present, it is more likely that Belgian assistance will remain steady at around 0.35 per cent of GNP over the near future.

ODA and AGCD disbursements as per cent of government expenditure

BF billions

	1992	1993	1994	1995	1996*
Total government expenditure**	3 793.1	3 952.3	4 067.9	4 101.9	4 187.0
Total ODA (disbursements)	29.7	28.8	24.4	30.5	26.7
Total AGCD (disbursements)	19.2	21.2	15.6	17.0	16.8
ODA disbursements as per cent of government expenditure	0.78	0.73	0.60	0.74	0.64
AGCD disbursements as per cent of government expenditure	0.51	0.54	0.38	0.41	0.40

* Estimates.

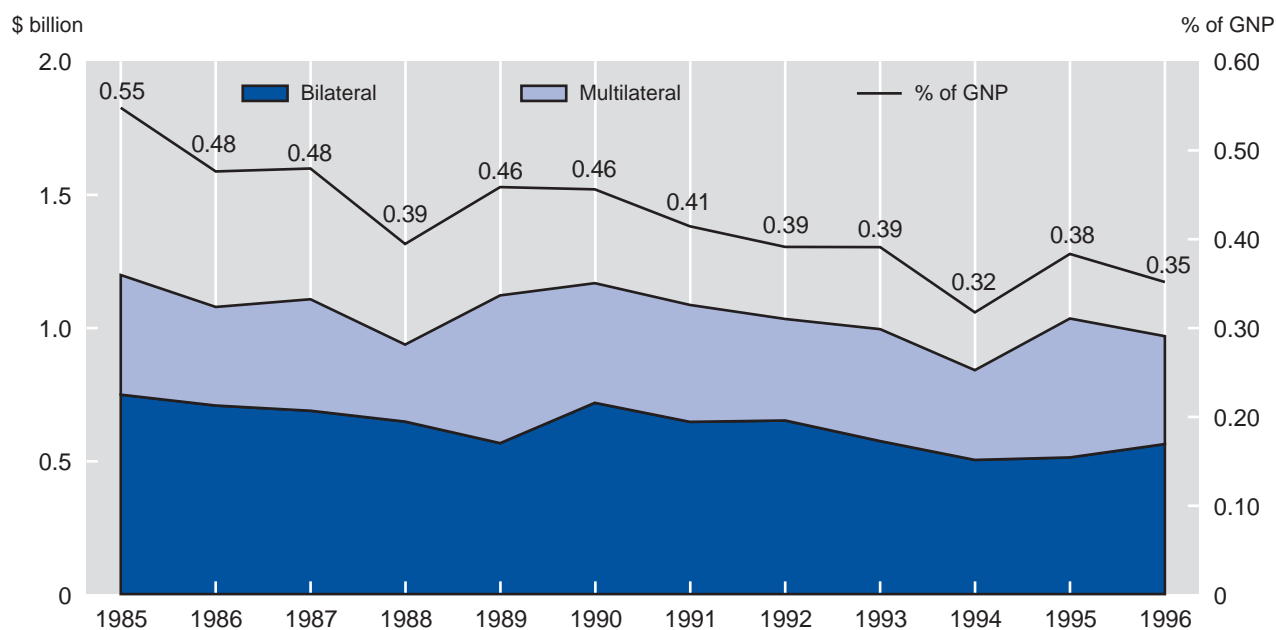
** Including debt service.

Table 1. **Main ODA volume indicators**

	i) Disbursements and commitments					
	Two-year averages over ten-year period			1994	1995	1996(p)
	1985/86	1990/91	1995/96(p)			
ODA net disbursements						
Current prices and exchange rates (\$ million)	493	860	985	726	1 034	937
Bilateral	317	521	529	435	514	545
Multilateral	176	339	456	291	520	392
1995 prices and exchange rates (\$ million)	1 137	1 126	1 001	840	1 034	968
Bilateral	728	682	538	504	514	563
Multilateral	409	443	462	336	520	404
National currency (BF million)	25 281	29 054	29 754	24 305	30 497	29 012
Bilateral	16 188	17 607	16 019	14 571	15 153	16 885
Multilateral	9 094	11 449	13 737	9 735	15 347	12 127
GNP ratios (%)	0.51	0.43	0.37	0.32	0.38	0.35
Bilateral	0.33	0.26	0.20	0.19	0.19	0.20
Multilateral	0.18	0.17	0.17	0.13	0.19	0.15
<i>ODA commitments</i>						
Current prices and exchange rates (\$ million)	402	880	..	758	1 075	..
Bilateral	225	541	..	465	552	..
Multilateral	177	339	..	293	523	..
GNP ratios (%)	0.40	0.44	..	0.33	0.40	..
Bilateral	0.22	0.27	..	0.20	0.20	..
Multilateral	0.18	0.17	..	0.13	0.19	..
ii) Average annual growth rates of ODA disbursements in real terms						
	1985/86-1990/91	1990/91-1995/96(p)	1985/86-1995/96(p)	For reference: Total DAC		
				1985/86-1990/91	1990/91-1995/96	1985/86-1995/96
Percentages						
Total ODA	-0.2	-2.3	-1.3	3.1	-3.2	-0.1
Bilateral	-1.3	-4.6	-3.0	3.7	-4.2	-0.3
Multilateral	1.6	0.8	1.2	1.7	-1.3	0.2
<i>For reference:</i>						
GNP growth in real terms	3.1	1.0	2.1	3.4	2.4	2.9
iii) Share in total DAC						
	Two-year averages over ten-year period			1994	1995	1996(p)
	1985/86	1990/91	1995/96(p)			
Percentages						
Total ODA	1.5	1.6	1.7	1.2	1.8	1.7
Bilateral	1.4	1.3	1.3	1.1	1.3	1.4
Multilateral	2.0	2.2	2.6	1.6	2.8	2.4
Gross national product	1.0	1.2	1.2	1.1	1.2	1.2

Source: OECD.

Figure 1. **ODA net disbursements**
At constant 1995 prices and as a share of GNP



Source: OECD.

Table 2. **Total financial flows**
Net disbursements in \$ million at 1995 prices and exchange rates

	1985/86	1990/91	1994	1995	1996(p)
Official Development Assistance	1 137	1 126	840	1 034	968
Other official flows	164	257	386	224	..
Official export credits	-	53	29	32	..
Equities and other bilateral assets	189	210	299	192	..
Multilateral	-25	-6	58	-	..
Private non-concessional flows	-363	-375	1 292	-1 554	..
Direct investment	374	1 045	-236	130	..
Bilateral portfolio investment	-745	-1 285	1 537	-1 356	..
Multilateral portfolio investment	433	-	-	-	..
Private export credits	-850	-215	-90	-328	..
Private grants	51	58	60	61	..
Total non-ODA flows	-148	-61	1 739	-1 268	..
As share of GNP (%)	-0.05	-0.03	0.66	-0.47	..
Total flows	989	1 065	2 579	-234	..
As share of GNP (%)	0.46	0.41	0.97	-0.09	..

Source: OECD.

9. COMPOSITION AND SECTORAL BREAKDOWN OF AID

Bilateral aid accounted on average for some 60 per cent of net ODA disbursements (58 per cent in 1996) in recent years, except in 1995 when it fell to around 50 per cent of net disbursements because of an exceptional increase in multilateral contributions. The latter accounted for 50 per cent of total net ODA disbursements in 1995, compared with an average of some 40 per cent in other years. This was due to two annual contributions being paid at once to IDA in 1995. The near-totality of the Belgian aid programme is extended in the form of grants. Net ODA loans, which were negative in 1995, accounted for less than 1 per cent of total ODA disbursements in 1996.

The main components of Belgian aid are shown in Table 3. When considering the data, it needs to be borne in mind that Belgium makes a distinction between direct bilateral assistance, managed directly by the aid administration, indirect bilateral assistance (channelled via NGOs, universities and other agencies) and assistance administered by the Finance Ministry. Despite progress in recent years, these categories are not always wholly compatible with those used for DAC statistics.

Data for 1996 were not available when this report was prepared, so it is difficult to assess changes over 1995 in the sectoral breakdown of aid, particularly regarding the emphasis on the alleviation of poverty, social sectors and conflict prevention. The data in Table 4 seemed to indicate a trend towards programme aid, in particular in the form of

Table 3. ODA net disbursements by main categories

	At constant 1995 prices and exchange rates \$ million				% of total net ODA				For reference: Total DAC: Share of total net ODA (%)			
	1990/91	1994	1995	1996(p)	1990/91	1994	1995	1996(p)	1990/91	1994	1995	1996
Bilateral	682	504	514	563	60.6	59.9	49.7	58.2	72.4	69.8	68.9	69.2
Grants	623	499	538	563	55.3	59.4	52.1	58.2	60.9	59.5	63.1	64.4
Development projects and programmes	109	50	63	...	9.7	5.9	6.1	...	17.5	15.1	14.2	...
Technical co-operation ^a	248	119	294	...	22.0	14.2	28.5	...	20.9	21.7	24.3	19.6
Food aid	21	11	17	...	1.9	1.3	1.7	...	2.8	3.0	2.3	0.8
Emergency aid (other than food aid)	7	16	16	...	0.6	1.9	1.5	...	3.1	5.9	5.2	3.2
Debt reorganisation	2	88	62	...	0.1	10.5	6.0	...	9.1	5.8	6.3	...
Support to NGOs	2	2	5	...	0.2	0.2	0.5	...	2.0	1.9	2.1	...
Administrative costs	36	40	51	...	3.2	4.8	4.9	...	3.6	4.4	4.9	...
Other grants ^a	199	173	24	...	17.7	20.5	2.4	...	1.7	1.7	1.5	...
Loans	59	5	-25	...	5.3	0.6	-2.4	...	11.5	10.3	5.8	4.8
<i>For reference:</i>												
Associated financing	-	-	-	-	-	-	-	-	0.6	0.7	0.7	...
Multilateral	443	336	520	404	39.4	40.1	50.3	41.8	27.6	30.2	31.1	29.5
UN agencies	70	48	47	...	6.2	5.7	4.5	...	7.4	7.3	7.2	8.0
<i>of which:</i>												
WFP	3	3	2	...	0.3	0.4	0.2	...	1.3	1.3	1.4	...
UNDP	35	22	22	...	3.1	2.7	2.2	...	1.9	1.6	1.5	...
UNICEF	4	2	2	...	0.3	0.3	0.2	...	0.7	0.6	0.6	...
UNFPA	2	2	2	...	0.1	0.2	0.2	...	0.4	0.5	0.5	...
World Bank group	128	11	213	...	11.4	1.4	20.6	...	8.7	8.4	9.5	...
<i>of which:</i> IDA	116	0	208	...	10.3	0.0	20.1	...	7.9	7.8	9.2	...
Regional development banks	20	31	10	...	1.8	3.7	1.0	...	2.6	4.4	2.2	2.8
EC	196	228	212	...	17.4	27.2	20.5	...	6.7	8.0	9.1	7.9
Other multilateral	29	18	38	...	2.6	2.1	3.7	...	2.1	2.1	3.0	...
Total ODA net disbursements	1 126	840	1 034	968	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<i>of which:</i> Food aid	63	41	45	...	5.6	4.9	4.3	...	6.0	5.0	4.5	...

a) Up to 1994 the figures reported under technical co-operation only referred to activities directly implemented by AGCD, whereas technical co-operation by NGOs was reported under "other grants". Since 1995 the reporting method has changed and technical co-operation channelled through NGOs is now included under the item technical co-operation.

