ADC 2007

ADC Report 2007

Thematic focuses

Part I

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Austrian
Development Cooperation

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List of abbreviations

ADC	Austrian Development Cooperation
AMCOW	African Ministers' Council on Water
AWF	African Water Facility
APRO	African Parlamentary Poverty Reduction Network
AU	African Union
CAADP	Comprehensive African Agriculture Development Programme
CAFP	Vocational Training Support Unit
DAC	Development Assistance Committee
DDAs	District Directorates of Agriculture, Mozambique
DPA	Directorate of Agriculture in Sofala Province, Mozambique
DRC	Democratic Republic of the Congo
EC	European Commission
ECOWAS	Economic Community Of West African States
EEP	Energy and Environment Partnership with Central America
ESAF	Enhanced Structural Adjustment Facility
ESMAP	Energy Sector Management Assistance Programme
EU	European Union
EWA	Entwicklungswerkstatt Austria
FAO	Food and Agriculture Organization
FIAN	Food First Information and Action Network
GDPRD	Global Donor Platform for Rural Development
GENE	Global Education Network
GFSE	Global Forum on Sustainable Energy
HIPC	Heavily Indebted Poor Countries
IDA	International Development Association
IFI(s)	International Financial Institution(s)
IPCC	Intergovernmental Panel on Climate Change
ISO	International Organisation for Standardisation
LDCF	Least Developed Countries Fund
LDCs	Least Developed Countries
MFAIE	Ministry for Foreign Affairs and European Integration (Moldova)
MECAP	Mutuelle d'Epargne et de Crédit des Agents du Secteur Public et Parapublic
MECARUL	Mutuelle d'Epargne et de Crédit des Artisans Ruraux et Urbains de Louga
MDG(s)	Millennium Development Goal(s)

NAPAs	National Adaption Programmes for Action
NEPAD	New Partnership for Africa's Development
NGO	Non-governmental organisation
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
OeKB	Austrian Control Bank
PEP	Poverty and Environment Partnership
PIDG	Private Infrastructure Development Group
SADC	Southern African Development Community
SARPCCO	Southern African Police Chiefs Co-operation Organisation
SDC	Swiss Agency for Development Cooperation
SICA	Central American System for Integration
STAP	Infrastructure Short-Term Action Plan
UN	United Nations
UNDP	United Nations Development Programme
UNESCO	Nations Educational, Scientific and Cultural Organization
UNFCCC	United Nations Framework Convention on Climate Change
UNMAS	United Nations Mine Action Service
UNMIK	United Nations Interim Administration Mission in Kosovo
UNODC	United Nations Office on Drugs and Crime
WFP	World Food Programme
WKÖ	Austrian Federal Economic Chamber
WMO	World Meteorological Organisation
WUS	World University Service Austria

Foreword

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Attaining the Millennium Development Goals (MDGs) is an ambitious undertaking. Progress made, such as the decline in child mortality or improvements in primary school attendance, however, gives grounds for hope. It shows what can be done when partner and donor countries work together. Through its active measures, Austria has made tangible contributions here.

The ongoing global food crisis poses one of the greatest challenges to development cooperation. Our principles in food security are to ensure lasting impact and sustainability. The aim is to enable the population to produce food on its own. Improving knowledge, raising awareness, building capacities – these are the essential ways to provide effective help towards self-help.

No society in the world can afford to do without 50 per cent of its potential. This is why a prime concern of Austrian Development Cooperation is to gain women as partners, to encourage and promote them. With conferences, such as, Women Leaders – Networking for Peace and Security in the Middle East, or Shaping our European Future – Networking of Serbian and Kosovar Women, for example, we have highlighted the role of women in peace processes.

Successful aid is always founded on the principle of ownership. This calls for building the necessary capacity and mobilising the wilful cooperation of people in developing and donor countries alike. Our common aim is to reduce poverty for the long term and create genuine prospects for the future.

Dr Ursula Plassnik
Federal Minister for European and International Affairs

About the report

Part I of the annual report, Thematic Focuses, describes the themes and sectors where Austrian Development Cooperation (ADC) is currently engaged. ADC concentrates on specific themes and sectors so it can allocate its resources more efficiently. Complementarity and coherence with the activities of other international donors plays an increasing role here.

ADC implements measures under its thematic focuses by using a number of tools – from programme and project finance to basket funding with other donors and sectoral budget support.

Part II, Official Development Assistance in Figures, provides a full picture of funding components, their geographical and sectoral allocation as well as their origin and mode of disbursement. The figures on official development assistance (ODA) also reflect the breadth of Austria's commitments in development cooperation with multilateral organisations – the European Union (EU), the United Nations (UN) and International Financial Institutions (IFIs).

Development policy 2007

Millennium Development Goals at half-time

The adoption of the Millennium Development Goals in 2000 has sharpened awareness of the need for poverty reduction and given an impetus to development cooperation. In 2007, the United Nations drew up a mid-term review, calling for even greater support and more efficient implementation. The MDGs can only be reached, if the international community takes clear-cut measures and the governments of partner countries in turn lay the necessary foundations.

The inequitable distribution of resources, conflicts, lack of employment opportunities, poor training or problems in the public health sector are the reasons why progress made does not benefit all people alike. There are wide disparities among various nations, but also within most of these countries and regions themselves.

Nevertheless, general strides have certainly been taken in poverty reduction. The number of people living in extreme poverty worldwide dropped from 1.25 billion in 1990 to 985 million in 2004. If this trend continues, the goal of halving global poverty by 2015 could well be accomplished in most regions, except for the least developed countries.

Mobilising support for Africa

Sub-Saharan Africa, however, gives grounds for concern. Despite renewed efforts, extreme poverty there has even risen altogether. A certain measure of progress has been made in basic education, gender equality and in safeguarding ecological sustainability. The goal of reducing child mortality by 2015 cannot, however, be met. Maternal mortality remains high and the death toll due to HIV/AIDS has increased further.

So that Africa can still reach the Millennium Development Goals, the Secretary General of the United Nations, Ban Ki-moon, convened the MDG Africa Steering Group in September 2007.

Austria and its partner countries

Austrian Development Cooperation supports the efforts of the international community, attaching priority to cooperation with the least developed countries (LDCs) and the neediest regions. Austria will continue to assist its partner countries in keeping with their own development priorities, also in close cooperation with other donor nations and institutions, the European Union (EU) above all.

Policy coherence for development

One of the most important tasks of responsible global policy today is to monitor the development impacts of various policy lines. Assuring policy coherence is a major concern of the Federal Ministry for European and International Affairs at both national and international level.

This issue was addressed by the Organisation for Economic Co-operation and Development (OECD) in 2001. The European Union has developed a policy framework since 2005 and published its first report on policy coherence in September 2007. This notes with approval the legal status accorded coherence in the Austrian Development Cooperation Act, the relevant chapter in the current Three-Year Programme and the thematic coordination mechanisms.

At EU level in 2007, Austria supported the reform and improvement of Council procedures on policy coherence. ADC called for stepping up information exchange for early assessment and including this in national and regional cooperation strategies.

Coherence management in Austria

The Three-Year Programme is the most effective instrument for coordinating policy coherence at governmental level. It must be coordinated with all the Austrian ministries concerned, with the Federal Ministry of Finance taking a special role. The Development Cooperation Act (2003) also requires the Three-Year Programme to be submitted for approval by the Council of Ministers, before being passed on to the National Council.

The policy coherence issue was first addressed in a special chapter in the Three-Year Programme 2006-2008. Since 2005, the Federal Ministry for European and International Affairs has adopted a nationwide approach to official development assistance. It is also committed to raising awareness and extending dialogue with civil society. Finally, it sets priorities and frames strategies on selected themes.

As part of proactive coherence management in development policy, Austria took various measures in 2007:

- Interdisciplinary and interministerial teams for each ADC priority country and key region
- ODA path working group at policy level
- Interministerial working group on coherence at civil servant level with priority attached to environment and development, scientific cooperation, food security or human security
- Coherence group in private sector and development
- Advisory board on development policy
- Committee for sustainable development
- Ad hoc consultative meetings and informal contacts
- Appraisal of draft legislation
- Regional programming with interministerial consultation
- Dialogue with parliament
- Structural dialogue with non-governmental organisations (NGOs)

Of central importance is intensive dialogue among the major stakeholders on the government side – primarily the Federal Ministry for European and International Affairs and the Federal Ministry of Finance – and parliament in order to include the various social interest groups. Only through their interaction can Austria ensure an equitable and sustainable development policy. This way, parliament performs its essential role of mediating political consensus.

Parliament itself took up the issue of developmental coherence and discussed these in special session in 2007. It called for more systematic involvement of the relevant bodies for pro-active coherence management.

A vigorous civil society is also important for advancing developmental concerns. Civil society was involved at policymaking level in so-called structural dialogue with Austrian Development Cooperation in the Federal Ministry for European and International Affairs (Department VII) in 2007 as well as at various operational levels. This dialogue is ongoing and ensures a lively exchange of information and experience.

Rural development

After an intensive discussion process, in which ADC took part at various events and via the Global Donor Platform for Rural Development (GDPRD), the World Bank's World Development Report, Agriculture and Development, was adopted at the end of 2007. In comparison to the report in 1982 on the same topic, it is quite apparent that general conditions have not improved in the least developed countries. About 850 million people still suffer from hunger and malnutrition. Poverty in the urban centres has increased and the ratio of the poor in rural areas is very high at 75 per cent. Harvest losses due to climate change, the disruption of local markets and storage losses pose a growing challenge. Changes in consumer patterns in Asia's growth economies and the increasing production of agricultural fuels from farm produce afford new opportunities for farmers, provided they have access to markets and can sell their products at fair prices. In general though, food insecurity and growing social and regional inequality are causing increasing problems.

There has been a slight reverse trend on the donor side. After financial assistance from international development cooperation declined, more attention is now being paid to agriculture again.

The European Commission (EC) has drafted a thematic strategy paper and the Multi-annual indicative programme on food security 2007-2010 and these documents have been agreed by the member states. Another strategy paper, Advancing African Agriculture, has set out approaches, methods and instruments for cooperation with the African partners at a continental, regional and national level. The New Partnership for Africa's Development (NEPAD) and regional organisations now bear greater responsibility for the Comprehensive African Agriculture Development Programme (CAADP).

The second European Forum for Rural Development in Berlin in June 2007 was also devoted to coordination and the exchange of information and experience.

Key terms

FOOD SECURITY

…means the ability to give all people, at all times, physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life, according to the internationally accepted definition of the UN Food and Agriculture Organisation (FAO). The following conditions have to be met:

– Local, regional and national availability of food: The prime concern here is the production of food for personal use, supplemented by reserves, market supply or transfers if necessary.

– Access to food for all primarily depends on spending power (income and prices) and the ability for own production. Knowledge, standards and values as well as available time and transport facilities are also important factors.

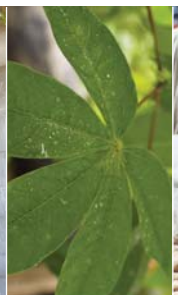
– Utilisation and safety of food: Important here are both habits and knowledge about the composition, preparation, processing and storage of food.

LOCAL DEVELOPMENT AND REGIONAL COOPERATION

…mean basing relevant strategies and assistance on local dynamics and the initiatives and interests of the population. Evaluations by various donors have shown that cooperation with ministries at national level is not enough to assure local participation and responsibility in every case.

URBAN-RURAL INTERDEPENDENCIES

Rural areas interact in various ways with urban centres. There is often a wide gap in economic prosperity and political power between them. One factor shaping rural development is the increase in networking and communication, where the interests and resources of migrants play a role.



