OECD Development Co-operation Peer Reviews

BELGIUM

2020

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OECD Development Co-operation Peer Reviews: Belgium 2020

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Please cite this publication as:
OECD (2020), *OECD Development Co-operation Peer Reviews: Belgium 2020*, OECD Development Co-operation Peer Reviews, OECD Publishing, Paris, *https://doi.org/10.1787/026f1aad-en*.

ISBN 978-92-64-90571-9 (print)
ISBN 978-92-64-83098-1 (pdf)

OECD Development Co-operation Peer Reviews
ISSN 2309-7124 (print)
ISSN 2309-7132 (online)

Corrigenda to publications may be found on line at: *www.oecd.org/about/publishing/corrigenda.htm*.

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Foreword

The Organisation for Economic Co-operation and Development's (OECD) Development Assistance Committee (DAC) conducts periodic reviews of the individual development co-operation efforts of DAC members. The policies, systems and programmes of each member are critically examined once every five to six years, and five members are examined annually.

The objectives of DAC peer reviews are to improve the quality and effectiveness of development co-operation policies and systems, and to promote good development partnerships for better impact on poverty reduction and sustainable development in developing countries. These reviews assess the performance of a given member and examine both policy and implementation. They take an integrated, system-wide perspective on the development co-operation and humanitarian assistance activities of the member under review.

The OECD's Development Co-operation Directorate (DCD) provides analytical support for each review, and develops and maintains, in close consultation with the Committee, the methodology and analytical framework – known as the Reference Guide – within which the peer reviews are undertaken (OECD, 2019[1]).

The member under review provides a memorandum setting out the main developments in its policies, systems and programmes. The Secretariat and two DAC members who are designated as peer reviewers then visit the member's capital – in this case, Brussels – to meet with government officials, civil servants and parliamentarians, and representatives of civil society, non-government organisations (NGO) and the private sector.

Contrary to usual practice, the peer review team was not able to complement this broad consultation with a field visit. A visit to Burkina Faso was scheduled to take place at the beginning of March 2020 but had to be cancelled due to the COVID-19 pandemic. Instead, the team conducted a case study based on documentation and telephone interviews with representatives of Belgian co-operation and other development co-operation providers in Burkina Faso. The review does not cover the period immediately after the COVID-19 outbreak due to the timing of these consultations.

The report – which contains the main findings and recommendations of the DAC and the Secretariat's analytical report – was discussed at the DAC meeting on 14 October 2020. At this meeting, senior Belgian officials responded to questions formulated by the Committee.

The peer review took into account Belgium's political and economic context, which shapes the kingdom's development co-operation policies and systems. The review period coincided with an unprecedented political period for the country: since October 2014, Belgium has been governed by a coalition of four political parties comprising French-speaking and Flemish liberals, Christian democrats and Flemish nationalists. The Flemish nationalist party, the New Flemish Alliance (N-VA) – a heavyweight in the executive and a hardliner on immigration – effectively withdrew from the government in December 2018 to oppose the signing of the Global Compact for Safe, Orderly and Regular Migration. In the absence of political agreement on a governing majority, the government only dealt with day-to-day business from that

time until 19 March 2020 when the Federal Parliament agreed to give the minority coalition full powers to deal with the COVID-19 pandemic.

Belgium has good welfare outcomes, thanks to its moderate but steady economic growth and efficient tax and benefit system. Economic growth averaged around 1.7% over the review period, against a backdrop of strong employment growth (OECD, 2020[2]).The repercussions of the COVID-19 pandemic for the Belgian economy could reverse this positive trend, however, with the economy contracting by an estimated 7.9% in 2020.

The Directorate-General for Development Co-operation and Humanitarian Aid (DGD) is responsible for development co-operation and is part of the Federal Public Service (FPS), Foreign Affairs, Foreign Trade and Development Co-operation. The DGD manages 56% of development aid disbursements, while the remaining 44% primarily come from contributions to the budget of the European Union, local or regional authority budgets, funds for refugees in Belgium and debt relief. Enabel, the Belgian development agency, implements Belgium's international development policy in 14 partner countries and territories and provides its expertise to other donors. The Belgian Investment Company for Developing Countries (BIO) invests in private sector projects in developing and emerging countries, either directly or through investment funds and/or financial institutions.

Acknowledgements

Development Assistance Committee (DAC) peer reviews function as a tool for both learning and accountability. This report – containing both the main findings and recommendations of the DAC and the analytical report of the Secretariat – is the result of a nine-month in-depth consultation and review process. It was produced by a review team comprising peer reviewers from Luxembourg (Marie-Anne Marx, Ministry of Foreign and European Affairs, and Christine Omes, Lux-Development) and Switzerland (Christoph Graf, Federal Department of Foreign Affairs). From the OECD Development Co-operation Directorate, Joëlline Bénéfice, served as the lead analyst for the review, together with Claire Naval, Policy Analyst, and Dan Schreiber, Policy Analyst (Humanitarian Specialist). Autumn Lynch provided logistical assistance to the review, and formatted and produced the report. The report was prepared under the supervision of Rahul Malhotra, Head of Division, Reviews, Results, Evaluation and Development Innovation. The report was edited by Fiona Hinchcliffe.

The team are grateful for valuable inputs from across the Development Co-operation Directorate, including statistical support from the Financing for Sustainable Development division, and the OECD, in particular the Centre for Tax Policy and Administration; the Directorate for Financial and Enterprise Affairs; the Directorate for Legal Affairs; the Directorate for Public Governance; the Economics Department; the Environment Directorate; the Global Relations Secretariat; the Statistics and Data Directorate; the Development Centre; the Financial Action Task Force; and the Multilateral Organisation Performance Assessment Network.

The Peer Review of Belgium benefited throughout the process from the commitment and dedication of representatives of Belgium's Federal Public Service Foreign Affairs, Foreign Trade and Development Cooperation. The review team are also thankful to the Ambassador of Belgium to Burkina Faso and Enabel's Resident Representative to Burkina Faso and their staff, who ensured smooth contact with local counterparts despite the absence of missions.

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Abbreviations and acronyms

3D-LO	Defence, diplomacy, development, law and order
ACPCD	Advisory Council on Policy Coherence for Development
BIO	Belgian Investment Company for Developing Countries
BPF	Business Partnership Facility
BTC	Belgian Technical Cooperation
CGIAR	Consultative Group on International Agricultural Research
CRS	Creditor Reporting System
CSF	Common strategic framework
DAC	Development Assistance Committee
DCD	Development Co-operation Directorate
DGD	Directorate-General for Development Co-operation and Humanitarian Aid
EITI	Extractive Industries Transparency Initiative
FPS	Federal Public Service
FRAME	Fragility Resilience Assessment Management Exercise
FSP	Forward spending plan
GENE	Global Education Network
GNI	Gross national income
IATI	International Aid Transparency Initiative
ICPCD	Interdepartmental Commission on Policy Coherence for Development
IMF	International Monetary Fund
IOM	International Organization for Migration
JIM	Joint Impact Model
LDCs	Least developed countries
MOPAN	Multilateral Organisation Performance Assessment Network
NGA	Non-government actor
NGO	Non-government organisation
ODA	Official development assistance

OECD	Organisation for Economic Co-operation and Development
PARSIB	Program to Support the Strengthening of Internal Security in Burkina Faso
RIA	Regulatory impact analysis
SDGs	Sustainable Development Goals
SME	Small and medium-sized enterprise
TOSSD	Total official support for sustainable development
UN	United Nations
UNHCR	Office of the United Nations High Commissioner for Refugees

Signs used:

EUR	Euro
USD	United States dollars
( )	Secretariat estimate in whole or part
	(Nil)
0.0	Negligible
..	Not available
…	Not available separately, but included in total
n.a.	Not applicable
p	Provisional

Slight discrepancies in totals are due to rounding.

Annual average exchange rate: 1 USD = EUR

2012	2013	2014	2015	2016	2017	2018	2019
0.7780	0.7532	0.7537	0.9015	0.9043	0.8871	0.8473	0.8933

Executive summary

Belgium has been a member of the Development Assistance Committee (DAC) since 1960; its last peer review was in 2015. This peer review report assesses the progress made since then, highlights recent successes and challenges, and provides recommendations for the future. Belgium has partially implemented 53% of recommendations made in 2015, and fully implemented 35%. This review, which contains the DAC's main findings and recommendations and the Secretariat's analytical report, was prepared with reviewers from Luxembourg and Switzerland for the DAC Peer Review meeting for Belgium at the OECD on 14 October 2020.

Global efforts. Belgium stands out for its international commitment to countries and territories in fragile situations, and to gender equality – especially sexual and reproductive health and rights. A strong advocate of multilateralism in tackling global issues, it is actively involved in the reform of the United Nations. Although Belgium is committed to policy coherence for development, it does little to mobilise the co-ordinating and monitoring bodies that could assess the impact of its domestic policies on developing countries. Belgium mainly strives for coherence through its "comprehensive approach", which targets coherence in its foreign policy. That said, new multi-actor partnerships have made it easier to factor development issues into key sectors of the Belgian economy, such as the chocolate industry, medicines and the diamond trade. Belgium's commitment to global citizenship is exemplary. However, its communication strategy does little to explain the risks associated with engagement in fragile states.

Policy vision and framework. Belgium has modernised its policy framework by reasserting its partnership with the private sector and promoting "digital for development" in its focus on fragile contexts. This reorientation has led to a multiplication of themes, but without clarifying priorities; how the various themes relate to each other in addressing the causes and consequences of fragility; or how gender, environment and migration issues are integrated into the overall co-operation portfolio. The Law on International Co-operation reflects the general philosophy of the 2030 Agenda. The rights-based approach is used as an analytical framework to identify populations left behind whose rights and freedoms are being violated, but does not specify the consequences of the approach for programming. Finally, the policy framework highlights the role of partnerships in achieving the Sustainable Development Goals (SDGs) and the importance of respecting each actor's mandate and right of initiative.

Development finance. Belgium is the 10th most generous DAC member for its official development assistance (ODA) as a proportion of gross national income (GNI). After years of sharp budget cuts, the ODA budget has been relatively stable at around 0.42% of GNI from 2015 to 2019, but no growth is forecast. Bilateral allocations, mostly in the form of grants, are broadly in line with the priorities set out in the Development Co-operation Act. They focus on least developed countries (LDCs) and fragile contexts, and a commitment to gender equality, although there is some thematic dispersion. The importance that Belgium gives to multilateralism is reflected in its allocations to the core budgets of 15 organisations. Belgium has launched several initiatives to mobilise additional resources for development finance. These initiatives, with varying levels of success, include waiving fiscal exemption on ODA expenditure, issuing humanitarian impact bonds and creating an investment fund that is open to private investment. As the Belgian Investment Company for Developing Countries (BIO) is strengthening its performance

measurement mechanisms, doing more to clarify the expected results of each investment and their contribution to the SDGs to complement the overall intervention logic would enhance its effectiveness.

Structure and systems. Belgium's development co-operation has implemented reforms to streamline its efforts, promote synergies and increase its flexibility and impact, particularly by strengthening partner autonomy. The Directorate-General for Development Co-operation and Humanitarian Aid (DGD) must now assume its role as a driving force for policy proposals and co-ordination. DGD staff are affected by the pace and nature of the reforms and are seeking greater support and more active communication. An inventory of needs and available skills, both within the DGD and among its partners, would enable the DGD to draw up an action plan to reconcile needs and resources and to become fully involved in workforce planning and forecasting. Strengthening the whole-of-government approach and increasing the level of decentralisation within the administration and on the division of responsibilities between the political and administrative levels would increase the effectiveness of Belgian aid.

Delivery and partnerships. Belgium uses predictable and flexible instruments to fund its partners. Establishing common strategic frameworks for non-government co-operation actors has proved useful in streamlining and consolidating some of the bilateral effort, and could serve as inspiration in drafting country strategies that cover all funding channels. Belgium has improved the transparency and accountability of its development co-operation to the Belgian public and in partner countries and territories. It is involved in co-ordinating technical and financial partners and is recognised by its peers for its political courage in its exchanges with governments on human rights issues. Despite being involved in consultation exercises, alignment with the development priorities of its partner countries and territories, country ownership and its use of country systems are declining.

Results, evaluation and learning. Belgium is reforming its results-based management approach to highlight how its co-operation contributes to the SDGs. It will need to ensure that the new monitoring modalities also inform strategic decision making, including in partner countries and territories, and do not constrain adaptive management in fragile contexts. Belgium has established an evaluation system based on the capacities of implementing partners, allowing the Special Evaluation Office to focus on transversal and strategic evaluations and on monitoring the implementation of recommendations. As the DGD and Enabel develop new instruments for knowledge management, greater clarity on the learning strategy and the role of each actor would allow for better co-ordination of efforts.

Fragility, crisis and humanitarian aid. Belgium's approach to fragility and emergencies is based on extensive experience in fragile contexts, a revised institutional framework to improve its flexibility and responsiveness, stronger whole-of-government co-ordination and updated risk management. Nevertheless, resources allocated to peacebuilding, conflict prevention and the United Nations peace and security reform do not match Belgium's level of ambition. Similarly, efforts to raise awareness of in the specific challenges to design and carry out programmes in fragile contexts have not yet reached all Belgian co-operation staff. Belgium is a highly valued humanitarian actor, both for its strategic advocacy and for its efforts to ensure flexible and predictable funding that matches its priorities. The growing gap between the humanitarian budget and staffing levels poses a serious reputational risk, however.

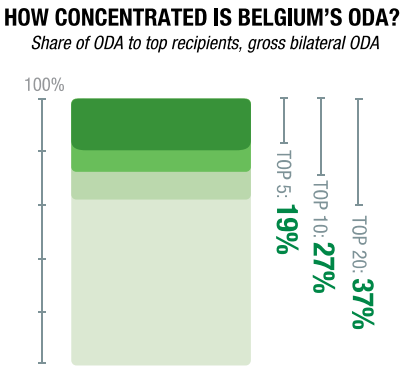
The DAC's recommendations to Belgium

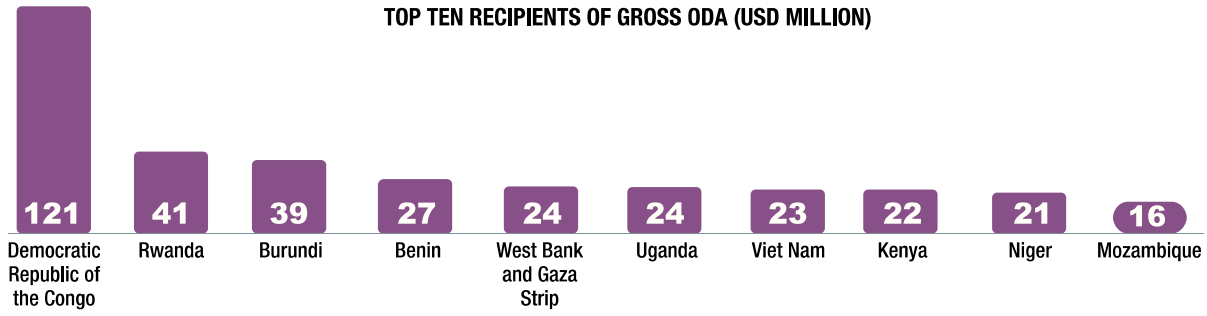
1. The Federal Public Service (FPS) Foreign Affairs should expand the mechanisms set up under the comprehensive approach, strengthen co-ordination between task forces and involve key partners more systematically. It should build on this approach to anchor the whole-of-government approach in its development agenda.
2. DGD should continue to adapt its approaches to ensure that programming is driven by resilience and development needs, rather than implementation modalities, by:
   - ensuring that budget lines, funding channels and management systems provide the necessary flexibility for adaptive management and partnerships
   - continuing to raise awareness among its staff and that of its partners, including those in support roles, of the implications of operational issues specific to fragile contexts.
3. Belgium should clarify the delegation of authority in defining co-operation policy, developing country portfolios and managing strategic and technical knowledge in order to streamline decision making and optimise learning.
4. Belgium should develop comprehensive country and regional strategies that include all delivery channels active in priority regions, countries and territories, and focus the dialogue with implementing partners on priorities identified in the process.
5. Drawing on its experience of robust dialogue, Belgium should ensure that the governments of partner countries and territories are involved sufficiently early enough in defining country portfolios in order to strengthen ownership and mutual accountability and ensure sustainable results.
6. BIO should strengthen its efforts to measure and communicate ex-ante and ex-post results for each investment, and to seek synergies with Enabel's portfolio.
7. The DGD should, in consultation with its partners, develop an overall strategic framework which clarifies:
   - the order of priorities and how these priorities and cross-cutting themes are addressed in fragile contexts
   - the operational consequences of a rights-based approach for reducing poverty and leaving no-one behind.

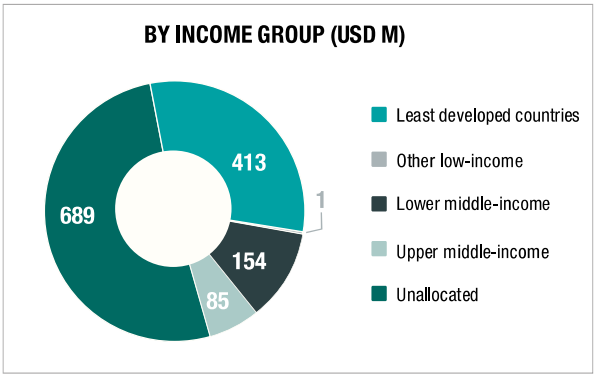
   This reflection could serve as a roadmap for developing future thematic and regional strategies and country portfolios.
8. In pursuing its comprehensive approach, Belgium should mobilise the task forces created under this approach as well as other existing or upcoming mechanisms to identify domestic policies that have a negative impact on developing countries and relay the challenges to the relevant federal public services, ministries and their cabinets.
9. Belgium should establish a roadmap to maintain the stability in ODA volumes in the short term before returning to a medium-term growth path.
10. As part of a strategic workforce planning, the DGD should map the skills available across the system, assess whether they match its strategic priorities, support the continued roll-out of recent reforms and build capacities to deliver on those reforms. This could include job rotations across departments and with the other direct bilateral co-operation actors.

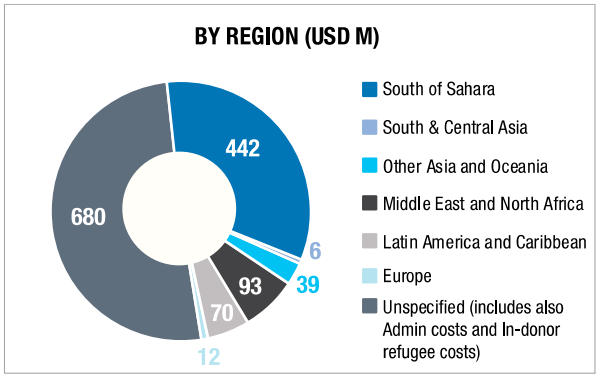
Figure 0.1. Belgium's aid at a glance

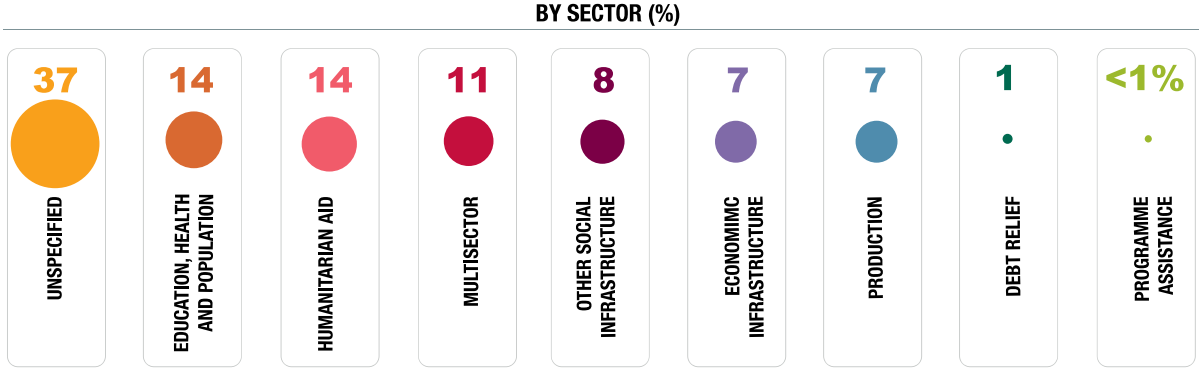
Net ODA	2017	2018	Change 2017/18	ODA grant equivalent 2018
Current (USD million)	2 196	2 348	6.9%	2 312
Constant (2017 USD million)	2 196	2 206	0.5%	2 172
In euro (million)	1 948	1 989	2.1%	1 959
ODA/GNI	0.45%			0.43%
Bilateral share	59%	57%		58%











Data refer to ODA commitments.
Gross bilateral ODA, 2017-18 average, unless otherwise shown

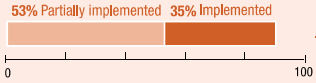
Source: OECD (2020[3]), *Creditor Reporting System* (database), https://stats.oecd.org/Index.aspx?DataSetCode=crs1.

StatLink https://doi.org/10.1787/888934184282

Infographic 1. Findings from the 2020 Development Co-operation Peer Review of Belgium

Official development assistance in numbers

ODA VOLUME	ODA/GNI	TOP 5 BILATERAL RECIPIENTS
USD 2.2 BILLION + 17TH	0.42% + 10TH	1 DEMOCRATIC REPUBLIC OF CONGO 2 RWANDA 3 BURUNDI 4 BENIN 5 WEST BANK AND GAZA STRIP



Belgium has partially or fully implemented **88%** of the DAC recommendations from the last review (in 2015).

As a valued development partner, Belgium...

Supports the **poorest and fragile countries in Africa**

Put forgotten crises and conflicts on the European agenda

Values its **partners' mandates**

15% of bilateral ODA is allocated to the central budget of NGOs

Upholds **humanitarian principles**

More than a quarter of humanitarian aid is carried out through local partners

Belgium can improve by...

Meeting its commitment to spend 0.7% of its GNI as ODA

Consolidating reforms and improving strategic direction

Strengthening partner consultation to build ownership

Figures based on 2019 data, the most recent complete data reported by DAC members to the OECD Creditor Reporting System (CRS), and in current prices. ODA volume and ODA/GNI ranking are among DAC countries. Top 5 recipients are of bilateral ODA in 2017-18.

The DAC's main findings and recommendations

Belgium is committed to least developed countries and fragile contexts

Belgium, an advocate for the plight of poor countries and fragile contexts

As a strong advocate for the plight of least developed countries (LDCs) and fragile contexts, Belgian co-operation aims to reduce poverty and prevent conflicts, as illustrated by its geographical priorities. Bilateral government co-operation stands out for its focus on West Africa and the Great Lakes region, and 13 of its 14 partner countries and territories are either categorised as fragile or least developed following its withdrawal from six (mostly middle-income) countries. Moreover, with 0.14% of its gross national income (GNI) allocated as official development assistance (ODA) to LDCs, Belgium is more generous than the Development Assistance Committee (DAC) average towards these countries.

Belgium's advocacy for gender equality, conflict prevention and global citizenship is recognised

Belgium has succeeded in mobilising the international community on issues such as conflict prevention, mainly in Central Africa and the Sahel; gender equality, especially sexual and reproductive health and rights through the "She decides" initiative; and children's rights. Belgium is also recognised by its peers for its dialogue with partner governments on human rights and governance issues. With its geographical and thematic expertise and a solid strategic framework, Belgium is in a position to demonstrate its added value on fragility issues. Belgium also stands out for putting one of its new thematic priorities on the European agenda: digital for development.

The importance that Belgium attaches to addressing global issues is also reflected in its commitment to global citizenship education. Its political will aligned with the 2030 Agenda, as well as its evidence-based approach and inclusive partnerships, have enabled its target audiences to be aware of, understand and adhere to the values of global citizenship.

Partnerships emphasise each actor's mandate

Partnerships with multilateral organisations, civil society and the private sector are at the heart of the implementation of Belgian co-operation. These partnerships strengthen the mandates of each partner, while limiting transaction costs, thanks to: 1) funding mechanisms that are predictable, flexible and mostly in the form of contributions to central budgets; and 2) reporting obligations which focus on relevance, results and learning and which enhance the value of individual mandates. Belgium also participates actively in donor co-ordination mechanisms, both at headquarters and in the field, with a view to increasing overall efficiency and effectiveness.

Belgium is a strong advocate of the multilateral system for its standard-setting and co-ordination role and its ability to both address global issues and make Belgium's voice heard on the international and European stage. In particular, Belgium is committed to the reform of the United Nations, with a view to strengthening its legitimacy, representativeness and effectiveness. Its decision to reduce the number of multilateral partners from 20 to 15 has made strategic dialogue easier. The decision to increase such dialogue in the field through embassies offers opportunities to amplify Belgium's voice.

Non-government actors (NGAs) are key partners for Belgium, receiving 21% of bilateral ODA in 2017-18, which is seven percentage points above the DAC average. The Directorate-General for Development Co-operation and Humanitarian Aid (DGD) has embarked on an ambitious process of streamlining and consolidating its engagement with Belgian NGAs, with whom the partnership strategy has yet to be finalised. New common strategic frameworks are key to this process and have made it possible to co-ordinate partners around shared objectives while preserving their right of initiative. The fact that Belgium's co-operation agency, Enabel, now has a mandate to establish agreements with local NGA partners should make it possible to better integrate the social and political dimensions of fragility in its programmes.