Table 4. **Distribution of bilateral ODA commitments by major purposes**

	1984/85		1989/90		1994/95		For reference: Total DAC 1994/95 % of total
	\$ million	% of total	\$ million	% of total	\$ million	% of total	
Social infrastructure and services	133	49.2	179	38.4	151	29.8	29.0
Education	82	30.4	93	20.0	65	12.8	11.0
Health	27	10.2	41	8.8	40	7.8	3.8
Population programmes	–	–	15	3.2	11	2.2	1.4
Water supply and sanitation	7	2.8	5	1.2	10	1.9	5.4
Government and civil society	5	1.9	24	5.2	9	1.8	3.0
Other social infrastructure and services	11	4.1	–	–	17	3.3	4.4
Economic infrastructure and services	37	13.6	40	8.7	39	7.6	22.6
Transport and storage	11	4.1	17	3.7	8	1.6	9.8
Communications	14	5.1	7	1.5	3	0.6	1.6
Energy	10	3.7	5	1.1	6	1.3	9.0
Banking and financial services	2	0.7	11	2.4	20	3.9	0.6
Business and other services	–	–	–	–	2	0.3	1.6
Production sectors	51	18.8	89	19.0	89	17.4	10.4
Agriculture, forestry and fishing	27	9.9	47	10.0	62	12.3	7.4
Industry, mining and construction	17	6.4	28	5.9	23	4.6	1.7
Industry	6	2.2	26	5.7	21	4.2	1.2
Mining	8	2.8	1	0.2	1	0.2	0.2
Construction	4	1.4	–	–	1	0.2	0.1
Trade and tourism	7	2.4	14	3.1	3	0.6	1.0
Trade	5	1.8	1	0.1	3	0.6	0.6
Tourism	2	0.7	..	..	0	0.0	0.1
Other	0	0.0	0	0.0	0	0.0	0.2
Multisector	1	0.2	60	12.9	54	10.5	4.5
Total sector allocable	220	81.8	368	78.9	332	65.4	66.5
Commodity aid and general programme assistance	13	5.0	40	8.6	32	6.2	6.7
Action relating to debt	5	1.8	–	–	70	13.7	9.5
Emergency assistance	1	0.4	3	0.7	15	3.0	5.2
Administrative costs of donors	15	5.5	33	7.2	43	8.4	4.7
Support to NGOs	15	5.4	1	0.1	5	1.0	1.0
Unallocated	–	–	21	4.6	12	2.4	6.4
Total	269	100.0	466	100.0	509	100.0	100.0

Source: OECD.

debt relief and balance-of-payments support which, taken together, accounted for around 20 per cent of all bilateral commitments in 1994/95. One reason for the trend is that Belgium had to suspend its aid programmes, consisting essentially of technical assistance and project aid, to the three main ambit countries (Burundi, Rwanda and Zaire). Where project aid is concerned, social infrastructure and services absorbed around 30 per cent of bilateral commitments in 1994/95, followed by the production sector (17 per cent) where the bulk (12 per cent) was for agriculture, forestry and fisheries.

10. MULTILATERAL CONTRIBUTIONS

The management of multilateral assistance is spread across several government departments, the

main ones being AGCD, which is responsible for contributions to UN institutions and the European Development Fund (around 56 per cent in 1995), and the Finance Ministry, which is responsible for contributions to the World Bank group, to the general budget of the European Commission, to regional development banks and funds and to the European Bank for Reconstruction and Development (EBRD) (around 23 per cent). From 1997 onwards, however, it seems that contributions to IDA may be transferred, whether permanently or not, to the AGCD budget. At the same time it is not clear whether the transfer will be accompanied by additional resources for AGCD or whether the move is a way of spending the latter's unutilised appropriations. In the latter case, it is not known what use the Finance Ministry will make of the other funding thus released.

In 1995, the last year for which full statistics are available, Belgium's multilateral contributions totalled \$520 million, of which slightly under half went to the European Union and virtually the same proportion to IDA. The balance was distributed to a large number of multilateral organisations, the main one being UNDP. In 1996 multilateral contributions returned to their normal level and are estimated at \$392 million, representing some 42 per cent of total net ODA disbursements.

Belgium, whose multilateral contributions (around 40 per cent of net ODA disbursements in 1992-94) have always been well above the DAC average (30 per cent over the years 1994-96), does not propose to increase that proportion. Given its obligations to the European Union, which will further increase in coming years, Belgium, which currently contributes to some 55 multilateral agencies, is compelled to be more selective. The *Plan d'avenir pour la coopération belge au développement* accordingly proposes an appreciable reduction in the number of multilateral institutions receiving contributions and intervention confined to the most effective agencies and in line with possible synergies with Belgian approaches. With the exception of the multilateral organisations to which Belgium is committed by treaty or international agreement, the following factors will be taken into account in future decisions on co-operation:

- efficiency and tangible comparative advantage;
- findings of DAC evaluations and performance indicators;
- scope for Belgium to exercise tangible influence in the steering groups;
- complementarity with Belgian co-operation, in particular with regard to sectoral priorities.

Although the precise criteria for selecting agencies have not yet been set, in the view of the Belgian authorities the most effective organisations are:

- the World Bank for macroeconomic issues, structural adjustment and the financing of basic infrastructures;
- the United Nations High Commission for Refugees (UNHCR), the International Committee of the Red Cross (ICRC), the United Nations Children's Fund (UNICEF) and the World Food Programme (WFP) for emergency aid and food aid;

- the International Fund for Agricultural Development (IFAD) for the alleviation of poverty and the promotion of women in rural areas;
- the United Nations Equipment Fund (UNEF) for small-scale infrastructure and equipment and support for micro firms;
- the World Health Organisation (WHO), combating endemic diseases;
- the global environment facility (GEF); and
- the International Finance Corporation (IFC), some components of the United Nations Industrial Development Organisation (UNIDO) and a few other agencies for support to the private sector, and SMEs in particular.

Given Belgium's treaty obligations towards the European Union, international finance institutions and the United Nations agencies, which absorb the bulk of its multilateral assistance, it remains to be seen how far the government could in fact withdraw from some multilateral organisations and, if so, what effect withdrawal could have on its multilateral budget.

Intergovernmental co-ordination of Belgium's multilateral assistance occurs at four levels:

- at European level, consultations take place with area desks prior to the monthly meetings of the European Development Fund (EDF) Committee and since 1995 with the Asian and Latin American (ALA) and Mediterranean Basin (MED) countries, enabling Belgian representatives to take properly informed decisions;
- at World Bank level, chiefly with regard to the Special Programme for Africa, the twice-yearly meetings are monitored jointly by multilateral and area officials;
- at regional level, where Belgian contributions are increasingly based on bilateral priorities;
- at local level, where Belgium forms part of a multi-donor approach and seeks to enhance local management capability and project ownership.

11. DEBT RELIEF AND RESCHEDULING

The Belgian Government attaches considerable importance to alleviating the debt burden of developing countries, a matter which is closely related to the financial difficulties of the National Del Credere Office (OND), the Belgian export credit agency. To enable OND to meet its obligations, in January 1991

the government established a ten-year financial consolidation plan, to which every ministry was to contribute. An appropriation of BF 550 million (about \$18 million) is earmarked in the AGCD budget each year to relieve the debt of developing countries. These transactions are carried out through the Paris Club or by means of debt swaps. In the former case OND follows the international consensus concerning countries and forms of debt reduction, half of which is borne by AGCD. In 1996 Paris Club debt rescheduling concerned Bolivia and Ethiopia, for which AGCD bought back BF 23 million and BF 275 million (\$0.7 million and \$8.8 million) respectively. In the case of debt swaps, AGCD buys back an outstanding loan held by OND, usually at a price well below the face value of the outstanding debt. In 1996 these operations concerned Cameroon, Guinea Conakry and Congo Brazzaville, for amounts of BF 145 million, 37 million and

112 million (\$4.7 million, 1.2 million and 3.6 million) respectively. Usually debt relief operations involve the setting up of counterpart funds in local currency, used to finance development projects, generally in social sectors or to promote SMEs. The counterpart funds are managed jointly by AGCD and the recipient country. The procedures are not uniform, however, and management has sometimes proved cumbersome. That is particularly the case in countries where the local bureau has little scope for decision-taking (see Box 1 – Belgian aid to Bolivia).

In the statistical submission to the DAC, debt relief operations are usually reported as sectoral programme assistance, except in the case of Paris Club relief where AGCD reports them as debt relief. This practice does not assist interpretation, especially with regard to actual debt relief efforts towards individual recipient countries.

Box 1. Belgian aid to Bolivia

The country

Bolivia covers over a million square kilometres and its population is estimated at 7.4 million, of whom over half are Indians, 30 per cent mestizos, and the remainder of European origin. It has a wide range of climates, from the cold and semi-arid plateaux at high altitude to tropical conditions in the Amazon basin. It has a range of minerals, natural gas and oil, and is the world's second largest producer of coca after Peru. The country has no direct access to the sea. It is a member of the Andean Pact and in October 1996 signed an association agreement with the MERCOSUR countries.

The economy – Since 1985 Bolivia has carried out three structural adjustment programmes to consolidate the macroeconomic position and restore solvency. In 1996, after 11 years of stringent economic policy, the government deficit was down from 20 to 2 per cent of gross domestic product (GDP) and inflation down from 23 000 to around 8 per cent. But government debt, in particular to multilateral institutions, and the low level of domestic savings and tax revenue are severe impediments to strong economic growth and consistent socio-economic policy. Income distribution continues to be very uneven, and the government often makes use of external assistance to fund social measures.