Activities 2007

One of the priorities of ADC in rural development in 2007 was monitoring and analysing international experience and applying this in strategy development. Austrian findings, in turn, have been channelled into international discussion. Another focus was placed on completing the strategy on organic agriculture. This socially sustainable method of farming to preserve the environment and conserve resources enables small scale farmers to secure their food supply and earn additional income, partly even through exporting certified agricultural products.

In partner countries

ADC also assessed sectoral strategies in rural development in Bhutan, the Himalayas-Hindu Kush region, Nicaragua, Central America, Ethiopia and Mozambique, among others. It looked into their interlinkage with processes and programmes in poverty reduction, decentralisation and local development schemes. It also traced the technical implementation of programmes in partner countries. Detailed familiarity with the local setting, the socio-economic conditions and the institutional and cultural context plays a major role in rural development. In programming, therefore, assessing local development plans is an important parameter for decision-making.

Our achievements

Nicaragua: organic agriculture on the edge of the rainforest

El Rama is a remote region in eastern Nicaragua at the edge of the rainforest. Most new fertile land is claimed through slash-and-burn forest clearance so that farmland is making increasing incursions into forestland. A large part of the forest has already been depleted along with much of its biodiversity.

Project partners: IP Consult; Ministry of Agriculture and Forestry, Institute for Development and Democracy (IPADE), National Institute of Agricultural Technology, Nicaragua

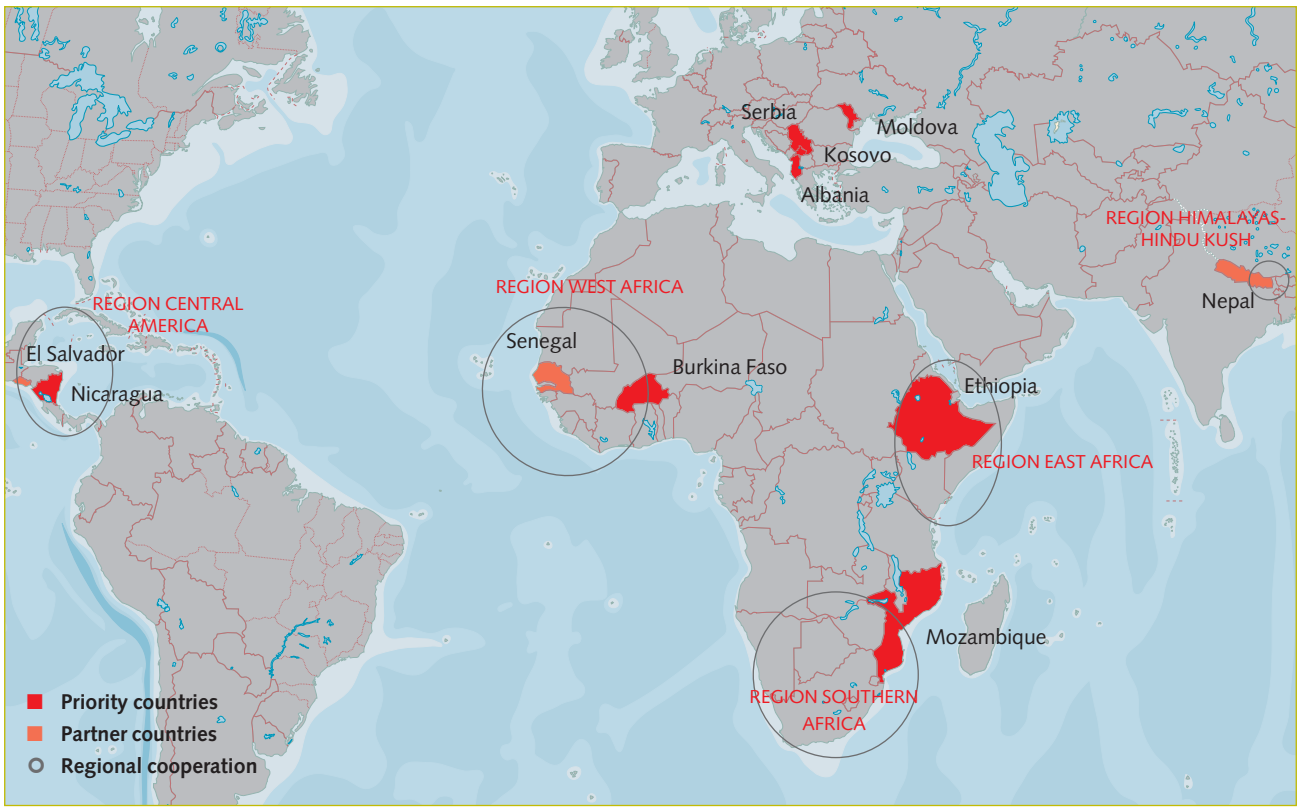
A local development programme secures the subsistence of the population, while conserving the remaining forest resources. Twelve municipalities in the South of El Rama have switched to sustainable organic agriculture methods. The quality of production has been improved and the range of agricultural produce enlarged to include cinnamon, cocoa, pepper and nutmeg. These products are more robust and their yield is higher. They are processed by the women farmers and then sold on the local market. Many farming families now invest a part of the extra income from local marketing in their children's education. As of 2007, the aim is to arrange for certification of biological and fair trade products, which will secure higher income for the farming families in the medium and long term.

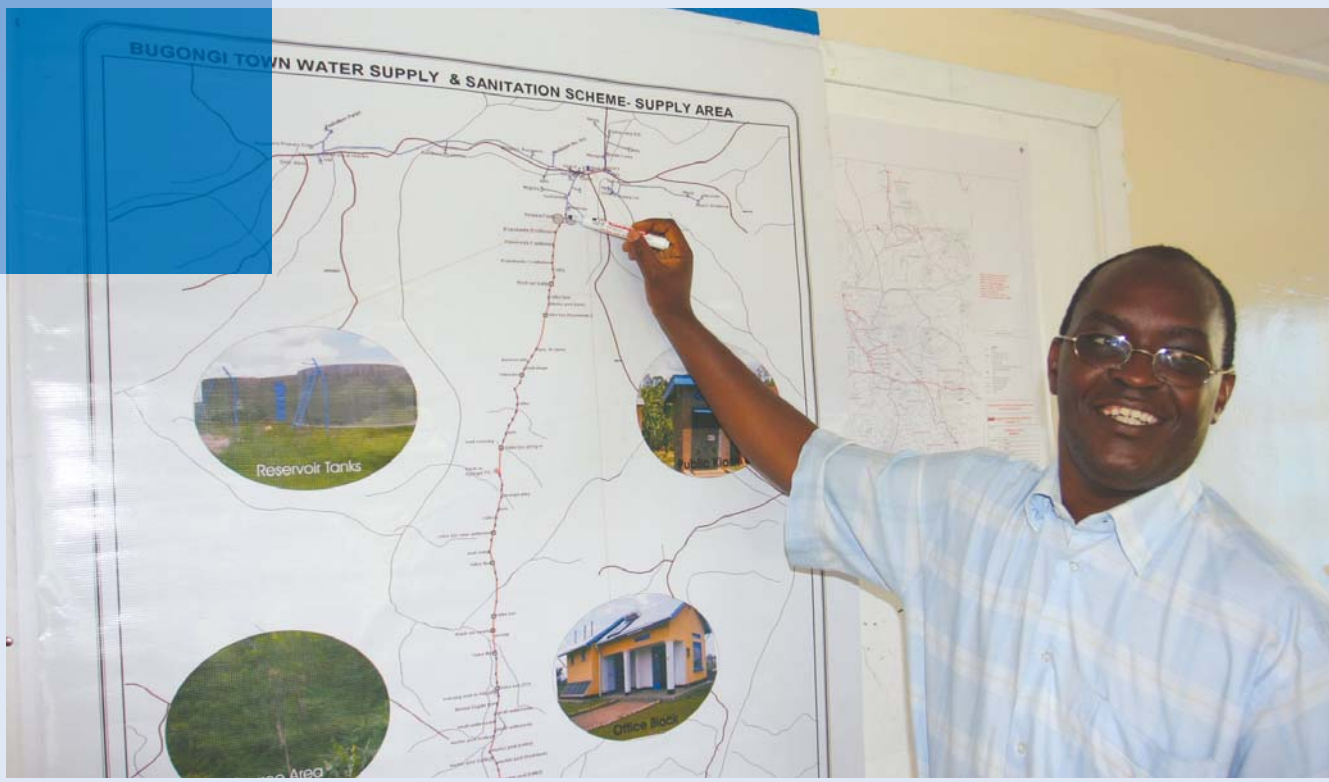
Mozambique: strengthening smallholders

Four fifths of the population of Mozambique make a living from agriculture. The PROMEC project is aimed at the sustainable production of marketable products through ecologically sustainable farming and resource conservation to assure the food security of the population in Búzi and Dondo Districts. The storage and preservation of products also complies with strict organic standards. Measures are taken to develop and consolidate trade relations between small farmers, groups and associations and the commercial buyers (dealers, agro-industry). So-called clubes de negócio (business clubs) are set up to improve product marketing and lobbying. In 2007, 78 clubs had already been established with 2,350 members, more than 40 per cent of these women. The programme has been expanded to include three more districts.

Project partners: Directorate of Agriculture in Sofala Province (DPA), District Directorates of Agriculture (DDAs), Mozambique

ADC rural development activities: geographical focuses





Water and sanitation

An enormous amount still needs to be done in the water sector in developing countries, despite the advances already made. Renewed efforts will have to be exerted to reach the Millennium Development Goals. These goals call for halving the percentage of people without access to safe drinking water and basic sanitation by 2015. Still today, though, 1.2 billion people are deprived of clean drinking water and some 2.6 billion lack access to adequate sanitary facilities. Each year, 1.8 million people die of gastrointestinal diseases due to contaminated water and poor sanitation. Most severely afflicted by these deficits and their effects are rural regions and underprivileged groups, such as women, children and minorities. Even now, only 48 per cent of the population in rural regions of Sub-Saharan Africa have access to safe drinking water. Ongoing population growth and the increasingly tangible impacts of global warming pose special challenges. Preserving the environment is closely bound up with conserving water resources. The sustainable management of river basins is a major intervention point for regional cooperation.

The international aid community agrees on the importance of water for social and economic development. Reliable drinking water supply, improved sanitary conditions and sustainable water resource management are among the main requirements for development. It is impossible to combat poverty, hunger, disease and child mortality without an adequate supply of water. Added to this are the indirect impacts: With secure water supply, children attend school more regularly, because they are less frequently ill and do not have to fetch water. It also has a close bearing on gender equality, democratisation and conflict prevention. ■

Key terms

WATER AND WATER SERVICES

Water is an irreplaceable raw material and the primary source of all life. By virtue of its various functions as a nutrient, a key factor in hygiene, a means of production and an essential element in ecosystems, it also plays a vital role in many other development sectors, especially health, food security and energy. So water is a key factor for socio-economic development and for conserving vital resources.

DRINKING WATER

...is water that is suitable for human consumption and use that must meet certain requirements. Drinking water must be free of pathogens and any properties that are hazardous to health. It is the most important nutrient and is irreplaceable.