The Belgian Sustainable Development Goals (SDGs) Charter is at the heart of a reaffirmed partnership with the private sector. In addition to supporting the local private sector in partner countries and territories, the partnership extends to the Belgian and international private sector in order to mobilise technical and financial capacity and to help change practices in favour of sustainable development. This is well illustrated by the Beyond Chocolate initiative, which has highlighted development issues in a key sector of the Belgian economy.

A strong supporter of the humanitarian cause, Belgium is faithful to its principles

Belgium is a highly valued humanitarian actor, both for its strategic advocacy such as in the United Nations Security Council between 2019 and 2020, and for its efforts to ensure flexible and predictable funding. Belgium has also made ambitious commitments in the context of the Grand Bargain, and these are regularly monitored. For example, Belgium has exceeded its target of allocating 25% of humanitarian aid to local actors by 2020. It has also trained its staff in how to increase the share of cash-based assistance. Interest in innovative humanitarian approaches has been one of the distinctive features of the Belgian approach in recent years, from the launch of the first "Humanitarian Impact Bond" to the organisation of a "hackathon" to develop a digital application to support emergency operations.

Belgium can build on its achievements

The comprehensive approach could be the basis for government-wide co-ordination

As a result of the attention paid to fragile contexts, Belgium has strengthened its whole-of-government co-ordination mechanisms to consolidate the link between development, peace and humanitarian actions. These mechanisms are part of the "comprehensive approach", based on the mobilisation of task forces that bring together key federal departments – sometimes alongside external actors – around specific issues. Mobilised on an ad-hoc basis, these task forces are as yet rarely subject to overall co-ordination and shared learning mechanisms, however.

Recommendation

1. The Federal Public Service (FPS) Foreign Affairs should expand the mechanisms set up under the comprehensive approach, strengthen co-ordination between task forces and involve key partners more systematically. It should build on this approach to anchor the whole-of-government approach in its development agenda.

Efforts to support the nexus would benefit from a system-wide strategy that includes suitable implementation approaches

Despite its advocacy for conflict prevention, the resources allocated to peacebuilding, conflict prevention and United Nations peace and security reform do not match Belgium's vision. Moreover, with the exception of a "social cohesion" budget line that can be mobilised by all actors, programming by delivery channels hinders the implementation of the development, peace and humanitarian nexus. For example, multilateral organisations working in protracted emergencies are usually labelled as humanitarian agencies, which can be unhelpful when managing the complex realities of crisis and fragility contexts.

Belgium has strengthened its results-based management and has adopted an informed risk management strategy. This is a crucial development at a time when Belgium is mainly active in fragile contexts. However, not all staff within the FPS and Enabel have fully made the new approach to risk analysis and management, which is largely based on the Fragility Resilience Assessment Management Exercise (FRAME), their own. In addition, contingency scenarios developed in country portfolios are not mobilised to adapt programming to changes in context. While the agency has processes in place to allow for adaptive programming and management, the annual requirement to report to the DGD its contribution to pre-identified expected results, as stated in its management contract, together with the pressure to demonstrate effectiveness after two to three years of interventions, could conflict with the need for non-linear approaches in volatile contexts.

Recommendation

2. DGD should continue to adapt its approaches to ensure that programming is driven by resilience and development needs, rather than implementation modalities, by:
   - ensuring that budget lines, funding channels and management systems provide the necessary flexibility for adaptive management and partnerships
   - continuing to raise awareness among its staff and that of its partners, including those in support roles, of the implications of operational issues specific to fragile contexts.

The reform of the co-operation system could make it more effective, but requires stronger strategic steering

Belgium has embarked on an ambitious institutional and organisational reform that has strengthened partners' autonomy. To take full advantage of these reforms, the DGD must take up its strategic steering role.

The reform has, in particular, broadened the mandate of the development agency Enabel (formerly the Belgian Technical Co-operation or BTC), increased its autonomy and flexibility, brought decision-making closer to the field, and helped establish partnerships between the agency and a wide range of actors.

However, full advantage is not being taken of the new flexibility offered by the reforms. In particular, despite portfolio management within the agency, the delegation of administrative authority remains limited, which is undermining procedural efficiency.

As identified during the 2015 peer review, although the DGD has a good overview of the actors present in its partner countries and territories and their objectives, each partnership is conducted as a silo and is not integrated into country strategies structured around the priorities of Belgian co-operation. Progress in streamlining non-government co-operation around common strategic frameworks and developing shared diagnostics in fragile contexts could be a good step towards developing comprehensive country strategies, at the very least for priority countries and territories.

In this context of partner autonomy, knowledge management is critical. Within the DGD, efforts have focused on approaches to learn across channels of delivery, supported by an independent and strategic evaluation function that covers all co-operation actors. Enabel's strong geographical focus on two regions offers regional learning opportunities. In the absence of a shared strategy and clarity on the type of knowledge that each must produce, there is a risk that initiatives undertaken by the DGD and Enabel may be redundant or may not meet all expectations.

Recommendations

3. Belgium should clarify the delegation of authority in defining co-operation policy, developing country portfolios and managing strategic and technical knowledge in order to streamline decision making and optimise learning.
4. Belgium should develop comprehensive country and regional strategies that include all delivery channels active in priority regions, countries and territories, and focus the dialogue with implementing partners on priorities identified in the process.

Though mindful of the principles of transparency and aid effectiveness, promoting ownership is challenging

Belgium has made significant progress in improving the transparency and accountability of its development co-operation vis-à-vis the Belgian public and in partner countries and territories. Mindful of the need to achieve ownership of co-operation by society in partner countries and territories as a whole, Belgium is involved in wide-ranging consultations, although to date the private sector remains poorly represented. Belgian programming takes an inclusive approach, based on detailed contextual analyses. Despite this, alignment with the development priorities of partner countries and territories, partner country ownership and the use of country systems are declining. The recent reforms have also undermined the synchronisation of bilateral consultations with decision making and the definition of portfolios for direct bilateral co-operation. Aware of these limitations, Belgium is reviewing its *modus operandi* to ensure that consultations are conducted early enough to feed into these processes.

Recommendation

5. Drawing on its experience of robust dialogue, Belgium should ensure that the governments of partner countries and territories are involved sufficiently early enough in defining country portfolios in order to strengthen ownership and mutual accountability and ensure sustainable results.

Progress in mobilising additional resources for sustainable development and poverty reduction should continue

Belgium has launched several initiatives to mobilise additional resources for development finance. These initiatives, with varying levels of success, include waiving tax exemption on ODA expenditure in developing countries, issuing humanitarian impact bonds and creating an investment fund within the Belgian Investment Company for Developing Countries (BIO) that is open to private investment.

As BIO's place in the Belgian co-operation system is growing, and as recommended in the last peer review, it has strengthened its ex-ante analysis mechanisms to ensure that its investments contribute to the SDGs and to the objectives of Belgian co-operation. Nevertheless, these efforts focus primarily on the general principles and less on the results of each investment in each context. Similarly, BIO's reporting to the DAC does not include detailed information on activities.

Recommendation

6. BIO should strengthen its efforts to measure and communicate ex-ante and ex-post results for each investment, and to seek synergies with Enabel's portfolio.

Belgium needs to address some challenges

The modernised and holistic strategic framework could guide decision making better

Belgium has modernised its strategic framework, renewing its partnership with the private sector and adding the theme of digital for development to its strategic priorities while staying focused on fragile contexts. This strategic reorientation has led to a multiplication of themes but has not clarified priorities; how the various themes interact in addressing the causes and consequences of fragility; or how gender, environment and migration issues are integrated into the overall co-operation portfolio. It is also difficult to mobilise strategic funding targeting gender issues and measure its impact outside of the "She decides" initiative. Clarifying thematic complementarities and grasping the opportunities offered by focusing on the two fragile sub-regions of the Sahel and Central Africa could make Belgium's strategic framework more ambitious and enhance ownership by partners.

The strategic notes, not systematically used, provide little guidance for implementing partners, i.e. the development agency Enabel and NGAs. As the DGD is considering updating its strategic notes, in particular to promote its contribution to the SDGs, the themes selected and the content of the notes will influence DGD's ability to convey new ideas to political actors and steer implementing partners.

Despite being developed prior to the major international agreements on sustainable development, the Belgian co-operation strategy is in line with the general philosophy of the 2030 Agenda. The rights-based

approach serves as an analytical framework for identifying the populations left behind and those whose rights and freedoms are being violated, while always emphasising the rights of women and children. The recent research project "The SDGs as a compass for Belgian Development Co-operation" should help to identify how to strengthen this alignment. However, the strategic discourse does not specify what is expected of such a rights-based approach and how it will contribute to reducing poverty and inequality, and to leaving no one behind.

Recommendation

7. The DGD should, in consultation with its partners, develop an overall strategic framework which clarifies:
   - the order of priorities and how these priorities and cross-cutting themes are addressed in fragile contexts
   - the operational consequences of a rights-based approach for reducing poverty and leaving no-one behind.

This reflection could serve as a roadmap for developing future thematic and regional strategies and country portfolios.

The search for policy coherence focuses on external policy

Although Belgium is committed to policy coherence for development, it does little to mobilise the co-ordinating and monitoring bodies that could measure the impact of its domestic policies on developing countries. Belgium mainly searches for coherence through its “comprehensive approach”, which looks at the coherence of its foreign policy. That said, new multi-actor partnerships have helped to factor development issues into key sectors of the Belgian economy, such as the chocolate industry, medicines and the diamond trade.

Recommendation

8. In pursuing its comprehensive approach, Belgium should mobilise the task forces created under this approach as well as other existing or upcoming mechanisms to identify domestic policies that have a negative impact on developing countries and relay the challenges to the relevant federal public services, ministries and their cabinets.

Belgium still lacks a plan for increasing its ODA or achieving its financial targets

Following years of sharp budget cuts, Belgium’s ODA budget has been relatively stable since 2015, reaching 0.42% of GNI, or USD 2.2 billion, in 2019. However, this still falls far short of its international commitment to provide 0.7% of GNI as aid. Although both the public and parliament support this target, and despite recommendations in the previous peer review, Belgium still lacks a pragmatic roadmap for increasing ODA in the future. Such a roadmap will be critical in the post-COVID economic context.

Moreover, the share of programmable country aid is relatively low, which hinders Belgium's capacity to steer action. As a result, Belgium has not been able to meet its target established in its strategic framework of 50% of bilateral aid to LDCs; LDCs received only 31.2% of bilateral aid in 2017-18. It has also failed to set a deadline for achieving this target, despite recommendations in the 2015 peer review. Nevertheless, the focus of Enabel's new commitments in these contexts puts Belgium on the right track.

Recommendation

9. Belgium should establish a roadmap to maintain the stability in ODA volumes in the short term before returning to a medium-term growth path.

Staff would benefit from consolidation of reforms and workforce planning

The DGD has managed to stabilise its staff numbers over the last three years through a strategy of exchange, internal mobility and secondment. This was in a context of pressures on all FPS Foreign Affairs, Foreign Trade and Development Co-operation staff (particularly affecting the DGD up until 2016), high staff turnover and the general tightening of budgets across the Belgian civil service. However, development co-operation jobs in the field have drastically declined, falling from 54 in 2014 to 28 in 2020. Despite increased operational budgets, the humanitarian team has also seen its staffing levels reduced, which increases fiduciary and reputational risks. Finally, the integration of former international co-operation attachés into a single career path has had a direct impact on the management of the DGD's expertise and knowledge, particularly of fragility issues. Successive reforms, carried out with little consultation, have contributed to a loss of staff momentum and orientation with regard to the DGD's new role, resulting notably in high rates of long-term absenteeism, often due to increased stress. Given that the DGD's services are evolving and technical expertise is now the sole responsibility of Enabel, it is now critical to build staff's co-ordination and strategic steering capacities and to avoid duplicating tasks that are now the agency's responsibility.

Recommendation

10. As part of a strategic workforce planning, the DGD should map the skills available across the system, assess whether they match its strategic priorities, support the continued roll-out of recent reforms, and build capacities to deliver on those reforms. This could include job rotations across departments and with the other direct bilateral co-operation actors.

Secretariat's report

1 Belgium's global efforts for sustainable development

This chapter looks at Belgium's global leadership on issues important to developing countries. It explores Belgium's efforts to ensure that its domestic policies are coherent and in line with the 2030 Agenda for Sustainable Development and also examines how it raises awareness of global development issues at home.

This chapter first reviews Belgium's efforts to support global sustainable development, assessing Belgium's engagement and leadership on global public goods and challenges such as conflict prevention, gender equality, "digital for development", and in promoting global frameworks. It then assesses whether Belgium's own policies are coherent with sustainable development in developing countries. The chapter concludes by looking at Belgium's promotion of global awareness of development and citizenship at home.

In brief

Belgium stands out for its international commitment to countries in fragile situations and to gender equality, mainly in the area of sexual and reproductive health and rights. Within the European Union (EU), it has also pushed for digital to be included in the development agenda. As a strong advocate of multilateralism in tackling global challenges, Belgium is actively involved in reforming the United Nations to enhance its legitimacy and make the system more representative and effective. Belgium is also an active participant in setting the European development agenda.

Although Belgium is committed to policy coherence for development, it has done little to mobilise its co-ordinating and monitoring bodies established to measure the impact of its domestic policies on developing countries. Efforts to design coherent policies are part of Belgium's "comprehensive approach", which only focuses on the internal coherence of its foreign policy. However, multi-actor partnerships have made it easier to factor development issues into key sectors of the Belgian economy, such as the chocolate industry, medicines and the diamond trade.

Belgium's exemplary commitment to global citizenship is based on strong political will, an evidence-based approach, a narrative aligned with the 2030 Agenda, approaches tailored to target groups and inclusive partnerships. Its communication strategy aims to increase public awareness of the results of Belgian co-operation and the Sustainable Development Goals (SDGs), but does little to address the risks of engaging in fragile states.

Efforts to support global sustainable development

Belgium promotes multilateral co-ordination to address global issues

As an advocate of the multilateral system for its normative role and influence on international stability, Belgium actively participates in debates on co-ordinated international interventions and international monitoring of commitments to sustainable development. In this context, Belgium particularly emphasises the role of the EU (FPS Foreign Affairs, 2016[1]) (Chapters 2 and 7).

Its candidature for a non-permanent seat on the United Nations Security Council for 2019-20 and active participation in the Utstein Group,[1] which Belgium chaired in 2019, are examples of the country's efforts to reform the United Nations system and strengthen its legitimacy, representativeness and effectiveness.

As part of efforts to monitor international commitments, Belgium submitted its first voluntary review of the implementation of the 2030 Agenda in 2017 and has committed to aligning its co-operation programme through the research project on the SDGs as a Compass for Belgian Development Co-operation (HIVA-KU Leuven and IOB-UAntwerp, 2020[2]) (Chapter 2). Belgium was also active in negotiating the Global Compact for Safe, Orderly and Regular Migration and helped to involve Middle Eastern States and civil society actors in the negotiations. Finally, in line with its inclusive development objectives, Belgium is also active in multi-stakeholder mechanisms to tackle the plunder of raw materials, in particular through the Kimberley Process and the Extractive Industries Transparency Initiative (EITI). Belgium is also a strong supporter of the Grand Bargain to make humanitarian financing and response more efficient and effective (Chapter 7).

Belgium's advocacy for gender equality, conflict prevention and digital for development is effective and well-recognised

Belgium has successfully mobilised the international community around development and human rights issues such as conflict prevention, mainly in Central Africa, and gender equality. Within multilateral bodies, Belgium is a historical and indispensable advocate for least developed countries (LDCs) and countries in fragile or conflict situations. It is influential within the EU, where it advocates for an integrated approach to security and peace in forgotten crises and ongoing conflicts (Chapter 7) and finances European funds for these efforts.[2] Belgium's advocacy for conflict prevention is also directly linked to a rights-based approach: during its presidency of the United Nations Security Council, Belgium focused on the role of children in armed conflict and transitional justice. All its multilateral partners are unanimous on the quality and effectiveness of Belgium's advocacy for gender equality, which was reflected in the She Decides initiative in 2017 to support sexual and reproductive health and rights.[3] Belgium, Denmark and Sweden quickly joined this initiative launched by the Netherlands and organised a multi-actor conference that formalised the movement and resulted in commitments from more than 45 countries.

Finally, Belgium is also noted for putting one of its flagship thematic priorities on the European agenda: digital for development. Following its lead, 15 Member States called for an ambitious European strategy, which resulted in a working document drafted by the European Commission and the European Council adopting recommendations to support digital for development (EC, 2017[3]). Belgium spearheaded the creation of the Digital for Development-Hub (D4D) EU-Africa, an initiative anchored in the new Joint Africa-EU Strategy and which aims to support digital transformation efforts in Africa by building on common expertise and networks.[4]

Climate and health: additional priorities for international commitment

Beyond its leading role in these thematic areas, the country also addresses climate and health issues in LDCs on the international and regional stage. Through its multilateral channels, Belgium advocates to allocate funding for LDC efforts to adapt to climate change. Belgian global health efforts rely on multi-actor partnerships (Chapter 2) that are made possible by its academic expertise in tropical disease eradication, the importance of its pharmaceutical sector, and its bilateral co-operation experience in strengthening health systems. However, despite these stated priorities, the share of bilateral aid allocated to the health sector has been steadily declining since 2013 (Chapter 3 and Annex B – Table B.5).

Policy coherence for sustainable development

The institutional mechanism does not match the formal commitment

Belgium is formally committed to policy coherence for development at the highest level of government, with a view to making development co-operation more effective. The Law on Development Co-operation stipulates that Belgium is committed to "maximum coherence between the different areas of Belgian policy" (Kingdom of Belgium, 2013[4]). The federal government and the regional and local governments are also committed to taking coherence into account when developing their respective policies, and to co-ordinating efforts (Kingdom of Belgium, 2014[5]). This commitment is particularly important in the Belgian context, where regions and communities are responsible for education, the environment, agriculture, economy, trade, finance, migration, security and energy.

To meet this legal obligation, Belgium had established an ambitious institutional mechanism to analyse, discuss with all stakeholders and define policies with a positive impact on developing countries, or at least with no negative impact.[5] However, these structures for co-ordination, dialogue and impact analysis have rarely been mobilised, partly because the state has made few requests to do so.[6] The administration

stopped using them in 2019. In order to take into account the broadening of the concept of policy coherence to include sustainable development in line with Agenda 2030, Belgium is considering pursuing coherence for development within the structures in charge of sustainable development – decision that can only be taken by a government in full function.

However, it is not clear whether Belgium has learned all possible lessons from the failure of the previous mechanism. According to civil society organisations, analysis conducted by the structures for sustainable development of the cross-border impact of Belgian domestic policies is weak. Development issues are not tackled systematically, although they are addressed by 1 of the 21 questions in mandatory impact assessments for all new federal legislation. Analysis is done late in the decision-making process and is not factored into considerations of compensation measures (CNCD-11.11.11, 2019[6]). The assessments only addresse future legislation and do not analyse existing legislation.

Currently, the search for coherence is mainly part of the comprehensive approach aimed at strengthening the complementarity between diplomacy, development, defence and justice in fragile states (Chapter 7). This approach makes it possible to identify potential areas of coherence or tension. However, by focusing on internal coherence in foreign policy, Belgium risks overlooking the possible negative effects of its domestic policies on developing countries.

Multi-actor initiatives influence domestic policies and practices

In this context, and despite the 2015 peer review recommendations (Annex A) (OECD, 2015[7]), Belgium has not identified priority issues for policy coherence for development. Nor has it established reporting arrangements to Federal Parliament, which deplores the limited information sharing and consultation on these issues. However, Belgium has adopted and protected federal and European laws that promote the interests of developing countries. At the federal level, the Constitutional Court has issued an order protecting Belgium's 2015 law against vulture funds.[7] As part of EU discussions on stemming the trade in conflict minerals, Belgium has also ensured that new European legislation does not establish criteria that are unattainable for local economic actors.

In addition, promising multi-actor partnerships seek to influence domestic policies and practices in key sectors of the Belgian economy. Examples include the promotion of a charter on drug quality by the Be-cause Health platform (Be-cause Health, 2018[8]), the Beyond Chocolate initiative to promote responsible chocolate production throughout the value chain (Box 1.1) and the Kimberley Process in the diamond sector.

The main inconsistencies raised by external observers are tariff restrictions on services and, like other arms-producing countries, the export of arms to non-democratic countries (CGDEV, 2018[9]). However, Belgium has strong mechanisms in place to ensure that such exports – for which jurisdiction is devolved to the regional level – do not contravene international human rights law and international humanitarian law. Finally, although Belgium has a high level of environmental protection and advanced environmental policies, as well as a well-developed institutional and legal system and active co-operation with civil society and business, its policy of encouraging the use of company cars has a negative impact on air quality and CO_2 emissions (EC, 2019[10]) and the share of renewable energy in final energy consumption is still too low to meet European objectives (EEA, 2020[11]).

Box 1.1. Beyond Chocolate: leveraging added value with private sector actors

The Belgian chocolate sector is the third largest importer of cocoa beans in the world, the second largest exporter of chocolate, and in 2018 accounted for a total turnover of 5 billion euros (EUR). Sustainable development-oriented practice throughout the value chain can therefore have a major impact. Mindful of this, signatories of the Belgian SDG Charter launched the Beyond Chocolate initiative in 2018, designed to make the chocolate industry sustainable by 2025.

The partnership includes actors such as the Choprabisco sector federation, retail chains, Belgian universities, NGOs, social impact investors, trade unions, and Belgian and non-Belgian chocolate producers. Partners have made the following commitments:

- by 2025, all chocolate produced and/or traded in Belgium will be certified and partners will respect the agreements that fall under the Cocoa & Forests Initiative
- by 2030, cocoa producers will earn at least a living income, and cocoa production for the Belgian chocolate sector will no longer cause deforestation.

This type of partnership enables behaviour change throughout the value chain, with a positive impact on the SDGs. Greater involvement of actors further down the value chain, such as civil society organisations, local producers and governments of producing countries, will increase its impact.

Building on this promising experience, Belgium is seeking to explore other initiatives to promote the sustainability of supply chains in the food, biodiversity and other issues depending on opportunities.

Source: IDH, Kingdom of Belgium & The Shift (2018[12]), *Beyond Chocolate: Partnership for Sustainable Belgian Chocolate*, www.idhsustainabletrade.com/uploaded/2019/07/BC-Program-Document-English-.pdf.

Global awareness

The commitment to global citizenship education is exemplary

Belgium demonstrates exemplary commitment to education for global citizenship – enshrined in the Law on Development Co-operation (Kingdom of Belgium, 2013[4]) – thanks to its strong political will, evidence-based approach, a narrative aligned with the 2030 Agenda, approaches tailored to target groups, and inclusive partnerships (Box 1.2). The combination of a robust strategy and substantial budget – an average of 1.46% of total official development assistance (ODA) over the 2016-18 period – has enabled Belgium to achieve its objectives of acquiring knowledge, raising awareness and adhering to global citizenship values. Although the effects on individual behavioural change are less visible, evaluations point to positive signs of internalisation of issues such as water, gender, social justice, social protection, food and peasants' rights (DRIS, 2017[13]).[8]

Box 1.2. Education for global citizenship: an ambitious, evidence-based approach

Belgium's effective global citizenship education policy is based on a series of good practices:

- Clearly identified target audiences: the strategy identifies multiplier target groups (media, politicians, teachers, opinion makers) and young people (DGD, 2012[14]).
- Strategic co-ordination: quality strategic co-ordination has proved crucial for implementing complementary and diverse approaches through Belgium's multiple partners, including civil society organisations, Enabel, Flemish and French-speaking schools and communities, television stations, and production companies.
- Identification of lessons learned through knowledge centres and evaluations: evaluations have highlighted the strategic work and leadership of the DGD in integrating global citizenship education into formal, non-formal and informal education practices; the richness of partnerships; the specialist training and professionalisation of NGOs; Enabel's role in co-ordinating with communities; and the potential of support for audiovisual production to reach a wider audience.
- A learning effort that pushes all partners to implement innovative approaches to meet the challenges identified: these include reflection workshops on learning pathways and development co-operation stereotypes, the creation of new types of audiovisual content, the use of digital tools, and partnerships with the cultural sector.

Belgian actors are considering increasing the involvement of diasporas and partners from developing countries to improve the effectiveness of the approach. To ensure that its approach is sustainable, the administration is also seeking to find the right balance between streamlining the number of civil society partners (Chapter 2), which tends to favour large structures, and enhancing the expertise of Belgian civil society, which is mainly organised in smaller structures.

Note: Belgium's work for global citizenship education has been assessed on numerous occasions by the FPS Foreign Affairs' Office of the Special Evaluator, civil society organisations and the Global Education Network Europe (GENE).
Source: DGD (2012[14]), *Strategy Note on Development Education*; Office of the Special Evaluator (2018[15]), *Evaluation of development education actions financed or co-financed by Belgian development co-operation between 2014 and 2017*; GENE (2017[16]), *Global Education in Belgium*; DRIS (2017[13]), *Impact study: Teachers' perception of the impact of education for global citizenship and solidarity interventions in compulsory education in the Wallonia-Brussels Federation;* Projects for people (2018[17]), *Research and synthesis in the field of NGOs' citizen mobilisation strategies on international solidarity issues*.