Political situation – Bolivia has had democratically elected governments since 1982, with a president and two legislative chambers. A substantial drive to liberalise and modernise the state has been made since 1985. An ambitious programme of structural reforms was launched in 1993, the Plan for All, with combating poverty among the priority objectives. The reforms include:

- The People's Participation programme, based on the popular participation and administrative decentralisation laws, came into force in January 1996. The programme is designed to transfer administrative and financial responsibility for the main government services to local authorities, notably in health, education and rural development.
- Educational reform in hand since 1995. The aim is to make basic education available to all, in particular by providing teaching in the three main Indian languages;
- The capitalisation (privatisation) of the main state corporations, with the establishment of private pension funds. To date five corporations have been privatised.

Other reforms concern the judiciary, the constitution and the agrarian system.

(continued on next page)

(continued)

Poverty – With Haiti, Bolivia remains the poorest country in Latin America. It ranks 111th out of 174 in the 1996 UNDP human development index. In 1992, the last year for which data are available, 70 per cent of the population was below the poverty line; 94 per cent in rural areas. Infant mortality was estimated at 75 per thousand and illiteracy among over-fifteens was put at 23 per cent. The indigenous population, making up the bulk of the population in rural areas, suffers even more from poverty and illiteracy than the remainder.

The Belgian development co-operation programme in Bolivia

Chief characteristics – Belgium's net ODA disbursements, which had averaged \$8 million during the first half of the 1990s, rose to \$46.5 million in 1995, largely on account of a debt relief operation, making Bolivia the main recipient of Belgian aid in 1995. In that year Belgium ranked fifth among bilateral donors. The data for 1996 are not yet available.

Although Bolivia had been a Belgian concentration country since 1991, the first general agreement on Belgo-Bolivian co-operation was signed only in October 1995, at the third session of the joint commission. Under Belgium's new policy guidelines, a strategy is to be defined for Bolivia. Pending that strategy, the 1995 agreement serves as the basis for co-operation. It stipulates that direct bilateral assistance scheduled for the period 1996-98 is to amount to BF 900 million (about \$27 million). To that should be added some BF 300 million (\$9 million) of counterpart funds in local currency available straight away and a further BF 200 million (\$6 million) over the period 1996-98. These resources are to be used as follows:

- 30 per cent for financial co-operation (balance-of-payments support, debt relief, project design fund);
- 30 per cent for public health projects, construed broadly (primary healthcare, applied research, water and sewage systems);
- 40 per cent for rural development (agricultural production and services, rural infrastructure, water basin management, support for small and medium enterprises, etc.).

In the health sector, the two parties have agreed to continue the three public health and tropical medicine projects currently under way (CENETROP, CUMETROP and SILOS). With the project to upgrade navigation on the Ichilo and Mamore rivers which Belgium has supported since 1984, the master plan was completed in 1997 and sent to AGCD. Pending a decision in Brussels, it has been agreed to carry out harbour protection work at Villarroel, to be financed from counterpart funds in local currency.

Belgium also provides technical assistance to the Bolivian Audit Board during the period 1996-2002; it supports bilingual education programmes via the Fondo Indígena, and co-finances projects with Belgian NGOs. It further supports a scholarship and training programme and extremely active university co-operation.

To enhance the impact of Belgian development assistance, it has been decided to concentrate direct bilateral co-operation projects in two main regions, Cochabamba and Santa Cruz de la Sierra. A programme approach, with integrated projects covering several sectors, is in future to be adopted for Belgian intervention in Bolivia.

Counterpart funds – Since the early 1990s, counterpart funds have accounted for a significant portion of Belgium's aid programme in Bolivia. By early 1997 seven debt relief operations had been completed, including three with counterpart funds for a total of \$16 million. Bolivia has also been the subject of two balance-of-payments support programmes generating around \$7 million in counterpart funds. For 1997 a debt relief operation and a balance-of-payments support programme totalling BF 200 million (about \$6.5 million) are proposed. These funds are managed on a co-responsibility basis, and the system operates satisfactorily with regard to repayments in local currency by Bolivia. But significant delays have occurred in using the funds, due partly to unexpected events but mostly to cumbersome administrative procedures which have held up approval of projects. Out of \$23 million available in counterpart funds, only about half has been allocated to projects or programmes, mainly for the disadvantaged and for start-up equity and credit for microbusinesses.

Until recently, balance-of-payments support programmes were tied to the purchase of goods and services in Belgium, but this is no longer the case since the new policy of non-tied aid came into effect.

The agreement currently being negotiated for the procurement of medicines provides for 100 per cent non-tied funding. To monitor purchases, Belgium has brought in an international concern specialising in quality control.

(continued on next page)

(continued)

Local representation – AGCD is represented in Bolivia by a development co-operation bureau attached to the Belgian embassy. The bureau is responsible for implementing the 1995 co-operation agreement and for day-to-day management of bilateral co-operation projects and programmes. It ensures that government co-operation procedures are complied with, takes part in pre-programming missions at local and national levels, and monitors the consistency of work by government and non-government co-operation agencies and international institutions. However, when the OECD Secretariat visited La Paz the staff comprised the head of bureau, an accountant and some local staff, quite insufficient for the bureau's duties. Five Belgian co-operation workers are to be sent in during 1997.

The co-operation bureau has no authority to approve projects or programmes, apart from a few small interventions or planning activities not exceeding BF 500 000 (about \$17 000). All decisions are taken in Brussels, including orders for supplies and equipment. This appreciably delays the approval and launching of projects. According to an official in the Bolivian Secretariat for Public Investment and External Finance (SIPFE), these delays are the reason why the government no longer requests Belgian support for priority projects.

The local office also gives opinions on Belgian NGOs' applications to AGCD for co-financing, and on university co-operation projects. Given their number, however, it is hard to follow all the projects and ensure that they are consistent. Since 1996 the co-operation bureau has a budget of its own to finance microprojects and support local NGOs. It was allocated BF 4 million in 1997. There is a ceiling of BF 300 000 on the Belgian contribution to each project.

Aid co-ordination

Co-ordination operates along the normal lines of the consultative groups organised by the World Bank and sectoral meetings covering a wide range of topics. UNDP confines itself to monthly luncheons bringing together representatives of the World Bank, the Inter-American Bank and USAID. European Union member countries meet at the Commission's local office, but the most active element seems to be the group of like-minded countries, Belgium, Canada, Denmark, Germany, the Netherlands, Sweden and Switzerland. Belgium takes an active part in the public health co-ordinating group.

Co-ordination of external assistance with Bolivia's strategies and priorities does not yet appear to be in place as recommended in the DAC strategy for the 21st century, despite the fact that Bolivia is one of the few developing countries to have defined a consistent and credible strategy. According to the relevant Bolivian authorities, a number of donors have agreed to integrate their aid in local sectoral strategies, though the majority are still finding it hard to relinquish their own programmes and projects which, in terms of local currency counterpart funds, often represent a heavy burden on Bolivia's public investment budget, even if the projects are in the government's priority sectors. The authorities further emphasized that donors were so enthusiastic about the social sectors that there was difficulty in finding adequate funding for infrastructure projects regarded as essential for the economic development of the country.

12. GEOGRAPHICAL DISTRIBUTION

The geographical breakdown of Belgian ODA is shown in Table 5. Although Sub-Saharan Africa's share has fallen from 74 per cent of total net bilateral disbursements in 1984/85 to 52 per cent in 1995, largely on account of the political unrest in the three main recipients of Belgian aid (Burundi, Rwanda, Zaire), the region remains well to the fore in the Belgian programme and will continue to do so. Over the same period, Latin America's share rose from 7 per cent of net bilateral disbursements to 30 per cent, while Asia's share has fluctuated considerably, from 13 per cent in 1984/85 to 21 per cent in 1994

and then 9 per cent in 1995. Although the technical co-operation programme with Zaire has been suspended, the country ranked first among Belgian aid recipients in 1994/95 (9.8 per cent), in particular on account of humanitarian aid, a considerable part of which is provided by Belgian NGOs with joint financing by the government, payments from the Belgian-Congolese Fund and a scholarship programme. Next come Bolivia, which received some 8 per cent of Belgium's apportionable bilateral assistance in 1994/95, Vietnam (7.6 per cent), Rwanda (6.6 per cent) and Burundi (4.4 per cent). For 1995 alone, however, the main recipient of Belgian assistance was Bolivia, followed by Zaire, Rwanda and

Table 5. **Allocable ODA net disbursements by major groupings, regions and main recipients**

i) Summary table

	ODA disbursements at constant 1994 prices and exchange rates				Average annual change in real terms		Share of bilateral ODA				For reference: Total DAC: share of bilateral ODA			
	\$ million				Per cent									
	1984/85	1989/9	1994	1995	1984/85- 1989/90	1989/90- 1994/95	1984/85	1989/90	1994	1995	1984/85	1989/90	1994	1995
Sub-Saharan Africa	406	300	193	153	-5.9	-10.4	73.6	78.0	59.6	51.8	29.8	34.2	31.4	31.6
Low-income countries	363	268	163	125	-5.8	-11.7	65.8	69.7	50.3	42.1	25.4	27.7	23.4	24.0
Other	43	32	30	28	-5.9	-1.7	7.8	8.3	9.2	9.6	4.4	6.5	7.9	7.6
North Africa and Middle East	30	16	16	25	-11.6	4.5	5.4	4.2	4.8	8.4	24.4	17.5	16.8	12.8
Low-income countries	5	4	1	1	-3.6	-28.1	0.9	1.0	0.3	0.2	10.5	8.4	7.3	5.7
Other	25	12	15	24	-13.5	9.8	4.6	3.2	4.5	8.2	13.9	9.1	9.5	7.1
Asia	70	26	69	27	-17.7	12.7	12.7	6.9	21.1	9.3	26.4	30.2	31.5	32.7
Low-income countries	53	17	56	21	-20.0	17.2	9.6	4.5	17.3	7.0	20.2	23.2	25.7	25.4
Other	17	9	12	7	-11.8	1.3	3.1	2.3	3.8	2.3	6.2	7.0	5.8	7.4
America	36	38	47	88	1.0	12.0	6.6	9.9	14.4	29.7	13.1	12.4	12.1	13.5
Low-income countries	5	5	4	8	-2.4	6.2	0.9	1.2	1.3	2.7	2.1	2.4	3.7	4.0
Other	31	34	42	80	1.6	12.7	5.6	8.7	13.0	27.0	11.0	10.0	8.4	9.5
Oceania	1	0	0	0	-18.6	-15.9	0.1	0.1	0.0	0.0	5.1	4.1	4.8	5.2
Europe	9	4	0	2	-14.7	-19.5	1.6	1.0	0.1	0.8	1.2	1.6	3.4	4.2
Total bilateral allocable	551	385	324	296	-6.9	-4.3	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<i>Memo items:</i>														
Least-developed countries	370	269	169	129	-6.2	-11.1	67.2	69.8	52.2	43.5	28.9	29.5	28.1	28.2
Other low-income countries	55	26	56	25	-14.2	9.5	10.0	6.7	17.2	8.5	29.6	32.7	32.4	31.3
Lower middle-income countries	109	73	84	125	-7.6	7.3	19.8	19.0	25.8	42.4	24.8	26.0	29.1	31.8
Upper middle-income countries	16	17	15	16	1.4	-2.3	2.9	4.5	4.5	5.4	5.6	6.1	5.5	6.2
High-income countries	0	0	1	1	-8.2	26.9	0.1	0.1	0.3	0.2	11.1	5.7	4.9	2.6
Unallocated (additional to total shown)	92	171	107	148	13.3	-5.6	16.6	44.3	33.1	50.2	19.6	22.1	23.9	28.2

Source : OECD.