SANITATION

Sanitation includes the facilities and hygiene principles and practices related to the safe collection, reuse and/or disposal of human excreta and domestic wastewater.
(as defined in Sanitation Policies, Thematic Overview Paper.
IRC International Water and Sanitation Centre, Delft 2003)

Activities 2007

In 2007, Austrian Development Cooperation allocated more than ten per cent of its bilateral budget for measures in the water sector. The guideline in preparation on water and sanitation will lay a major strategic cornerstone for the coming years. As a small donor, Austria must make the most of its comparative advantages, which include responsiveness to local needs, taking innovative approaches and implementing these with due care. Examples of this include the use of solar energy as an alternative to diesel pumps for water supply or running ecological schemes for installing dry toilets or plant-based water treatment systems as economical, environmentally clean technologies for rural areas.

In keeping with the Paris Declaration, ADC also continued its efforts in 2007 to align its programmes and projects more closely with other donors and the national programmes of partner countries. The ongoing water programmes are being increasingly assimilated into national sectoral policies in partner countries.

Multisectoral instruments

As of 2006, ADC is a member of the Private Infrastructure Development Group (PIDG), which mobilises private investments in pro-poor infrastructure projects via various facilities. For the period between 2006 and 2010, ADC has committed about EUR 8 million. This is allocated for energy and water projects in African priority countries and is deployed in facilities for project development. Via the PIDG facility DevCO, beginning 2007, ADC supports the Ugandan Small Scale Infrastructure Programme aimed at setting up effective public private partnerships in the water sector.

Specific programmes

The water sector programmes for improving water supply and sanitation in rural areas have been continued and upgraded in Uganda, Mozambique, Cape Verde, Kenya, Rwanda, Guatemala and South Eastern Europe. In Guatemala and Cape Verde, ADC also supported the establishment of community-based water utilities. In South Eastern Europe, individual projects have been increasingly replaced by more effective programmatic approaches. ADC successfully directed donor coordination in the Ugandan water sector until the end of the year. It also provided financial support and expertise to the World Bank Water and Sanitation Programme (WSP) and the African Water Facility (AWF). At European level, Austria stepped up its activities in working groups for Africa and Eastern Europe under the EU Water Initiative (EUWI). A major impetus was given to renewing the EU Water Facility in preparation for the 10th European Development Fund in the relevant EU bodies. Together with its European partners, ADC initiated the European research network, SPLASH ERA NET on water for development. This aims at improving cooperation and coordination in research activities in EU countries and associated states at national and regional level. ADC took over the management of a work package.

Our achievements

Africa global: African Water Facility

Project partner: African Development Bank

ADC supports the African Water Facility with direct contributions and the assignment of a water expert. AWF finances specific pro-poor water and sanitary projects. Established on the initiative of the African Ministers' Council on Water (AMCOW) and implemented by the African Development Bank, AWF is a good example of enhanced partner ownership and donor harmonisation. ADC has committed about EUR 1 million for AWF until 2010. The European Commission, Canada, Denmark, France, Norway and Sweden also contribute.

Uganda: South Western Towns Water and Sanitation Project

Project partners: Directorate of Water Development/ Ministry of Water and Environment, Uganda

ADC finances a regional programme in south western Uganda to provide water to 40 settlements. Approximately 48,000 people now have access to safe drinking water. The programme is designed and implemented in direct cooperation with Ugandan executing agencies without any Austrian

partners. Key to success have been the mobilisation of all stakeholders, the use of appropriate and innovative technologies, the conservation of natural resources and the establishment of a Ugandan umbrella organisation to support the small water suppliers. The sectoral programme will be converted into a national financing instrument and enlarged with cofinance from the EU Water Facility. An annual investment of EUR 3.5 million has been earmarked for the coming years. ADC participates with EUR 1.4 million a year. The Austrian project is rated as a showcase for best practices in Uganda.

Moldova: Water Supply Facility for Carpineni

Project partner: Swiss Agency for Development and Cooperation

Since 2005, the Swiss Agency for Development Cooperation (SDC) has been implementing water projects in the Hincesti region with cofinance from ADC. The joint programme aims at improving sanitary conditions in Central Moldova and assisting more municipalities. For the efficient and cost-effective operation of the facility after project completion, a water user association has been established in the municipality to take charge of invoicing, water quality monitoring and upkeep, etc. Individual meters and an affordable price for the population will secure system sustainability and assure self-finance. Altogether, 509 connections have been made, including an infirmary, a boarding school and a school.

ADC water and sanitation activities: geographical focuses

Energy

Rising prices for fossil fuels exacerbate the energy crisis in developing countries. Despite growing energy needs, investments are lacking. According to estimates, between US$ 17 and 22 billion needs to be invested every year in Sub-Saharan Africa alone, but not even half of this is currently forthcoming. About 2.4 billion people still lack access to reliable energy sources and services. Rural regions and underprivileged groups, such as women, children and minorities, are particularly severely afflicted.

Development needs energy. It is a major factor for industrial and commercial activities, human mobility, agricultural production, modern educational institutions and households. Global climate change plays an increasingly important role in the energy sector, because the power projects needed for social and economic development are frequently contributory factors. This in turn jeopardises development progress and the available infrastructure, making sustainable energy policies and the worldwide application of clean technologies all the more important.

This is why energy is playing a growing role as a priority sector of international development cooperation. International and regional finance institutions have stepped up their support by a considerable margin, in Africa in particular.

The European Commission has developed additional finance instruments for this since 2002: the EU Water and Energy Initiative, the EU Water and Energy Facilities, the EU-Africa Infrastructure and Energy Partnerships, etc. At European level, Austria has intensified its activities in the EU Energy Initiative (EUEI). A major impetus was given to renewing the EU Energy Facility in preparation for the 10th European Development Fund in the relevant EU bodies.

Of special importance is regional convergence, the harmonisation of donor activities and alignment with the programmes in the partner countries. Transregional cooperation and energy projects promote regional trade, economic development and competitiveness. Since 2005, an infrastructure syndicate at the African Development Bank has been coordinating infrastructure development in Africa.

Together with regional organisations, NEPAD has drawn up the Infrastructure Short-Term Action Plan (STAP), which demarcates certain key regional projects. Policies and projects are currently in preparation to raise energy security.

Key terms

ENERGY AND ENERGY SERVICES

The main developmental concern is to give private households access to energy for cooking, lighting, heating, cooling and drives. This is essential for reducing poverty and enabling sustainable ecological, economic and social development.

RENEWABLE ENERGY

...comes from sustainable sources that either replenish themselves or are inexhaustible by human standards. In the physical sense, energy is not produced; it is converted from suitable sources of energy or energy reserves. Solar energy (solar thermal energy, photovoltaic), windpower, wave energy and hydropower, geothermal energy and energy from the combustion of modern biomass count as renewable or regenerative energies.

ENERGY EFFICIENCY

...comprises the effective generation and use of energy and the scope for savings. Energy demand can be curbed by raising efficiency. This reduces emissions and the use of resources and improves supply security. In rural developing regions, for example, using energy-efficient stoves can curtail the amount of wood burned for energy. Access to modern energy services is, however, the prime concern, particularly for the African population.

Activities 2007

In the energy sector, ADC is particularly engaged in capacity-building, policy and project development and smaller investments. Greater attention has been paid to initiatives with a regional, cross-border impact. The coordination of measures with other donors and national programmes in the partner countries has been stepped again in keeping with the Paris Declaration. The policy document on energy for sustainable development sets out the main strategic parameters for the coming years.

Regional programmes

ADC joined the Energy and Environment Partnership with Central America (EEP) in February 2007. The Austrian contribution of EUR 1.8 million up to 2009 is largely implemented in hydropower, solar thermal energy and biomass. With EUR 1.3 million, ADC supports the Economic Community of West African States (ECOWAS) in implementing its energy policy for rural regions. In April, the European Commission, the European Investment Bank and seven EU member states signed an agreement to set up the EU-Africa Trust Fund for Infrastructure. As a founder member, Austria has made an initial contribution of EUR 1 million. The trust fund is a major pillar of the EU-Africa Strategy as well as the EU-Africa Partnership for Trade, Regional Integration and Infrastructure. Via a combination of grants and loans, it finances transregional large-scale projects in energy, transport, information technology and water.

In partner countries

Energy efficiency and renewable energy are ADC priorities in South Eastern Europe. Particular assistance is given to the use of geothermal energy in Macedonia, energy-efficient building in Montenegro and Macedonia, biogas and biodiesel use in Serbia and windpower in Bosnia and Herzegovina. ADC also promotes local enterprises in Albania and Macedonia in producing solar thermal facilities. A wide-ranging energy efficiency programme is in preparation in Macedonia. In Bhutan, ADC concentrated on completing the development of a project around the Dagachhu hydroelectric power station. At the end of 2008, it joined the World Bank's Energy Sector Management Assistance Programme (ESMAP) together with the Federal Ministry of Finance. In November ADC organised the 7th Global Forum on Sustainable Energy (GFSE 7), entitled Energy Efficiency for Developing Countries, which made a major contribution to international energy dialogue.

Our achievements

Energy plan for West Africa

ECOWAS adopted a regional energy policy for rural and periurban regions in 2005. The aim is for all inhabitants to be able to use modern cooking facilities and 66 per cent of households to have access to essential energy services by 2015. About 20 per cent of future investments is earmarked for

power production from renewable energy. Through joint grants from the United Nations Development Programme (UNDP), France and the EU Partnership Dialogue Facility, assistance is given to the policy segments of capacity development and technical assistance for drafting national investment strategies. ECOWAS implements the project together with UNDP.

Project partners: UNDP, ECOWAS

Energy and Environment Partnership with Central America

EEP finances measures in renewable energy and energy efficiency, particularly in remote rural regions. The grants are used for project and policy development as well as capacity building. EEP can draw on a budget of more than EUR 6.8 million up to 2009. With this, it has already promoted windpower and small hydropower stations in Nicaragua, solar-powered refrigerators in Panama and eco-stoves for households in Honduras. It also raises awareness amongst public and private decision-makers to improve the investment climate.

Project partners: Central American Integration System (SICA), Finnish Ministry for Foreign Affairs

Geothermal energy in Macedonia

The Kocani geothermal field is one of most important in Europe. Geothermal water has been produced since 1987. With finance from ADC, initial necessary repairs were made to the system. A subsequent project phase aims at overhauling the technical and organisational operations and rationalising the whole system. Geothermal energy affords great economic potential for heating public buildings and tourist facilities. Altogether, ADC has provided about EUR 2 million for the programme up until 2010.

Project partners: Blue Waters; Ministry of Economics, Ministry of Energy and Kocani Municipality in Macedonia

ADC energy activities: geographical focuses

Governance

Two developments in human rights were important for underprivileged groups in 2007: In March, the United Nations Convention on the Rights of Persons with Disabilities was adopted, but has not, however, entered force for lack of sufficient ratifications. In September, the UN General Assembly approved the Declaration on the Rights of Indigenous Peoples, which had been under negotiation for more than 25 years. This marks a milestone in rights, such as participation, self-determination and non-discrimination.

In the OECD, a policy paper was adopted by the Development Assistance Committee (DAC) for strengthening and supporting human rights with direct repercussions on the work of member states.

In peacebuilding/fragile states, OECD/DAC published its Ten Principles for Good International Engagement in Fragile States. This seeks to help actors to promote constructive interaction among national and international stakeholders in countries with weak governance and conflicts and in transitional phases of fragility.

OECD/DAC also published the Handbook on Security System Reform: Supporting Security and Justice as a major instrument for developing, implementing and coordinating projects and programmes in this sector.

At EU level in 2007, the concern was the practical implementation of the European Consensus, through so-called incentive tranches from the European Development Fund for countries making particular efforts in governance reforms, for example.

Efforts were continued in harmonising decentralisation approaches in international development cooperation. Information and experience in partner countries were exchanged in a donor working group. At the end of the year, the European Commission began an intensive dialogue with the member states on local development – decentralisation, local governance and territorial development, the outcomes to be published at the end of 2008 in an EU communication.