Increased co-ordination between public authorities would strengthen communication

Given the high public support for ODA, with 87% of the public stating that it is important to help populations in developing countries (EC, 2019[18]), [9] Belgium's communication strategy aims to raise public awareness of the results of Belgian co-operation and the SDGs. This communication is primarily based on increased transparency in public funding and the dissemination of "stories" written in close collaboration with the FPS Foreign Affairs, Foreign Trade and Development Co-operation, civil society partners, Enabel and BIO – although communication on BIO-financed actions is more limited (Chapter 3). The ongoing drafting of a new FPS communication strategy and a shared editorial plan for the three public institutions[10] could be an opportunity to develop dynamic and interactive ways to communicate, which are currently underdeveloped due to the highly centralised approach.

Finally, the messages (which focus more on aid successes) hardly refer to the risks and challenges of development co-operation, even though Belgium predominantly works in fragile contexts where the achievement of results is far from linear. In contrast to the previous review period (OECD, 2015[7]), the FPS teams responsible for global citizenship education and communication rarely co-ordinate. While this

approach helps to limit unnecessary confusion between communication and global citizenship education, greater co-ordination would help develop a communication strategy that addresses the complexity of aid.

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Notes

[1] The Utstein Group brings together 13 donor countries with common policies (Australia, Belgium, Canada, Denmark, Finland, France, Germany, Netherlands, Norway, Spain, Sweden, Switzerland and the United Kingdom). It maintains a dialogue with United Nations agencies, funds and programmes on their strategic orientations and internal organisation.

[2] In particular, Belgium finances the European Instrument contributing to Stability and Peace, the European Development Fund for the African Peace Facility, the European Instrument for Democracy and Human Rights, the European Union Emergency Trust Fund for Africa, and the Madad Fund.

[3] She Decides is an initiative that brings together countries and organisations working jointly to ensure that aid organisations in developing countries can continue their work on family planning and women's rights. Launched in 2017 by the Netherlands – following the United States' decision to stop financing organisations that advocate for safe abortion in developing countries – the initiative leverages funds through a participatory financing platform.

[4] At the political level, the D4D-Hub will be jointly managed by Belgium and Germany and its secretariat will be housed in Enabel's premises in Brussels.

[5] This institutional mechanism includes: (i) an interministerial conference on policy coherence for development; (ii) an Interdepartmental Commission on Policy Coherence for Development (ICPCD); (iii) an Advisory Council on Policy Coherence for Development (ACPCD); (iv) a regulatory impact analysis (RIA) for development co-operation; and (v) the creation of a Directorate for Policy Coherence for Development within the DGD.

[6] For example, the Advisory Council on Policy Coherence for Development issued just three recommendations during the review period, on its own initiative, and was not called on by the government or the administration.

[7] Vulture funds invest in debt considered to be very weak or in default. This law prohibits vulture funds from claiming more than the price originally paid for debts on the secondary market.

[8] Partners in global citizenship education share a reference framework for education for global citizenship and solidarity.

[9] According to the 2019 Eurobarometer, Belgium recorded one of the biggest increases in the proportion of people who believe that providing financial support to developing countries contributes to a more peaceful and fairer world (74%, an increase of 7 percentage points compared with 2018).

[10] FPS Foreign Affairs, Foreign Trade and Development Co-operation, Enabel and BIO.

2 Belgium's policy vision and framework

This chapter assesses the extent to which clear political directives, policies and strategies shape Belgium's development co-operation and reflect its international commitments, including the 2030 Agenda for Sustainable Development.

The chapter begins with a look at the policy framework guiding development co-operation, assessing whether Belgium has a clear policy vision that aligns with the 2030 Agenda and reflects its own strengths. It examines whether Belgium's policy guidance sets out a clear and comprehensive approach, including to poverty and fragility. The final section focuses on the decision-making basis, i.e. whether Belgium's policy provides sufficient guidance for decisions about where and how to allocate its official development assistance (ODA).

In brief

Belgium's co-operation strategy is defined at the highest level of the federal government and is set out in a dedicated law. Although this law was mainly defined prior to the major international agreements on sustainable development, it aligns with the general philosophy of the 2030 Agenda. However, successive strategic orientations have yet to fully identify all the operational implications of Belgium's approach, which involves interdependencies among co-operation sectors.

By modernising its strategic framework – particularly as regards private sector development and digital for development – while focusing on fragile contexts, Belgium is making proactive choices. However, in doing so, it has increased the number of priorities without necessarily clarifying how these complement each other or respond to the causes and consequences of fragility. Clarifying these complementarities and seizing the opportunities offered by focusing on the two fragile sub-regions of the Sahel and Central Africa could make Belgium's strategic framework more ambitious and increase implementing partners' ownership.

Poverty reduction and human rights are at the heart of Belgian co-operation. With a more in-depth analysis of power relations, risks and vulnerabilities, Belgium would be able to ensure that its co-operation programme benefits those left behind. Likewise, better institutional anchoring of its engagement strategy in fragile contexts and mainstreaming of gender and environmental issues would increase its impact.

Belgian co-operation actors unanimously recognise the importance of partnerships to achieve the Sustainable Development Goals (SDGs). For the public administration, this results in partnership strategies that enhance each actor's mandate, and the promotion of multi-actor partnerships. Belgium's financing arrangements particularly promote civil society's right of initiative and the normative role of multilateral organisations, with funding directed to their central budgets. The bold decision to streamline the number of multilateral partners has also enhanced their quality.

Framework

Belgium's co-operation strategy is determined at the highest level of the federal government

Belgium's co-operation strategy is determined at the highest level of the federal government and is set out in a law and policy notes. However, this does not apply to federated entities, which have their own legislation and strategies. The 2013 Law on Development Co-operation sets out the purposes of development co-operation: sustainable human development, consolidation of democracy and the rule of law, and human dignity (Kingdom of Belgium, 2013[1]). According to ministerial guidance, this co-operation policy must contribute to global prosperity[1] (De Croo, 2014[2]).

The positioning of development co-operation has evolved slightly during the review period: having highlighted the role of development co-operation in reducing illegal migration in Belgium in 2018-19, the current vision presents a more balanced approach that aims to maximise the positive effects and minimise the negative effects of migration on sustainable development.

The Minister for Development Co-operation's policy brief (De Croo, 2014[2]) and annual policy notes connect the law's main provisions to new developments in the international development agenda. Since it

was drafted before 2015, the development co-operation law does not take into account all of the SDG concepts. However, it follows the same philosophy, with a rights-based approach similar to the principle of leaving no one behind (see next section). Despite this theoretical alignment, there have been no operational changes to programming to implement the practical consequences of the 2030 Agenda (HIVA-KU Leuven and IOB-UAntwerp, 2020[3]). In particular, the co-operation strategy does not specify how it will address the interactions and interdependencies between its thematic and sectoral priorities. To overcome these shortcomings, the DGD is working to define a conceptual framework that will better integrate the SDGs into each actor's programming, based on the research project on "The SDGs as a Compass for Belgian Development Co-operation" (HIVA-KU Leuven and IOB-UAntwerp, 2020[3]) (Chapter 1).[2]

Belgian co-operation focuses on regional concentration and fragile states

The policy brief stresses the need to focus Belgian co-operation on fragile states and post-conflict areas in two regions: West Africa and the Great Lakes region. Belgium has therefore stopped its government co-operation with 6 of its partners – mostly middle-income countries – to focus on 14 countries and territories, only 2 of which are not part of these regional subsets[3] (Figure 2.1). With the exception of Morocco, all government co-operation partner countries and territories are now fragile contexts or LDCs. This concentration provides opportunities to develop regional approaches. However, this regional perspective is mainly reflected at the political level and through participation in regional bodies;[4] it is rarely associated with cross-border strategies and programmes.[5] For example, Belgium participates in the G5 Sahel, the Sahel Alliance and other regional initiatives.[6] It also maintains a presence within three regional organisations[7] and envisions a general policy approach within the Sahel taskforce (Chapter 7).[8] However, it has neither regional development strategies nor cross-border programming instruments, with the exception of programmes in Mali, which were implemented jointly with the European Union (EU).

Figure 2.1. Geographic concentration offers opportunities for a regional approach

Partner countries and territories of Belgium's direct bilateral co-operation

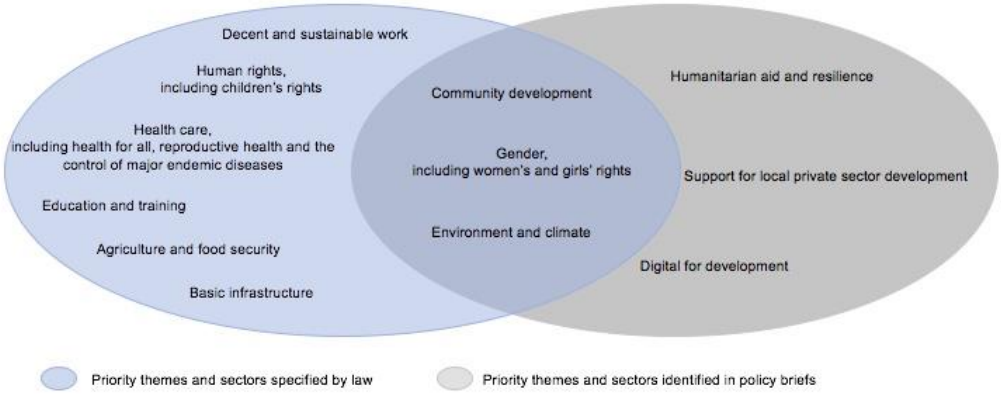
Note: This map represents only 12 of the 14 partner countries and territories of Belgian co-operation. Morocco and the West Bank and Gaza Strip and are not represented, as they are not part of the two regional subsets.

The coexistence of two strategic frameworks increases the number of thematic priorities without clarifying the basis for decision making

Although the federal law and successive policy notes share the same goals, they differ in part on thematic priorities because the government has introduced new priorities in an effort to modernise development co-operation. Belgian co-operation therefore has 12 thematic and sectoral priorities (Figure 2.2). These priorities are equal on paper but are subject to an informal hierarchy that favours the most recent. Moreover, while policy notes specify how these new themes and sectors can contribute to the development of partner countries and territories in theory, efforts will be needed to establish approaches that are tailored to each fragile context (Chapter 7).

Belgium is aware of these difficulties and had planned to update the federal law. However, this project was abandoned in 2019 due to the lack of a government majority. Resuming this project could provide an opportunity to realign strategic priorities within an overall logic that states expected changes and clarifies the complementarities and interdependencies between priorities. If it was conducted through broad consultation, this reflection could strengthen ownership of the co-operation strategy by all stakeholders.

Figure 2.2. Belgium's multiple thematic and sectoral priorities



Source: Kingdom of Belgium (2013[1]), *Law on Development Co-operation;* De Croo (2018[4]), *Policy Note - International Development*; and De Croo (2014[2]), *Policy Brief*.

Principles and guidance

A rights-based approach awaiting implementation

Poverty reduction is at the heart of Belgium's co-operation policy and is evident in its geographic targeting and rights-based approach. The 2013 law sets out how Belgium plans to support inclusive and sustainable economic growth in order to eradicate poverty, exclusion and inequality and strengthen its partners' capacities. This prioritisation of poverty reduction is particularly reflected in the commitment to allocate at least 50% of Belgian bilateral aid to LDCs. Although this target has not yet been met and no deadline has been set – despite the recommendations of the previous peer review (OECD, 2015[5]) – LDCs received 31.2% of bilateral aid in 2017-18 and new bilateral co-operation carried out by Enabel is focused on such countries and territories, putting Belgium on the right track (Chapter 3).

Although Belgian strategy papers hardly refer to the objective of leaving no one behind, the rights-based approach serves as an analytical framework for identifying the poorest and most marginalised populations

whose rights and freedoms are violated. Within this framework, Belgium and its partners have engaged in sometimes difficult discussions on governance issues – discussions that have had consequences for both the volumes and modalities of aid delivery (Chapter 5). This approach is also reflected in the focus on women's and children's rights. However, despite the recommendations of the previous review (OECD, 2015[5]), this is not yet accompanied by clear programmatic guidance on how the most marginalised will be included and how intervention sectors will be chosen in country portfolios. In Burkina Faso, for example, while human rights are an essential element of general policy dialogue, few interventions deal directly with this theme. A more in-depth analysis of power relations, risks and vulnerabilities would enable Belgium to ensure that its co-operation programme benefits those left behind in the various intervention contexts.

Fragile situations are at the heart of government co-operation

Fragile situations are at the heart of Belgium's co-operation policy. Belgium is seeking to focus its assistance on fragile and post-conflict countries that remain dependent on aid and where development co-operation can make a difference. Its approach to fragile situations is guided by a strong strategic framework but implementation requires better institutional anchoring (Chapter 7).

Improved institutionalisation of cross-cutting themes would enhance their impact

Belgian co-operation is legally required to mainstream gender equality, the environment, climate and natural resources as cross-cutting themes in its programmes. These obligations are reflected in BIO and Enabel management contracts and in the accreditation of non-government actors (NGAs).[9] Belgium addresses these themes through targeted and integrated actions and through international advocacy, particularly on gender equality issues (Chapter 1).

To guide its partners in considering cross-cutting themes, and in line with the recommendations of the 2015 review (OECD, 2015[5]), the DGD has drawn up strategy notes (DGD, 2014[6]), (DGD, 2016[7]); an action plan (DGD, 2016[8]); and toolkits,[10] but their impact on programming remains limited. In particular, the accreditation process for NGAs has revealed that their programmes do not adequately take gender equality issues into account. Within the bilateral portfolio as a whole, although the share of aid specifically targeting gender issues is higher than the DAC average (Chapter 3), it is difficult to mobilise dedicated funding outside the She Decides initiative. Attention to climate and the environment is mainly reflected in targeted funding and is not systematically integrated into direct bilateral co-operation portfolios.[11] Although monitoring mechanisms have been strengthened, the administration has not yet been able to measure the impact of its funding on these themes. This dynamic would be strengthened by improving institutionalisation of the approach and tools among partners, including gender and environment strategies in other strategy notes, and strengthening the administration's capacity to measure the impact of its funding.

Finally, there are limited human resources available to ensure that these themes are taken into account across Belgian co-operation, particularly for environmental issues. Despite the limited number of staff working on gender,[12] the DGD and Enabel have access to informal networks of internal experts within the FPS and the agency, as well as the Advisory Council on Gender and Development, which brings together external experts[13] to cover gender issues. A similar approach could facilitate the consideration of environmental and climate issues.

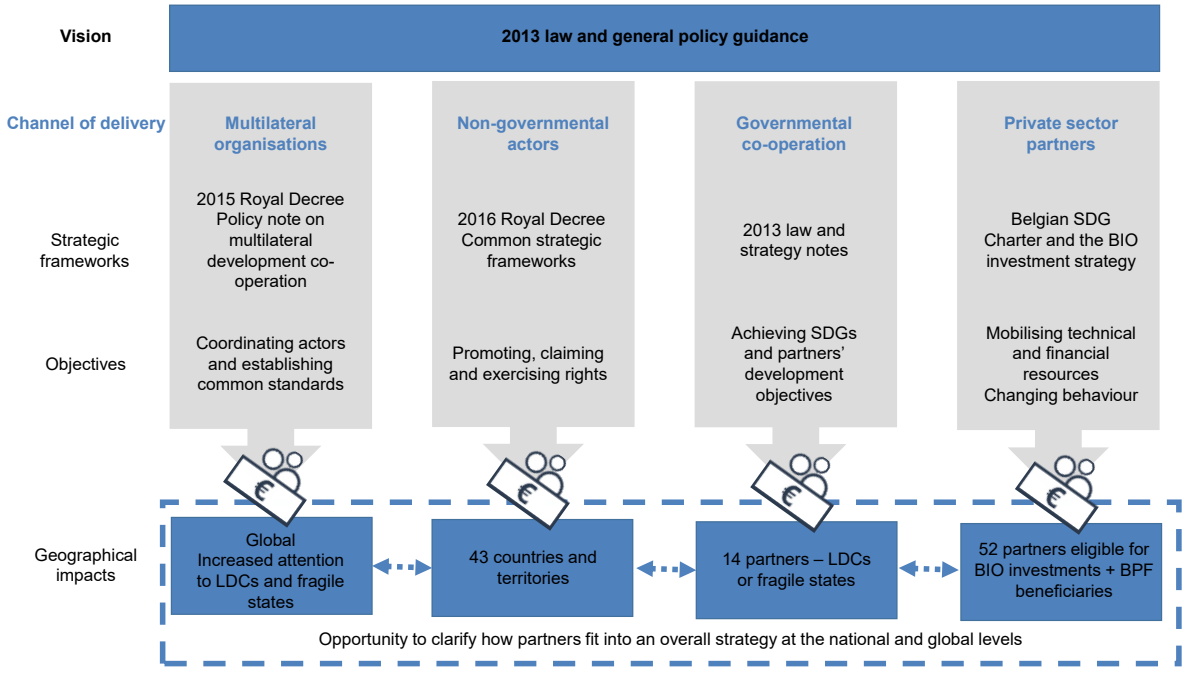
Basis for decision making

Strategic orientations to clarify decision making are being revised

The basis for decision making depends on the channel of delivery: direct bilateral co-operation via Enabel, indirect bilateral co-operation via autonomous actors such as BIO and NGAs, or multilateral co-operation (Figure 2.3). As Belgium promotes its partners' autonomy (next section and Chapter 4), there is no framework to specify how these different actors fit into an overall strategy at the country or global levels (Chapter 5), or to guide allocations. The ongoing project to establish country strategies that cover all delivery channels may help to overcome this difficulty.

The geographic priorities for direct bilateral co-operation are clearly specified by royal decree and limit government to government co-operation to a limited number of countries and territories. Outside of the direct bilateral co-operation implemented by Enabel, which represents 13% of total Belgium's official development assistance (Box 4.1), these geographic priorities are only indicative, which prevents Belgium from fully achieving its objective to focus on LDCs (Chapter 3). Other partners, such as BIO and NGAs, define their own geographic priorities,[14] which systematically include all 14 direct bilateral co-operation partners. Thus, in total, Belgian co-operation includes 59 partner countries and territories. Priority partners receive less than one-third of total bilateral aid, but receive 56% of earmarked bilateral aid (Chapter 3).[15]

Figure 2.3. Decision making by aid delivery channel



The DGD has also drafted sectoral and thematic strategy notes to guide decision making. However, mostly drafted before 2015, they are not systematically used by its partners, who tend to develop their own strategies to guide their decisions. The ongoing revision of these strategy notes, combined with a monitoring mechanism (Chapter 6), will make it possible to specify their operational scope and to highlight the contribution of the interventions to the SDGs. By clarifying the interdependencies among thematic priorities – including on issues of fragility, gender equality and environmental protection – these notes can facilitate and increase transparency on how thematic priorities are selected in each context,[16] noting that decisions are currently taken at the ministerial level (Chapter 4). In fact, the coexistence of the two strategic

frameworks has slowed the drafting of new country portfolios due to the frequent back and forth in Brussels and between Brussels and local representations to validate the priority themes.

Multi-actor partnerships are seen as key to achieve the SDGs

Belgian co-operation actors are unanimous on the importance of partnerships to achieve the SDGs. In terms of administration, this results in clear bases for partnership with each type of actor, and the promotion of multi-actor partnerships. Thus, although the partnership strategy with multilateral organisations is longstanding (DGD, 2011[9]) and the strategy with civil society organisations is being drafted, the criteria for selecting these partners are clearly identified by royal decree and their rationale is clear to the entire administration. The drafting of two new strategies will provide an opportunity to clarify what impacts are expected from these partnerships and their links to the SDGs.

The administration also facilitates multi-actor partnerships, such as Be-cause Health[17] or Beyond Chocolate (Box 1.1), as well as within common strategic frameworks (CSFs) for civil society organisations (Box 5.1). Enabel's new ability to establish direct partnerships with NGOs, multilateral organisations and private sector organisations should reinforce this dynamic and aligns with the recommendations of the previous peer review (OECD, 2015[5]). Nevertheless, these multi-actor partnerships are mostly established on an ad-hoc basis.

The intrinsic value of civil society is recognised and protected

Belgium recognises the role of civil society – including the academic community – as a major actor in development co-operation. Through its partnership with NGAs, Belgium seeks to strengthen the capacity of civil society to promote, claim and exercise its rights within the framework of the SDGs, and to strengthen public commitment to inclusive and sustainable international development. Recognising NGAs' right of initiative, the Belgian administration guarantees their autonomy through long-term and flexible funding mechanisms (Chapter 5). In line with the recommendations of the previous peer review (OECD, 2015[5]), the administration has embarked on a process of streamlining and consolidating these partnerships. Continuing these efforts will strengthen the link between direct and indirect bilateral co-operation (Chapters 3 and 5).

Despite the promotion of multi-actor partnerships to facilitate beneficiaries' participation, the role of civil society from developing countries and territories is given little prominence in strategy documents and direct funding for these actors is limited (Chapter 3). However, Enabel can now fund local partners and attaches great importance to strengthening their capacities, which is in keeping with the purpose of Belgian co-operation and its human rights-based approach. Continuing in this direction should make it possible to address the social and political dimensions of fragility (Chapter 7) and to strengthen the focus of Belgian co-operation on those who are left behind.

The Belgian SDG Charter renews the partnership with the private sector

The Belgian SDG Charter – launched in 2016 and signed by 126 representatives of the private sector, civil society and the public sector – is at the heart of the renewed partnership with the Belgian private sector (DGD & The Shift, 2016[10]).[18] This charter marks the transition from an approach initially focused on supporting the local private sector (DGD, 2014[11]) through BIO and the Trade for Development Centre managed by Enabel, to a commitment to sustainable development by Belgian and international private actors. Partnership is sought with the Belgian private sector not only to mobilise its technical or financial capacities, but also to contribute to a change in practices that promotes sustainable development. This search for renewed partnership has resulted in a new financing instrument, the Business Partnership Facility (BPF) to finance Belgian and international small and medium-sized enterprises (SMEs)[19] (Chapter 5), BIO SDG frontier fund (Chapter 3) and the Beyond Chocolate initiative (Box 1.1). The new

government to government co-operation country portfolios also pay increased attention to developing the local private sector in partnership with various actors. However, Belgium is yet to define an overall strategy for engagement with the private sector that takes this reorientation into account and is valid for all its implementing partners (SES, 2018[12]).

Belgium is the driving force behind joint efforts to strengthen multilateralism

Belgium is a strong supporter of the multilateral framework, due to its normative and co-ordinating role as well as its ability to make its voice heard globally (Chapter 1). Funding multilateral partners solely through central budget contributions (Chapter 3) and the country's participation in the Multilateral Organisation Performance Assessment Network (MOPAN) align with Belgium's strategy to strengthen the effectiveness of the multilateral system. The findings of the Office of the Special Evaluator's evaluation of Belgium's funding strategy for multilateral organisations will be useful in ensuring that this ambition is translated into practice.

The EU is the preferred multilateral partner, both to amplify Belgium's voice on the international stage and to defend common positions. This preference is particularly explained by the impact that policies decided at the European level can have on developing countries.

With a view to streamlining its aid, Belgium has also reduced its other priority multilateral organisations from 20 to 15.[20] Partners are selected based on their performance, their alignment with Belgian co-operation priorities, and Belgium's ability to make its voice heard. Current efforts to promote funding for central budgets through active dialogue and monitoring with representatives in partner countries and territories are in line with this approach, and should make it possible to strengthen synergies between bilateral and multilateral aid. For example, conducting strategic dialogue (along with other donors) with the Food and Agriculture Organization of the United Nations (FAO) and the United Nations Population Fund (UNFPA) has allowed discussions to go beyond individual funding. However, this approach is putting pressure on the diminishing human resources of embassies, which are now charged with this new role (Chapter 4).

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Notes

[1] In his policy brief, the minister states that such prosperity includes increased trade; greater exchange of expertise and technology; and joint action against climate change, inequality, contagious diseases, exploitation and terrorism.

[2] This research analyses if and how Belgian development actors are working with the underlying principles of the SDG framework, and monitoring and reporting their contribution to the SDGs. It proposes an analytical framework and practical recommendations to improve each actor's consideration of the 2030 Agenda.

[3] The 14 partner countries and territories for Belgian government co-operation are Benin, Burkina Faso, Burundi, the Democratic Republic of the Congo, Guinea, Mali, Morocco, Mozambique, Niger, Rwanda, Senegal, United Republic of Tanzania, Uganda and the West Bank and Gaza Strip. Of these partners, only the West Bank and Gaza Strip is not part of the regions mentioned, and only Morocco and the West Bank and Gaza Strip do not share a common border with another partner country. Belgium withdrew from Algeria, Plurinational States of Bolivia, Ecuador, Peru, South Africa and Viet Nam following the Royal Decree on 29 May 2015.

[4] The administration can only finance a maximum of five regional organisations that are aligned with Belgium's co-operation priorities.

[5] Mainly in the humanitarian aid sector.

[6] Including the Partnership for Security and Stability in the Sahel and the Coalition for the Sahel.

[7] Belgium funds the Sahel and West Africa Club, sits on the Board of Directors of the West African Development Bank (WADB) and is accredited to the West African Economic and Monetary Union (WAEMU).