Table 5. **Allocable ODA net disbursements by major groupings, regions and main recipients** (cont.)

ii) Detailed table

	1994 \$ million				Belgium's ODA as a share of total DAC ODA (%)			
	1984/85	1989/90	1994	1995	1984/85	1989/90	1994	1995
Sub-Saharan Africa	406	300	193	153	3.4	2.4	1.8	1.8
Low-income countries	363	268	163	125	3.6	2.7	2.1	1.9
<i>of which:</i>								
Burundi	42	34	19	8	24.0	22.9	17.7	8.8
Ethiopia	10	5	5	3	1.4	1.0	0.8	0.6
Kenya	7	6	4	5	1.0	0.8	1.0	1.1
Mali	7	3	7	3	1.2	0.9	3.0	1.3
Niger	12	6	2	7	3.3	2.1	0.9	4.3
Rwanda	49	43	29	12	20.5	22.3	5.9	4.1
Tanzania	10	11	8	10	1.1	1.2	1.4	2.0
Zaire	185	120	29	31	37.1	17.9	30.1	31.0
Zambia	3	5	13	2	0.7	1.0	2.9	0.5
Lower middle-income countries	36	26	26	25	2.7	1.3	1.1	1.4
<i>of which:</i>								
Cameroon	15	9	3	2	4.4	2.1	0.8	0.8
Côte d'Ivoire	7	4	13	7	2.7	0.9	1.5	1.2
Senegal	12	11	8	7	2.2	1.6	1.6	2.0
North-Africa and Middle East	30	16	16	25	0.3	0.3	0.3	0.7
Lower middle-income countries	25	12	14	24	1.5	0.7	0.7	1.5
<i>of which:</i>								
Morocco	11	3	6	5	1.6	0.5	2.0	1.5
Tunisia	8	7	8	5	2.6	2.8	11.1	10.7
Asia	70	26	69	27	0.7	0.2	0.7	0.3
Low-income countries	53	17	56	21	0.7	0.2	0.7	0.3
<i>of which:</i>								
Bangladesh	12	6	6	2	0.8	0.5	0.8	0.3
China	16	3	2	9	1.2	0.2	0.1	0.4
Viet Nam	2	0	37	9	0.9	0.3	6.2	1.9
Lower middle-income countries	15	8	12	7	0.8	0.4	0.7	0.4
<i>of which:</i>								
Thailand	9	4	3	5	1.1	0.5	0.6	0.7
America	36	38	47	88	0.7	0.9	1.2	2.4
Lower middle-income countries	24	23	31	68	0.7	0.9	1.7	3.8
<i>of which:</i>								
Bolivia	4	7	7	40	1.3	1.6	1.8	9.8
Ecuador	9	4	12	8	5.8	2.8	7.1	6.2
Europe	9	4	0	2	1.8	0.7	0.0	0.2
Total bilateral allocable	551	385	324	296	1.4	1.1	1.0	1.1
<i>Memo items:</i>								
Least-developed countries	370	269	169	129	3.2	2.5	1.8	1.7
Other low-income countries	55	26	56	25	0.5	0.2	0.5	0.3
Lower middle-income countries	109	73	84	125	1.1	0.8	0.9	1.4
Upper middle-income countries	16	17	15	16	0.7	0.8	0.8	0.9
High-income countries	0	0	1	1	0.0	0.0	0.1	0.1
Unallocated (additional to total shown)	92	171	107	148	1.2	2.1	1.3	1.9

Source : OECD.

Table 6. Major recipients of bilateral ODA net disbursements

Rank	Recipient	1984/85			Recipient	1989/90			Recipient	1994/95		
		Constant 1994 \$ million	% of bilateral allocable	Cumulative % of bilateral allocable		Constant 1994 \$ million	% of bilateral allocable	Cumulative % of bilateral allocable		Constant 1994 \$ million	% of bilateral allocable	Cumulative % of bilateral allocable
1	Zaire	185	33.6	33.6	Zaire	120	31.2	31.2	Zaire	30	9.8	9.8
2	Rwanda	49	8.8	42.5	Rwanda	43	11.2	42.4	Bolivia	24	7.6	17.4
3	Burundi	42	7.7	50.2	Burundi	34	8.9	51.2	Viet Nam	23	7.3	24.7
4	China	16	2.8	53.0	Senegal	11	3.0	54.2	Rwanda	20	6.6	31.4
5	Cameroon	15	2.7	55.7	Tanzania	11	2.9	57.1	Burundi	14	4.4	35.8
6	Bangladesh	12	2.2	57.9	Cameroon	9	2.3	59.4	Ecuador	10	3.3	39.1
7	Niger	12	2.2	60.1	Bolivia	7	1.7	61.1	Côte d'Ivoire	10	3.2	42.3
8	Senegal	12	2.1	62.2	Tunisia	7	1.7	62.8	Tanzania	9	3.0	45.3
9	Morocco	11	2.0	64.2	Indonesia	6	1.7	64.5	Togo	7	2.4	47.7
10	Tanzania	10	1.8	66.0	Kenya	6	1.7	66.2	Senegal	7	2.3	50.1
11	Ethiopia	10	1.8	67.8	Uganda	6	1.6	67.8	Zambia	7	2.3	52.4
12	Thailand	9	1.7	69.5	Niger	6	1.5	69.4	Tunisia	6	2.1	54.5
13	Ecuador	9	1.7	71.2	Bangladesh	6	1.5	70.8	China	6	1.9	56.3
14	Turkey	9	1.6	72.8	Ethiopia	5	1.4	72.2	Morocco	6	1.8	58.1
15	Tunisia	8	1.5	74.2	Somalia	5	1.2	73.5	Mali	5	1.7	59.8
16	Indonesia	8	1.4	75.7	Zambia	5	1.2	74.6	Brazil	5	1.7	61.5
17	Pakistan	7	1.4	77.0	Côte d'Ivoire	4	1.2	75.8	Niger	5	1.5	63.0
18	Côte d'Ivoire	7	1.3	78.4	Ecuador	4	1.1	76.9	Chile	5	1.5	64.5
19	Kenya	7	1.3	79.7	Thailand	4	1.1	78.1	Burkina Faso	5	1.5	66.0
20	Mali	7	1.2	80.9	Egypt	4	1.0	79.1	Guinea	4	1.4	67.4
	Total bilateral	551	100.0	100.0	Total bilateral	385	100.0	100.0	Total bilateral	310	100.0	100.0
	Unallocated (additional to total shown)	92	16.6		Unallocated (additional to total shown)	171	44.3		Unallocated (additional to total shown)	128	41.2	
	<i>Memo item:</i> Total number of recipients	105			<i>Memo item:</i> Total number of recipients	107			<i>Memo item:</i> Total number of recipients	123		

Source : OECD.

Tanzania. Although falling, a substantial proportion of Belgian assistance goes to the least developed countries, in 1995 around 44 per cent compared with a DAC average of 28 per cent (see Table 5). A very similar share (42 per cent) went to lower intermediate income countries, up steeply on earlier years.

For some years now the Belgian aid administration has been endeavouring – without great success – to restrict the number of recipient countries. By 1995 the numbers had further increased to 128, from 107 recipient countries in 1989/90. The increasing dispersion is to be attributed above all to inter-government loans and to projects implemented via indirect bilateral co-operation, in particular Belgian NGOs with government funding, scholarship programmes, university co-operation, multi-bi projects, etc. In 1994 the government placed proposals before Parliament to cut the number of direct bilateral aid recipients to 19 countries, and one ambit region. The countries were selected using a range of economic, social and geopolitical criteria. The proposals were taken up in *Annoncer la couleur*, which suggests cutting the number of direct bilateral aid recipients to around 20 countries by the year 2000. The selection criteria include some of the recommendations and objectives set out in the DAC report *Shaping the 21st Century: The Contribution of Development Co-operation*. They include in particular poverty levels, notably in Sub-Saharan Africa, the political will of recipient governments to contribute to their countries' socio-economic development, and good governance. Belgian co-operation also wishes to continue to support countries in crisis with which Belgium is familiar and has affinities, and attaches great importance to the regional factor with a marked preference for regional projects. All these criteria have to be taken together.

The 20 countries currently under consideration for direct bilateral co-operation are:

- in Latin America: the Andean Group (Bolivia, Ecuador, Peru);
- in Asia: the Mekong countries (Vietnam, Laos, Cambodia) and perhaps the Philippines;
- in West Africa: Burkina Faso, Niger, Mali and Côte d'Ivoire;
- in East Africa: Kenya, Uganda, Tanzania, Rwanda and Burundi;
- in Central Africa: Zaire;
- in the Southern African Development Community.

To date the Belgian Government has approved seven programme countries: Bolivia, Burkina Faso, Burundi, Ecuador, Rwanda, Vietnam and Zaire. In other cases, concentration will be progressive. With regard to project countries, it is proposed to conclude the projects under way but not to enter into further commitments. Belgian co-operation with the Maghreb countries may continue for another two to three years.

With regard to projects implemented via indirect bilateral co-operation, the government is endeavouring to secure greater project concentration on fewer countries, but the NGOs have a high measure of autonomy that Belgian co-operation has no wish to infringe. For instance, local offices have had to be opened in Brazil and Chile, which are not ODA ambit countries, because a very large number of Belgian NGOs are working there at present, usually with an element of government funding. It is of interest to note that many NGOs have reduced their commitments in Sub-Saharan Africa, particularly in the Great Lakes region, and are switching to Latin America or Asia where working conditions are more favourable. To encourage NGOs to focus on a single programme in a given country or develop a measure of complementarity with government policy, Belgian co-operation is currently considering methods such as differential joint financing rates, covering up to as much as 95 per cent of the project cost.