Key terms

RULE OF LAW

...means that governance abides solely by published laws, that judicial independence is assured, that the constitution and the resulting laws are adhered to, that all are equal before the law and that powers are separated. A transparent administration, a dynamic economic sector and a viable civil society are essential for national development and require a regulatory framework to guarantee stability and promote social and economic progress.

CONFLICT SENSITIVITY

Every programme in development cooperation affects the social, political and economic situation of a country as well as latent or overt conflicts. Conflict sensitivity entails taking account of the reciprocal relationship between conflicts and measures with the aim of preventing adverse, aggravating effects and reinforcing those that work to the benefit of peace and de-escalate tensions.

SOCIAL CAPITAL

...results from the readiness of actors to cooperate with each other. It comprises all available and prospective resources that can be mobilised through participation in social interrelations. Social capital does not primarily pertain to individuals; it has to do with the relations among them. It is the basis for subsidiarity, joint action and self-help and is particularly important at local level for poorer sections of the population.

Activities 2007

In part with the help of its coordination offices, Austrian Development Cooperation continued to implement the policy documents on good governance, human rights and peacebuilding and conflict prevention. Further training was conducted on stemming and combating corruption and on conflict sensitivity (do-no-harm). Additional focal papers on parliaments and poverty reduction as well as women, gender and armed conflicts were published. As an outcome of increased dialogue with partners in Austria, non-governmental organisations took part in training on human rights and lectures were given at various events. In the course of preparing the Austrian National Action Plan for implementing UN Security Council Resolution 1325, ADC collaborated in an interministerial working group.

In country and regional programming, the contributions prepared included Bhutan, the Himalayas-Hindu Kush region and Central America. At international level, ADC collaborated in the OECD/DAC and EU working groups on governance and human rights as well as on peacebuilding and conflict prevention and co-drafted policies and practical guides.

In decentralisation, ADC completed a draft strategy on decentralisation, local governance and local development and contributed Austrian experience and positions to international meetings or draft strategies and studies by other donors. It reviewed and assessed ongoing decentralisation processes in partner countries and synthesised key factors for implementation. This provided possible responses to such challenges as shortage of capacity, deficient application of financing instruments, insufficient account of participation or the complete or partial lack of development plans at local level. Decentralisation was an important issue in implementing the programme for Mozambique in 2007.

Our achievements

African Parliamentary Poverty Reduction Network

Project partner: Parliamentary Centre, Canada

The project is carried out by the Canadian Parliamentary Centre together with the African Poverty Reduction Office (APRO). The African Parliamentary Poverty Reduction Network (APRN) was founded in 2003 by African parliamentarians and provides discussion platforms on central issues, such as poverty reduction and budget implementation. It strengthens the capacities of parliaments to discharge democratic functions such as budgetary monitoring or policymaking. The network now comprises fifteen member countries, which actively participate in different programmes.

By linking up parliamentary committees with civil society and research institutions, the initiative contributes to more transparent and efficient governance. Among other things in 2007, assistance was given for workshops on budgetary processes, further training for parliamentary members and personnel and the enlargement of a learning centre focusing on poverty and budgeting.

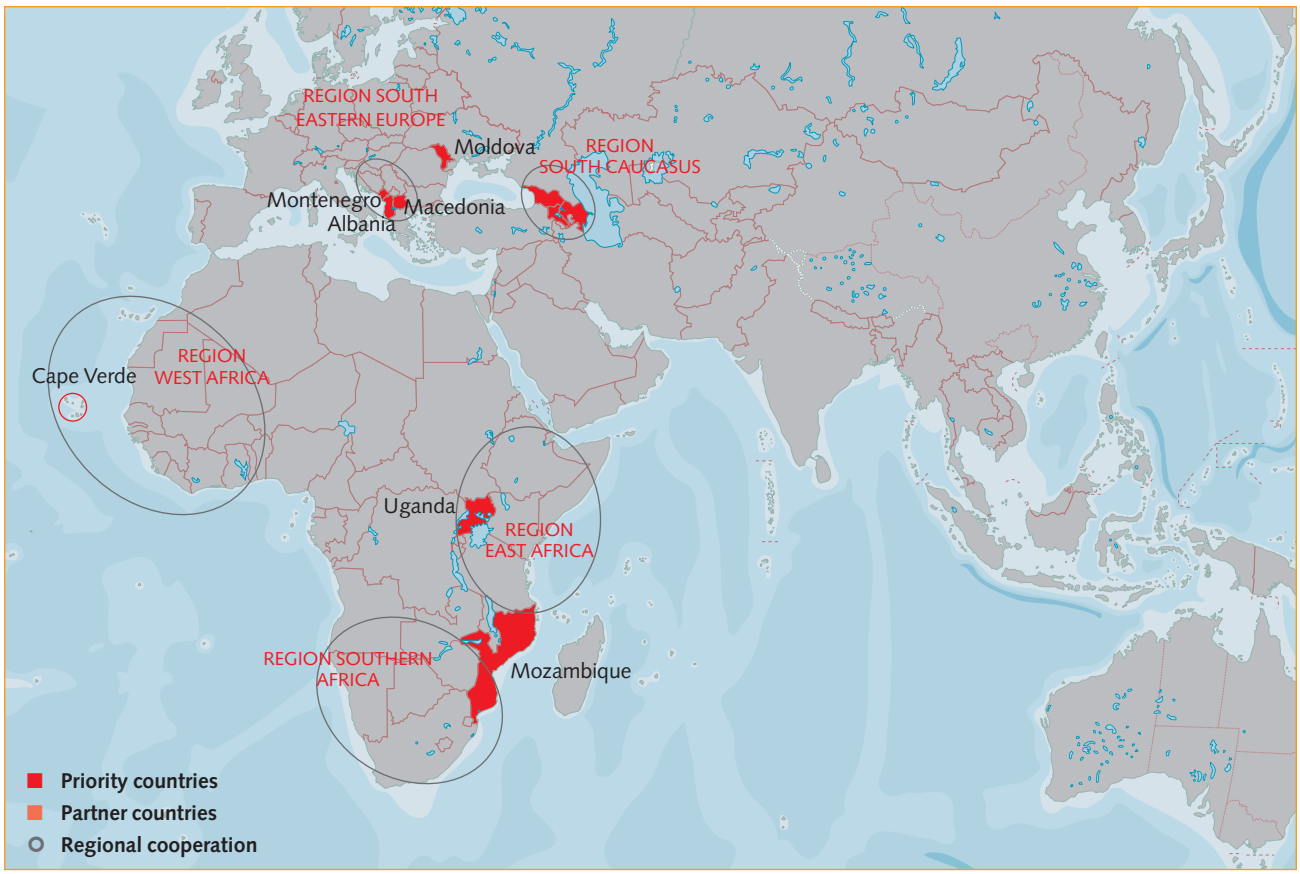
Spatial planning in Cape Verde municipalities

Spatial planning and land use are neglected by administrations in most developing countries. They lack funding, qualified planners and/or a basic awareness of the role of planning processes in urban and rural development.

As a result of ongoing decentralisation and institutional reform, responsibility for strategic sectoral planning in community development on Cape Verde lies with the municipalities themselves. ADC supports these in setting up technical departments for spatial planning with the necessary equipment and expertise. The planning departments are advised in drafting the requisite basic strategies and drawing up topographic maps and urban development plans. Some local development schemes and land use plans have already been drafted, primarily in the water sector and will be the subject of broad discussion to arrive at a consensus for sustainable, ecological and socially equitable spatial planning.

Project partner: ECOTEC Private Limited Company for Institutional and Technical Infrastructure

ADC governance activities: geographical focuses



Education

To reach the goal of education for all by 2015 as set in Dakar (2000), securing basic education is still a development priority of the international community. In 1999, 96 million children worldwide were still unable to attend school. This figure was reduced by approximately 25 per cent to 77 million in 2007. At well below 90 per cent of children of school age, persistent low enrolment rates in many countries still pose a basic challenge. Even when children enrol, dropouts are frequent.

Besides the growing numbers of pupils due to the large rise in population, countless conflicts and flash points are thwarting the goal of education for all. The global HIV/AIDS pandemic has added to the problem. According to the United Nations Educational, Scientific and Cultural Organization (UNESCO), over 25 million children will be left as AIDS orphans by 2010. Accounting for 43 per cent, HIV/AIDS is the main cause of death among teachers in Tanzania.

After years of focusing on basic education, the demand for the next two stages of education – secondary (incl. vocational training) and higher – has risen markedly. Academic education and scientific research generate the expertise that is crucial for implementing national poverty reduction strategies. There is a particular need to develop local capacities to solve problems in farming, water supply, infrastructure, natural resource conservation, governance and health. A functional and efficient system of higher education is essential for the attainment of the Millennium Development Goals as well as for sustainable national social and economic development. ■

Key terms

VOCATIONAL TRAINING

...makes up a specific part of secondary school education and besides general education it imparts specialised and practical training and occupational qualifications. On completion, training over several years in tourism, farming or technical occupations, for example, affords direct access to working life.

HIGHER EDUCATION

Higher education is the third tier after primary and secondary school education. The minimum admission requirement for universities, teacher training colleges and technical colleges is the successful completion of secondary education or evidence of equivalent knowledge.

BRAIN DRAIN – BRAIN CIRCULATION

Brain drain is the emigration of qualified specialist and executive personnel abroad. In developing countries, it can cause a dramatic shortage of skilled personnel in key sectors, such as health and education, and weaken institutions of higher education, science and research. The latest studies no longer view the emigration of highly qualified personnel as a finished process, with the countries of origin losing human resources and host countries gaining (brain gain). Instead, the aim must be to organise the migration of highly qualified personnel as a mutual process of emigration and immigration called brain circulation, which can also benefit developing countries, not just industrialised nations.

Activities 2007

The ADC priority in education is attached to higher education (approximately 60 per cent of the funds disbursed) and vocational training. Basic education is also promoted through finance for NGO projects.

An evaluation of the education sector was made in mid-2007, resulting in two main recommendations for future programming: Institutional cooperation should replace individual support through scholarships to make way for an integral approach through systemic development with a longer-term impact. Individual assistance will only form part of a broad approach to capacity development in higher education. Especially in education, programme-based aid will replace the previous project-centred approach in keeping with the Paris Declaration.

Based on evaluation outcomes and changed policy directives, work began in 2007 on preparing a strategy for higher education and research. This strategy paper is a direct instrument for implementation and stipulates measures and tools for attaining the policy goals.

The evaluation of the Burkina Faso vocational training priority recommends a programme-based development of activities to date. The measures include professionalising formal vocational training, standardising informal education and assisting in framing a national vocational training policy. Special stress is placed on indigenous development with native language lessons.

Among other things, ADC in South Eastern Europe concentrated on upgrading the regional vocational training projects underway, ECONET (practice enterprises in business schools) and TOURREG (tourism training). In Albania and Moldova, it supported the development and reform of schools as centres of excellence in agriculture. Universities were promoted through institutional and human resource development in Bosnia and Herzegovina, Macedonia, Montenegro, Serbia and Kosovo.

At international level, ADC participated actively in the EU education and training working group and the Association for the Development of Education in Africa (ADEA). ADC also took part in the Dubrovnik Conference on Higher Education and in regional meetings of experts in South Eastern Europe.