[8] This taskforce organises interdepartmental exchanges in Brussels among the DGD, bilateral services and other FPS, such as Defence.

[9] NGAs are civil society organisations, university umbrella organisations, organisations supported by regional political authorities, city and municipality umbrella organisations, and research institutes.

[10] For example, the KLIMOS toolkit, built in partnership with the academic community, provides preliminary assessment tools to help consider environmental issues when identifying, formulating, implementing and evaluating co-operation programmes. The "Body & Rights" e-tutorial helps to raise awareness among staff of sexual and reproductive health and rights issues around the world.

[11] Consideration of environmental issues is reflected in multilateral funding, BIO financing and Enabel's accreditation to the Green Climate Fund.

[12] The DGD has a part-time gender adviser, supported by two part-time officers who deal with sexual and reproductive health and rights.

[13] Created in 2014, the Advisory Council on Gender and Development is composed of representatives from the academic world, NGOs, women's councils and the Institute for the Equality of Women and Men.

Its mission is to advise the administration and the minister on strategic and programming issues in order to inform the positions adopted by Belgium at the international level.

[14] After agreement from the minister in the case of BIO.

[15] NGAs receiving Belgian grants are active in 44 countries and territories, 32 of which are subject to a Common Strategic Framework. BIO is active in 52 countries and territories. The instrument for partnership with small and medium-sized enterprises (SMEs), the Business Partnership Facility (BPF), is not subject to geographic or thematic limitations.

[16] Belgium has committed to investing in a maximum of three sectors as part of its direct bilateral co-operation.

[17] Be-cause Health is an informal and pluralistic platform that is open to both institutional and individual members who are active and interested in international public health issues. Be-cause Health strives to ensure equitable access to good quality responsive health services for all, and in particular the most vulnerable, embedded in strong, resilient and sustainable health systems. For more information, see: www.be-causehealth.be/en/.

[18] This charter aims to develop multi-actor collaboration (including the Belgian private sector) to support the SDGs; contribute to inclusive economic growth in emerging economies and fragile states; and support the principles of sustainable supply chains and human rights due diligence.

[19] The BPF co-finances initiatives by small and medium enterprises carried out in partnership with non-government and academic organisations, aimed at developing the local economy and private sector.

[20] The 15 multilateral partner organisations defined by the Council of Ministers on 21 May 2015 are as follows: the United Nations Children's Fund (UNICEF); United Nations Population Fund (UNFPA); the United Nations Development Programme (UNDP); the United Nations Environment Programme (UNEP); Food and Agriculture Organization of the United Nations (FAO); the Consultative Group on International Agricultural Research (CGIAR); the World Health Organization (WHO); the Joint United Nations Programme on HIV/AIDS (UNAIDS); the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women); the International Labour Organization (ILO); the Office of the United Nations High Commissioner for Human Rights (OHCHR); the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund); the World Bank – including heavily indebted poor countries (HIPC), SMEs, the Multilateral Debt Relief Initiative (MDRI), the International Development Association (IDA), the International Bank for Reconstruction and Development (IBRD), and the African Development Fund (AfDF); the International Monetary Fund (IMF); and the International Organization for Migration (IOM). Humanitarian partner organisations – the International Committee of the Red Cross (ICRC), the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), the World Food Programme (WFP), and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) – are governed by the Royal Decree of 19 April 2014.

3 Belgium's financing for development

This chapter looks at Belgium's official development assistance (ODA) figures, including the overall level and components of aid, the level of bilateral and multilateral aid, and the geographic and sector allocations of bilateral aid. In line with commitments to the Addis Ababa Action Agenda and the emerging concept of total official support for sustainable development (TOSSD), it also examines Belgium's efforts to mobilise finance for sustainable development other than ODA.

This chapter begins with a review of Belgium's ODA volumes and its efforts to meet domestic and international ODA targets. It then discusses the extent to which Belgium allocates bilateral aid according to its statement of intent and international commitments, and examines the effectiveness of Belgium's use of multilateral aid channels. The chapter concludes with a review of financing for sustainable development and how Belgium promotes and catalyses development finance other than ODA.

In brief

Belgium is the tenth most generous member of the Development Assistance Committee (DAC) based on its official development assistance (ODA) as a proportion of gross national income (GNI). After years of sharp budget cuts, the ODA budget has been relatively stable since 2015, reaching 0.42% of GNI in 2019. Although both the public and parliament support the target established by law of allocating 0.7% of GNI as ODA, Belgium still lacks a pragmatic roadmap for returning to aid growth forecasts, a major challenge in the wake of the COVID-19 pandemic.

Bilateral allocations, mostly in the form of grants, are broadly in line with the priorities set out in the Law on Development Co-operation. In particular, they show:

- a strong focus on least developed countries (LDCs) and fragile contexts, with almost one-third of bilateral aid disbursed in these contexts
- some thematic dispersion: the main sectors are education, health, agriculture and governance, each accounting for a maximum of only 7% of bilateral aid committed in 2017-18
- a strong commitment to gender equality, with 59% of allocable bilateral ODA in 2017-18 targeting this objective
- a match between the principle of civil society organisations' right of initiative and financing arrangements that favour aid to non-government organisations (NGOs) rather than aid via NGOs.

Allocations to multilateral organisations reflect the importance that Belgium attaches to multilateralism for effective co-operation. Through its full-core funding strategy, Belgium allocated on average 40% of its total ODA to multilateral organisations' central budgets over the review period. In accordance with Belgium's strategy of influence, multilateral co-operation is concentrated on the European Union (EU) and 15 international organisations.

Belgium has launched several initiatives to mobilise additional resources for development finance. These initiatives, with varying levels of success, include renouncing fiscal exemption on ODA expenditure, issuing humanitarian impact bonds and creating an investment fund within the Belgian Investment Company for Developing Countries (BIO) that is open to private investment. As BIO strengthens its performance measurement mechanisms, increased efforts to clarify each investment's contribution to the SDGs, in addition to the recently published overall theory of change, would enhance its effectiveness.

Overall ODA volume

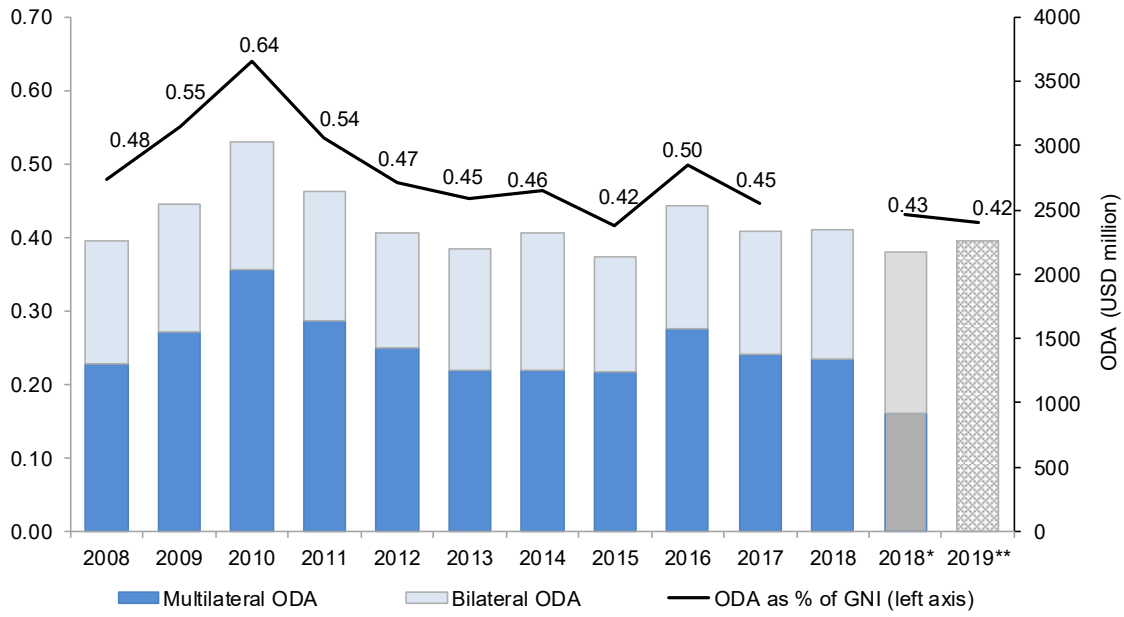
Belgium does not have a roadmap for increasing its aid

Belgium is the 10th most generous member of the DAC based on ODA as a proportion of GNI, and 17th in terms of volume. Belgium's ODA budget has remained relatively stable since 2015, following successive decreases between 2010 and 2015 (Figure 3.1), but it is still a long way from the international commitment to provide 0.7% of GNI as aid. According to 2019 forecast data, the ODA budget amounted to USD 2.2 billion, i.e. 0.42% of GNI – above the DAC average of 0.30%, but a slight decrease from 2018, which is explained by the lower costs associated with receiving refugees in Belgium. With 0.14% of its GNI allocated as ODA to LDCs in 2018, Belgium is more generous than the DAC average allocation to these

countries, but slightly below the 0.15–0.20% target set by the United Nations, and its performance has decreased since the previous peer review (OECD, 2015[1]).[1]

Figure 3.1. The Belgian co-operation budget has stabilised since 2015

Net ODA disbursements, USD million, at 2018 constant prices and exchange rates, and as a percentage of GNI



Note: *ODA on a grant-equivalent basis. **Total ODA forecast data on a grant-equivalent basis.
Source: OECD (2020[2]), *Creditor Reporting System* (CRS) (database), https://stats.oecd.org/Index.aspx?DataSetCode=CRS1.

StatLink https://doi.org/10.1787/888934184301

Despite public (Chapter 1) and parliamentary support for allocating 0.7% of GNI as aid, as enshrined in law,[2] Belgium still has no roadmap for returning to ODA growth forecasts, despite the recommendations of the previous review (OECD, 2015[1]). Establishing a roadmap with realistic milestones and committing to not reducing further the development co-operation budget will be even more important in the wake of the COVID-19 pandemic.

Belgium is late in reporting its ODA contributions

Belgium complies with DAC recommendations on concessionality and the untying of aid. Thus, the 1.7% of aid granted in the form of loans complies with concessionality commitments. In addition, almost all bilateral aid covered by DAC recommendations is untied (98% in 2018). Despite enormous progress in terms of transparency (Chapter 5), Belgium is not yet able to report its contributions on time and does not systematically present its consolidated data (OECD, 2019[3]). The automation of reporting currently under development should make it possible to overcome this weakness.

Bilateral ODA allocations

LDCs and fragile contexts are the main beneficiaries of Belgian aid

The objective of concentrating Belgian aid on LDCs and fragile contexts is generally reflected in bilateral allocations. As such, in 2018, 31.2% of total bilateral aid was committed to LDCs and 34.5% (USD 467 million) to fragile contexts – this was above the DAC average but below the target set by the Belgian administration to allocate 50% of bilateral aid to LDCs. In contrast, the share of aid committed to LDCs accounts for 63% of allocable bilateral aid. In addition, 91% of new Enabel engagements in 2018 were in LDCs or fragile states.

Bilateral allocations are also aligned with geographic priorities. The top 20 beneficiaries of Belgian bilateral aid include 13 of its 14 partner countries and territories,[3] as well as the 4 former partner countries from which Belgium withdrew in 2015 (Chapter 2). Belgium is also consistently among the top 20 donors to its partner countries and territories, ranking 13th on average among donor partners. Although partner countries and territories receive less than one-third of total bilateral aid, they receive 56% of earmarked bilateral aid per country and territory.

Country programmable aid is low

In 2018, country programmable aid accounted for only 20% of Belgian bilateral ODA, compared with an average of 48% for DAC countries, which may affect the predictability of aid for partner countries and territories. This low share is explained by the support to NGOs (23% of bilateral ODA), the cost of hosting refugees in Belgium (18%) and humanitarian and food aid (14%). It should be noted, however, that part of the financing granted to NGOs is broken down ex-post by sector and by region.

Sector allocations reflect traditional priorities and some thematic dispersion

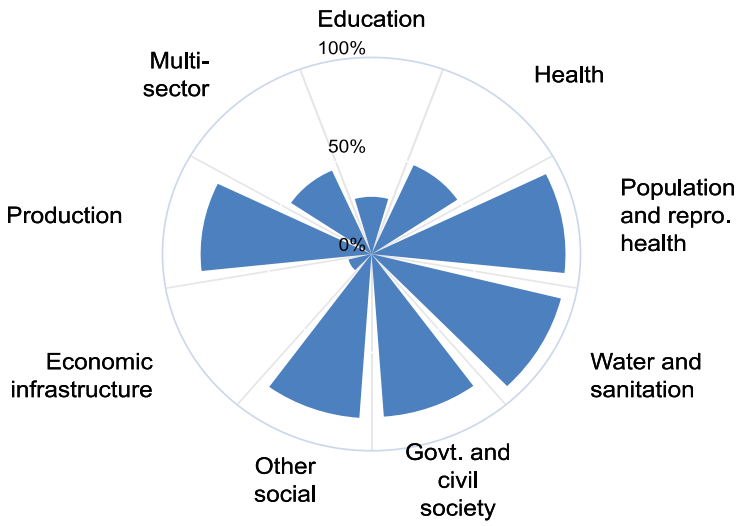
Sector allocations reflect traditional Belgian co-operation priorities, but are also somewhat fragmented across themes. Thus, in 2017-18, the top five sectors for Belgian bilateral co-operation were: humanitarian aid (USD 175 million); education (USD 85 million); health (USD 85 million), although the share for this sector has fallen sharply since 2013;[4] agriculture (USD 80 million); and governance (USD 64 million), in line with the priorities and sectors set out in the Law on Development Co-operation (Kingdom of Belgium, 2013[4]). However, with the exception of humanitarian aid, which accounted for 14% of the bilateral aid granted in 2017-18, each of the other four main sectors of Belgian co-operation accounted for a maximum of only 7% (Annex B). In comparison, administrative costs and the reception of refugees in Belgium represented 13% and 22% of bilateral aid respectively over this period, having risen sharply since 2016.[5] Financial commitments for digital for development, a new priority theme, amounted to USD 18 million in 2017-18.[6]

Belgium stands out for its commitment to gender equality

Belgium makes a notable commitment to gender equality, with 59% of allocable bilateral ODA in 2017-18 targeting this objective, a commitment 17 percentage points higher than the DAC as a whole. Similarly, 6% of aid targets gender issues as the main objective, compared with the DAC average of 4%. Gender mainstreaming is particularly high in the reproductive health, in line with the “She Decides” initiative, water and governance sectors (Figure 3.2).

Figure 3.2. Gender mainstreaming is particularly high in the health, water and governance sectors

Percentage of allocated bilateral aid committed in 2018



Source: OECD (2020[2]), CRS (database), https://stats.oecd.org/Index.aspx?DataSetCode=CRS1.

StatLink https://doi.org/10.1787/888934184320

Environmental aid supports climate change adaptation efforts

Attention to climate, the environment and natural resources is reflected in budget allocations, with 45% of allocable bilateral aid (USD 352 million) taking environmental issues into account in 2017-18, which is above the DAC average (33%). Of these budget allocations, 80% were for climate change adaptation and mitigation.

In addition, over the 2014-19 period, Belgium has financed bilateral and multilateral climate interventions amounting to EUR 85 million per year (USD 95 million) and has focused federal contributions on adaptation efforts in LDCs. Enabel, the Belgian co-operation agency, has also been accredited by the Green Climate Fund as an implementing partner in tackling climate change.

Funding granted to NGOs respects their right of initiative

The share of funding to NGOs illustrates the importance of these actors to Belgian co-operation. In 2017-18, gross bilateral ODA directed to or channelled through civil society organisations amounted to USD 288 million, i.e. 21% of bilateral ODA. Two-thirds of these contributions (15% of bilateral ODA) were earmarked for organisations' global programmes, in keeping with the desire to respect these partners' right of initiative – an approach which is recognised as good practice by the DAC.

A low proportion of aid is directed to or channelled through civil society in partner countries and territories. In 2016, direct funding from the DGD to civil society actors was suspended, following negative audits by the Court of Audits. The planned gradual resumption of this type of partnership under other arrangements will make it possible to better align budget allocations with Belgium's stated ambitions.

Multilateral ODA allocations

Central budget contributions enhance the effectiveness of the multilateral system

Multilateral allocations reflect the importance Belgium places on multilateralism for effective development co-operation. In particular, Belgium has allocated an average of 40% of its total ODA to multilateral organisations' central budgets, reaching 43% in 2018, which is 16 percentage points higher than the DAC as a whole. Only 14% of its bilateral ODA was channelled through (bi/multi) multilateral organisations – mainly for humanitarian aid. This low share of bi/multi aid is in line with the Belgian strategy of full core funding for the multilateral organisations listed in the 2015 Royal Decree (Kingdom of Belgium, 2015[5]). Moreover, most bi/multi contributions (57%) were only broadly pre-allocated, i.e. they did not finance a specific project, but instead multi-donor funds or programmes. In line with multilateral donor good practices, these financing arrangements are accompanied by participation in multi-donor monitoring mechanisms (MOPAN) and recognition of multilateral institutions' monitoring, reporting and evaluation instruments (Chapter 5).

Following its reform, Enabel can now execute part of a country portfolio through multilateral organisations. At the time of the peer review, the agency had not yet finalised all of its administrative processes for signing agreements with multilateral organisations.

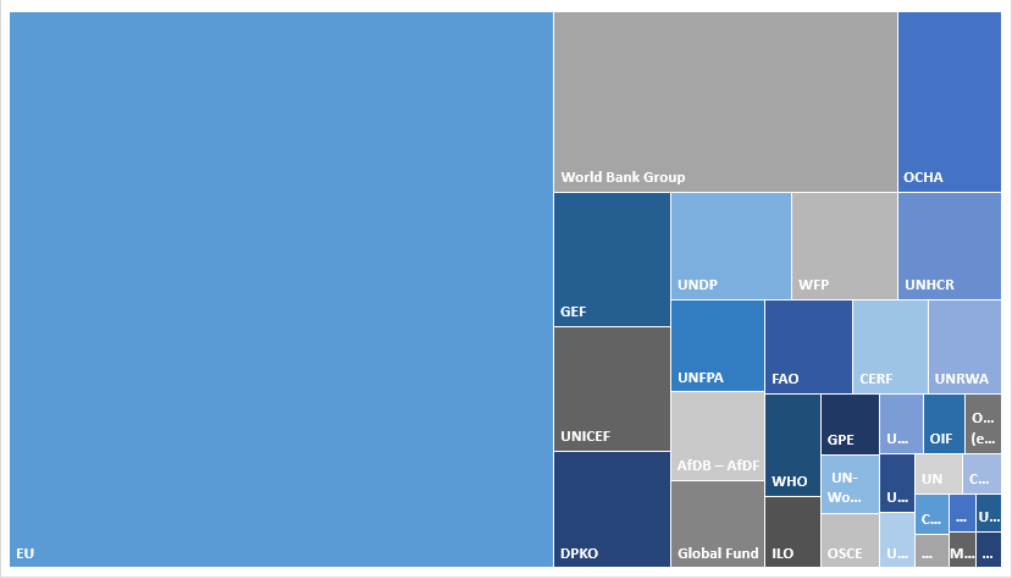
Multilateral co-operation is concentrated on a small number of partners

Multilateral co-operation is relatively concentrated. In line with Belgium's strategy of influence on the multilateral stage, the European Union (EU) is by far its most important multilateral partner, accounting for 61% of Belgium's disbursements to multilateral agencies in 2018 (USD 581 million, see Annex B). It is followed by the World Bank (18%, i.e. USD 174 million) and United Nations agencies (13%, i.e. USD 119 million). In order to streamline its aid, in 2015 Belgium reduced the number of partner multilateral organisations for development co-operation from 20 to 15, with a separate list for humanitarian partner organisations.[7] Despite the priority given to Africa, the African Development Bank (AfDB) is no longer considered a partner organisation. The strategic priority given to these 15 organisations is reflected in budget allocations: with the exception of the CGIAR and the IOM, which receive small grants despite being identified as priorities, the 15 partner organisations receive the majority of Belgian subsidies for multilateralism.

However, in addition to these 15 partners that meet its priorities and are the subject of partnership frameworks, Belgium also funds another 17 organisations through statutory contributions. As these 17 organisations are not considered strategic partners, they are not subject to strategic monitoring. In addition, the Global Environment Facility, which is not considered a priority organisation, was the third largest recipient of multilateral contributions in 2017-18, after the EU and the World Bank, with average disbursements of USD 33.7 million[8] (Figure 3.3). Nevertheless, the Global Environment Facility's mandate is in line with Belgian priorities of environmental protection and climate change adaptation.

Figure 3.3. Multilateral partner organisations are the main beneficiaries of Belgian core contributions

2017-18 ODA disbursements at 2017 constant prices – core contributions



Note: EU: European Union; GEF: Global Environment Facility; UNICEF: United Nations Children's Fund; DPKO: United Nations Department of Peacekeeping Operations; UNDP: United Nations Development Programme; UNFPA: United Nations Population Fund; AfDB-AfDF: African Development Bank – African Development Fund; WFP: World Food Programme; FAO: Food and Agriculture Organization of the United Nations; WHO: World Health Organization; ILO: International Labour Organization; UNHCR: Office of the United Nations High Commissioner for Refugees; CERF: Central Emergency Response Fund; GPE: Global Partnership for Education; OSCE: Organization for Security and Co-operation in Europe; UNRWA: United Nations Relief and Works Agency for Palestine Refugees in the Near East; OIF: International Organization of la Francophonie; UN: United Nations.
Source: OECD (2020[2]), CRS (database), https://stats.oecd.org/Index.aspx?DataSetCode=CRS1.

StatLink https://doi.org/10.1787/888934184339

Financing for sustainable development

Belgium is seeking to mobilise ODA to leverage additional financing

Belgium is committed to the Addis Ababa Action Agenda for financing sustainable development. It contributes in particular to IMF Revenue Mobilisation Trust Funds, the OECD Tax Inspectors without Borders initiative, and IOM's MigApp application, which aims to lower the transfer costs for migrant remittances. It has also renounced fiscal exemption on ODA expenditure in its partner countries and territories for new government co-operation portfolios. It will be interesting for Belgium to share lessons learned from its experience on this action with other DAC members, once it is further along in the process. Nevertheless, the financial volumes dedicated to domestic resource mobilisation have not doubled, despite the commitments made in Addis Ababa. In fact, they only slightly increased from USD 2.22 million in 2014 to USD 2.36 million in 2018. Finally, Belgium has issued humanitarian impact bonds in collaboration with the International Committee of the Red Cross and other development co-operation providers. Establishing these bonds proved administratively complex, especially in terms of fiduciary risk management, and mobilised just EUR 23 million, which is a small fraction of the International Red Cross' annual budget of EUR 1.9 billion in 2019.

The contribution to the SDGs of BIO's individual investments could be clarified

Belgium has increased the capital of its development finance institution, the Belgian Investment Company for Developing Countries (BIO) in order to support the development of small and medium-sized enterprises (SMEs) in least developed and middle-income countries. Although BIO's mandate does not include a focus on fragile contexts, half of the countries and territories eligible for such investments are considered fragile by the OECD (OECD, 2020[6]). Over the 2017-18 period, BIO mobilised an average of USD 35 million per year through shares in collective investment vehicles, direct investments in companies or special project financing vehicles, syndicated loans, and co-financing with the private sector (OECD, 2019[7]). BIO also works with other financial institutions to increase its impact. The creation of a fund that is open to private investment (SDG Frontier Fund) and the lower than expected returns by the state on parts of BIO's investments will make it possible to mobilise additional funds, as well as to invest in contexts or projects that are riskier, which is relevant given Belgium's focus on fragile contexts.

As per the recommendations of the previous review (OECD, 2015[1]), BIO has strengthened mechanisms for ensuring that its investments contribute to the SDGs and Belgian co-operation objectives. Among other things, the institution has set out a general theory of change, established a new results monitoring mechanism[9] and recruited a gender expert. In addition, BIO is involved in the European financial institutions' initiative for improved consideration of cross-cutting gender and environment issues, and in the Joint Impact Model (JIM) project aimed at modelling the direct and indirect development impacts of investments. Greater efforts to contextualise each investment's theory of change and communicate their development results would better anchor these investments in the SDGs and would meet the ambition of focusing Belgian co-operation on development results (Chapter 6).

More detailed reporting of private sector instruments may be required

Belgium reports non-ODA financial development contributions and participated in the first collection of data for total official support for sustainable development (TOSSD) in 2019. The private funds mobilised by Belgium over the 2012-18 period mainly focused on manufacturing, mining and construction industries (46%), banking and financial services (33%), and the energy sector (13%). Of the country-specific private financing mobilised over the 2012-18 period, 70% was for middle-income countries and 30% for LDCs. Finally, Belgium reports on BIO's mobilising effect and the quality of this reporting is constantly improving.

Belgium is currently working to strengthen its reporting on private sector instruments, using the provisional methods developed by the DAC, and has recently shared data on BIO flows for 2018. However, this information did not include detailed activity-level data on additionality, terms and conditions of loans and private sector sales, dividends, maturities, or expected returns on equity (OECD, 2020[8]).

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Notes

[1] In 2013, Belgium granted 0.16% of its GNI as aid to LDCs.