13. TECHNICAL CO-OPERATION

Like other DAC Member countries which have maintained substantial programmes of technical assistance in countries with which they have special ties, Belgium has endeavoured in recent years to apply some of the DAC recommendations on technical co-operation. In particular, AGCD has cut the numbers of "substitution" co-operation workers which it directly manages, largely in education and the health sector, replacing them with technical co-operation work focusing more on short consulting missions in areas where local expertise is lacking. The number of co-operation workers paid from the AGCD budget fell from 1 200 in 1989 to 341 in 1995 and 275 at the beginning of 1997. Of the latter total, 192 were posted abroad, 53 were working in AGCD and 30 were awaiting assignment. There were also 847 NGO co-operation workers in 1995, together with United Nations volunteers, APEFE/VVOB education experts, and associated and multilateral experts. Altogether Belgian technical co-operation personnel totalled 1 345 in 1995, compared with 2 014 in 1989.

Technical co-operation will nevertheless continue to play an important part in Belgian assistance given the importance that the government attaches to technical co-operation and an upgraded function for it. *Annoncer la couleur* argues for changes in the role of co-operation workers, who must become experts and partners in the development of the country of posting. The terms of service of co-operation workers are regarded as over-rigid and unsuited to current needs, and changes are proposed: in particular, consideration is being given to recruiting staff on short contracts and to make it easier to integrate successful ones into the aid administration.

AGCD also funds a relatively substantial programme of scholarships and training grants, totalling around BF 1.5 billion (\$50 million) on average over the years 1993-95. During that period the number of bilateral scholarship grants was about 1 100 a year, a figure that is likely to fall given the aid administration's drive to concentrate scholarship and training grants on priority sectors and Belgian ambit countries. There are also a few multilateral scholarship programmes, designed chiefly to bolster multilateral projects in which Belgium is involved. AGCD is also seeking to restrict scholarships for courses in Belgium to advanced courses in subjects which are not taught locally, and to confine them to one or two years at most. At present half the scholarships awarded each year come under international third-cycle courses organised by universities or research institutes for students from developing countries, and tailored to their requirements. Grants for doctoral students are sharply down and confined to four years, only half to be spent in Belgium. Generally speaking the aid administration wishes to give priority to local education, to avoid the temptation for scholars to remain in Belgium on completing their studies. As a result it awards scholarships either individually or under inter-university programmes in "priority centres" or "centres of excellence". Efforts are made to reserve a quarter of all scholarships to women, but this is not always easy in practice. Women-only courses are also arranged. AGCD has no data on the numbers of students who return home at the end of their education.

14. FINANCIAL TERMS AND CONDITIONS OF AID

The terms of Belgium's ODA are highly concessional and comply with DAC recommendations. In 1995, the last year for which data are available, the

grant element in total gross disbursements was 99.5 per cent, and 99.8 per cent in the case of the least developed countries. The grant element in ODA lending (mostly inter-government loans and a few credit lines for development banks) was over 81 per cent, well above the DAC average of 63 per cent.

In line with the new action plan *Annoncer la couleur*, the aid administration has terminated tied aid as from 1997, at least with regard to direct bilateral co-operation and the new SPA, which will be entirely concessional. This has drawn protests from the Federation of Belgian Enterprises, which regards the step, taken without any requirement for reciprocity, as a threat to employment in Belgium. As the State Secretary for Co-operation has argued, tendering procedures are to be clear and transparent, which in his view is the only way of making aid more efficient. Although for the time being Belgium has taken its own decision to remove all ties from direct bilateral aid, the State Secretary intends to raise the matter in the EU Council of Ministers, and it may be that Belgian assistance will be untied only selectively. The Belgian Government is aware that economic globalisation is placing greater emphasis on business partnerships which may be beneficial to Belgium in terms of both trade and jobs.

Inter-government lending will continue to be tied to the procurement of goods and services in Belgium, as their prime aim is to promote the country's own interests and its foreign trade. By and large, loans of this kind are made under joint financing operations, with international calls for tender for major projects. Since Belgian co-operation has withdrawn from major manufacturing and infrastructure projects, inter-government lending will now finance only the supply of goods and services, and the decline in such lending, noted back in the 1980s, will further continue. In terms of net disbursements, they totalled only BF 167 million (US\$6 million) in 1996. Following a number of scandals, largely involving projects funded via inter-government loans, conditions have been tightened. In particular it is proposed to set up a board which will ensure that prices of Belgian supplies fall within an acceptable range. According to a European survey, Belgium has the lowest tied aid percentage in the EU. As a proportion of total exports, Belgian tied aid is reported to account for only 1.7 per cent, compared with 4.3 per cent in Germany and the United Kingdom, 5 per cent in France and 7 per cent in the Netherlands.

15. NON-GOVERNMENTAL ORGANISATIONS

Co-operation between the Belgian aid administration and NGOs has increased steadily in recent years, with the result that in 1997 BF 3.2 billion (US\$100 million), or 15 per cent of the total AGCD budget, will be channelled through NGOs. Also relevant here is the Survival fund and humanitarian aid, a considerable proportion of which is implemented by NGOs. Since 1991 several royal decrees have regulated AGCD's dealings with the 140 NGOs which are approved for project co-financing. The main provisions were described in the previous report on Belgium, published in the series of development co-operation reviews in 1995. However, the prescribed procedures have proved too cumbersome for effective management of the applications for co-financing received by AGCD and for satisfactory relations with NGOs and their platforms. They are accordingly to be repealed and replaced by a further royal decree, currently before the Council of Ministers. The new decree, of which the Secretariat lacks details, is to incorporate all the earlier provisions in a single set of regulations and extend the commitments of organisations which receive government backing for development projects, in particular through framework agreements and annual programmes of work. More frequent assessments are also proposed. The aim of the new decree is to:

- simplify the administrative procedures;
- enhance the design and assessment by the aid administration;

- make NGOs more professional by strengthening sectoral consistency;
- encourage NGOs to specialise in areas of excellence; and
- encourage greater co-operation among NGOs.

Pending these new regulations and subsequent directives and instructions, the earlier rules remain in force (grant of up to 75 per cent of a project's total cost, maximum duration five years, maximum total cost of a project BF 25 million, possibility of requesting multi-year programme funding and block grants on certain conditions, etc.). Financing of NGO co-operation workers is assumed by AGCD provided they are engaged on projects co-financed by AGCD or the European Union, or on project missions.

By and large NGOs seem to be satisfied with their relationship with the aid administration, although they would like to see greater continuity in policy, less party political involvement in development co-operation and in the aid administration, and a greater say in the preparation of joint commission hearings. Concerning the range of countries in which they operate, NGOs acknowledge that a considerable number have turned away from Africa, where working conditions had become too harsh, towards "easier" regions such as Latin America, Asia or the former communist countries, a decision that needs to be reconsidered. While recognising that greater geographical concentration is needed, they still have reservations about government policy and wish to retain their right to decide.

PRESS RELEASE ON THE DAC AID REVIEW OF BELGIUM

The Belgian aid system has experienced serious problems in recent years. The Secretary of State for Co-operation has drawn up a comprehensive development co-operation strategy, and basic reform efforts are underway. The system is now going through a crucial transition period. When the DAC reviewed Belgium's policies and programme on 17 September, many of the planned changes were not yet in place and others were just beginning to be implemented. It is still too soon to gauge the full outlook for the reforms, but encouraging signs of progress are already apparent.

The Chair of the DAC, James H. Michel, who presided at this regular triennial peer review of Belgian development co-operation, took special note of the direct personal leadership of the State Secretary for Development Co-operation, Mr Réginald Moreels, in the major reforms in his country's system and in presenting those reforms in this DAC review as head of the Belgian Delegation.

The Belgian government's new plan "*Showing our colours - Plan for the future of Belgian co-operation and development*" was well received by the Committee, which had noted the need for such a Strategy in its last Peer Review in 1994. It reflects the emphasis on local participation and ownership in results-oriented development partnerships that was agreed by DAC Members in their 1996 report, *Shaping the 21st Century: The Contribution of Development Co-operation*. The Committee took note of the determination of the Secretary of State that Belgian development co-operation must go beyond the economic and social to take full account of the basic values of society. The Committee also welcomed the emphasis in the plan on promoting sustainable poverty alleviation, on democracy, and on measures promoting reconciliation and peace.

The Committee noted favourably Belgium's intention to devise a strategy for each programme country, and expressed interest in the intention to focus Belgium's aid on fewer countries and (in the case of multilateral aid) fewer organisations. Since

much official development assistance is channelled through Belgian non-governmental organisations, questions were raised about how to organise the contribution of NGOs to Belgian development co-operation in more effective and rational ways. The DAC expressed interest in the provisions of the recent regulations governing relations between the government and NGOs, in particular incentives to promote greater geographical and sectoral concentration of assistance.

The General Administration for Development Co-operation (AGCD), which is responsible for some 60 per cent of Belgian aid, had been reorganised at the start of the year. The restructuring was accompanied by changes in the allocation of authority, both within the Belgian aid administration and as between the office of the State Secretary for Co-operation on the one hand and the aid administration on the other.

A still more radical overhaul was decided upon in July 1997. Legislation will be before Parliament by the end of the year to set up an independent public corporation to manage the technical co-operation programmes and projects now implemented directly by AGCD. The Committee hoped that the corporation, although responsible for only part of Belgium's aid programme, would help to increase its effectiveness and overcome the human resource management problems that the aid administration has faced in recent years.

The Committee expressed interest in proposed measures to better inform the public about relations with developing countries, and in the conclusions of the final report of the parliamentary monitoring commission, published in July 1997. The commission had been set up in late 1995 to investigate aid matters, notably related to export credits, which had caused serious unease.

The volume of Belgian development assistance fell by 6.4 per cent in real terms in 1996, to a total of \$937 million. Expressed as a percentage of GNP, the volume of assistance fell to 0.35 per cent, placing Belgium in seventh position among DAC countries.

The Committee expressed the hope that, in spite of the budgetary constraints facing the Belgian government, it would manage to achieve the targets for Belgian ODA which it had set at the start of the present legislature. The establishment of the new public corporation should contribute to an increased capacity for sound disbursement of aid appropriations.

The Committee welcomed Belgium's decision to untie its direct grant aid. It also expressed satisfaction at the high degree of concessionality in Belgium's ODA. With regard to inter-government lending and soft loans, administered by the Finance and Foreign Trade Ministries, it hoped the Belgian authorities would ensure consistency with the new policy directions for Belgian development co-operation.