Our achievements

University reform in Kosovo

Project partners: Federal Ministry for European and Interntional Affairs, Federal Ministry of Science and Research, UNIMIK, Ministry of Education, Science and Technology, Kosovo

In line with the Bologna Process, the system of higher education in Kosovo is due for reform. The project is based on a memorandum of understanding between the Foreign Ministry and the Ministry for Science and Research on the Austrian side, the United Nations Interim Administration Mission in Kosovo (UNMIK) and the Ministry of Education, Science and Technology on the Kosovan side. The reform marks an important step towards integrating Kosovo into the European space for higher education and contributes to closer interaction between the university sector and the local economy. Institutional and personnel assistance will be given for setting up an accreditation agency, developing capacity to promote innovations and cooperation in research and technology, the recognition of degrees and for professionalising the University of Prishtina and the Kosovan Ministry of Science.

Vocational training in Burkina Faso

At present, there are no formal craft apprenticeships in Burkina Faso with standardised curricula and approved qualifications. The Vocational Training Support Unit (CAFP) has set itself the task of promoting standardised, accredited craft training, thus making an important contribution to streamlining

informal vocational training. In 2007, five training plans were drawn up for leatherware production, electronics, hairdressing, dyeing and agriculture. In three trades, fifty apprentices have been trained with a success rate of 87 per cent. More than 500 trainers have been instructed nationwide in various modules, programmes and methods and parallel to this, relevant handbooks have been circulated to 20 private training institutions. A documentary film has been made on the successes of CAFP.

Project partners: Vocational Training Support Unit (CAFP); Ministry of Youth and Employment, Burkina Faso

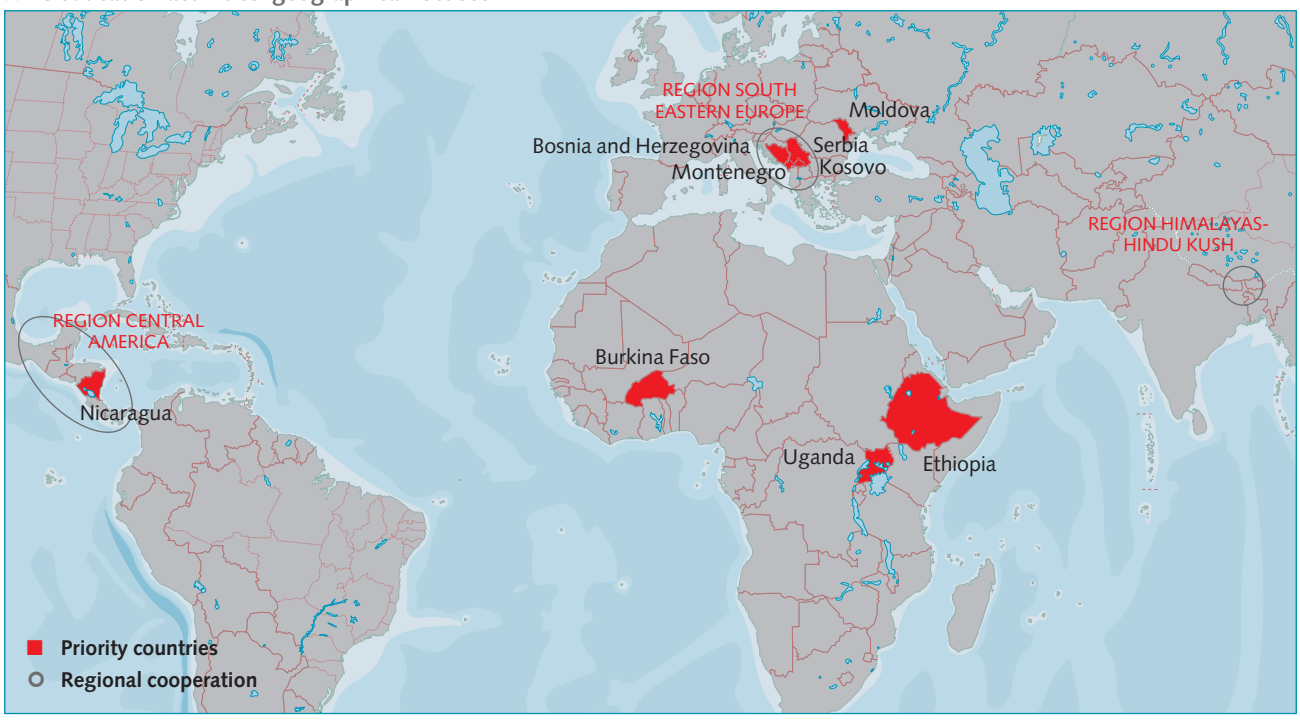
South-South Scholarship Programme

The programme aims at improving training standards at the young universities URACCAN and CIUM-BICU in the Autonomous Atlantic Regions of Nicaragua by financing post-graduate, masters and doctoral scholarships for teachers. At present, seven people are studying at Latin American and Spanish universities with the help of a scholarship. The selected fields of study are very important for the development of the regions, but they are not available at all or at the necessary quality standard in Nicaragua.

Project partner: HORIZONT3000

Forty-one scholarship-holders have successfully taken part in the programme till now. As a condition, they pledge to return to the region. Besides the universities, this benefits education authorities, regional governments, municipalities and local NGOs.

ADC education activities: geographical focuses



Private sector and development

Halving poverty by 2015, as intended by the United Nations Millennium Development Goals, cannot be achieved by public donors on their own. Only an efficient and robust private sector can mobilise economic growth for sustainable poverty reduction.

This is why strengthening the private sector is a major concern of development cooperation. It seeks to set up an enabling framework and to provide adaptable support instruments. There is also a need for private sector initiatives from the industrialised countries, because well-planned cooperation between development cooperation and the private sector can harness synergies that benefit developing countries and companies alike. So suitable development tools are being upgraded here, with direct cooperation between development aid and private enterprises playing a growing role. This has a significant leverage effect on development aid funding, while also enhancing project sustainability.

Another way of mobilising private sector resources is stepping up participation in international trade. To this end, a joint EU Aid for Trade Strategy was adopted in autumn 2007, which details how to allocate more funds for this kind of assistance. ADC has also pledged to make a contribution. ■

Key terms

PRO-POOR GROWTH

Pro-poor growth denotes growth that benefits an above-average ratio of poor and underprivileged sections of the population to alleviate the inequitable distribution of wealth. Economic growth and higher income for the poor are essential for reducing poverty, but this also calls for a broad distribution of the national product and profits.

AID FOR TRADE

...means trade-related development cooperation. The successful integration of developing countries in world trade calls for more than just better market access and additional international trade regulations. To take full advantage of international trade, developing countries must also remedy their supply constraints and their structural deficits. This is where aid for trade comes in.

PRIVATE SECTOR PARTNERSHIPS

Enterprises make an essential contribution to economic development in South and East. To harness synergies and make the most of the development gains of private business relations and investments, ADC is increasingly enlisting the support of the private sector. Interested firms can apply for assistance in the form of private sector partnerships. These facilitate economic progress, improve business conditions and raise the standard of living in partner countries.

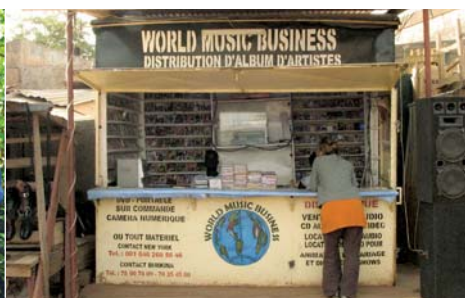
Activities 2007

In private sector and development, ADC concentrates on the following three approaches:

- Improving the framework for private sector involvement in ADC partner countries, such as business start-ups and investments
- Carrying out direct private sector development measures in partner countries, primarily promoting small and medium-sized enterprises through business development services and financial services, particularly also microfinance
- Increasing the involvement of Austrian and European private sector in development cooperation, where ADC offers the private sector two avenues for cooperation – development and business partnerships

Framework for private sector involvement

Private sector engagement is only viable when the legal and economic framework permits. Only then can companies make a contribution to sustainable development. This is why ADC seeks to improve the framework for private sector involvement.



Of prime importance, for example, are transparent financial facilities and an efficient set of rules for bookkeeping, balancing accounts and auditing. ADC therefore participates in the World Bank's REPARIS programme. Following a World Bank analysis in many countries of South Eastern Europe, measures were recommended for bringing corporate accountancy up to European and international standards. Based on these findings, the Macedonian partners devised a strategy with the help of the World Bank to also transpose the relevant parts of the body of EU law, acquis communautaire, into national law. In its progress report, the European Commission drew attention to major improvements, primarily in company law. Particular mention was made of the detailed wording of the provisions and privileges for small and medium-sized enterprises. Another aim of the programme is to develop institutions to draft and implement the necessary standards and institute supervisory and control functions, for banks and insurance firms, for example, etc. As a key stakeholder in this process, the Association of Certified Auditors has commenced its duties and has already prepared a programme for improving the quality of audits.

ADC is also a member of PIDG. This multi-donor group promotes infrastructure investments through a number of specific instruments in developing countries. ADC made contributions to the Technical Assistance Facility worth EUR 1.5 million in 2007. These funds are earmarked for projects in the water, energy and transport sectors in ADC partner countries in Africa. Austrian companies are also showing increasing interest in PIDG projects.

When enterprises are engaged in countries with a weak state apparatus and comparatively low standards, corporate social responsibility plays a special role. On a voluntary basis and within their own scope of responsibility, enterprises can make an important contribution to implementing social and environmental standards, health, training, anti-corruption and human rights. To reinforce this approach, ADC is involved in preparing the contents of an ISO standard on Social Responsibility (ISO 26000). Together with India and Costa Rica, Austria chairs a sub-working group within the ISO Working Group on Social Responsibility. Substantive assistance is given to the activities of the relevant Austrian Standards Committee and ADC supports the participation of the Indian co-chairperson. Moreover, ADC supported the Plenary Meeting of the ISO Working Group on Social Responsibility that took place in Vienna in November 2007.