[2] In particular, the external relations group of the Federal Assembly passed a resolution in 2019 for reaching the 0.7% target.

[3] Only Guinea, identified as a priority country, is not among the top 20 recipients of Belgian bilateral aid.

[4] The share of bilateral aid granted to the health sector decreased from 12% in 2013-14 to 7% in 2017-18.

[5] Administrative costs increased from 5% in 2015-16 to 13% in 2017-18, with refugee reception increasing from 13% to 22% over the same periods.

[6] Digital for development is not an official DAC sector; calculations are based on a reading of the project descriptions in the OECD Creditor Reporting System (CRS).

[7] See Chapter 2 for a list of multilateral partner organisations.

[8] Including contributions to trust funds and funds for LDCs. Humanitarian organisations are not identified in this classification.

[9] Entitled "Analysis, Monitoring and Evaluation of Development".

4 Belgium's structure and systems

This chapter considers whether Belgium's institutional arrangements support its development co-operation objectives. It focuses on the system as a whole and assesses whether Belgium has the necessary capabilities in place to deliver its development co-operation effectively and to contribute to sustainable development.

The chapter looks at authority, mandate and co-ordination to assess whether responsibility for development co-operation is clearly defined. It further explores whether the system is well co-ordinated and led with clear, complementary mandates as part of a whole-of-government approach at headquarters and in partner countries and territories. Focusing on systems, the chapter further assesses whether Belgium has clear and relevant processes and mechanisms in place. Finally, it looks at capacity across Belgium's development co-operation system – in particular whether Belgium has the necessary skills and knowledge where needed, to manage and deliver its development co-operation – and at the effectiveness of its human resources management system.

In brief

Since the 2015 peer review, Belgian development co-operation has implemented reforms to rationalise its efforts, promote synergies and increase its flexibility and impact. Institutional stability is now needed to benefit from these reforms. While defining the development co-operation strategy remains the responsibility of the Directorate-General for Development Co-operation and Humanitarian Aid (DGD), its implementation depends on partners, whose autonomy has been strengthened. Within this framework, and to take full advantage of the reforms, the DGD must act as a strategic driving force and co-ordinator. More effective Belgian aid demands a stronger whole-of-government approach, and reflection on the level of decentralisation within the administration and on the division of responsibilities between the political and administrative levels.

Belgium has strengthened its aid management systems and now has robust and flexible mechanisms. The ongoing risk management reform – based on comprehensive analysis and involving a transition from an avoidance strategy to a management strategy – is promising but has yet to be fully operationalised.

DGD staff are comitted, but they are affected by the pace and nature of the reforms and are asking for more support and more active communication. An inventory of needs and available skills, both within the DGD and from its partners, would enable the DGD to draw up an action plan to reconcile needs and resources and to become fully involved in workforce planning and forecasting. Enabel's strategy of mobilising expertise via its own staff, experts from the various Federal Public Services (FPS) or from a pool of partners will enable it to respond flexibly to needs on the ground, which will continue to grow as the agency's turnover increases.

Authority, mandate and co-ordination

Though responsible for development co-operation, the DGD only steers a limited share of official development assistance

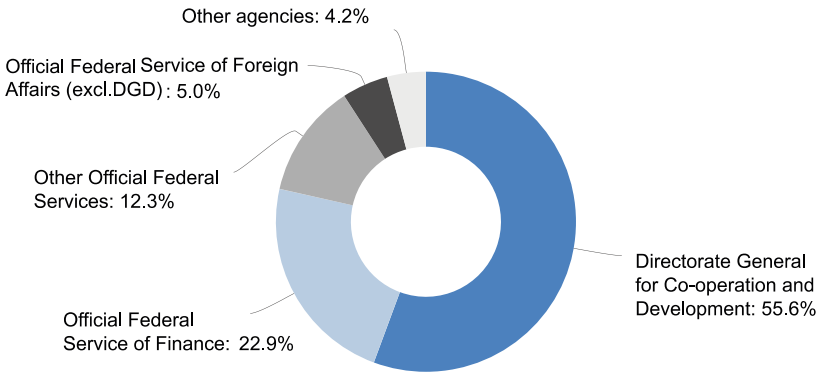
The DGD of the Federal Public Service (FPS) Foreign Affairs, Foreign Trade and Development Co-operation is responsible for development co-operation. It develops strategies according to political orientations and the legal framework, grants funding and monitors the co-operation programme. Under the responsibility of the Minister for Co-operation, its main strategic orientations are approved in a biannual administration contract signed between the FPS and the Minister, which is regularly monitored (FPS Foreign Affairs, 2016[1]). The DGD shares accountability to parliament with the Office of the Special Evaluator, whose mandate is not limited to DGD-controlled actions but covers all Belgian official development assistance (ODA) (Chapter 6).

The DGD is only administratively directly responsible for 56% of the ODA budget that it grants to its implementing partners (Figure 4.1). The remaining 44% of ODA is largely out of its remit, in particular because it corresponds to disbursements and contributions to multilateral organisations under the responsibility of other FPSs (such as Finance) or that fall within the jurisdiction of the regions and communities, and is therefore independent of federal orientations and policies (4%). However, almost half of this 44% consists of Belgium's contribution to the European Commission's ODA via the EU budget. Although this contribution is granted administratively by the FPS Finance, it is steered politically by the DGD. Furthermore, the Directorate-General's authority was strengthened in 2016 when it gained

competence for overseeing the regional banks in Africa, and also assumed joint responsibility with the FPS Finance for monitoring the World Bank. This change in the DGD's competences strengthens its authority over the direction of multilateral ODA.

Figure 4.1. The DGD is responsible for allocating 56% of Belgian aid

Total ODA contributions through government agencies in 2018, gross disbursements as a percentage



Source: OECD (2020[2]), "Belgium", in *Development Co-operation Profiles* https://doi.org/10.1787/58873fc4-en.

StatLink https://doi.org/10.1787/888934184358

Implementing partners' autonomy makes managing the DGD portfolio more complex

To rationalise its efforts and increase programme flexibility, and as recommended in the previous peer review (OECD, 2015[3]), the Belgian administration is engaged in a series of reforms that have modified its internal organisation and strengthened the autonomy of its partners (Chapter 5). Internally, the DGD has created, reorganised or merged directorates to organise them around the key themes of Belgian co-operation (Annex C).[1] Externally, the role of the DGD has changed from one of strategic and technical driver to one of strategic driver and partner co-ordinator. In particular, the administration has consolidated the portfolio of non-government actors (NGAs) around common objectives (Chapter 5) and reviewed the mandate of Enabel (the implementing agency) to increase its autonomy (Box 4.1).

The DGD's authority over its public partners is set out in the management contracts signed every five years with Enabel and BIO (Belgian Investment Company for Developing Countries, its development finance institution) (Kingdom of Belgium, 2017[4]), (Kingdom of Belgium, 2018[5]). These contracts specify the missions, values, principles, strategic priorities and intervention modalities of the two institutions, while preserving their decision-making and operational independence. In this spirit of preserving independence and autonomy, the DGD sits on their respective boards of directors, but only as an observer.[2]

Box 4.1. Enabel's increased mandate, autonomy and flexibility

The 2018 reform of the former Belgian Technical Cooperation (BTC) agency into the development agency Enabel brought three major changes:

- A **broader mandate**: in addition to direct bilateral co-operation, Enabel can carry out, at the request of the government, any public service mission that falls within the framework of Belgium's international commitments and third-party mandates.

- **Increased flexibility and autonomy** through portfolio management rather than project management, as recommended in the 2015 peer review. Following guidance from the minister, the agency establishes country portfolios and can redirect up to 15% of a country portfolio's overall budget across interventions, but within the agreed objectives and results framework.
- The ability to establish **contracts with actors on the ground** to pursue its implementation mandate. These actors may be from local civil society, multilateral organisations or the private sector in order to find the best-placed partners ("fit-for-purpose").

The first management contract between Enabel and the federal government (Kingdom of Belgium, 2017[4]) is based on the agency's performance requirement and the state's commitment to provide EUR 875 million for operational costs over the five-year contract duration.[3] In total, Enabel implements 13% of total Belgian official development assistance, i.e. 24% of the DGD portfolio.

Note: The list of implementing partners must be approved by the minister when the country portfolio is set out.
Source: Kingdom of Belgium (2017[4]), *Royal Decree approving the first management contract between the federal government and the public limited company Enabel: the Belgian development agency*.

Institutional stability will help Belgium benefit from the reforms

A period of institutional stability is now needed to enable Belgium to benefit from the reforms and for the DGD to develop management and co-ordination instruments tailored to its new role: taking a stronger strategic lead and being less involved in operations. The DGD's ability to fulfil this role will depend on its strategic positioning and on the capacity of its staff to take ownership.

The review period has seen significant ministerial involvement in the DGD's activity, not only through the introduction of new priorities (Chapter 2), but also in programming (next section), making the directorate's authority over its partners less clear. As the DGD is considering updating its strategy notes, in particular to highlight its contribution to the Sustainable Development Goals (SDGs), the themes selected will influence its readiness and capacity to act as a strategic driver vis-à-vis the government and implementing actors (Chapter 2).

However, despite ongoing efforts to exploit the knowledge produced by its implementing partners, the DGD is not yet adequately equipped to extract strategic rather than operational information, or to consolidate this information in a way that enables genuine steering, both at country and global level (Chapter 6). Institutional learning efforts (Chapter 6), the current merging of the geographical units in charge of government and non-government aid, and restructuring of the organisational chart around thematic priorities should make it possible to consolidate geographical monitoring, thematic steering and co-ordination for field support, in keeping with a logic of coherence, responsiveness and foresight.

The comprehensive approach drives cross-government co-ordination in Brussels

Whole-of-government co-ordination mechanisms are primarily part of the "comprehensive approach" developed to address fragility issues (Chapter 7). Stemming from the 3D-LO approach,[4] this approach brings together the various federal departments (Foreign Affairs, International Development, Defence, Justice and Internal Affairs) into thematic or geographic taskforces (Box 7.1). As there is no other co-ordination structure, whole-of-government co-ordination outside of the comprehensive approach is primarily focused on advocacy issues.[5] Thus, although comprehensive approach taskforces are mainly ad hoc, they could serve as an example for a more systematic whole-of-government approach to the key topics of Belgian co-operation.

Belgium has also sought to broaden co-ordination between Enabel and BIO beyond purely government bodies, with BIO systematically participating in preparatory missions for any new direct bilateral

co-operation. These efforts have led to better integration of the private sector perspective in context analyses (Chapter 5), but have not resulted in operational co-ordination. The differences in Enabel and BIO's operating methods, alongside the autonomy of implementing actors, do not make co-ordination easy to achieve.

Enabel's reform, and its new capacity to work directly with international organisations, also raises the question of strengthening co-ordination of the multilateral portfolio to ensure overall coherence. Since the various FPSs have not yet fully identified Enabel as being responsible for extra-budgetary funding, the flow of information between the FPSs that finance multilateral organisations and the agency is still limited.

Co-ordination in the field is stronger

Co-ordination of government co-operation in the field has been strengthened by the introduction of a "one-roof" policy. Gradually, Enabel's offices have been hosted by embassies – which are now present in all partner countries and territories – while maintaining their functional autonomy. This physical merger into a single team, Team Belgium, has strengthened interaction between heads of co-operation and local representatives, and facilitated the division of tasks to ensure representation and engagement with partner governments and development co-operation providers.

Enabel can now directly be mandated by other FPSs and draw on their expertise, which should help strengthen this co-ordination in the field. For example, the agency mobilises and closely co-ordinates at the operational level with the Ministry of Defence and the FPS Justice in fragile contexts (Chapter 7).

Systems

Programming is more flexible but operating procedures are yet to be stabilised

Despite the ambition to decentralise decision making to the field by strengthening Enabel's autonomy (Box 4.1), the drafting of the agency's first country portfolios revealed significant involvement by the central administration and the minister in the orientations chosen. Numerous exchanges took place between Enabel and the DGD and between the field and Brussels, missing the opportunity for enhanced involvement from partner countries and territories[6] (Chapter 5), and resulting in significant internal co-ordination costs. Moreover, some staff members consider the current practice of referring numerous decisions to the agency's board of directors for approval to be sub-optimal.[7] Furthermore, although embassies play an active role in providing advice and consultation, they do not have decision-making power or a budget for co-operation interventions. With Enabel's new management contract and more decentralised work by its experts, embassies have noted a decrease in the technical support provided by the agency, particularly for sectoral policy dialogue. This could be detrimental to the effectiveness and quality of co-ordination in the field and to exchanges with partners.

The current drafting of joint guidance for embassies and the agency is an opportunity to reflect on the administration's degree of decentralisation, and on the interactions between administration and government, between the agency and the FPS, and within the agency itself. Formalising operating procedures should make it possible to how and when to consult in the field more precisely and to reduce the administrative burden on staff who are already under stress.

Aid management processes and mechanisms are robust

Belgium has strong processes and mechanisms in place to manage its aid. Following the 2015 peer review and analyses from the Court of audits (Cour des comptes, 2015[6]), the DGD has developed an action plan to better structure its internal audit, strengthen the management and monitoring of grants (Chapter 5), and ensure high-quality interventions. Some procedures remain administratively cumbersome, both for the

administration and for its partners, and the challenge remains to improve performance without increasing workloads. Enabel, for its part, is engaged in a "Strat & Go" reform strategy to make its operations more agile, effective and efficient. Table 4.1 summarises the state of play of Belgium's development co-operation systems.

Table 4.1. Analysis of Belgium's development co-operation systems

	Yes	In progress	Comment
Clear and transparent processes and procedures in place to make decisions on:			
Policies (Chapter 2)	●		● Efforts to frame the strategy (strategy notes, whole-of-government co-ordination), but the coexistence of two strategic frameworks increases the number of priorities.
Programming (Chapter 4)	●		▲ Predictable, flexible and multi-year funding. Decentralisation of Enabel's decision-making processes, shift to portfolio management and focus on results and evaluation (Chapter 6). ● Evolution towards adaptive intervention management still to be implemented. Country strategies do not cover all financing channels (Chapters 2, 4 and 5).
Partnerships (Chapters 2 and 5)	●		▲ Strong recognition of development actors' mandate. Clarity of partnership criteria. Participation in the governance structures of multilateral organisations.
Systems to ensure the quality of development co-operation, including:			
Audit (Chapter 4)	●		● Satisfactory internal and external audit (DGD action plan in progress), but systems remain cumbersome. Systematic use of financial audits (NGAs, Enabel and partners) with ongoing concerns to improve processes.
Cross-cutting themes (Chapter 2)		●	▲ Systematic "gender" intervention in new Enabel portfolios and gender dimension included in other activities. ● "Gender" strategy note developed in 2016 but human and financial resources limit its influence. The environment has become a major focus, but is not always reflected in interventions. The goal of leaving no one behind is not supported by clear programmatic orientations (Chapters 2 and 7).
Systems to implement policies and commitments in a fair and efficient way:			
Procurement, contracting and agreement-making	●		▲ Rules and procedures specified in royal decrees apply to the various financing channels. Efforts to select the most suitable partners ("fit-for-purpose") and guidance to assess Enabel's partners. ● Procedure for calls for projects lacks a legal framework and presents enhanced risks.
Adequate systems and processes in place to assess and adapt to risks, including:			
Strategic, programmatic, security and reputational risks	●		▲ Robust risk management systems at the portfolio level with guidelines (risk level, impact, approval). Fragility Resilience Assessment Management Exercise (FRAME) instrument to reflect the specificities of fragile contexts (Box 7.2). ● Approach that moves from risk aversion to controlled risk acceptance but lacks mitigation actions and regular and systematic monitoring to make it operational. New reputational risks to be managed with the growth of Enabel's third-party mandates.
Corruption		●	▲ Multi-actor Integrity Charter. Enabel reference guide on tackling fraud and corruption. DGD grant management reviewed to improve integrity risk management (Box 4.2). Inclusion of the concept of politically exposed persons in partner analysis. ● Management of risks of corruption at the programme level to be strengthened (identification and mitigation) and developed beyond financial risks.
Protective measures		●	▲ Adoption of an Integrity Charter and guidance for managing complaint mechanisms and protection of whistle-blowers and concerned individuals (Box 4.2). ● Systems and associated training courses are being deployed.
Systems and processes to promote innovation and adaptation:			
Innovation		●	● Innovation efforts (SDG Frontier Fund and humanitarian impact bonds), but these are ad hoc and isolated and do not allow for scaling up within the DGD. ● Enabel recently engaged in a "Strat & Go" reform process to identify and develop innovative practices.

Note: The columns indicate whether the systems meet the indicator described in Chapter 4 of the DAC Peer Review Reference Guide (OECD, 2019[7]), and whether progress has been made since Belgium's 2015 peer review. The green triangles denote good practice; the orange circles indicate areas where progress has been made, but more could be done.
Source: OECD Secretariat on the basis of documentation and information provided by the Belgian government.

Risk management and financial and moral integrity are at the heart of the Belgian agenda (Box 4.2). The Belgian administration has evolved from a risk-averse approach to a more comprehensive, proactive and multidimensional approach that aims to identify and manage the risks associated with achieving development outcomes rather than avoiding the risks altogether. This change goes hand in hand with the focus on fragile contexts and local private sector development.

Box 4.2. A comprehensive and proactive approach to integrity risk management

In 2018, the DGD, Enabel, BIO and 89 civil society organisations signed an Integrity Charter ((n.a.), 2018[8]). This document, which marks an important step in Belgian co-operation's integrity risk management, has resulted in a joint action plan to adopt the preventive and corrective measures needed to manage integrity risks, both financial and moral.

Under the aegis of the DGD, two guides have been developed to support partners in strengthening their integrity systems: the *Guide to Managing Integrity Complaints* (Deloitte, 2019[9]), and the *Integrity Analysis Process Related to Implementing Partners* (Deloitte, 2019[10]). These guides provide detailed and practical advice. For example, the analysis guide identifies various red flags and approval and risk mitigation processes.

The ongoing development of formal whistle-blowing and investigation mechanisms, as well as training and awareness-raising sessions – both in Brussels and the field – will enable Belgium to consolidate these efforts.

This approach forms part of the implementation of the OECD Recommendation of the Council for Development Co-operation Actors on Managing the Risk of Corruption (OECD, 2016[11]). It also anticipates and addresses the principles underlying the DAC Recommendation on Ending Sexual Exploitation, Abuse, and Harassment in Development Co-operation and Humanitarian Assistance (OECD, 2019[12]).

Source: Deloitte (2019[9]), *Guide to Managing Integrity Complaints*; Deloitte (2019[10]), *Integrity Analysis Process Related to Implementing Partners*.

Capabilities throughout the system

Belgian co-operation staff are committed but in need of support

Human resources management remains a major challenge for the DGD; the 2015 peer review recommendation remains valid (OECD, 2015[3]). Despite pressure on FPS staff as a whole (and in particular the DGD up until 2016), high staff turnover and the general tightening of budgetary resources in the Belgian civil service, the DGD has managed to stabilise its staff numbers over the last three years thanks to mechanisms of exchanges of officials, internal mobility and secondment. However, the humanitarian team has been downsized while funding has increased significantly, which, combined with high staff turnover, increases fiduciary and reputational risks. In addition, development co-operation positions in the embassy network have been drastically reduced – from 54 in 2014 to 28 in 2020 – yet embassies must now actively participate in monitoring priority multilateral partners (Chapter 2).

Moreover, successive reforms, carried out with little consultation, have contributed to a loss of momentum and reference points for staff in their new roles. Thus, the DGD in general and the humanitarian team in particular is facing a high turnover rate and long-term absences, especially due to increased stress.[8] Combined with the integration of former international co-operation attachés into a single career, this

rotation complicates knowledge management. In this context, restoring staff motivation would make it possible to stabilise the teams and take advantage of the opportunities offered by the reform, in particular by introducing a proactive policy to prevent psychosocial risks and a collective definition of the DGD's new functions. Greater staff mobility between the humanitarian and development sectors would diversify the pool of expertise in the humanitarian field and reduce the burden within the team.

The DGD needs to clarify its expertise requirements in light of recent changes

The reforms mean that the DGD must reflect on the type of expertise it needs to prepare strategic guidelines and monitor Belgian co-operation policy. Staff must be able to engage in financial bodies, have an overview of new complex issues and draw on technical expertise from autonomous partners. This will allow them to develop or provide an informed opinion on programming or development strategies, while playing a role in co-ordination and dialogue with implementing partners in Belgium or in the field.

An inventory of needs and available skills, both within the administration, Enabel and BIO, would enable the DGD to draw up an action plan to reconcile needs and resources and to become fully involved in workforce planning and forecasting. This plan could include the means and modalities for investing in staff training, an adapted recruitment policy, reinforced mobility and secondment arrangements – whether intra-departmental or with other co-operation actors – and a knowledge management strategy to reduce the loss of institutional memory and to systematise learning (Chapter 6). A joint analysis with Belgian development co-operation's key implementing partners would maximise the relevance of these efforts.

Enabel has access to a large pool of experts

In line with its decentralisation policy, Enabel has 184 employees at headquarters and 1 302 staff in the field. For the first time in 20 years, the recent reform has provided its staff with a legal system that allows human resources procedures between headquarters and the field to be harmonised. Enabel's human resources management is rooted in the principles of diversity; a strong local presence; accountability; sustained self-evaluation efforts; and improved forward planning including short, medium and long-term visions. In these efforts, Enabel must ensure that it promotes the expertise and professional development of its staff, some of whom are facing great pressure and uncertainty in a context of rapid budget growth and shifts in the expertise required to meet Belgian co-operation priorities. The identification and implementation of the "Strat & Go" reform, which aims to outline Enabel's ten-year strategy, is an opportunity to address these issues and strengthen change management support for teams. This process may gain relevance if it is conducted jointly with the DGD and informed by the considerations and challenges it faces in terms of human resources and expertise.

Enabel has a broad understanding of expertise. To respond flexibly to field requirements, it proactively and inclusively mobilises its own staff and experts from the various FPSs or from the pool of experts available through its 62 partners and independent consultants. However, in its constant effort to improve, Enabel is reflecting on how to better match sources of expertise, the mobilisation modalities available and its needs. Enabel's stated objective is to increase the representation of women among the expatriates and technical experts mobilised during interventions (women currently account for 23% and 27% of these actors respectively). This objective is part of a broader strategy to develop a more inclusive human resources policy, particularly in management positions, also taking into account age and nationality, among others.

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Notes

[1] Changes to the organisational chart were structured around the key themes of Belgian co-operation, namely: Climate and Environment (MD8); Migration (D0); Humanitarian Aid and Transition (D5); Results (D0.1); Private Sector Development (D2.4); and, more recently, bringing together the monitoring of Governmental and Non-governmental Co-operation (D-GEO).

[2] BIO's Board of Directors comprises ten independent directors, one observer (the DGD Director-General) and two government commissioners, one appointed by the Minister for Development Co-operation, the other by the Budget Minister. Enabel's Board of Directors is composed of 12 members appointed by the Council of Ministers based on their knowledge of international co-operation or management. They have a renewable term of four years. The DGD Director-General is a member but does not have voting rights.

[3] Chapter 5 of the management contract between Enabel and the federal government stipulates the rules and conditions relating to Enabel's management capacity, performance requirement and risk management. The state commits to finance Enabel for a minimum of EUR 165 million and a maximum of EUR 185 million per year.

[4] Diplomacy, defence, development, law and order

[5] The merger of the DGD's climate division and multilateral division, and strong dialogue with Belgium's FPS Public Health, Food Chain Safety and Environment, makes it easier to determine positioning in international forums.

[6] For government co-operation, country strategies and intervention portfolios are approved at the ministerial level. The same applies to applications for accreditation and grants for non-government co-operation.

[7] Third-party mandates are approved by the minister's notice of no objection if they are not on the list of priority countries and territories; otherwise they are approved by Enabel's Board of Directors. Country agencies can reallocate 15% of the budget within country portfolios without seeking approval from the board of directors. Mobilisation of the 10% reserve is systematically decided by the board of directors.

[8] Over the 2015-20 period, 12.7% of DGD staff members were absent for periods of a few weeks to several months on medical grounds. The increased pressure on the humanitarian team is due in part to a combination of reduced staffing, budget increases and emergency time pressures.

5 Belgium's delivery modalities and partnerships

This chapter looks at the principles that guide Belgium's partnership approach across its development portfolio, and how Belgium uses its financial, diplomatic and technical resources in its global engagement and in partner countries and territories. It assesses whether the approach and principles are consistent with Belgium's development co-operation policy and international commitments on development effectiveness: ownership of development priorities by developing countries; a focus on results; inclusive development partnerships; and transparency and mutual accountability.

The chapter first considers Belgium's approach to partnerships for development co-operation with a range of actors, assessing whether they embody the development effectiveness principles. It then explores whether Belgium's work in partner countries and territories is in keeping with its domestic and international commitments to, and principles of, effective development co-operation.

In brief

Belgium recognises the value of working with a plurality of actors and has predictable and flexible financing instruments in place that allow each actor's mandate to be enhanced. Common strategic frameworks (CSFs) for non-government actors (NGAs) have proven useful in rationalising and consolidating part of the bilateral effort, and could serve as inspiration for drafting country strategies that cover all Belgian partnerships rather than just the Enabel portfolio.