In relation to general good practice among donors, the Committee indicated its support for a number of measures (some of which are already underway) to enhance the effectiveness of Belgium's development co-operation programme:

- increasing efficiency by decentralising more executive functions and by delegating authority both internally and to local offices;
- concentrating the administration's activity on policy content and attaining objectives;
- monitoring effectiveness through an active assessment, evaluation and feedback policy;
- raising staff skills through better training in key development subjects and through the rotation of staff between the central administration and local offices;
- devising country strategies based on a new partnership approach;
- practically involving private-sector SMEs through appropriate approaches;
- focusing technical co-operation efforts on strengthening local capacity.

The examining countries for this Belgian Peer Review were Finland and Norway.

Belgium: Comparative aid performance

Provisional data

	ODA net disbursements 1996		Average annual growth in real terms (%)	Grant element of ODA commitments (%) 1995 ^a	Aid appropriations as a share of central government budget (%) 1996	Share of multilateral aid 1996				ODA to LLDCs Bilateral and imputed multilateral 1995	
	\$ million	% of GNP				% of ODA		% of GNP		% of ODA	% of GNP
						excl. EC	incl. EC	excl. EC	incl. EC		
Australia	1 093	0.29	-0.6	100.0	1.2	25.6	0.07	17.2	0.06		
Austria	557	0.24	2.1	90.4	..	9.1	26.0	0.02	0.06	13.6	0.04
Belgium	937	0.35	-1.3	99.6	..	41.8	..	0.15	..	25.3	0.10
Canada	1 788	0.32	-1.2	100.0	1.4	24.6	0.08	22.6	0.09		
Denmark	1 772	1.04	3.7	100.0	2.7	35.6	40.3	0.37	0.42	30.7	0.30
Finland	409	0.34	-1.5	99.4	1.0	35.6	47.5	0.12	0.16	26.2	0.08
France	7 451	0.48	0.8	93.1	..	11.4	22.8	0.06	0.11	20.9	0.11
Germany	7 515	0.32	0.0	92.1	..	22.7	40.7	0.07	0.13	21.4	0.07
Ireland	177	0.30	7.0	100.0	..	36.4	..	0.11	..	42.8	0.12
Italy	2 397	0.20	-4.4	97.6	..	43.3	67.0	0.09	0.13	23.8	0.04
Japan	9 437	0.20	1.6	82.6	..	13.1	0.03	17.4	0.05		
Luxembourg	77	0.41	10.9	100.0	..	..	..	..	..	..	..
Netherlands	3 303	0.83	1.3	99.9	3.6	23.2	29.8	0.19	0.25	28.1	0.23
New Zealand	122	0.21	-0.4	100.0	0.6	16.1	0.03	20.8	0.05		
Norway	1 311	0.85	1.0	100.0	1.8	28.0	0.24	38.9	0.34		
Portugal	218	0.21	18.7	99.6	..	3.5	27.9	0.01	0.06	66.1	0.17
Spain	1 251	0.22	12.3	93.7	1.0	7.6	29.1	0.02	0.06	16.3	0.04
Sweden	2 003	0.84	0.5	100.0	..	25.1	30.3	0.21	0.25	28.9	0.22
Switzerland	1 026	0.34	2.4	100.0	2.8	29.6	0.10	30.6	0.10		
United Kingdom	3 185	0.27	0.9	100.0	1.1	22.3	44.3	0.06	0.12	26.1	0.07
United States	9 058	0.12	-4.3	98.9	..	26.1	0.03	24.7	0.03		
Total DAC	55 088	0.25	-0.1	91.8	..	21.7	..	0.05	..	22.5	0.06
<i>Memo</i> : Average country effort		0.40									

Notes :

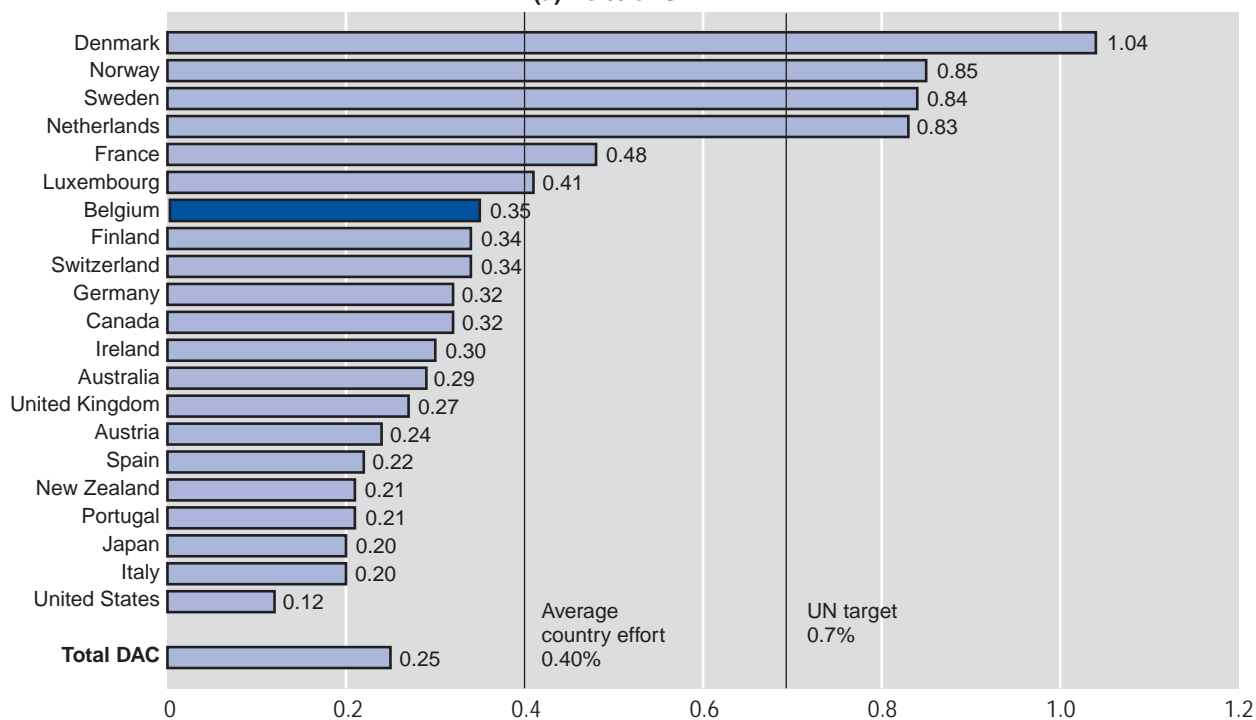
.. Indicates that data are not available.

a) Excluding debt reorganisation.

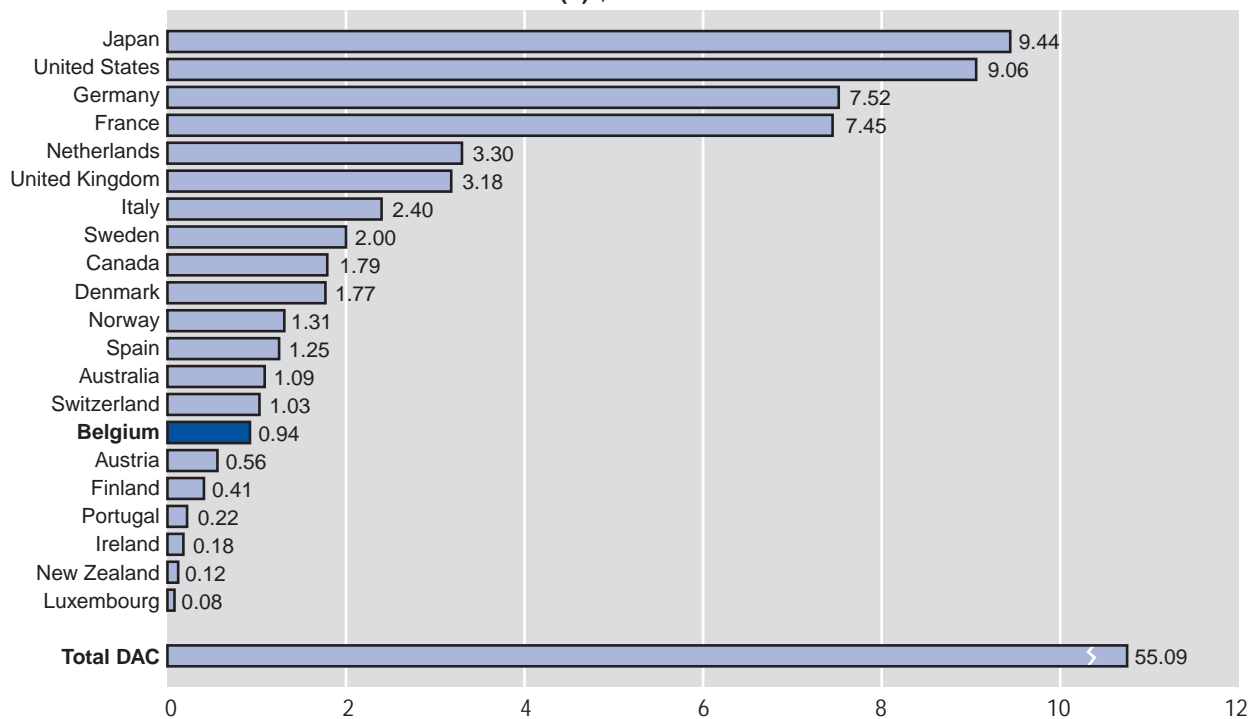
Net ODA from DAC countries in 1996

Provisional data

(a) As % of GNP



(b) \$ billion



DESCRIPTION OF KEY TERMS

The following brief descriptions of the main development co-operation terms used in this publication are provided for general background information. Full definitions of these and other related terms can be found in the “Glossary of Key Terms and Concepts” published in the DAC’s annual Development Co-operation Report.

ASSOCIATED FINANCING: The combination of OFFICIAL DEVELOPMENT ASSISTANCE, whether GRANTS or LOANS, with any other funding to form finance packages.

DAC (DEVELOPMENT ASSISTANCE COMMITTEE): The committee of the OECD which deals with development co-operation matters. A description of its aims and a list of its Members are given at the front of this volume.

DAC LIST OF AID RECIPIENTS: A two-part List of Aid Recipients was introduced by the DAC with effect from 1 January 1994. Part I of the List is presented in the following categories (the word ‘countries’ includes territories):

LLDCs: Least Developed Countries. Group established by the United Nations. To be classified as an LLDC, countries must fall below thresholds established for income, economic diversification and social development.