Private sector development

Fast-growing private investments in developing countries are also of great interest to ADC with an eye to the microfinancial market. The outreach of microfinance institutions is still unsatisfactory despite numerous efforts. Economic empowerment and social improvements in rural areas and for underprivileged groups such as women, youth or ethnic minorities are only possible, if all stakeholders generate value added by contributing their respective know-how. A special challenge in private sector development is improving and monitoring the effectiveness of interventions (aid effectiveness). There is little research and documentation on the causal and measurable correlation between measures to better facilitate and plan business initiative and private and economic engagement on the one hand and actual poverty reduction on the other. To make a

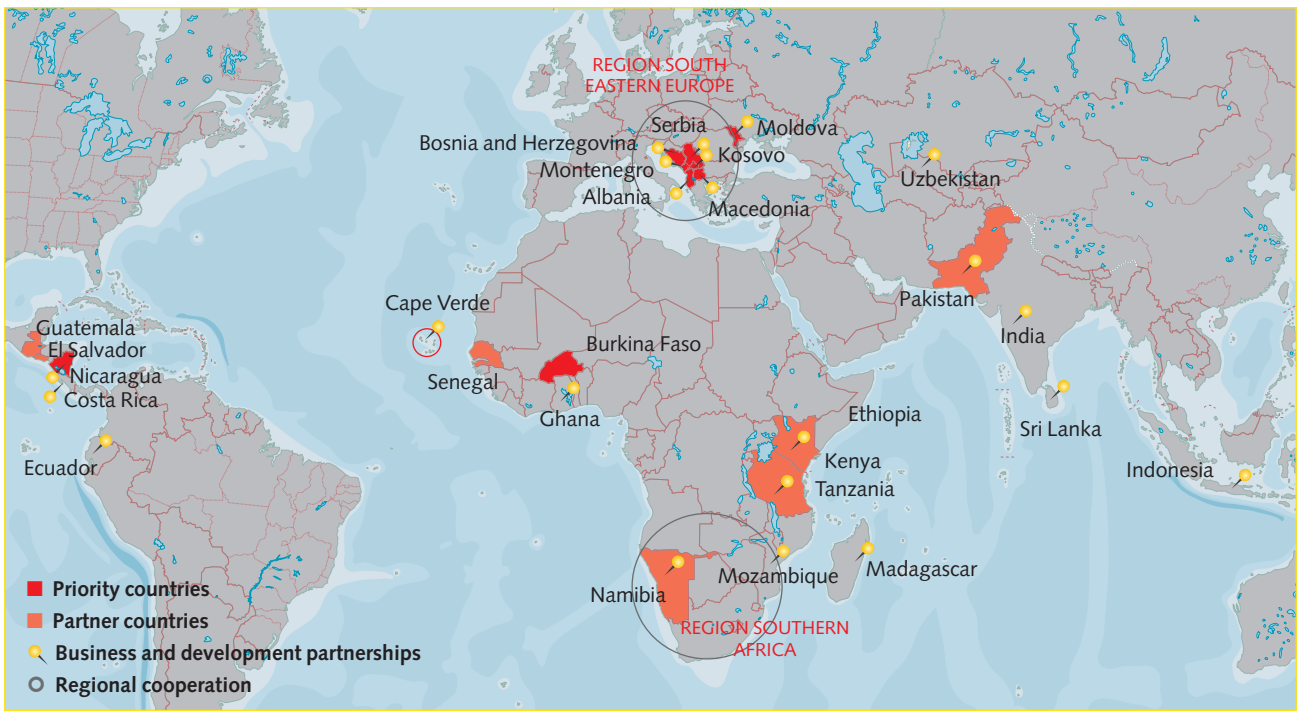
sounder assessment of aid effectiveness, studies need to be conducted that take as much practical account as possible of the experience of target groups. So ADC attaches special importance to implementing a suitable monitoring and evaluation system in all projects and documenting the results of interventions.

Private sector partnerships

With the instrument of private sector partnerships, ADC supports win-win situations for the private sector and development cooperation. It promotes entrepreneurial initiatives with developmental gains. Private sector partnerships bundle public and private resources and harness synergies.

In 2007, ADA received 142 requests from Austrian enterprises in all. Since the beginning of the programme, the number of applications has increased steadily, underscoring the keen interest of the Austrian private sector. Of altogether 343 registered requests by companies, 81 measures were promoted through feasibility studies or travelling allowances to facilitate project start-ups. Another 32 development or business partnerships are in implementation. The range of content is broad: renewable energies and energy efficiency, vocational training and international know-how transfer, ecological farming, local corporate clustering, quality improvement and streng thening supply chains as well as health. The geographical focus is placed on South Eastern European and African countries.

ADC private sector and development activities: geographical focuses



Our achievements

Health programme in Southern Africa

Sub-Saharan Africa numbers among the regions most severely afflicted by HIV/AIDS and malaria worldwide. Proper treatment urgently requires qualified personnel, competent diagnostics and suitable medication.

Project partner: Rift Valley Holding

The coffee, tea and coconut oil producer, Rift Valley Holding, sees to it that its personnel and their families gain access to better health services. For the company, these diseases incur high downtimes or even deaths. As part of the development partnership, it seeks to learn more about HIV/AIDS and other illnesses, their spread and possible methods of treatment. Local qualified staff also carry out preventive measures in the company and the communities involved. In the event of illness, the patients are given suitable treatment. Work is being done on a sustainable scheme for preventing and combating HIV/AIDS and malaria in Mozambique, Tanzania and Zambia.

Strengthening small lending facilities in West Africa

With soft loans, Austria supports the two microfinance institutions, MECARUL and MECAP, in West Africa. This way, ADC, the Austrian Control Bank (OeKB) and the Entwicklungswerkstatt Austria (EWA) promote the small lending market. OeKB makes soft loans available of EUR 250,000 each for annual repayment and multiple issuance over a term of five years. ADC participates via ADA with EUR 180 million a year. With this, it bears a part of the interest for the credit lines of OeKB, the costs for technical assistance and project monitoring by the NGO, Entwicklungswerkstatt Austria. With the additional capital, the two microfinance institutions can expand their lending and set up a network of branch offices. People who would otherwise never be eligible as borrowers thus gain access to loans. Above all, male and female farmers and artisans in rural areas can take up a livelihood with microloans.

Project partner: Austrian Control Bank

Raising yield in Tanzania and Ghana with allanblackia

Project partner: Unilever

The use of the allanblackia nut affords the chance of a new source of income for the rural population in Tanzania and Ghana. In future, the oil will be used to produce margarine and soap from the seeds of the allanblackia tree. A sustainable supply chain is being built up. The requisite know-how is imparted to the farmers in growing, sowing and organic cultivation of the trees as well as for harvesting, processing and marketing the seeds.

Every farmer who switches to cultivating allanblackia is paid compensation for diversifying his fields. The strategic alliance with Unilever will help 14,000 people to earn their first harvest income after four years. The population in rural municipalities is linked up with national and international markets.

Environment

A predominant issue in 2007 was climate change. As the fourth assessment report by the UN Intergovernmental Panel on Climate Change (IPCC) clearly shows, the consequences have a particular impact on developing countries. The UNDP Human Development Report 2007 also concluded that climate change poses the greatest threat to human security in the 21st century. If it cannot be stopped, this will hamper international efforts in poverty reduction and render them increasingly ineffectual.

The 13th Conference of Signatory States of the UN Framework Convention on Climate Change (UNFCCC), which took place in Bali in December, took initial, though tentative, steps towards a successor for the Kyoto Protocol expiring in 2012 and new commitments to reducing greenhouse gas emissions. The conference also brought about an agreement on setting up a so-called Adaptation Fund to help developing countries in their efforts to adapt to the adverse consequences of climate change.

These achievements almost eclipsed the decisive progress made in combating desertification. At the Conference of Signatory States of the Convention to Combat Desertification in Madrid, the community of nations adopted a 10-year strategy combining the principles of the Paris Declaration with the strategic aims of the convention – which was unprecedented for a multilateral environmental accord. This will provide an innovative tool for bringing global environmental concerns closer into line with development cooperation.

The interface between environmental protection and development under the Paris Declaration was also an international focus of operational instruments and procedures. Issues of mainstreaming environmental protection and other cross-cutting issues into the new instruments of cooperation (e.g. budget support or sectoral programme contributions) were placed on the agenda of an OECD workshop in Dublin, for instance.

Key terms

ENVIRONMENTAL MAINSTREAMING

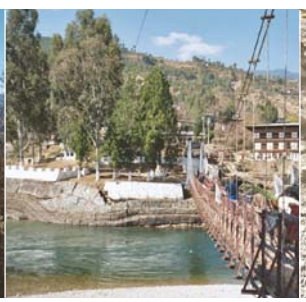
Mainstreaming means that certain types of conduct come to be accepted as normal or taken as a matter of course, in this case, protecting or improving the environment. Account is taken of environmental aspects across all levels of development policy. Successful environmental mainstreaming in current policies, development strategies and programmes on the partner country and donor side alike is essential for long-term, economically, socially and ecologically balanced development.

ADAPTATION

Adaptation is understood to mean everything that is also necessary to effectively counter the consequences of climate change for successful development. This includes activities that enhance the resilience of the economy, society and environment against these adverse impacts. Examples are measures in disaster prevention and adjustments in agricultural production or in water supply.

PAYMENT FOR ECOSYSTEM SERVICES

Paying for ecosystem services is attracting increasing interest in development cooperation. The idea behind this is that those that render ecosystem services should receive payment from those who benefit from them. This creates incentives for sustainable resource conservation and affords interesting ways to improve the basic conditions of life for poor rural populations.



Activities 2007

Austrian Development Cooperation was also concerned with climate change in various ways in 2007. An operational guide was drawn up (Focus: Climate Change in ADC) outlining the international framework, the challenges for development cooperation and intervention points. In future, more efforts will be made in measures that support a development approach to keep greenhouse gas emissions low and mitigate the adverse impacts of climate change. Including the repercussions of climate change in programmes and projects with a view to so-called climate proofing was also an important theme.

ADC conducted several training measures at Head Office and at various coordination offices to raise awareness of the connections between environment and development. A major topic of discussion was how to provide practical support for mainstreaming environmental aspects into national development policies, programmes and plans, especially as part of policy dialogue and budget support instruments.

In environment, ADC engaged in several bilateral cooperation projects in 2007. Support for the Cape Verde National Environment Action Plan made successful progress. In Ethiopia, a programme was started to support food security in the Amhara National Regional State aimed at the sustainable use and improvement of natural resources. In Bhutan, steps were taken to support the implementation of a project under the National Adaptation Programme of Action to cope with the consequences of climate change.

At multilateral level, ADC continued its long-standing commitment in the OECD/DAC Environet and in various EU expert groups and participated for the first time in the Poverty and Environment Partnership (PEP), an informal forum of donors and non-governmental organisations. In 2007, the European Commission started to revise its strategy for mainstreaming environmental issues in development cooperation. Austria is involved in the consultative process, which will last until autumn 2008. Environment is treated in this strategy as a cross-cutting issue, as a sector in its own right and in connection with coherence.

To secure this important engagement in the long run, Austrian Development Cooperation and Cooperation with Eastern Europe established a desk in Department VII of the Federal Ministry for European and International Affairs at the beginning of 2008 devoted to development-policy aspects of environment and sustainability. This has enlarged specific capacities in policy and strategy. Competence for the UN Convention on Combating Desertification, which is particularly important for African countries, was taken over from the economic policy section of the Federal Ministry for European and International Affairs. For the first time, then, development cooperation in Austria now shoulders political responsibility for a global environmental treaty.

Our achievements

Cape Verde's National Environment Action Plan

Project partner: Ministry of Environment and Agriculture, Cape Verde

Since the end of 2006, ADC has been assisting in the implementation of Cape Verde's second National Environment Action Plan with specific sectoral budget support. This cooperation has made further successful progress in 2007. Spain also now contributes to the sectoral programme. By virtue of its expertise in the water sector, ADC was invited by the Cape Verde government to take part in the programme. There is no question that sustainable water management is one of the most urgent environmental problems in the island state. Other challenges include afforestation, clean wastewater and refuse disposal and the protection of biodiversity. The special thing about the environment action plan is that it comprises nine so-called intersectoral environment plans but also plans for each municipality. For the most part, the investments are therefore administered locally by the municipalities themselves, so that they benefit directly from the assistance.

Preventing glacial lake outbursts in Bhutan

Project partner: United Nations Development Programme – UNDP

Under the Climate Convention, national adaptation programmes of action (NAPAs) are drawn up by the least developed countries to cope with climate change. Implementation is assisted via a financing instrument of the convention, the Least Developed Country Fund (LDCF). One of the most urgent threats cited in Bhutan's NAPA are possible glacial lake outbursts. Austria supports a wide-ranging UNDP project to minimise this danger. Besides accounting for climatic risks in the national disaster risk management plans and setting up an operational early warning system, technical measures aim at the controlled reduction of the water level in two lakes in danger of bursting. The project is intended as a prototype for the whole Himalayas-Hindu Kush region. It is the first project in the world to be financed via the LDCF and will attract keen international attention.