Belgium has made significant efforts to improve the transparency and accountability of its development co-operation to the Belgian public and in partner countries and territories. It is actively involved in co-ordinating development co-operation providers and is recognised by its peers for the political courage it demonstrates in its exchanges with partner governments on human rights issues.

Mindful of the ownership of co-operation by society as a whole, Belgium is involved in wide-ranging consultations. However, the private sector remains poorly represented. Belgian programming takes an inclusive approach, and is based on detailed contextual analyses. Nevertheless, alignment with the development priorities of its partner countries and territories, country and territory ownership and its use of local systems are all declining. This backward step threatens the aid effectiveness principles that are key for Belgium and requires reflection on the desired role and involvement of partner countries and territories.

Effective partnerships

Predictable and flexible financing enhances partners' mandates

Belgium has established financing arrangements that allow its partners to focus on their mandate rather than on implementing Belgian projects. This is achieved by ensuring highly predictable funding and flexible implementation. Multilateral organisations and NGAs greatly appreciate Belgium's multi-year funding[1] and its efforts to make prompt payments at the beginning of the budget year.

This predictability is complemented by flexible implementation. Belgian aid to multilateral development organisations is part of a full-core policy (making contributions to central budgets) combined with increased Belgian representation and involvement in governance bodies at headquarters and in the field (Chapter 2), which enables them to implement their mandate. In line with the 2015 peer review recommendation (Annex A), (OECD, 2015[1]), NGAs' financing arrangements give them the flexibility to adapt interventions to changing contexts, after discussion with the administration (Box 5.1). In Burkina Faso, for example, Belgian NGOs have been able to adjust their programmes in response to the evolving conflict and security situation.

Reporting mechanisms reinforce this effort to promote mandates by emphasising relevance, results and learning, while limiting transaction costs. As such, NGAs are required to report their performance (rather than the details of activities implemented) as per the format developed in consultation with the administration. Multilateral development agencies, for their part, do not have to provide specific reporting, as Belgium uses standard reports. However, multilateral humanitarian partners that receive funding for country programmes rather than central budgets (Chapter 3) have what some judge as a disproportionate level of administrative compliance requirements, particularly in project submission and reporting procedures.

In addition, Belgium's domestic political situation and repeated budget cuts have undermined the predictability of support to partners during framework agreement renegotiation with certain multilateral agencies and the transition to CSFs, with annual disbursements falling short of five-year commitments. Forward planning and increased dialogue with partners would enable them to better absorb any further reductions due to potential cuts in the ODA budget.

New financing facilities reach private sector partners traditionally absent from development co-operation

Recent efforts to include the private sector as a co-operation actor illustrate Belgium's plural approach to partnerships (Chapter 2). In particular, the promotion of the Business Partnership Facility (BPF) should make it possible to include the "missing middle" of local and international private sectors in Belgian development co-operation, i.e. the small and medium-sized enterprises (SMEs) that are not eligible for BIO support.[2] Through five-year grants, the BPF finances a maximum of 50% of proposed investments, with amounts ranging from EUR 50 000 to EUR 200 000, and gives priority to projects implemented in Africa and in Belgium's 14 partner countries and territories for direct bilateral co-operation. With the express desire of involving the private sector in implementing Belgian co-operation policy, management of the BPF has been transferred to the King Baudouin Foundation, a private foundation of public utility.

Common strategic frameworks for Belgian NGAs help to consolidate the co-operation programme

Belgium has embarked on an ambitious process to rationalise and consolidate its engagement with Belgian NGAs around a single regulatory framework (Kingdom of Belgium, 2016[2]). The new modalities are based on:

- a ten-year accreditation process to select partners that are strong enough to define, implement and monitor the performance of co-operation programmes, while continuing to represent all trends in Belgian society[3]
- the development of CSFs that structure interventions and bring NGAs together around shared objectives (Box 5.1).

The progress made demonstrates the value of continuing the rationalisation and consolidation process. However, the DGD still has 85 partners and a few programmes that are funded outside of CSFs; these small quantities of funding risk adding to the monitoring burden.

Box 5.1. Common strategic frameworks: drivers of enhanced concentration and synergies

The new CSFs lie at the heart of non-government co-operation programming. They have made it possible to concentrate and rationalise Belgian efforts and create synergies among NGAs by co-ordinating partners around shared objectives, partly addressing the 2015 peer review recommendations (OECD, 2015[1]):

- With 96% of non-government co-operation subsidies granted through 32 geographic CSFs and one thematic framework on decent work, the CSFs have increased geographic concentration.
- CSFs have strengthened co-ordination among actors and synergies between interventions: the 33 frameworks cover 61 programmes, 12 of which are common to several NGAs, with a total of 36 NGAs mobilised in these collective efforts.
- During the programming cycle, the administration regularly liaises with NGAs: a dialogue in Brussels focuses on the organisational and institutional evolution of each NGA and the lessons learned from its theory of change; and a strategic dialogue[4] in partner countries and territories is a chance to report on performance, inform monitoring, support steering, promote mutual learning and make any adjustments to the CSF.

This consolidation effort has enhanced NGA's right of initiative:

- Each CSF is initiated by NGAs.
- Under the aegis of a lead organisation, NGAs collectively participate in developing the CSFs that affect them. These frameworks include detailed contextual analysis and risk identification, the envisioned role and capacities of potential local partners, strategic targets, complementarities between organisations, operational implementation approaches, etc.
- Grant allocation depends on the quality of the proposal and is awarded directly to each participating NGA. Aligning programmes with Belgian co-operation priorities is a "co-financing bonus" rather than a condition for access to funding.

Source: Kingdom of Belgium (2016[2]), *Arrêté royal concernant la coopération non gouvernementale [Royal Decree on Non-governmental Co-operation]*; documentation and information provided by the Civil Society Directorate (D3) of the DGD.

Local civil society involvement is more modest but equally valued

Financing arrangements for CSFs indirectly include civil society organisations in partner countries and territories: balanced partnerships[5] with local organisations are a condition for NGA funding. Direct funding for local actors can now also go through Enabel, whose reform means it can now establish local agreements and contracts with the actors best able to help implement its projects. The agency places great emphasis on strengthening the capacity of civil society organisations in the field, which are predominantly mobilised as service providers. Belgium's efforts to engage them and support their development are widely recognised by other development co-operation providers.

Partnerships are inclusive but objectives lack strategic coherence

With the exception of a few ad-hoc multi-actor partnerships – which provide little structure to the various actors' intervention strategies (Chapter 2) – partnerships between the Belgian administration and external actors each have their own logic and do not fit into a common thematic or geographic strategic framework. That said, establishing country strategies that bring together the interventions of Enabel, NGAs and BIO

would make it possible to strengthen the links between each intervention, increase the transparency of Belgian co-operation and facilitate its overall steering.

Belgium has the foundation needed to establish this type of framework at the country level. As illustrated by the recent country background note on Burkina Faso (DGD, 2017[3]), the administration has a good awareness of Belgian actors in the field and their objectives, although this document is not public. It also has extensive experience of dialogue and co-ordination with a wide range of stakeholders. NGA co-ordination efforts around shared objectives can also serve as an example for seeking greater complementarity in partnerships. The drafting of pilot country strategies has been underway since mid-2019, but has not yet been completed because there is no consensus on their format, updating frequency, schedule or political approval.

Belgium is an active partner in donor co-ordination efforts

Belgium actively participates in donor co-ordination mechanisms, both at headquarters and in the field. At headquarters, it actively participates in multilateral mechanisms (Chapters 1 and 2) and in donor exchange networks, both at the strategic and operational levels. For example, Enabel is active within the Practitioners' Network for European Development Cooperation, a platform for exchange and operational co-operation between Member State agencies, which it has co-chaired with LuxDev since May 2020. Since 2019, the DGD has chaired the OECD's international donor group on civil society, which meets twice-yearly to discuss common strategy and programming issues related to civil society.

In the field, other development co-operation providers view Belgium as a strategic partner. It is active in delegated co-operation, often alongside its European partners. As observed in Burkina Faso, where the EU has entrusted Belgium to manage the Program to Support the Strengthening of Internal Security in Burkina Faso (PARSIB), it uses this modality to mobilise recognised Belgian public expertise and leverage Belgian co-operation funding (Enabel, 2018[4]). Enabel also works in partnership with other development agencies, including the French Development Agency (AFD) on health in Benin; and the German agency, *Deutsche Gesellschaft für Internationale Zusammenarbeit* (GIZ) on refugees. In an effort to support a common European foreign policy, Belgium is also active in 30 joint EU programming exercises (European Union, 2020[5]). However, Belgium contributes little to pooled funds or other multi-donor funding other than its support for resilience (Chapter 7). Only 2% of Belgium's country programmable aid contributes to pooled programmes and funding (Annex B, Table B.2). This low figure is due to the policy of contributing to the central budgets of multilateral organisations rather than making targeted contributions, as well as the decision to cease contributions to pooled funds if they are directly managed by partner authorities.

Finally, Belgium is recognised by its peers for its role in co-ordinating development co-operation providers and partner governments. It contributes to and leads aid co-ordination, acting as a leader in sectors where it has high added value and is recognised for its capability to address difficult issues, such as human rights (see next section). Thus, Belgium has been vice-president of the troika of development co-operation providers in Burkina Faso since September 2018, is head of the co-operation leaders group in Benin, and leads several thematic groups in Guinea. This active engagement, so valued by its partners, is at risk from the reduced, and ever declining, number of embassy staff in the field (Chapter 4).

Increased transparency and accountability efforts

Belgium has made significant efforts to improve the transparency and accountability of its development co-operation to the Belgian public and to partner countries and territories. The quality of its reporting and data published by the International Aid Transparency Initiative (IATI) continues to improve, reaching the "good" category in 2018 (Publish What You Fund, 2018[6]). Partner NGAs are also contractually required to publish their data on this platform. Belgium has improved the frequency of its data publication, but the quality and coverage of the information provided could be improved, in particular by publishing more

information on the results achieved.[6] Including information about results and evaluations on openaid.be and the Enabel website would give stakeholders access to more strategic information. Enhancing the role of parliament's Committee on External Relations could also provide an opportunity to strengthen accountability in the use of aid and the strategic decisions made.

In addition to providing information to the general public, Belgium contributes to the information management systems of partner countries and territories in 77% of the cases analysed by the Global Partnership for Effective Development Co-operation (Global Partnership) (OECD/UNDP, 2019[7]). Embassies in particular use aid management platforms to report information on Belgian interventions. As mentioned above, the publication of country strategies that cover all Belgian financing channels would strengthen Belgium's accountability vis-à-vis all stakeholders in the countries in which it operates.

Country-level engagement

Programming is based on detailed contextual analysis

Belgian programming is based on detailed contextual understanding and analysis derived from consultations with civil society and partner governments. In particular, Belgium consults civil society organisations to establish its direct bilateral co-operation programme in 70% of cases (OECD/UNDP, 2019[7]). It also consults the private sector, albeit to a lesser extent: only 20% of Belgian Government co-operation programmes benefit from exchanges with the private sector, despite the introduction of local private sector development as a Belgian strategic priority. The new and systematic involvement of BIO in preparatory missions for all new bilateral co-operation, and the deployment of two regional representatives in Nairobi and Abidjan, has facilitated consultations with the private sector and the inclusion of this theme in direct bilateral co-operation portfolios.

Establishing bilateral co-operation includes reflecting on the added value of Belgian co-operation to the development priorities of partner countries and territories; the opportunities and challenges of potential areas of intervention; and the main economic, governance, human, social and environmental challenges. This is illustrated by the co-operation programme in Burkina Faso. Despite having a strong analytical framework, a lack of disaggregated data means that analyses of vulnerable groups and power relations focus primarily on gender issues (Chapter 2). Similarly, a more refined and systematic analysis of the causes, driving forces and consequences of corruption would support a more comprehensive consideration of corruption risks beyond fiduciary risks (Chapter 4).

Alignment results do not reflect consultation efforts

Belgium has established several exchange and consultation mechanisms with its partner countries and territories to strengthen their ownership of the support it provides. Belgian interventions are systematically subject to consultations with partner governments on multiple levels – political, steering, reporting and technical – with specific committees.[7] The specific agreements on direct bilateral co-operation discussed and signed by representatives of the Belgian and partner governments strengthen transparency and accountability mechanisms between partners.[8] In addition, Belgium participated in mutual accountability evaluations in half of the countries where these took place between 2016 and 2017, and in almost three-quarters of its partner countries and territories (OECD/UNDP, 2019[7]).

Nevertheless, the creation of Enabel and the resulting procedural changes have led to some uncertainty about modalities and each actor's role in consulting partner governments, particularly in identifying and drafting country portfolios. As the administration and the agency have rapidly identified these weaknesses, measures are being adopted to clarify and strengthen the role and involvement of partner countries and territories in Belgian programming (Chapter 4).

Belgian co-operation's alignment performance seems to be declining. According to the Global Partnership, the share of project objectives that are aligned with partner country and territory priorities fell from 94% to 40% between 2016 and 2018, and stands at just 29% for direct bilateral co-operation countries (OECD/UNDP, 2019[7]). This trend is also reflected in the reduced use of partners' statistical, monitoring, and financial management systems, which fell from 53% in 2016 to 30% in 2018. This reduced use is partly explained by the fact that country programmable aid – which represents only 20% of bilateral aid (Chapter 3) – is composed almost exclusively of project-type interventions (Annex B, Table B.2).[9] When under Enabel's responsibility, these primarily mobilise Enabel's instruments and procedures.[10]

Although Belgium focuses its co-operation on LDCs and fragile contexts, where national systems are often weak, the alignment of other development co-operation providers in these countries is generally stronger on average. While the Belgian administration and its partners are surprised by these results, it will be necessary to encourage reflection among Belgian co-operation actors so as to ensure that partner governments understand alignment ambitions and objectives and that consultations are sequenced to allow partners to influence strategic and programmatic orientations. Moreover, while country portfolios systematically include a capacity-building component,[11] it would be worthwhile for Enabel to ensure that this objective is ultimately translated into greater use of country systems, both national and local.

Co-operation is highly predictable and flexible in changing contexts

Belgian financing for partner countries and territories is predictable. Government-to-government agreements are established for five-year periods and include a budget commitment. Moreover, disbursements are reliable, with 100% of Belgian public sector funds disbursed over this period (OECD/UNDP, 2019[7]). This is a strong improvement over 2016 (63%, Table 5.1) and places Belgium above the DAC average (88%). The share of development co-operation in the national budgets of partner countries and territories also shows a positive trend (from 35% to 63%), which facilitates their planning and resource management. This predictability is limited however, because only 40% of funds are covered by future spending plans, compared with the DAC average of 65%, and because the medium-term predictability of co-operation has decreased considerably, falling by 20 percentage points since 2016.

Enabel's recent management reforms have increased its flexibility to adapt priorities and intervention modalities to changing contexts (Chapters 4 and 7), in line with the recommendations of the 2015 peer review (OECD, 2015[1]). This increased flexibility and adaptability, for example, allowed Enabel to adapt its programming in Burkina Faso during the COVID-19 pandemic in early 2020. Enabel was able to redirect funding in the health sector more quickly than would have been possible previously.

Respect for human rights and good governance inform co-operation

Belgium openly and transparently links its aid delivery modalities to its respect for human rights and good governance. Specific agreements between Belgium and partner countries and territories are clear that Belgian aid comes with obligations. Belgium puts conditions on its aid, guided by the rule of law and democratic principles, as well as the good governance of public affairs, determination to tackle corruption, and respect for human rights. Aid can be suspended, terminated or modified in the event of non-compliance. This has happened recently with several government co-operation programmes: bilateral co-operation with the Palestinian Authority's Ministry of Education was halted after a school in the West Bank was renamed after a terrorist[12] (RTBF, 2018[8]); and in 2019 negotiations with the Democratic Republic of the Congo on a new co-operation agreement were made conditional on the announcement of credible, transparent and inclusive elections (FPS Foreign Affairs, 2018[9]). The requirement to respect these principles sometimes necessitates difficult political dialogue, and suspending and rerouting aid are not simple processes to manage. Belgium's partners, particularly the development co-operation providers it co-ordinates with on the ground, praise Belgium's political work and its proactive defence of human rights in contexts that can prove complex.

Table 5.1. Belgium's performance in the Global Partnership's 2018 monitoring

	Alignment and ownership by partner countries (%)				Predictability (%)		Transparency		
	SDG 17.15 Use of country performance frameworks	Financing covered in country budgets	Financing channelled through national systems	Untied ODA	Annual predictability	Medium-term predictability	Retrospective statistics (OECD CRS)	Projected expenditure (OECD FSP)	Published on IATI
2016 cycle	77.7%	35.3%	53.2%	96.7%	63.4%	59.8%	Good	Excellent	Good
2018 cycle	32.1%	62.7%	29.9%	98%	99.6%	39.7%	Progress needed	Acceptable	Good
Trend	▼	▲	▼	▲	▲	▼	▼	▼	●

Note: Untied ODA figures refer to all bilateral ODA, excluding donor administrative costs and aid to refugees in contributing countries. The untied ODA figure for the 2018 cycle has been updated with the most recent data available (2018). CRS: Creditor Reporting System; FSP: forward spending plan; IATI: International Aid Transparency Initiative; SDG = Sustainable Development Goal.
Source: OECD/UNDP, (2019[7]), *Making Development Co-operation More Effective*.

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Notes

[1] CSFs and programmes are defined for a five-year period and frame agreements with multilateral agencies usually last between three and four years.

[2] BIO only studies the financing of investment projects above EUR 500 000. This threshold is too high for Belgian and international SMEs.

[3] The accreditation process is based on a thorough review of the organisations' management capacity and the required and available expertise. It applies to civil society organisations, federations and institutional actors.

[4] Strategic dialogue is a mechanism for monitoring the strategic targets set by all the actors involved in a CSF, as well as its impact. It focuses on the complementarities and synergies between actors, the integration of cross-cutting themes as well as the lessons learned from the implementation of programmes arising from the CSF.

[5] The partnership strategy and the quality of the partnerships are at the heart of the NGA financing system: the partnership policy must be clear and its objectives formalised in a partnership convention or agreement (memorandum of understanding). The financing of interventions in the South is conditioned to the establishment of a partnership with a local actor.

[6] In particular, information coverage could be extended to include capital expenditure and disaggregated budgets, contracts awarded, information on regional and local locations, mid-term evaluations and reviews, etc. These items are currently not reported.

[7] In Burkina Faso, for example, a joint consultation committee (composed of local ministries, the Ministry of Foreign Affairs, the embassy and Enabel) monitors the objectives of the intervention portfolio, reviews the portfolio and decides on possible changes in overall and specific objectives, related indicators and budget shifts above a certain volume. In addition, there is a management and co-ordination committee, review committees (chaired by partner country ministers and held every six months) and periodic sectoral meetings.

[8] These agreements specify the area, themes, budget, respective obligations, consultation bodies and time frame for implementing government co-operation intervention portfolios.

[9] In 2019, project-type interventions accounted for 90% of Belgium's programmable country aid (up 6 percentage points since the 2015 peer review), 4% of budget support (down 4 percentage points since 2015), 4% of technical assistance and 2% of contributions to programmes and pooled funding.

[10] However, Enabel can use national instruments where relevant and when there are sufficient and adequate guarantees on the performance and sound management of these instruments.

[11] The "capacity building" budget can be mobilised to benefit partner authorities as well as civil society and the private sector.

[12] A solution between the two parties was first sought, to no avail. Faced with the impossibility of reaching an agreement, the Belgian Government decided to stop its co-operation with the Palestinian Authority's Ministry of Education, but without affecting other development co-operation actions.

6 Belgium's results, evaluation and learning

This chapter considers the extent to which Belgium assesses the results of its development co-operation; uses the findings of evaluations to feed into decision making, accountability and learning; and assists its partner countries and territories to do the same.

The chapter begins with a look at Belgium's system for managing development results, i.e. whether the objectives of its development co-operation policies and programmes can be measured and assessed from output to impact. It then reviews the alignment of Belgium's evaluation system with the Development Assistance Committee's evaluation principles, looking specifically at whether an evaluation policy is in place, whether roles and responsibilities are clear, and whether the process is impartial and independent. Finally, it explores whether there is systematic and transparent dissemination of results, evaluation findings and lessons and whether Belgium learns from both failure and success and communicates what it has achieved and learned.

In brief

Belgium is currently reforming its approach to results-based management to highlight the overall contributions of its co-operation to the Sustainable Development Goals (SDGs). This effort to measure the overall results of Belgian co-operation is reflected in: (i) better definition of the results expected in future thematic strategies, in line with the SDGs; (ii) increased results monitoring by implementing partners from civil society and multilateral organisations; and (iii) efforts to synthesise information across the various funding channels. As the Directorate-General for Development Co-operation and Humanitarian Aid (DGD) finalises its new approach, it will need to ensure that the new results monitoring modalities also inform strategic decision making, including in partner countries and territories, and do not constrain adaptive management in fragile contexts.

Following successive co-operation reforms, Belgium has established a comprehensive evaluation system that is based on the evaluation capacities of implementing partners and enables the Office of the Special Evaluator to focus on cross-cutting and strategic assessment. Clarifying the division of labour between this department and Enabel's internal evaluation function will ensure that Belgium takes full advantage of the complementarity of actors.

Belgium is exemplary in monitoring lessons learned from evaluations; in particular, it has established a mechanism for monitoring the implementation of recommendations up to two years after they are made. As the DGD and Enabel develop new instruments to manage knowledge produced internally and by partners, co-ordination efforts would be improved through greater clarity on the institutional learning strategy, each actor's role and the type of information needed for the DGD to provide strategic management.

Management for development results

The balance between accountability and strategic management is delicate

To highlight its contribution to the SDGs, the DGD is seeking to set objectives for the entire Belgian co-operation system and to aggregate ex-post data. This approach differs from the strategy for the 2015-20 period, which focused efforts on measuring results at the partner country and territory level (DGD, 2015[1]). In the new approach, the DGD has drawn up a list of standard indicators, taken from international sustainable development indicators, that measure the direct outcomes of a development intervention (OECD, Development Assistance Committee, 2016[2]). These indicators – included in sectoral and thematic strategy notes and the new results frameworks for Enabel country portfolios – should serve both as a compass for Belgian co-operation and as tools for measuring its contribution to the SDGs. This was initially proposed in the research project, "The SDGs as a Compass for the Belgian Development Co-operation" (HIVA-KU Leuven and IOB-UAntwerp, 2020[3]).[1]

Belgium will have to make sure that the number of standard indicators used by development cooperation actors remains limited. Although a high number of indicators makes it possible to cover the entire portfolio, it creates an administrative burden, internally and for partners, which can be unproductive and even run counter to a results-based approach designed to inform strategic management. Civil society organisations in particular have highlighted the burden and resources needed to provide information on these standard indicators. As most indicators do not document the operational or strategic issues organisations face in programme implementation, and given their limited resources, this burden may reduce the quality of the

information provided. In order to maintain a limited number of relevant indicators, the DGD will need first to clarify the anticipated changes in Belgian co-operation, including through a theory of change that highlights the complementarities among its strategic priorities (Chapter 2).

Furthermore, the DGD has not yet highlighted how each implementing partner's interventions should contribute to shared objectives, either at the level of the overall system or in future country strategies,[2] with the exception of NGAs' contribution to common strategic frameworks (CSF)[3] (Chapter 5). Therefore, the recommendation of the peer review on consolidating results information remains valid (OECD, 2015[4]). In this context, ongoing efforts to synthesise lessons, experiences and results across financing channels are crucial (Box 6.1).

Box 6.1. Learning from ten years' experience in the health sector

As the DGD had little information on the results of the actions it finances, the Directorate-General launched an exercise to take stock of its ten-year co-operation in the health sector in 2019. Enabel and several NGAs participated in this exercise, led by the results department and the social development department. It concluded the following:

- Efforts focused on strengthening health systems are aligned with partner country strategies, but policy dialogue with partner countries and territories is poorly documented.
- Belgium is making long-term commitments, with coherent and complementary interventions, but the scaling up and sustainability of projects are often uncertain.
- Interventions have proved innovative and effective: for example, sector budget support in Rwanda included a performance-based financing component and contributed to improved co-ordination of development co-operation providers. Nevertheless, Belgium is not able to highlight the impact of its co-operation in partner countries and territories because it does not monitor all of its interventions in each sector or country.

This exercise highlighted the strengths and weaknesses of the learning dynamics within Belgium's co-operation and drew out lessons that cut across financing channels. Given the cumbersome nature of this type of exercise and the results department's limited resources, the DGD is considering a lighter approach for future cross-cutting analyses with improved integration of its sectoral experts. The Power BI computer platform (see "Institutional learning" section) is supposed to enable the administration to extract non-financial data by sector or country, which should help to streamline future exercises by making it easier to gather information.

Source: DGD (2020[5]), *Mémorandum de la Belgique – Examen de l'aide par les pairs Comité d'aide au développement de l'OCDE* [OECD DAC Peer Review of Belgium: Memorandum].

Partners are accountable for results

The DGD's efforts are supported by a results culture shared by Belgian co-operation actors and build on their increased empowerment. For example, the quality of results-based management systems, including for evaluation, forms part of the accreditation criteria for civil society partners and the selection of multilateral partners (Chapters 2 and 5). Civil society actors' reporting requirements emphasise learning, by only asking for details on areas of underperformance. Likewise, Enabel is contractually responsible for achieving predetermined results at the level of country portfolios, which it must report transparently (Kingdom of Belgium, 2017[6]).