Other LICs: Other Low-Income Countries. Includes all non-LLDC countries with per capita GNP less than \$675 in 1992 (World Bank Atlas basis).

LMICs: Lower Middle-Income Countries, *i.e.* with GNP per capita (World Bank Atlas basis) between \$676 and \$2 695 in 1992.

UMICs: Upper Middle-Income Countries, *i.e.* with GNP per capita (World Bank Atlas basis) between \$2 696 and \$8 355 in 1992.

HICs: High-Income Countries, *i.e.* with GNP per capita (World Bank Atlas basis) more than \$8 355 in 1992.

Part II of the List comprises “Countries in Transition”. These comprise: *i)* more advanced Central and Eastern European Countries and the New Indepen-

dent States of the former Soviet Union; and *ii)* more advanced developing countries.

DEBT REORGANISATION: Any action officially agreed between creditor and debtor that alters the terms previously established for repayment. This may include forgiveness, rescheduling or refinancing.

DISBURSEMENT: The release of funds to, or the purchase of goods or services for a recipient; by extension, the amount thus spent. They may be recorded **gross** (the total amount disbursed over a given accounting period) or **net** (less any repayments of LOAN principal during the same period).

EXPORT CREDITS: LOANS for the purpose of trade and which are not represented by a negotiable financial instrument. Frequently these LOANS bear interest at a rate subsidised by the government of the creditor country as a means of promoting exports.

GRANTS: Transfers made in cash, goods or services for which no repayment is required.

GRANT ELEMENT: Reflects the **financial terms** of a transaction: interest rate, maturity and grace period (*i.e.* the interval to the first repayment of principal). The grant element is nil for a LOAN carrying an interest rate of 10 per cent; it is 100 per cent for a GRANT; and it lies between these two limits for a soft LOAN.

LOANS: Transfers for which repayment is required. Data on **net loans** include deductions for repayments of principal (but not payment of interest) on earlier loans.

OFFICIAL AID: Flows which meet the conditions of eligibility for inclusion in OFFICIAL DEVELOPMENT ASSISTANCE, except that the recipients are on Part II of the DAC LIST OF AID RECIPIENTS.

OFFICIAL DEVELOPMENT ASSISTANCE (ODA): GRANTS or LOANS to countries and territories on Part I of the DAC LIST OF AID RECIPIENTS (developing countries) provided by the official sector with the promotion of economic development and welfare as the main objective and which are at concessional financial terms (if a LOAN, having a GRANT ELEMENT of at least 25 per cent).

OTHER OFFICIAL FLOWS (OOF): Transactions by the official sector with countries on the DAC LIST OF AID RECIPIENTS which do not meet the conditions for eligibility as OFFICIAL DEVELOPMENT ASSISTANCE or OFFICIAL AID.

PARTIALLY UNTIED AID: OFFICIAL DEVELOPMENT ASSISTANCE (or OFFICIAL AID) for which the associated goods and services must be procured in the donor country or among a restricted group of other countries, which must however include substantially all aid recipient countries.

PRIVATE NON-CONCESSIONAL FLOWS: Consist of the following flows at market terms financed out of private sector resources:

Direct investment: Investment made to acquire or add to a lasting interest in an enterprise in a country on the DAC LIST OF AID RECIPIENTS.

Bilateral portfolio investment: Includes bank lending, and the purchase of shares, bonds and real estate.

Multilateral portfolio investment: This covers the transactions of the private non-bank and

bank sector in the securities issued by multilateral institutions.

Private export credits: See EXPORT CREDITS.

TECHNICAL CO-OPERATION: Includes both *i)* GRANTS to nationals of aid recipient countries receiving education or training at home or abroad, and *ii)* payments to consultants, advisers and similar personnel as well as teachers and administrators serving in recipient countries.

TIED AID: Official GRANTS or LOANS where procurement of the goods or services involved is limited to the donor country or to a group of countries which does not include substantially all aid recipients.

UNTIED AID: OFFICIAL DEVELOPMENT ASSISTANCE (or OFFICIAL AID) for which the associated goods and services may be fully and freely procured in substantially all countries.

VOLUME: Unless otherwise stated, data are expressed in current United States dollars. Data in national currencies are converted into dollars using annual average exchange rates. To give a truer idea of the volume of flows over time, some data are presented in **constant prices and exchange rates**, with a reference year specified. This means that adjustment has been made to cover both inflation between the year in question and the reference year, and changes in the exchange rate between the currency concerned and the United States dollar over the same period.

**MAIN SALES OUTLETS OF OECD PUBLICATIONS
PRINCIPAUX POINTS DE VENTE DES PUBLICATIONS DE L'OCDE**

AUSTRALIA – AUSTRALIE

D.A. Information Services
648 Whitehorse Road, P.O.B 163
Mitcham, Victoria 3132 Tel. (03) 9210.7777
Fax: (03) 9210.7788

AUSTRIA – AUTRICHE

Gerold & Co.
Graben 31
Wien I Tel. (0222) 533.50.14
Fax: (0222) 512.47.31.29

BELGIUM – BELGIQUE

Jean De Lannoy
Avenue du Roi, Koningslaan 202
B-1060 Bruxelles Tel. (02) 538.51.69/538.08.41
Fax: (02) 538.08.41

CANADA

Renouf Publishing Company Ltd.
5369 Canotek Road
Unit 1
Ottawa, Ont. K1J 9J3 Tel. (613) 745.2665
Fax: (613) 745.7660

Stores:

71 1/2 Sparks Street
Ottawa, Ont. K1P 5R1 Tel. (613) 238.8985
Fax: (613) 238.6041

12 Adelaide Street West
Toronto, QN M5H 1L6 Tel. (416) 363.3171
Fax: (416) 363.5963

Les Éditions La Liberté Inc.
3020 Chemin Sainte-Foy
Sainte-Foy, PQ G1X 3V6 Tel. (418) 658.3763
Fax: (418) 658.3763

Federal Publications Inc.
165 University Avenue, Suite 701
Toronto, ON M5H 3B8 Tel. (416) 860.1611
Fax: (416) 860.1608

Les Publications Fédérales
1185 Université
Montréal, QC H3B 3A7 Tel. (514) 954.1633
Fax: (514) 954.1635

CHINA – CHINE

Book Dept., China National Publications
Import and Export Corporation (CNPIEC)
16 Gongti E. Road, Chaoyang District
Beijing 100020 Tel. (10) 6506-6688 Ext. 8402
(10) 6506-3101

CHINESE TAIPEI – TAIPEI CHINOIS

Good Faith Worldwide Int'l. Co. Ltd.
9th Floor, No. 118, Sec. 2
Chung Hsiao E. Road
Taipei Tel. (02) 391.7396/391.7397
Fax: (02) 394.9176

**CZECH REPUBLIC –
RÉPUBLIQUE TCHÈQUE**

National Information Centre
NIS – prodejná
Konviktská 5
Praha 1 – 113 57 Tel. (02) 24.23.09.07
Fax: (02) 24.22.94.33

E-mail: nkposp@dec.niz.cz
Internet: http://www.nis.cz

DENMARK – DANEMARK

Munksgaard Book and Subscription Service
35, Nørre Søgade, P.O. Box 2148
DK-1016 København K Tel. (33) 12.85.70
Fax: (33) 12.93.87

J. H. Schultz Information A/S,
Herstedvang 12,
DK – 2620 Albertslung Tel. 43 63 23 00
Fax: 43 63 19 69

Internet: s-info@inet.uni-c.dk

EGYPT – ÉGYPTÉ

The Middle East Observer
41 Sherif Street
Cairo Tel. (2) 392.6919
Fax: (2) 360.6804

FINLAND – FINLANDE

Akateeminen Kirjakauppa
Keskuskatu 1, P.O. Box 128
00100 Helsinki
Subscription Services/Agence d'abonnements :
P.O. Box 23
00100 Helsinki Tel. (358) 9.121.4403
Fax: (358) 9.121.4450

***FRANCE**

OECD/OCDE
Mail Orders/Commandes par correspondance :
2, rue André-Pascal
75775 Paris Cedex 16 Tel. 33 (0)1.45.24.82.00
Fax: 33 (0)1.49.10.42.76
Telex: 640048 OCDE
Internet: Compte.PUBSINQ@oecd.org

Orders via Minitel, France only/
Commandes par Minitel, France exclusivement :
36 15 OCDE

OECD Bookshop/Librairie de l'OCDE :
33, rue Octave-Feuillet
75016 Paris Tel. 33 (0)1.45.24.81.81
33 (0)1.45.24.81.67

Dawson
B.P. 40
91121 Palaiseau Cedex Tel. 01.89.10.47.00
Fax: 01.64.54.83.26

Documentation Française
29, quai Voltaire
75007 Paris Tel. 01.40.15.70.00

Economica
49, rue Héricart
75015 Paris Tel. 01.45.78.12.92
Fax: 01.45.75.05.67

Gibert Jeune (Droit-Économie)
6, place Saint-Michel
75006 Paris Tel. 01.43.25.91.19

Librairie du Commerce International
10, avenue d'Iéna
75016 Paris Tel. 01.40.73.34.60

Librairie Dunod
Université Paris-Dauphine
Place du Maréchal-de-Lattre-de-Tassigny
75016 Paris Tel. 01.44.05.40.13

Librairie Lavoisier
11, rue Lavoisier
75008 Paris Tel. 01.42.65.39.95

Librairie des Sciences Politiques
30, rue Saint-Guillaume
75007 Paris Tel. 01.45.48.36.02

P.U.F.
49, boulevard Saint-Michel
75005 Paris Tel. 01.43.25.83.40

Librairie de l'Université
12a, rue Nazareth
13100 Aix-en-Provence Tel. 04.42.26.18.08

Documentation Française
165, rue Garibaldi
69003 Lyon Tel. 04.78.63.32.23

Librairie Decitre
29, place Bellecour
69002 Lyon Tel. 04.72.40.54.54

Librairie Sauramps
Le Triangle
34967 Montpellier Cedex 2 Tel. 04.67.58.85.15
Fax: 04.67.58.27.36

A la Sorbonne Actual
23, rue de l'Hôtel-des-Postes
06000 Nice Tel. 04.93.13.77.75
Fax: 04.93.80.75.69

GERMANY – ALLEMAGNE

OECD Bonn Centre
August-Bebel-Allee 6
D-53175 Bonn Tel. (0228) 959.120
Fax: (0228) 959.12.17