Gender

The World Bank's Global Monitoring Report 2007 on the Millennium Development Goals entitled, Confronting the Challenges of Gender Equality and Fragile States, makes plain that the third goal, Promote gender equality and empower women, will not be met. Despite some progress in school enrolment rates for girls in most countries, the quality of education still needs improvement, but insufficient progress has also been made in improving women's health, particularly reducing maternal mortality.

The danger of impoverishment is particularly acute in fragile states with weak governments and armed conflicts. There is a proven positive correlation amongst gender equality in family and society, the economy, education and women's health. So engaging in gender equality is not just an ethical concern; it is also makes for effective policy.

Thanks to the efforts of the OECD/DAC Gendernet, the cross-cutting issue gender is firmly established in the Paris Declaration. This affords the unique opportunity of strengthening partner country ownership by including women's organisations and accounting for it in financial planning through gender budgeting.

Under the German Presidency, the European Union adopted the Council Conclusions on Gender Equality and Women's Empowerment in Development Cooperation in May 2007, which will culminate in a specific plan of action. The priorities are the economic and political empowerment of women, measures to stem violence against women (including implementation of UN Security Council Resolution 1325) and coherence with other EU policies and United Nations conventions and declarations.

Key terms

GENDER

...is a term that refers to prevalent social disparities between women and men that can be learnt, that change over the course of time and that can differ widely both within the same culture and among diverse cultures.

GENDER MAINSTREAMING

...consists of (re)organising, improving, developing and evaluating political processes with the aim of ensuring that all stakeholders at all levels and in all phases include a gender perspective in all policymaking.

EMPOWERMENT

...means enabling people to take action on their own. In the process, they gain access to assets and facilities and acquire abilities that enable them to co-shape their lives and the economic, political and social development of their community.

GENDER BUDGETING

...denotes analysing and drafting budgets from the gender equality perspective. The concern is to dovetail economic and social aims, raise efficiency and accountability and improve transparency and democratisation in budgetary processes. So gender budgeting is an instrument for putting gender policy into practice.

Activities 2007

Work already started in 2006 on linking gender and conflict as issues. An interministerial working group was appointed to prepare a National Action Plan for implementing UN Security Council Resolution 1325. This was adopted on 8 August 2007 by the Council of Ministers. The Three-Year Programme 2007-2009 takes detailed account of the role of women in peace processes.

In international cooperation, ADC concentrates on rule of law with respect to violence against women and girls, disarmament, demobilisation, reintegration and work with civil society for conflict prevention and peacebuilding.

To curb violence against women, ADC is also conducting a programme against human trafficking in the partner countries on the Balkans and in Moldova. In cooperation with international institutions and non-governmental organisations, it implements projects on prevention through information and awareness, on generating alternative sources of income and on victim protection and the prosecution of offenders. ADC is also a member of the interministerial task force to combat human trafficking and has collaborated in the National Action Plan.

Besides its involvement in OECD/DAC Gendernet, ADC has been working on gender mainstreaming in Austrian programmes and projects. It takes a dual approach: promoting women's organisations, including women parliamentarians, and assisting gender budgeting in new finance instruments. For this purpose, a review was made of gender budgeting in the partner countries Uganda, Mozambique and Nicaragua and this theme is being pursued further in cooperation with non-governmental organisations and the interministerial working group on gender budgeting.

Training has been given to staff at Head Office and in the coordination offices in partner countries on implementing gender mainstreaming and work has started on building gender expertise in the coordination offices.

Our achievements

Preventing domestic violence against women in Southern Africa

Project partners: Southern African Development Community, Southern African Police Chiefs Cooperation Organisation

In Southern Africa, strengthening rule of law and implementing or enforcing human rights are essential for the separation of powers and universal equality under the law. Domestic violence against women and children poses a major obstacle to progress in gender equality. The United Nations Office on Drugs and Crime (UNODC) is one of the major partners of governments in taking action against this problem. UNODC wrote the handbook, Violence against Women, with finance from multilateral ADC funds. This was discussed and adopted in June 2007 at an international meeting of experts in Vienna.

In cooperation with the Gender Unit of the Southern Africa Development Community (SADC) and the Southern African Police Chiefs Co-operation Organisation (SARPCCO), the handbook will be used in training male and female police officers to raise awareness about violence against women. The partner countries Mozambique, Namibia, Zimbabwe and South Africa as well as Lesotho and Malawi were selected for a test phase. A translation of the handbook into local languages is also planned.

Gender policy in Albania

Albanian society functions along traditional lines and adheres to formalised notions of relationships: Women are assigned a subordinate position and are often barred from public life. The project contributes to gender equality and the empowerment of women. In about 20 municipalities, gender officers and civil society are assisted in promoting and monitoring government gender policy at local and regional level. The capacities of the gender equality department in the Ministry of the Interior are strengthened to enable it to draft and implement gender equality strategies and gender-balanced budgeting.

Project partners: HORIZONT3000, Welthaus Graz; Ministry of Labour, Social Affairs and Gender Equality, Albania

Development communication

As in previous years, the Millennium Development Goals and the UN Decade, Education for Sustainable Development (2005–2014), also set the thematic parameters for programmes in development communication and education financed from ADC funds in 2007.

The European Union declared 2008 as the Year of Intercultural Dialogue. So ADC spent 2007 preparing partner organisations in Austria for this theme year. In autumn 2007, it issued a call for projects to highlight the connections between developmental and intercultural issues.

The European Union and United Nations have on several occasions emphasised that the Millennium Development Goals can only be achieved if a broad public in the industrialised countries takes an informed interest in and gives their support to international development efforts. Development information and communication at all levels of society is therefore a priority for all EU partners and the OECD/DAC. This is why sustainable development needs to be mainstreamed in education systems at all levels and special assistance given to education itself as key to social change.

Key terms

DEVELOPMENT COMMUNICATION

...means the active discussion of development-policy issues by as broad a public as possible. This calls for the provision of clear information and setting up the necessary framework to enable diverse, critical debate of developmental questions.

GLOBAL LEARNING

...enables people to improve their grasp of global interrelations, gain insight into how their own everyday life relates to world affairs and develop or assess alternative courses of action in a global context. Global learning helps people find their bearings in the world and increases their ability to participate in communication and decision-making processes on our globally networked planet.

Activities 2007

In its measures to promote development communication and education, ADC seeks broad and informed public participation in discussion on development policy and cooperation. Civil-society organisations play a special role here. Thanks to their experience, they can draw on many different contacts and competencies in all areas of sustainable development and with their substantial financial and human resources they are well established in Austrian society. As a rule, they are organised in a federal setup with many small units. There are some 1,000 development groups in Austria, most of which are run on a voluntary basis.

Aid policy ensures a coordinated and effective use of the means available. It has also achieved an impressive leverage effect: With aid totalling approx. EUR 4 million in 2007, 87 projects were implemented worth EUR 10 million in all. Seven multi-year EU projects with Austrian executing agencies have also been cofinanced with ADC funds.

Funding measures during 2007 helped to improve the thematic and methodological approaches to education, cultural and public relations work. Quality development in the individual programmes and the use of innovative forms of communication were criteria for funding. Continuous work on priority themes and with selected target groups assured the sustainable impact of projects. They centred on MDGs, fair trade, global learning and intercultural dialogue. The projects mainly addressed multipliers in education, science, the media, political parties, churches and NGOs. Cooperation with the Federal Ministry for Education, Arts and Culture and with other public and private organisations also played a major role. Work was begun on drafting a national strategy for global learning.

Contents and methods were upgraded through cooperation, especially in the environmental, social, economic and agricultural sectors, as well as in culture. This resulted in campaigns on fair trade or clean clothes.

International cooperation was entered into largely with UNESCO, the Global Education Network Europe (GENE) and with the OECD Development Centre. Bilateral exchange projects were carried out with government development agencies in Slovakia and Portugal.

Projects

Local support for global issues

Project partner: Food First Information and Action Network – FIAN

The international human rights organisation, Food First Information and Action Network (FIAN) is committed to the right to food. Since 2003, it has maintained a national secretariat based in Vienna. The prime concern of the project was to raise awareness for the importance of a human rights approach in development cooperation. This included educational measures for personnel in non-governmental organisations (workshops, study days, case and country studies), information work, public events on World Food Day and on the Day of the Landless and publications in specialist journals. With these activities, FIAN addressed private and government development actors and the interested public.

Listen to your voice

Project partner: Radio Africa

Radio Africa celebrated its tenth anniversary in 2007. A central concern of the station is to challenge clichés, stereotypes and prejudices towards Africans. It also seeks to strengthen the social and cultural identity of Africans in Austria and improve social relations. The programme has enlarged its media channels over the last few years, encompassing Radio Africa International, Africa TV, Africa online, Africa Tribune (print magazine) as well as cultural exchange and activities in education. Priority in 2007 was attached to the series of events in cooperation with local organisations, Dialogue of Cultures – Africa Close Up, in Viennese districts and the pupils radio station initiative, The African Way, which was focused more on cultural interchange with African schools.

Learning about differences together

Project partner: Caritas of Eisenstadt Diocese

As an educational institution, one thing that Caritas in Eisenstadt Diocese does is organise further training for all teachers in Burgenland's child care facilities. In an integrational nursery school project, participants learnt to see the diversity of multicultural society as a great resource. The target groups were nursery school children, specialist staff, parents, political communities and nursery school operators. Fifteen nursery schools took part in the project. With the help of a project folder and competent supervision, they devoted themselves to the theme, Learning about differences together. The outcomes were published. The folder is advertised throughout Austria in the magazine for nursery school teachers, Unsere Kinder (Our children).

ADC's development information and public relations programme

Good climate for development

Global climate change was one of the main issues in the Austrian media in 2007. In its autumn focus, Austrian Development Cooperation outlined the development-policy position on this. Under the heading, Good climate for development, six Austrian dailies ran a series of articles in October and November reporting on the repercussions of climate change in developing countries. People in practical projects gave an account of how ADC supports its partner countries in coping with the large changes now occurring. In adverts, on postcards and on the Internet, their statements and photos addressed a broad public.

ADC also supported events dealing with various aspects of climate change. The daily paper, Der Standard, held a 'Monday talk' about the causes and effects of climate change in developing countries. On behalf of ADC, Head of Department Irene Freudenschuss-Reichl discussed with NGOs and climate experts.

On the initiative of the European Commission, the European Development Days took place in Brussels from 7 to 9 November. Over 2,000 interested participants from about 100 countries discussed with each other under the general motto: Will Climate Change Development? ADC was represented by experts and an information stand.

World news – regular information

For more than ten years now, Weltnachrichten (World news) has been reporting on projects, programmes, partners and major topics in Austrian and international development cooperation. The magazine is circulated every three months to 6,500 readers interested in development issues. Articles in 2007 mainly covered humanitarian aid, cooperation with South Eastern Europe, climate and development as well as different modes of development cooperation.

The monthly email newsletter, oeza aktuell (ADC now), provides information on current events, issues and publications in development cooperation. Readers come from the policymaking, administrative, economic, media and civil-society sectors.

The ADC Information Desk also dealt with some 650 telephone and written enquiries from journalists and others interested in development policy. Around 13,500 information brochures were despatched or distributed at events.

Milestones 2007

29–30 January
Seminar: Development Education & Awareness Raising for Development Issues: A Challenge for Emerging Donors

The two-day international event in Vienna centred on the challenges, practical experience and prospects in development communication and education, especially in the new EU member states. Experts from OECD as well as Switzerland, the United Kingdom and Austria presented papers to 25 participants from 13 European states.

19 February
Parliamentary North-South Dialogue

In the Austrian parliament, experts on development policy and parliamentarianism discussed the work of parliament in Southern Africa. ADC reported on special aid programmes in African priority countries.