Despite efforts to improve the measurement of development results, the Belgian Investment Company for Developing Countries BIO, provides little information to the DGD on the expected and achieved

development results of each investment or the methods for measurement and monitoring. (Chapter 3). By continuing the dialogue initiated with BIO to clarify rationales for each investment and underlying theories of change, the DGD will be better placed to ensure that these investments contribute to Belgian co-operation objectives for sustainable development and avoid undesirable impacts.

The focus on fragile contexts requires adaptive management

Following an evaluation of its results-based management (Enabel, 2018[7]), Enabel is in the process of modifying its approach. Among other things, the evaluation found that the mechanisms focused more on accountability to the results-based management system than on the use of results information for learning and decision making. While the previous theoretical framework was sound, it was limited to measuring results at the project level. In addition, the organisational culture essentially promoted individual learning, and the lack of capacity did not allow for systematic analysis of results-based information for learning or decision-making purposes. Consequently, Enabel is working to streamline reporting and data collection processes and to rebalance results-based management functions to strengthen accountability and the use of information on development results for learning and decision making.

Given its flexibility in implementing its country portfolios (Chapter 4), in theory the agency has the organisational processes for adaptive programming and management. This method of management is critical in fragile contexts, which account for the majority of Belgian direct bilateral co-operation. Nevertheless, the annual requirement to report its contribution to pre-identified expected results and the pressure to demonstrate effectiveness after two or three years of interventions may conflict with the need for non-linear approaches in volatile contexts. A joint reflection with the DGD on the possible adaptation of results-based management in fragile contexts will make it possible to develop country theories of change that allow for flexible and adaptive management methods, while demonstrating realistic medium-term objectives.

As part of the partnership with civil society organisations, the use of theories of change has encouraged greater flexibility for partners to modify programmes based on learning through implementation (OECD, 2020[8]).

Using partner data is a stated intention but limited in practice

The new management contract between the federal government and Enabel clearly states that the agency must first and foremost use the results frameworks and indicators of its partner countries and territories or those used by other donors (Kingdom of Belgium, 2017[6]). Enabel is only called on to only develop specific systems where such indicators do not exist, or where the systems are not relevant or are of insufficient quality. Thus, the results framework of the Burkina Faso country portfolio is directly aligned with that of the National Plan for Economic and Social Development (PNDES), for example.

Despite this, the share of project objectives that are aligned with partner country and territory priorities has decreased considerably since 2016, from 94% to 40%, well below the DAC average (81%), as has the use of government-defined results, statistics and monitoring systems (OECD/UNDP, 2019[9]). This decline is partly because the majority of countries and territories consulted during the second monitoring cycle of the Global Partnership for Effective Development Co-operation did not benefit from interventions implemented by Enabel, but by other Belgian partners.[4] The question is, therefore, how to encourage all Belgian co-operation actors, not just Enabel, to use partner country and territory results systems.

More disaggregated data will ensure that no one is left behind

Enabel's efforts to collect disaggregated data are in keeping with Belgium's human rights priorities. The agency collects data disaggregated by age and sex, reflecting the priority given to women and children (Chapter 2). As Belgium is seeking to align its co-operation as much as possible with the 2030 Agenda,

disaggregating these data further – while making maximum use of data from partner countries and territories – would help it to better implement the principle of leaving no one behind by ensuring that the most disadvantaged are indeed the beneficiaries of Belgian co-operation.

Evaluation system

The evaluation system strives to enhance actors' capacity

Following successive co-operation reforms, Belgium has established a comprehensive evaluation system that builds on the evaluation capacities of co-operation actors. The Office of the Special Evaluator of the FPS Foreign Affairs, Foreign Trade and Development Co-operation has thus established a certification and evaluation process to assess the monitoring and evaluation systems of Belgian government and non-government actors who are now responsible for the mid-term and final evaluations of their projects.[5] This mechanism for ensuring the quality of evaluations allows the Office of the Special Evaluator to focus on transversal evaluations, and to base its analyses on previous evaluations.[6] This approach also ensures a continuum of evaluations, covering projects, instruments, themes, sectors and countries.

The ongoing review of the evaluation policy of the FPS Foreign Affairs, Foreign Trade and Development Co-operation and of Enabel's strategic evaluation plans may provide an opportunity to formalise the new division of roles between these two institutions. The current evaluation policy (SES, 2014[10]) predates the NGA accreditation process and the creation of Enabel's internal evaluation function. This new function involves conducting internal systems evaluations and cross-cutting strategic evaluations. Thus, there is a risk of confusion as to who is responsible for country and sector evaluations: Enabel is responsible for evaluating the country portfolios that it implements, but the Office of the Special Evaluator is the only entity with the mandate to evaluate all the delivery channels and development co-operation actors of Belgian co-operation that operate in one country.[7] Formalising the division of roles between the Office of the Special Evaluator and Enabel would make it possible to enhance the complementarity between evaluations, reduce the risk of duplication and avoid breaking the continuum of evaluations.

A solid institutional structure ensures that evaluations are independent

Evaluations are independent thanks to the institutional positioning of the Office of the Special Evaluator, its budgetary and planning autonomy, and the control mechanisms put in place for each evaluation.[8] This office, led by a special evaluator who is selected by an independent jury, reports directly to the management committee of the FPS Foreign Affairs, Foreign Trade and Development Co-operation and reports annually to parliament. It has its own budget, which allows it to develop an evaluation programme over two or three years that can cover all Belgium's official development assistance, after consulting on stakeholder needs.

Enabel has a similar system in place, with the new internal evaluation department reporting directly to the board of directors. It is important that the future department has programming independence and its own budget to conduct evaluations that meet the agency's knowledge needs and that complement those of the Office of the Special Evaluator.

Partnerships strengthen partner countries and territories' evaluation capacities

Belgium supports evaluation partnerships. According to monitoring carried out by the Global Partnership for Effective Development Cooperation, partner governments are involved in 75% of final project and programme evaluations, compared with a DAC average of 48% (OECD/UNDP, 2019[9]). Enabel has a tool to assess the evaluation capacities of partner countries and territories. Although it has not been used when designing the latest country portfolios, management now advocates the systematic use of a simplified

version of the tool for future portfolios as part of the new approach to results-based management. As the strategic evaluations conducted by the Office of the Special Evaluator cut across the whole Belgian co-operation system, partners are more rarely involved in the steering committees.

Given its limited financial and human resources, the Office of the Special Evaluator positions itself as a facilitator of, rather than a major donor to, evaluation capacity building. Within this framework, it awards grants to experts from public institutions, civil society, donor agencies, academia and the private sector in partner countries and territories to support their participation in seminars. It also participates as a trainer in certain training programmes organised by its partners (SES, 2019[11]), (SES, 2018[12]), (SES, 2017[13]). By requesting applications from mixed evaluation teams, i.e. which also include evaluators based locally, these evaluations indirectly help to strengthen evaluation capacities in these countries and territories.

Institutional learning

The monitoring of recommendations is exemplary

The FPS Foreign Affairs, Foreign Trade and Development Co-operation is exemplary in monitoring the lessons learned from evaluations. Each evaluation conducted by the Office of the Special Evaluator is subject to a management response that is drafted by all evaluation stakeholders, including BIO and Enabel where relevant, and published online. As recommended in the previous peer review (OECD, 2015[4]), the service monitors the implementation of recommendations up to two years after the study, with the help of the DGD results department when it comes to FPS commitments.[9] While recommendations are generally implemented, it is not always possible to fully synchronise evaluations with strategic decision making due to limited human resources within the Office of the Special Evaluator. For example, the evaluation of the Belgian approach to private sector strengthening was only finalised after a new government policy on the issue was developed.

Establishing learning priorities would help to structure knowledge management

Both the DGD and Enabel position themselves as centres of knowledge and have launched numerous initiatives to improve institutional learning. A review of these initiatives and in-depth reflection on the division of roles would avoid duplication of efforts, strengthen the complementarity of approaches, and enable the DGD to position itself as a strategic rather than a sectoral centre of knowledge.

The DGD aims to be a centre of knowledge and a driver of Belgian co-operation. It does so by using numerous instruments to extract and centralise the knowledge generated by its partners, but these are not always co-ordinated (OECD, 2015[4]). In particular, Belgium has embarked on an IT project using Power BI software to extract monitoring sheets from a shared database. These sheets are arranged by theme, sector, country and actor, and go beyond financial information, providing a cross-cutting view of financing channels. This approach is useful for synthesising information and facilitating its dissemination, as the DGD relies entirely on its partners to implement its co-operation programme. This project is complemented by the production of sectoral knowledge documents (Box 6.1), lessons learned by NGAs and the mobilisation of policy supporting research.[10] However, these various initiatives are rather ad hoc, and do not specify what the knowledge generated would be used for or by whom, either within and outside the administration. A clearer medium-term institutional learning strategy would enable the DGD to better structure these efforts around priorities so that the knowledge generated can be put to good use.

Enabel is also seeking to position itself as a centre of knowledge and policy support. It has put knowledge management at the heart of the new management strategy based on three levels: operational, results and learning. At present, a significant proportion of knowledge management involves direct exchanges among staff. For example, workshops at headquarters that bring together staff posted in partner countries and territories to discuss particular themes, bi-annual meetings between local representatives, and exchanges

between country representatives and experts at headquarters facilitate knowledge sharing. Belgium's strong geographic concentration on two regions, the Sahel and the Great Lakes, offers exchange opportunities that are not yet fully exploited in the agency's learning dynamics, however. In order to formalise knowledge management, Enabel is also developing new tools, such as standard indicators (see previous section), "key solutions" relating to the broad issues the agency has identified, and funding plans that are tailored to country interventions. As these are still in development, this peer review could not analyse their effectiveness.

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Notes

[1] It is also planned to develop a series of specific indicators for non-government actors (NGAs) once the research work is finalised.

[2] The DGD has not yet adopted country strategies that include all activities financed by Belgium, regardless of the financing channel, but the process is in a pilot phase in some partner countries.

[3] Following the introduction of common strategic frameworks for NGAs (Chapter 5), NGOs should report not only on the results of their interventions but also on their contributions to the outcomes of the relevant strategic framework.

[4] Whereas in 2016, 12 of the 13 participants were partner countries and territories.

[5] The certification process assesses the organisation's evaluation capacity, the evaluation processes it uses and the resulting evaluation reports. The use of lessons learned is also analysed.

[6] Over the 2018-19 period, the Office of the Special Evaluator assessed, among other things, Belgian development co-operation support to the private sector, development education activities, the impact of Belgian university development co-operation, inclusive and sustainable entrepreneurship in the agricultural sector in Benin, Belgian exit strategies from six countries of direct bilateral co-operation, as well as the Belgian Fund for Food Security, the integration of the food security theme, and the multi-actor approach in the framework of Belgian development co-operation.

[7] The Office of the Special Evaluator has the mandate to evaluate any federal government activity that is counted as ODA.

[8] For each evaluation, the service also ensures that there are no conflicts of interest in choosing the external evaluation team and arbitrates on the comments made by members of the evaluation steering committee.

[9] This monitoring of recommendations is published in the Special Evaluator's annual report.

[10] However, an evaluation of the latter tool (SES, 2016[14]) noted that it was more often used to strengthen strategies than to develop new policies, and highlighted the risk that as its human resources decline, the DGD may no longer be able to make relevant requests and use research results.

7 Belgium's approach to fragility, crises and humanitarian assistance

This chapter first reviews Belgium's efforts to engage in fragile, conflict and crisis contexts. It assesses Belgium's political directives and strategies for working in these contexts; the extent to which programmes are designed coherently to address key drivers of fragility, conflict and disaster risk; and the needs of women and the most vulnerable; and whether systems, processes and people work together effectively in responding to crises.
The second part of the chapter considers Belgium's efforts to fulfil the principles and good practices of humanitarian donorship. It looks at the political directives and strategies for humanitarian assistance; the effectiveness of Belgium's humanitarian programming and whether it targets the highest risk to life and livelihoods; and whether approaches and partnerships ensure high-quality assistance.

In brief

Belgium's approach to fragile contexts and emergencies is based on its extensive experience, a revised institutional framework to improve its flexibility and responsiveness, and the strengthening of whole-of-government coherence and risk management. This alignment of the Belgian official development assistance (ODA) system with the specific challenges of fragility and the implementation of the so-called "nexus approach" (i.e. aiming to strengthen the links between the humanitarian, development and peace fields) has been mobilising all relevant actors for several years. Capitalising on these investments will require deepening, consolidating and disseminating achievements over the coming years.

Within multilateral bodies, Belgium uses its geographic and thematic expertise in fragile contexts to defend proposals for conflict prevention, human security, respect for human rights and specific attention to the most vulnerable. It also stands out for its balanced strategic approach to migration and forced displacement – which is consistent with its overall foreign policy – as well as its focus in recent years on innovative approaches in the humanitarian field and its inclusion of the private sector in fragile and crisis contexts.

Although Belgium's themes in relation to fragility are clear and relevant, these choices are not always clear in terms of funding and programming. For example, before defining country programmatic guidance for gender mainstreaming, more in-depth prior analysis would need to be conducted to enable more targeted interventions in this area. There is a similar gap between vision and means in the areas of peacebuilding, conflict prevention and United Nations peace and security reform, all of which are important to Belgium and yet are poorly funded.

Belgium is a highly valued humanitarian actor, both for its strategic advocacy in forums such as the Security Council and for its efforts to ensure flexible and predictable funding in line with its priorities. The growing gap between the humanitarian budget and staffing levels poses a serious reputational risk, however.

7.A Crises and fragility

Strategic framework

Belgium promotes peace at the international level

Belgium's foreign policy and its commitment to peace and stability emphasise the leading role of the European Union (EU) in these areas by ensuring that forgotten crises and ongoing conflicts are on the EU's agenda, and by advocating for other donors to remain engaged in fragile contexts. In the Democratic Republic of the Congo, as in other partner countries and territories, Belgian delegations actively participate in European dialogue to implement the nexus approach and joint European programming (Kingdom of Belgium, 2020[1]). In Burkina Faso, Belgium is involved alongside the EU in the "Donors Troika" and in the Humanitarian Country Team, with a particular focus on implementing the nexus. Similarly, in Mali, Belgium has played a strategic support role alongside the EU to revitalise co-ordination and coherence among EU and likeminded development co-operation providers for the period 2020-24.

Belgian efforts to support peace and the EU's Common Security and Defence Policy are also reflected in a substantial programmatic commitment within the security sector. Thus, Enabel currently implements security projects on behalf of the EU, sometimes in collaboration with the Belgian Federal Police.[1]

In 2020, Belgium served for the sixth time as an elected member of the United Nations Security Council on behalf of the Western European and Others Group (WEOG). Under its current mandate, Belgium has set conflict prevention, protection of civilians and the performance of United Nations missions as thematic priorities (Chapter 1). It also uses its field expertise – particularly in Central Africa, the Sahel and the Middle East – to champion human security, human rights and respect for international humanitarian law (FPS Foreign Affairs, 2020[2]).

Coherent engagement in fragile contexts is underpinned by a solid framework

In line with the strategy note and guidance for fragile situations (DGD, 2013[3]), Belgium has developed a comprehensive approach as a means to enable a coherent and effective foreign policy for crisis response (Box 7.1). Based on an ad-hoc government-wide mechanism, this approach has since been formalised in a strategy note (FPS Foreign Affairs, 2017[4]), the implementation of which has been strongly promoted by the Council of Ministers since 2017. The approach builds on pre-existing 3D-LO[2] co-ordination efforts within the Belgian administration among five federal ministries and public services (Foreign Affairs, International Development, Defence, Justice and Internal Affairs), which extend co-ordination to complementary areas. It also establishes a steering committee and the possibility of creating co-ordination taskforces on geographic or thematic priorities of common interest (Chapter 4).

In addition, Belgium has continued its efforts to focus its bilateral engagement on issues and geographical contexts linked to fragility (Chapters 2 and 3), and has established a service dedicated to protracted crises and fragility. Thus, 11 of Belgium's 14 current partner countries and territories are included in the OECD's 2018 States of Fragility Framework.

Box 7.1. Belgium's comprehensive approach: making action on the ground more coherent

Since the adoption of the strategy note on the comprehensive approach, Belgium has set up nine related taskforces, including those dedicated to the Sahel, the Great Lakes, and the Syrian and Iraqi crises. These taskforces generally comprise officials from FPS and ministerial offices who were previously involved in the 3D-LO approach. Representatives of other public services are invited to participate depending on the issues being addressed, such as preparations for economic and trade missions.

Led by the heads of post, these taskforces provide an integrated framework for co-ordinating interdepartmental support provided by Brussels in the countries concerned. For example, they enable Belgium's common position on a subject, or other types of guidance or support requested, to be reflected in the field. Some taskforces have a thematic focus, such as natural resource management, rather than a geographic area.

Mali provides a clear example of the potential of the comprehensive approach mechanism. Co-ordination between the Sahel taskforce and the post in Bamako has made it possible to strengthen synergies between the diplomatic, defence and development components, particularly through the partial reorientation of the development programme so that it aligns with stabilisation issues identified jointly by the diplomatic attaché and representatives of partner institutions.

At this stage, however, the example of Mali remains an exception in terms of impact on programming: most of the other taskforces are more focused on the need for interdepartmental co-ordination in headquarters than on the strategic challenges on the ground. The management committee established

to oversee the taskforces still seems to be doing little to centralise and re-disseminate information, and to ensure collective learning among taskforces. In addition, taskforces could benefit from better involvement of civil society actors in discussions.

Source: Interviews conducted as part of the peer review.

Work on migration and forced displacements is in keeping with the fragility focus

By establishing a department responsible for migration issues, the DGD has adopted an evidence-based approach to advocating for and influencing the links between development and migration. This new department also holds organisation meetings on Belgian asylum and migration policies.

Belgium is committed to promoting and ensuring its own implementation of the Comprehensive Refugee Response Framework and the Global Compact on Refugees in its dialogue with strategic partners, as well as in all the governance bodies of which it is a member (Chapter 1). With the help of the European Asylum, Migration and Integration Fund, it has also increased the number of people assisted through its structural resettlement programme in recent years. Between 2013 and the end of 2019, Belgium resettled nearly 3 300 vulnerable refugees and plans to continue its engagement in this area.

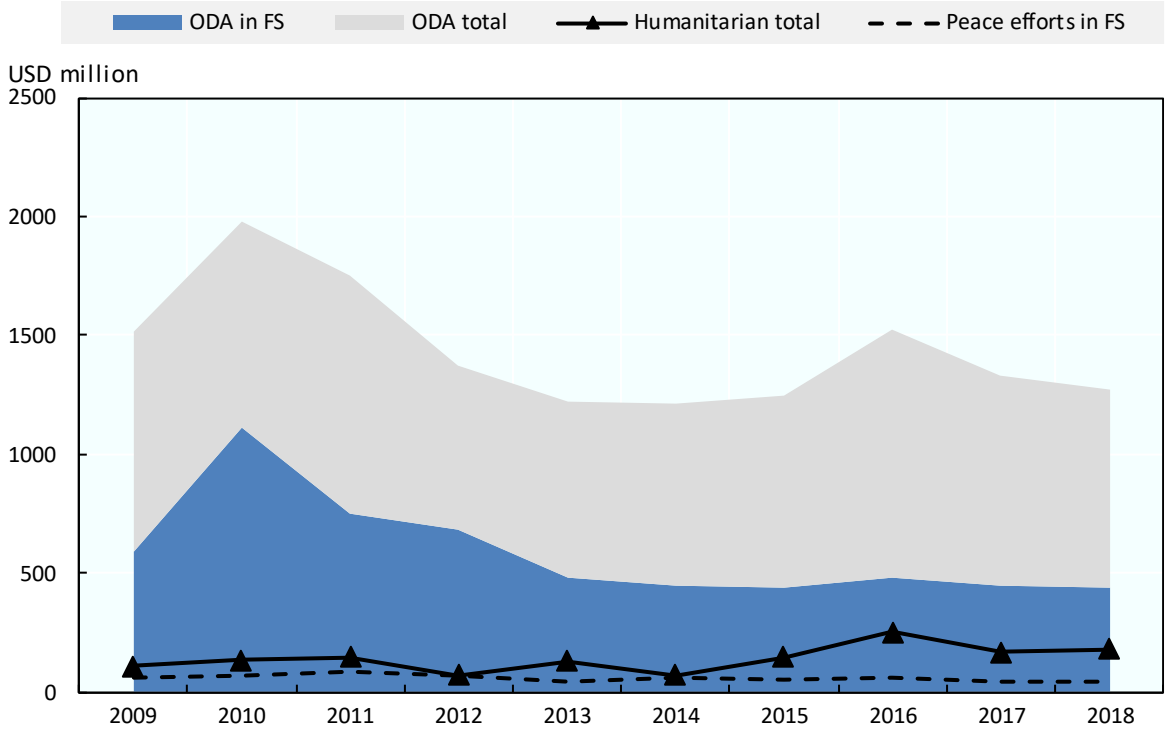
Belgium's proactive and deliberate approach in the areas of migration and forced displacement is also reflected in its choice of multilateral partners, including the International Organization for Migration (IOM) and Office of the United Nations High Commissioner for Refugees (UNHCR). Bilateral programmes to support forcibly displaced persons and their host communities in Uganda and Tanzania further illustrate the priority given to the issue.

The development of guidance on the conceptual and programmatic link between its migration strategy and strategy notes on fragility and climate would enable Belgium to better ensure that these issues are taken into account in the main fragile contexts in which it operates.

The share of aid allocated to prevention is low

As is the case for Belgian ODA as a whole, financing for fragile contexts has remained relatively stable since the successive budget cuts between 2010 and 2015 (Figure 7.1). The share of ODA for humanitarian assistance has considerably increased between 2015 and 2018 (Section 7.B), in line with the upward trend in overall humanitarian needs. However, despite Belgium's attention to peacebuilding and crisis prevention, the share of ODA earmarked for these efforts remains relatively low. The establishment of a new instrument to support transitional development is a step towards increased strategic and financial attention to this area. However, to date the instrument has only led to a single call for projects of EUR 12 million in 2018. As it does not have its own budget line, its operation is dependent on discretionary allocations. If Belgium considers this area to be a priority, it might wish to embed it in a strategic approach, accompanied by a more sustainable financing modality.

Figure 7.1. Belgian ODA in fragile and emergency contexts has remained relatively stable since 2013



Note: Belgium's ODA in fragile contexts is based on the OECD fragility framework. All amounts represent gross disbursement at constant prices (2017). USD: United States dollars. FS: fragile states.
Source: (OECD, 2020[5]), CRS, https://stats.oecd.org/index.aspx?DataSetCode=CRS1; OECD fragility framework http://www3.compareyourcountry.org/states-of-fragility/overview/0/ (accessed 18 May 2020).

StatLink https://doi.org/10.1787/888934184377

Effective programme design and instruments

A comprehensive approach to fragility is still poorly reflected in country programming

Current country intervention portfolios remain focused on development co-operation, and are aligned to some extent with the partner country or territory's development strategy (Chapter 5). However, on the whole, country documents do not make it possible to identify how Belgium intends to mobilise all of its public administration stakeholders (including diplomacy, development, defence and humanitarian action) around common objectives to reduce risks and vulnerabilities in fragile contexts. In the absence of a shared results framework in most countries, Belgium is also unable to measure the contribution and effectiveness of its overall approach (Chapter 5). Setting common objectives for Belgium's engagement in fragile contexts should be based on a theory of change and a realistic choice of indicators, tailored to the context (Chapter 6).

FRAME is a promising tool to strengthen joint context analyses

In line with its decision to target least developed countries (LDCs) and fragile contexts, Belgium has identified programmatic risk management and the achievement of results in fragile contexts as key issues

for attention in its bilateral co-operation (Chapter 6). To strengthen its impact in fragile contexts, Belgium has developed a multidimensional analysis and risk and opportunity management tool called FRAME (Fragility Resilience Assessment Management Exercise) (Box 7.2). This tool has been mobilised in Mali to ensure that key Belgian stakeholders share a common understanding of the context during the initial planning phase. By maintaining and strengthening the use of this tool over time, the DGD will be able to ensure that all of the actors involved have a better sense of ownership. In this respect, risk and opportunity analysis with the FRAME method could serve as an entry point for a more systematic identification of solutions to these challenges during the different phases of the programming cycle,[3] in particular through contingency scenarios (see next section).

Box 7.2. The FRAME tool: towards a common context analysis

A methodology for risk and opportunity analysis in fragile contexts

FRAME enables operational risks and opportunities in fragile contexts to be assessed and managed. This tool, developed by the Acropolis research group at the request of the DGD, is intended to serve as a flexible and adaptable tool for monitoring contexts and identifying programmatic priorities. The document is based on the multidimensional fragility framework established by the DAC. It uses four questions to identify and consider the main risks and opportunities in achieving intervention results.

What efforts are made to strengthen the institutional anchoring of the FRAME tool?

Belgium has identified the need to harmonise risk analyses among Belgian stakeholders in fragile contexts. Belgian technical assistance in fragile contexts involves a variety of institutional actors, ranging from academic institutions to the federal police, who use different risk analysis methodologies and operate at different levels: contextual, fiduciary, reputational and sectoral, among others.