GREECE – GRÈCE

Librairie Kauffmann
Stadiou 28
10564 Athens Tel. (01) 32.55.321
Fax: (01) 32.30.320

HONG-KONG

Swindon Book Co. Ltd.
Astoria Bldg. 3F
34 Ashley Road, Tsimshatsui
Kowloon, Hong Kong Tel. 2376.2062
Fax: 2376.0685

HUNGARY – HONGRIE

Euro Info Service
Margitsziget, Európa Ház
1138 Budapest Tel. (1) 111.60.61
Fax: (1) 302.50.35

E-mail: euroinfo@mail.mata.vu.hu
Internet: http://www.euroinfo.hu/index.html

ICELAND – ISLANDE

Mál og Menning
Laugavegi 18, Pósthólf 392
121 Reykjavik Tel. (1) 552.4240
Fax: (1) 562.3523

INDIA – INDE

Oxford Book and Stationery Co.
Scindia House
New Delhi 110001 Tel. (11) 331.5896/5308
Fax: (11) 332.2639

E-mail: oxford.publ@access.net.in
17 Park Street
Calcutta 700016 Tel. 240832

INDONESIA – INDONÉSIE

Pdii-Lipi
P.O. Box 4298
Jakarta 12042 Tel. (21) 573.34.67
Fax: (21) 573.34.67

IRELAND – IRLANDE

Government Supplies Agency
Publications Section
4/5 Harcourt Road
Dublin 2 Tel. 661.31.11
Fax: 475.27.60

ISRAEL – ISRAËL

Praedicta
5 Shatner Street
P.O. Box 34030
Jerusalem 91430 Tel. (2) 652.84.90/1/2
Fax: (2) 652.84.93

R.O.Y. International
P.O. Box 13056
Tel Aviv 61130 Tel. (3) 546 1423
Fax: (3) 546 1442

E-mail: royil@netvision.net.il
Palestinian Authority/Middle East:
INDEX Information Services
P.O.B. 19502
Jerusalem Tel. (2) 627.16.34
Fax: (2) 627.12.19

ITALY – ITALIE

Libreria Commissionaria Sansoni
Via Duca di Calabria, 1/1
50125 Firenze Tel. (055) 64.54.15
Fax: (055) 64.12.57

E-mail: licosa@ftbucc.it
Via Bartolini 29
20155 Milano Tel. (02) 36.50.83

Editrice e Libreria Herder
Piazza Montecitorio 120
00186 Roma Tel. 679.46.28
Fax: 678.47.51

Libreria Hoepli
Via Hoepli 5
20121 Milano Tel. (02) 86.54.46
Fax: (02) 805.28.86

Libreria Scientifica
Dott. Lucio de Biasio 'Aeiu'
Via Coronelli, 6
20146 Milano
Tel. (02) 48.95.45.52
Fax: (02) 48.95.45.48

JAPAN – JAPON

OECD Tokyo Centre
Landic Akasaka Building
2-3-4 Akasaka, Minato-ku
Tokyo 107
Tel. (81.3) 3586.2016
Fax: (81.3) 3584.7929

KOREA – CORÉE

Kyobo Book Centre Co. Ltd.
P.O. Box 1658, Kwang Hwa Moon
Seoul
Tel. 730.78.91
Fax: 735.00.30

MALAYSIA – MALAISIE

University of Malaya Bookshop
University of Malaya
P.O. Box 1127, Jalan Pantai Baru
59700 Kuala Lumpur
Malaysia
Tel. 756.5000/756.5425
Fax: 756.3246

MEXICO – MEXIQUE

OECD Mexico Centre
Edificio INFOTEC
Av. San Fernando no. 37
Col. Toriello Guerra
Tlalpan C.P. 14050
Mexico D.F.
Tel. (525) 528.10.38
Fax: (525) 606.13.07

E-mail: ocde@rtn.net.mx

NETHERLANDS – PAYS-BAS

SDU Uitgeverij Plantijnstraat
Externe Fondsen
Postbus 20014
2500 EA's-Gravenhage
Voor bestellingen:
Tel. (070) 37.89.880
Fax: (070) 34.75.778

Subscription Agency/
SWETS & ZEITLINGER BV
Heereweg 347B
P.O. Box 830
2160 SZ Lisse
Tel. 252.435.111
Fax: 252.415.888

NEW ZEALAND – NOUVELLE-ZÉLANDE

GPLegislation Services
P.O. Box 12418
Thorndon, Wellington
Tel. (04) 496.5655
Fax: (04) 496.5698

NORWAY – NORVÈGE

NIC INFO A/S
Ostensjoveien 18
P.O. Box 6512 Etterstad
0606 Oslo
Tel. (22) 97.45.00
Fax: (22) 97.45.45

PAKISTAN

Mirza Book Agency
65 Shahrah Quaid-E-Azam
Lahore 54000
Tel. (42) 735.36.01
Fax: (42) 576.37.14

PHILIPPINE – PHILIPPINES

International Booksources Center Inc.
Rm 179/920 Cityland 10 Condo Tower 2
HV dela Costa Ext cor Valero St.
Makati Metro Manila
Tel. (632) 817 9676
Fax: (632) 817 1741

POLAND – POLOGNE

Ars Polona
00-950 Warszawa
Krakowskie Przedmiescie 7
Tel. (22) 264760
Fax: (22) 265334

PORTUGAL

Livraria Portugal
Rua do Carmo 70-74
Apart. 2681
1200 Lisboa
Tel. (01) 347.49.82/5
Fax: (01) 347.02.64

SINGAPORE – SINGAPOUR

Ashgate Publishing
Asia Pacific Pte. Ltd
Golden Wheel Building, 04-03
41, Kallang Pudding Road
Singapore 349316
Tel. 741.5166
Fax: 742.9356

SPAIN – ESPAGNE

Mundi-Prensa Libros S.A.
Castelló 37, Apartado 1223
Madrid 28001
Tel. (91) 431.33.99
Fax: (91) 575.39.98
E-mail: mundiprensa@tsai.es
Internet: http://www.mundiprensa.es
Mundi-Prensa Barcelona
Consell de Cent No. 391
08009 – Barcelona
Tel. (93) 488.34.92
Fax: (93) 487.76.59

Libreria de la Generalitat

Palau Moja
Rambla dels Estudis, 118
08002 – Barcelona
(Suscripciones) Tel. (93) 318.80.12
(Publicaciones) Tel. (93) 302.67.23
Fax: (93) 412.18.54

SRI LANKA

Centre for Policy Research
c/o Colombo Agencies Ltd.
No. 300-304, Galle Road
Colombo 3
Tel. (1) 574240, 573551-2
Fax: (1) 575394, 510711

SWEDEN – SUÈDE

CE Fritzes AB
S-106 47 Stockholm
Tel. (08) 690.90.90
Fax: (08) 20.50.21

For electronic publications only/
Publications électroniques seulement
STATISTICS SWEDEN
Informationsservice
S-115 81 Stockholm
Tel. 8 783 5066
Fax: 8 783 4045

Subscription Agency/Agence d'abonnements :

Wennergren-Williams Info AB
P.O. Box 1305
171 25 Solna
Tel. (08) 705.97.50
Fax: (08) 27.00.71

Liber distribution
International organizations
Fagerstagatan 21
S-163 52 Spanga

SWITZERLAND – SUISSE

Maditec S.A. (Books and Periodicals/Livres
et périodiques)
Chemin des Palettes 4
Case postale 266
1020 Renens VD 1
Tel. (021) 635.08.65
Fax: (021) 635.07.80

Librairie Payot S.A.
4, place Pépinet
CP 3212
1002 Lausanne
Tel. (021) 320.25.11
Fax: (021) 320.25.14

Librairie Unilivres
6, rue de Candolle
1205 Genève
Tel. (022) 320.26.23
Fax: (022) 329.73.18

Subscription Agency/Agence d'abonnements :
Dynapresse Marketing S.A.
38, avenue Vibert
1227 Carouge
Tel. (022) 308.08.70
Fax: (022) 308.07.99

See also – Voir aussi :

OECD Bonn Centre
August-Bebel-Allee 6
D-53175 Bonn (Germany)
Tel. (0228) 959.120
Fax: (0228) 959.12.17

THAILAND – THAÏLANDE

Suksit Siam Co. Ltd.
113, 115 Fuang Nakhon Rd.
Opp. Wat Rajbopith
Bangkok 10200
Tel. (662) 225.9531/2
Fax: (662) 222.5188

TRINIDAD & TOBAGO, CARIBBEAN TRINITE-ET-TOBAGO, CARAÏBES

Systematics Studies Limited
9 Watts Street
Curepe
Trinidad & Tobago, W.I.
Tel. (1809) 645.3475
Fax: (1809) 662.5654

E-mail: tobe@trinidad.net

TUNISIA – TUNISIE

Grande Librairie Spécialisée
Fendri Ali
Avenue Haffouz Imm El-Intilaka
Bloc B 1 Sfax 3000
Tel. (216-4) 296 855
Fax: (216-4) 298.270

TURKEY – TURQUIE

Kültür Yayinlari Is-Türk Ltd.
Atatürk Bulvarı No. 191/Kat 13
06684 Kavaklıdere/Ankara
Tel. (312) 428.11.40 Ext. 2458
Fax : (312) 417.24.90

Dolmabahce Cad. No. 29
Besiktas/Istanbul
Tel. (212) 260 7188

UNITED KINGDOM – ROYAUME-UNI

The Stationery Office Ltd.
Postal orders only:
P.O. Box 276, London SW8 5DT
Gen. enquiries
Tel. (171) 873 0011
Fax: (171) 873 8463

The Stationery Office Ltd.
Postal orders only:
49 High Holborn, London WC1V 6HB

Branches at: Belfast, Birmingham, Bristol,
Edinburgh, Manchester

UNITED STATES – ÉTATS-UNIS

OECD Washington Center
2001 L Street N.W., Suite 650
Washington, D.C. 20036-4922
Tel. (202) 785.6323
Fax: (202) 785.0350

Internet: washcont@oecd.org

Subscriptions to OECD periodicals may also be placed through main subscription agencies.

Les abonnements aux publications périodiques de l'OCDE peuvent être souscrits auprès des principales agences d'abonnement.

Orders and inquiries from countries where Distributors have not yet been appointed should be sent to: OECD Publications, 2, rue André-Pascal, 75775 Paris Cedex 16, France.

Les commandes provenant de pays où l'OCDE n'a pas encore désigné de distributeur peuvent être adressées aux Éditions de l'OCDE, 2, rue André-Pascal, 75775 Paris Cedex 16, France.

12-1996