23 February
Signing of accord with the Energy and Environment Partnership with Central America

ADC signed a cooperation accord with the Energy and Environment Partnership with Central America. With altogether EUR 1.8 million up to 2009, ADC promotes renewable energy projects in remote areas with little chance of being connected to the central power grid.

March
Austrian Development Cooperation helps flood victims in Mozambique

Via the World Food Programme (WFP), Austria contributed EUR 500,000 to helping victims of the flood disaster in Mozambique. Half of the funds were allocated to assist the people in the ADC priority region, Sofala.

March
Austrian assistance after the crisis in Lebanon

The Austrian contributions to reconstruction in Lebanon after the crisis in 2006 were approved by contract. Austria's contribution totals approximately EUR 1.9 million, EUR 700,000 of this stemming from the Foreign Disaster Fund.

30 April
Memorandum of understanding: general budget support for Mozambique

By signing a Memorandum of Understanding, ADC pledged general budget support for Mozambique and is now a full member of the donor group. The financing agreement on a maximum amount of EUR 4.8 million between 2008 and 2010 was negotiated with the Mozambican Ministry of Planning and Development. A commitment of EUR 1.6 million is scheduled for 2008.

21–24 May
Balkan Case Challenge

For the second time, the largest case-study competition was held in Vienna for students from South Eastern Europe and Austria. About 140 students from twelve countries contended in four contests. The Career Day held at the end, a job fair with a special bearing on South Eastern Europe, brought businesses and so-called high potentials together. The project was carried out by the World University Service Austria (WUS) and financed by ADC. This way, Austria promotes exchange and cross-border networking.

22 May
Presentation of the brochure on the EU external assistance programmes for 2007–20133

ADA and the Austrian Federal Economic Chamber (WKÖ) presented a joint guide on the many different financial instruments available under EU external assistance. The guide is intended to help Austrian enterprises grasp more opportunities in developing and more advanced countries.

30–31 May
Conference: Women Leaders – Networking for Peace and Security in the Middle East

The international conference spotlighted the Middle East, the commitment and peace efforts of local women and brought together leading representatives from politics, media, economy and civil society in Vienna.

6 June
Memorandum of understanding: sectoral budget support for Mozambique

The financial agreement on sectoral budget support from 2007 to 2010 amounting to EUR 3 million was negotiated with the Mozambican Ministry of Agriculture and Rural Development. It provided for a commitment in 2007 of EUR 1 million earmarked for the priority province, Sofala.

8 August
Austrian National Action Plan for implementing UN Security Council Resolution 1325

The Security Council of the United Nations passed Resolution 1325 unanimously on 31 October 2000. This calls for the involvement of women and their concerns in all phases of peace processes. The Austrian Federal Government adopted the National Action Plan on 8 August 2007, which provides for measures at both national and regional as well as international level.

26 August
Memorandum of understanding: Austria and Liechtenstein

To step up cooperation in development assistance and harness more of the available synergies, Austria and Liechtenstein signed a memorandum of understanding on joint finance for projects in international humanitarian aid.

September
Austria helps after the drought disaster in Moldova

With EUR 200,000, Austria contributed to aid projects following the drought disaster in Moldova in the summer of 2007. The projects were implemented by the United Nations Development Programme and an Austrian relief organisation. The Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management and the Principality of Liechtenstein also contributed assistance.

September
Austrian help for Nicaragua after hurricane

After Hurricane Felix, Austrian Development Cooperation provided EUR 200,000 for emergency aid to rapidly reconstruct the particularly hard hit region of northern Nicaragua. It was allocated primarily for restoring infrastructure and agricultural land.

September
Austrian emergency aid for flood victims in Uganda and Burkina Faso

Austria contributed EUR 400,000 for humanitarian emergency aid measures to help flood victims.

3–6 September
ADC Coordinators Conference

Aid effectiveness was the main topic of the annual conference of ADC coordinators in 2007. They discussed the Austrian National Action Plan and the Road to Accra/Ghana. Accounts were also given of experience gained in ADC priority countries.

5–21 September
Art & Cooperation

Six young women painters from South Eastern European partner countries were invited by ADA to show their work for the first time in Vienna. After the show in the Vienna Porcia Palace, the exhibition continued from 25 October until 5 November at the KUGA Intercultural Centre in Großwarasdorf.

18 September
Experiencing Europe: Serbian Young Professionals in Austria

Experiencing Europe brought students and young academics from Serbia to Austria. The joint project by ADC and the Zoran-Djindjic Foundation contributes to the European integration of Serbia. After a crash language course and training programme in Graz, the students spent three months gaining experience in Austrian enterprises and institutions and were able to make valuable contacts for their future professional career. Austrian companies and institutions in turn were given the opportunity to work with talented young personnel from Serbia and build or upgrade networks with the neighbouring country. The event was organized by WUS Austria.

17 October
International Day for the Eradication of Poverty

Global climate change was the focal information topic of Austrian Development Cooperation in 2007. The launch on 17 October, the International Day for the Eradication of Poverty, highlighted that global warming is largely caused by the industrialised countries while the poor countries suffer the most.

23–24 October
Launching the EU-AU Infrastructure Partnership in Addis Ababa

As part of European development cooperation with the African Union (AU), a trust fund managed by the European Investment Bank was presented. This is a major pillar of the EU-Africa Strategy. Through a combination of subsidies and loans, it finances transregional and transnational large-scale projects in energy, transport, information technology and water.

19–29 October
Development policy spokespersons in Mozambique

ADC organised a trip for parliamentary development-policy spokespersons to its priority country Mozambique. They were accompanied by journalists. The topics on the agenda were climate change and development as well as governance/parliamentarianism. The group visited programmes and projects run by ADC and Austrian non-governmental organisations. Meetings took place in Maputo with representatives of government and international organisations.

2 November
New management of the Austrian Development Agency

Ambassador Brigitte Öppinger-Walchshofer took over as Managing Director of the Austrian Development Agency on 2 November. Before heading the internal auditing department, Brigitte Öppinger-Walchshofer was assigned by the Foreign Ministry for five years as ambassador to Ethiopia, a priority ADC country. In this capacity, she also acted as Permanent Representative of Austria to the African Union.

5–6 November
Symposium: Shaping our European Future – Networking of Serbian and Kosovar Women, in Vienna

The Serbian-Kosovan women's symposium organised by Federal Minister Dr Ursula Plassnik gave leading women from politics, media, science and civil society in these two countries the opportunity to exchange their views and experience.

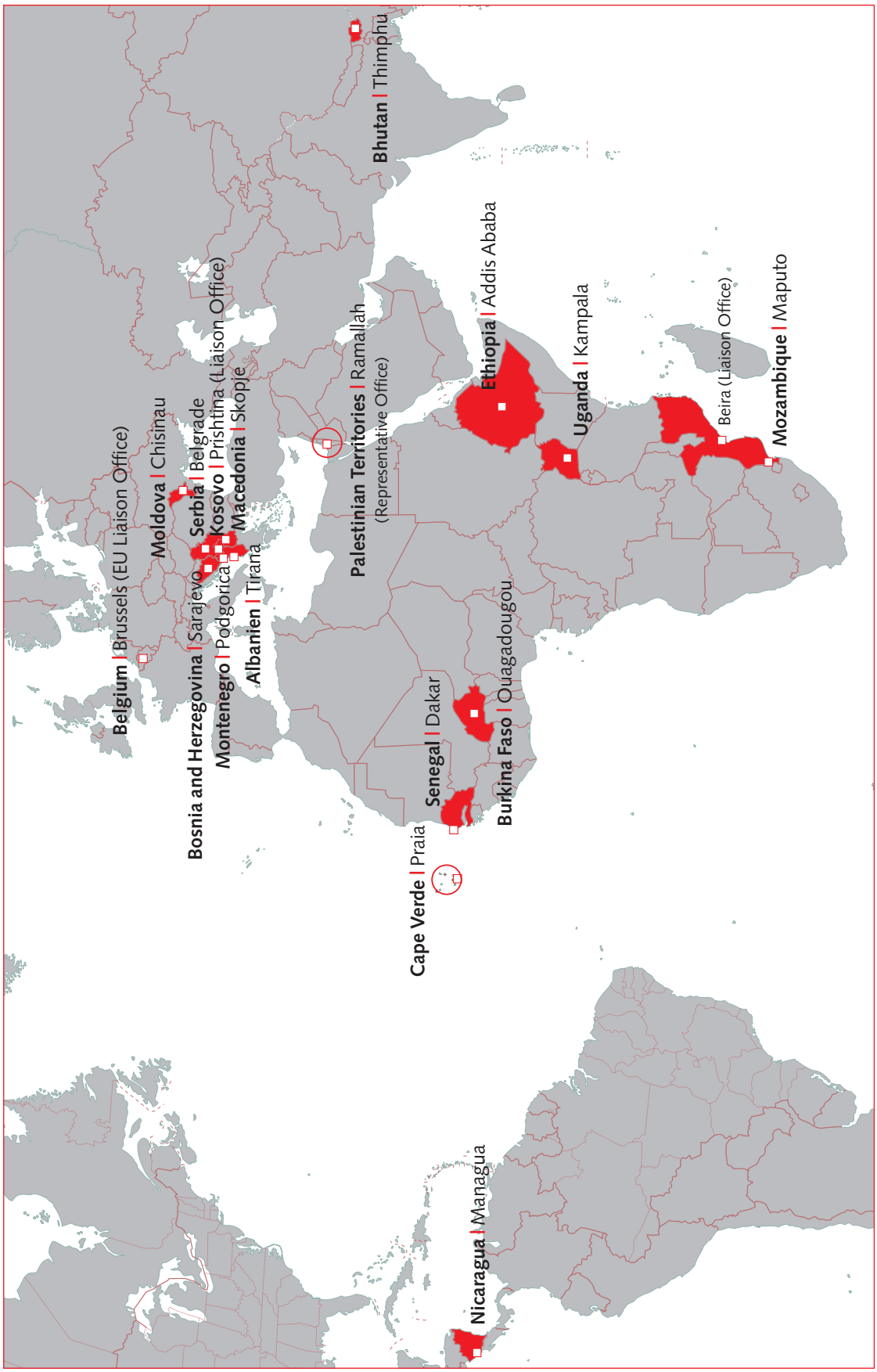
5–9 November
Plenary session of the International Organisation for Standardisation – ISO

About 350 participants from over 54 countries and 28 international organisations attended the plenary session of the Working Group on Social Responsibility in the International Organisation for Standardisation (ISO). The event was financed by ADC, the Federal Ministry of Agriculture, Forestry, Environment and Water Management, the UN Industrial Development Organization (UNIDO) and UN Global Compact. ADC is concerned with the special interests and problems of developing countries in this process.

12 November
Conference: Peace and Security in West Africa

Together in Ouagadougou/Burkina Faso, the Austrian and Burkinian Foreign Ministries organised the Conference on Peace and Security in West Africa – What Role for the Joint EU-Africa Strategy? On a preparatory conference day, specific attention was paid to the role of women in conflicts. The outcome, the Declaration of Ouagadougou, was conveyed as a substantive recommendation to the EU-Africa Summit in Lisbon.

21–23 November
Seventh Conference of the Global Forum on Sustainable Energy

Amidst climate change and high energy prices, the 7th Conference of the Global Forum on Sustainable Energy concentrated on how to raise energy efficiency in developing countries. It was hosted by ADC, the Federal Ministry of Agriculture, Forestry, Environment and Water Management and the Austrian Energy Agency.

Local offices of Austrian Development Cooperation