

Financial crisis killing off European aid to poor countries

(Brussels/Paris, 04/04/2012) Almost all European countries are making cuts in their aid programmes to the developing world, according to new figures released today by the OECD.

For the first time since the start of the financial crisis, 12 EU countries have slashed their aid budgets. The biggest cuts were in Spain (-32.7%) and Greece (-39.3%), with substantial decreases in Belgium (-13.3%) and Austria (-14.3%).

"European countries are cutting aid faster than their economies are shrinking. We could see Europe entering an age of aid austerity, pulling back from supporting millions of poor people in developing countries. European governments are understandably under pressure, but they should realize how important development programmes can be to tackle global poverty and to support developing countries to cope with the impact of the financial crisis. European countries should not turn their backs to the over 3 billion people living on less than \$2.50 a day," says Olivier Consolo, Director of CONCORD, the European Confederation of Relief and Development NGOs.

Only 3 European countries increased aid spending in 2011: Italy (33%), Sweden (10.5%), Germany (5.9%).

"The striking surge in Italian aid is largely due to the injection of inflated aid, namely debt relief and refugees costs. For this reason, we estimate that the total volume should be discounted by 18%. The national government has a real responsibility to bring Italian aid back on track. We call on the newly appointed Development Minister to take urgent actions to make sure that Italy fully plays its role as one of the G8 and G20 club members," says Luca de Fraia, from CONCORD's AidWatch monitoring group and ActionAid Italy.

Some major donors are playing games with aid commitments, only increasing them the year before international targets such as in 2010.

"French aid is not getting any better. In 2010 France increased its aid to 0.50% to appear as a good donor that is meeting the EU aid target. Now in 2011 it has decreased aid to 0.46%, the same as in 2009. Both French Presidential candidates Nicolas Sarkozy and Francois Hollande said they favour aid but France is far off target to reaching their stated commitment of giving 0.7% of GNI to development assistance," says Jean-Louis Vielajus, President of Coordination Sud, the French development NGO federation.

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Notes to Editors

1. The 15 EU countries of the Development Assistance Committee of the OECD (DAC) are: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom.
2. The commitments: In 2005, the EU15 committed to give 0.51% of GNI at least by 2010 (with an average of 0.56%) and 0.7% by 2015. The 12 New member States committed to give 0.17% of GNI as aid by 2010 and 0.33% by 2015.
3. The 2011 figures release by the OECD show that EU 27 aid fell from 0.44% of GNI in 2010 to 0.42% of GNI in 2011. The EU 15 countries reached 0.45% of GNI.
4. CONCORD monitors European aid levels through AidWatch and compares official EU aid figures with the genuine amount of aid going to developing countries. The AidWatch report 2012 will be launched in June. For more information visit: <http://aidwatch.concordeurope.org>

CONCORD is the European NGO confederation for Relief and Development. Its 26 national associations, 18 international networks and 1 associate member represent 1,800 NGOs which are supported by millions of citizens across Europe. CONCORD leads reflection and political actions and regularly engages in dialogue with the European institutions and other civil society organisations. At global level, CONCORD is actively involved in the Open Forum for CSO Development Effectiveness, the Beyond 2015 campaign, the International Forum of NGO Platforms and Better Aid. Find out more about CONCORD on www.concordeurope.org