To this end, Belgium set up a risk analysis and management taskforce in early 2019. Its objectives, functioning and institutional anchoring are structured around the "comprehensive approach" in order to harmonise approaches to risk analysis, using the FRAME methodology as a basis. The taskforce's initial objective was to conduct a pilot exercise in Mali, including support by researchers in applying FRAME to Mali's context, training staff, and identifying lessons learned.

Source: Vervisch (2017[6]), Fragility Resilience Assessment Management Exercise (FRAME) – Analysing Risks and Opportunities.

Tackling violence against women is an important theme for Belgian advocacy

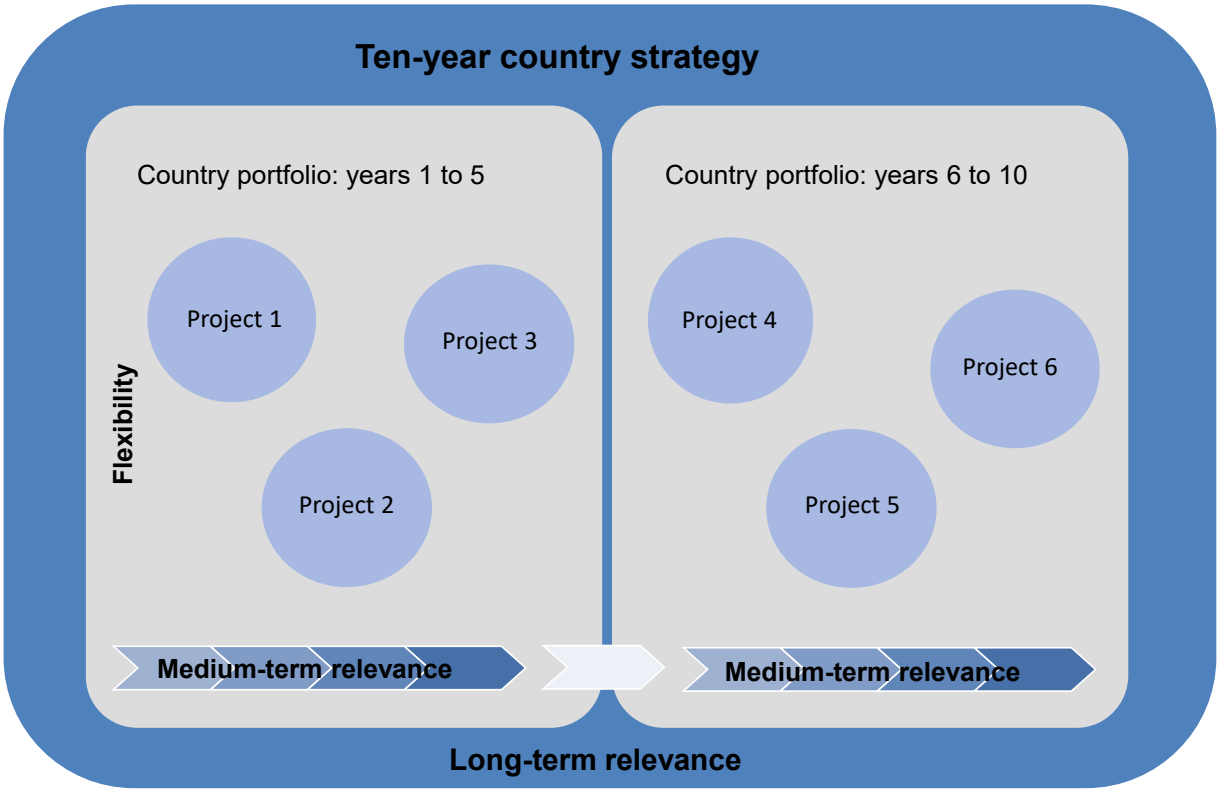
Gender mainstreaming in fragile contexts is particularly reflected in the focus on tackling violence against women. In 2016, Belgium adopted its third four-year "Women, Peace and Security" action plan, which clearly sets out how it intends to promote this issue at the international level and to integrate it into Belgian actions in the areas of conflict, peace and security. In Mali, for example, Belgium recently funded a programme to support the implementation of United Nations resolution 1325 on women, peace and security, which follows on from other projects funded in Burundi and the Democratic Republic of the Congo. Despite its relevance in fragile contexts, the objective of gender mainstreaming is, however, still poorly reflected in the analytical tools that guide strategies, policies and actions (Chapter 2). A more thorough consideration of gender and diversity aspects in the initial context analysis would facilitate a more targeted programmatic approach in this area.

Effective delivery and partnerships

Programmatic flexibility is underexploited in contingency scenarios

Recent changes in the institutional framework that governs Belgium's development co-operation have the potential to strengthen coherence between the long-term strategic vision and short and medium-term programming cycles in fragile contexts. The new programming framework consists of projects that are included in Enabel's five-year country portfolios, which are themselves structured around development co-operation strategies covering a longer period. In this way, country portfolios provide an intermediate strategic framework that would make it possible to integrate shorter, and therefore more flexible, project cycles into a long-term vision (Figure 7.2), which guarantees the strategic relevance of Belgian engagement in each fragile context. In addition, Enabel's new country portfolios include a flexible financing envelope which allows for programmatic changes in response to unforeseen circumstances during the five-year implementation period within agreed objectives (Box 4.1). This increased flexibility was illustrated in 2020 through the rapid financing that Enabel granted to various actors involved in providing institutional support to Niger's health system's COVID-19 emergency response as part of the EU's Team Europe initiative.

Figure 7.2. The programmatic framework balances flexibility and long-term relevance



However, the contingency scenarios identified during the initial context analysis are not sufficiently taken into account when establishing intervention portfolios. Enabel's country portfolio in Burkina Faso 2019-23 (Enabel, 2018, p. 32[7]) provides an example: it anticipates a deterioration of the security situation in the rural areas of the Centre-East region, where Enabel has planned to concentrate a significant part of its interventions. Despite this, it does not provide concrete guidance for readjusting programming when the identified risks materialise and prevent the use of standard administrative procedures. As a result, Belgium is depriving itself of an opportunity to improve its agility and responsiveness to foreseeable risks.

The potential of dual-mandate partners is underexploited

Financing channels make it difficult to harness the potential of partners with a dual mandate of humanitarian and peace work for the nexus and resilience. Currently, Belgium's approach to resilience is reflected in specific disaster risk reduction activities to protect livelihoods in the event of shocks and to make food production systems more resilient and better able to absorb the impact of crises. However, as Belgian ODA is organised through separate financing channels and partnerships,[4] there is little scope for financing other types of projects by bilateral and multilateral partners which combine humanitarian, development and peace-protection activities. There is also limited scope for shifting from a development approach to an emergency response in the event of new crises.

In some cases, this siloed operation within the DGD results in internal divergence in how to approach the nexus. In Burkina Faso, for example, it was finally decided not to adapt Enabel's development programming to strengthen the resilience of newly displaced people in the agency's areas of intervention, but instead to leave this task to humanitarian actors. This example underlines the need to strengthen common understanding of the comparative advantages of the various implementation modalities and types of intervention in order to strengthen the links between humanitarian aid, peace and development.

The challenges of making the links between humanitarian assistance and development are also evident in Belgium's funding to multilateral organisations that are active in protracted emergency contexts. For reasons specific to Belgian financing channels, these agencies are assigned the "label" of either humanitarian or development organisation, which is often perceived as an unnecessary straightjacket, ill-adapted to the complex realities of crisis and fragility contexts. Several partners would therefore like to be able to call on a broader range of Belgian funding channels, depending on the situation.

Strengthening the nexus through multilateralism

Multilateralism is a key instrument of Belgian foreign policy in fragile contexts. In particular, Belgium is a strong advocate of common European external action and joint programming (Chapter 5). The importance attached to multilateralism is also reflected in the country's engagement in governance bodies and in the significant resources it gives to multilateral institutions: in 2018, it channelled 33% of its ODA to fragile contexts through contributions to various pooled funds and by funding its multilateral partners' central budgets. Belgium considers pooled funds to be particularly useful in fragile states and for institution building. Belgium also provides substantial and regular funding to country-based pooled funds, such as in the Democratic Republic of the Congo and South Sudan, and endeavours to actively participate in their governance bodies. However, Belgium's contributions to the United Nations Peacebuilding Fund are irregular and it does not contribute to the Special Purpose Trust Fund for the Resident Coordinator system, which is designed to better co-ordinate United Nations and all partner efforts in the field in accordance with the nexus approach. Moreover, it does not fully mobilise dual-mandate multilateral actors (see previous section).

Continuing the focus on human resources to implement the nexus approach

Belgian co-operation actors have made significant efforts in recent years to adapt their functioning and skills to the specific operational situations of fragile contexts. Thus, to strengthen the links between diplomacy and development, in 2018 Belgium upgraded its development offices in Mali, Niger, Benin and Guinea to fully-fledged embassies. This increased presence of Belgian diplomacy in such contexts makes it easier to take into account factors of political and governance fragility. At the same time, Enabel's presence in these contexts guarantees Belgium's capacity to analyse other dimensions of fragility through the lens of its programmatic engagement. In the same vein, in 2017 and 2019, the DGD organised training workshops on the use of its new approaches and tools for existing staff and partners in the field.

At headquarters, the section responsible for prevention, transition and peacebuilding issues has joined the humanitarian assistance team in Unit D5 (Annex C). This merger puts D5 in a privileged position to link the different approaches, while protecting their respective principles of action and modus operandi.

By continuing to establish a broad skills base for all its agents and operational partners, the FPS Foreign Affairs and the DGD will be able to capitalise on the strategic efforts made in this area in recent years.

7.B Humanitarian assistance

Humanitarian assistance strategic framework

Belgium is a key humanitarian player, guided by a clear strategic framework

Belgium's approach is based on humanitarian principles. It has become a valued champion in this area as an elected member of the United Nations Security Council (Chapter 1). Belgium has also made ambitious commitments in the context of the Grand Bargain (Grand Bargain, 23 mai 2016[8]), which are reflected in a dedicated and regularly monitored action plan. It also demonstrates its commitment to the humanitarian agenda in European-level forums (the Working Party on Humanitarian Aid and Food Aid and the Humanitarian Aid Committee) and within the Humanitarian Advisory Group.

Belgium is a major contributor to common humanitarian funds, ensuring synergies and flexibility in its funding. On the strength of this commitment, and as recommended in the 2015 peer review (OECD, 2015[9]), Belgium now actively participates in the decision-making bodies of the agencies, funds and programmes that it supports, taking a particular interest in innovation, the role of the private sector and assistance to the most vulnerable. Having assumed the chair of the UNHCR Executive Committee, Belgium ensures, inter alia, that it follows up on the commitments of the Global Forum on Refugees.

The introduction of a new annual planning document, distributed to all its diplomatic posts, ensures strategic focus and increases the predictability of its humanitarian allocations. Belgium could further increase the predictability of its humanitarian funding by opting for two-year or three-year planning.

Effective humanitarian programming

Belgium's humanitarian financing is growing

Belgian humanitarian assistance is channelled through specialised United Nations agencies and NGOs. These organisations prioritise action based on sound needs assessments and are increasingly co-ordinated through joint appeals. Between 2015 and 2018, Belgium's total gross disbursement of humanitarian assistance rose from USD 145 million to USD 179 million (expressed in 2017 constant prices), reflecting the unprecedented increase in global humanitarian needs (Figure 7.1). The year-on-year increase in Belgium's contribution to the United Nations Central Emergency Response Fund reflects the same trend. However, the growing gap between the humanitarian budget and staffing levels poses a serious reputational risk (Chapter 4).

Effective delivery, partnerships and instruments of humanitarian assistance

Humanitarian funding is predictable and flexible

In accordance with Belgium's commitments within the framework of the World Humanitarian Summit and the Grand Bargain, more than half of its humanitarian funding is granted on an unearmarked basis over a period of at least two years. This flexibility enables a more immediate response to sudden-onset crises. With regard to financing for specific emergencies, Belgium involves its partners in the selection of crisis contexts to ensure that its choices reflect real needs of affected people.

Belgium is improving its aid localisation

Belgium has been funding multi-year interventions aimed at strengthening the capacities of local humanitarian actors. Several of these programmes were refinanced in 2019. This ongoing support enables humanitarian actors to develop more preventive and effective intervention capacities. Under the framework of the Grand Bargain, Belgium committed to allocating 25% of humanitarian assistance to local actors by 2020. This objective is mainly achieved through its multilateral funding, particularly to country-based pooled funds. Similarly, Belgium has undertaken to increase the proportion of its emergency aid channelled through cash assistance. Within this framework, the knowledge and working methods of the DGD's humanitarian staff have been strengthened to support the use of cash assistance.

Strong humanitarian partnerships build on comparative advantage

Belgium implements its humanitarian strategy through four funding mechanisms, seeking to promote the comparative advantages of each mechanism. Its unearmarked core funding enables it to support rapid and large-scale emergency interventions and to build sustainable partnerships. Its support for international humanitarian funds provides an almost immediate financing channel for priority needs identified in new crises. Its programme modality serves as a mechanism for multi-year funding of geographic or thematic priorities. And finally, project-based contracts enable Belgium to respond in the short term to specific emergency needs, for example under-funded or forgotten crises.

Belgian NGOs generally appreciate their flexible partnership with Belgium and highlight the DGD's efforts to ensure harmonised reporting, in line with the recommendations of the previous DAC peer review (OECD, 2015[9]). Multilateral partners are very positive about the quality of their strategic dialogue with Belgium, as well as the large share of Belgian contributions allocated on an unearmarked and flexible multi-year basis. One of Belgium's distinctive features in recent years has been its interest in innovative or experimental humanitarian approaches, from the launch of the first "Humanitarian Impact Bond" (a financing instrument that encourages social investment from the private sector in conflict-hit contexts) to the organisation of a humanitarian hackathon bringing together various players in the field of new technologies in the search for innovative solutions in response to humanitarian needs.

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Notes

[1] Enable executes 13 security sector projects at the national level in 8 African countries and one regional project in West and Central Africa for a total amount of more than 63 million euros.

[2] Defence, diplomacy, development, law and order.

[3] To date, the tool has been field-tested in three countries: Burkina Faso, the Democratic Republic of the Congo and – most extensively – Mali.

[4] Humanitarian and development, government and non-government co-operation.

Annex A. Progress since the 2015 DAC peer review recommendations

Towards a comprehensive Belgian development effort

Recommendations 2015	Progress
Now that the foundations are in place for making its policies more coherent, Belgium should develop a plan of action on a few policy issues of strategic priority which it can influence and be pragmatic in how it uses institutional mechanisms.	Recommendation not implemented

Vision and policies for development co-operation

Recommendations 2015	Progress
To demonstrate how its development co-operation addresses the needs of poor people, as intended by its policy commitments, Belgium should develop practical guidance and promote monitoring and evaluation of poverty impacts.	Partially implemented
Belgium should match its commitment to mainstreaming gender equality and women's empowerment with the leadership, capacity and tools needed to make this happen in practice.	Implemented

Aid volume and allocation

Recommendations 2015	Progress
To meet its international commitments, Belgium should reverse the decline of its ODA and start planning for increasing it in order to deliver on its commitment to 0.7%.	Partially implemented
Belgium should ensure that its strategy and the criteria it uses for applying the budgetary cuts between 2017 and 2019 will enable it to deliver on its geographical and sectoral commitments. It should communicate actively with key partners about its strategy.	Implemented
Belgium should set deadlines for achieving its targets for increasing its total ODA to LDCs through the different channels of its aid programme.	Recommendation not implemented
Belgium should further strengthen the development impact of BIO's investments and should ensure that its other official instruments for leveraging private investments for developing countries also contribute to sustainable development.	Partially implemented

Organisation and management

Recommendations 2015	Progress
Building on recent reforms, Belgium should ensure that its business models for development co-operation are capable of adapting and responding to the evolving priorities and needs of developing countries, especially LDCs and countries in fragile situations, and the changing global environment.	Partially implemented
Belgium should ensure that its approaches to managing and delivering development co-operation match the human resources available across the development co-operation system so that the right staff and capacities are deployed to the right places.	Partially implemented

Development co-operation delivery and partnerships

Recommendations 2015	Progress
Belgium should speed up programming processes and increase flexibility to use and adjust aid instruments to the context.	Implemented
A clear policy should guide partnerships with civil society organisations.	Partially implemented
To support a more effective response in fragile situations, Belgium should define a context-specific whole-of-government position with clear roles and responsibilities for who will do what.	Partially implemented

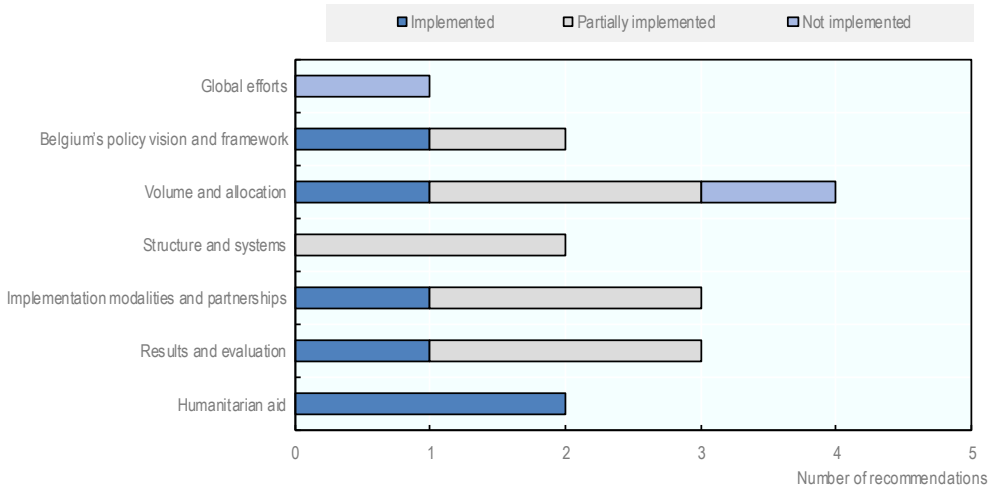
Results and accountability

Recommendations 2015	Progress
Belgium should ensure that its new system for managing for development results is capable of drawing together reporting by implementing partners so that it can assess performance, be accountable for development outcomes while also being useful for decision making.	Partially implemented
The Office of the Special Evaluator and DGD should have an effective mechanism for ensuring that there is appropriate follow-up and implementation of evaluation findings and recommendations.	Implemented
DGD should transform its existing approach to managing information into an effective knowledge sharing system which learns from results and evidence for forward-looking planning.	Partially implemented

Humanitarian assistance

Recommendations 2015	Progress
Belgium should review its strategy for engaging with NGOs in humanitarian assistance, to ensure that it is getting the most value out of these partnerships. As part of this, Belgium is encouraged to finalise guidance for NGOs seeking to access project funding.	Implemented
Belgium should clarify how it is going to add value to its significant investments in pooled funding mechanisms – perhaps by involving itself more in the governance arrangements of these funds, either directly or by working through other donors.	Implemented

Figure A.1. Belgium's implementation of the 2015 peer review recommendations



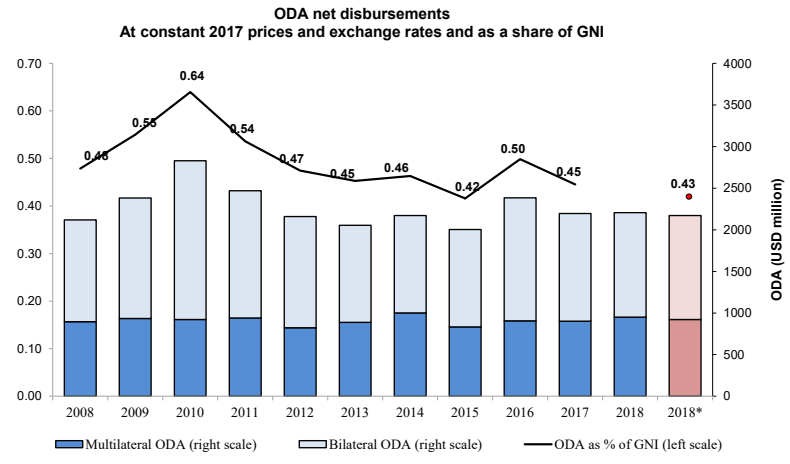
Annex B. OECD/DAC standard suite of tables

Table B.1. Total financial flows

USD million at current prices and exchange rates.

Belgium	2004-08	2009-13	2014	2015	2016	2017	2018
							Grant equivalent
ODA grant equivalent	..	..	..	-	-	-	**2 312**
ODA grant equivalent (at constant 2017 USD million)	..	..	..	-	-	-	**2 172**
ODA grant equivalent (as a % of GNI)	..	..	..	..	..	..	***0.43***
							Net disbursements
Total official flows	**1 861**	**2 645**	**2 402**	**1 832**	**2 631**	**2 248**	**2 321**
Official development assistance	**1 948**	**2 607**	**2 446**	**1 904**	**2 300**	**2 196**	**2 348**
Bilateral	1 236	1 618	1 319	1 112	1 425	1 295	1 336
Grants	1 258	1 631	1 345	1 115	1 435	1 301	1 312
Non-grants	- 22	- 13	- 26	- 4	- 10	- 6	24
Multilateral	712	989	1 127	793	875	901	1 012
Other official flows	**- 87**	**38**	**- 44**	**- 72**	**331**	**52**	**- 27**
Bilateral: *of which*	- 87	38	- 44	- 72	331	52	- 27
Investment-related transactions	-	38	- 5	- 42	69	122	-
Multilateral	-	-	-	-	-	-	-
Officially guaranteed export credits	**- 214**	**201**	**187**	**249**	**- 105**	**- 390**	**- 134**
Net Private Grants	**277**	**387**	**464**	**388**	**260**	**-**	**-**
Private flows at market terms	**1 578**	**1 811**	**5 671**	**1 166**	**-14 219**	**5 871**	**1 759**
Bilateral: *of which*	1 578	**1 811**	5 671	1 166	-14 219	5 871	1 759
Direct investment	1 578	1 811	5 671	1 166	-14 219	5 871	1 759
Multilateral	-	-	-	-	-	-	-
Total flows	**3 502**	**5 045**	**8 725**	**3 635**	**-11 432**	**7 728**	**3 946**
for reference:							
ODA net flows (as a % of GNI)	*0.47*	*0.53*	*0.46*	*0.42*	*0.50*	*0.45*	..
ODA net flows (at constant 2017 USD million)	*1 973*	*2 379*	*2 173*	*2 003*	*2 384*	*2 196*	*2 206*
Total flows (as a % of GNI) (a)	*0.84*	*1.02*	*1.65*	*0.79*	*-2.48*	*1.57*	*0.73*
ODA to and channelled through NGOs - In USD million	*210*	*320*	*311*	*263*	*278*	*272*	*303*
ODA to and channelled through multilaterals - In USD million	*829*	*1 196*	*1 261*	*919*	*1 120*	*1 081*	*1 211*

a. To countries eligible for ODA.



* ODA as percentage of GNI is in grant equivalents basis

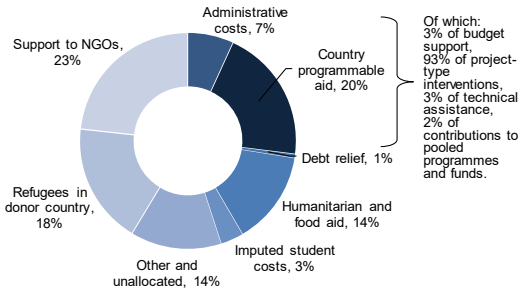
StatLink https://doi.org/10.1787/888934184415

Table B.2. ODA by main categories

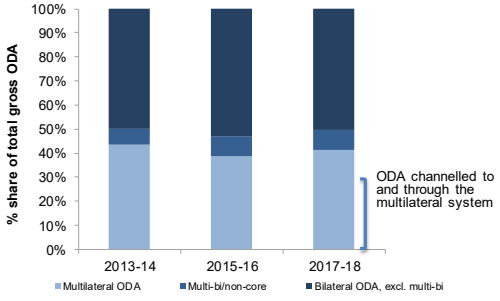
Disbursements

Belgium	Constant 2017 USD million					Per cent share of gross disbursements					Total DAC
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2018 %
Gross Bilateral ODA	**1 213**	**1 244**	**1 526**	**1 333**	**1 269**	**55**	**60**	**63**	**60**	**57**	**73**
Budget support	35	21	13	24	9	2	1	1	1	0	2
of which: General budget support	-	-	-	-	-	-	-	-	-	-	1
Core contributions & pooled prog.& funds	386	353	474	427	421	17	17	19	19	19	15
of which: Core support to national NGOs	199	175	189	177	187	9	8	8	8	8	1
Core support to international NGOs	5	5	5	5	10	0	0	0	0	0	1
Core support to PPPs	61	47	46	57	0	3	2	2	3	0	0
Project-type interventions	404	403	452	403	383	18	19	19	18	17	37
of which: Investment projects	89	115	124	-	-	4	6	5	-	-	12
Experts and other technical assistance	30	57	26	17	16	1	3	1	1	1	3
Scholarships and student costs in donor countries	86	84	80	47	46	4	4	3	2	2	2
of which: Imputed student costs	51	49	48	43	43	2	2	2	2	2	2
Debt relief grants	9	1	5	15	7	0	0	0	1	0	0
Administrative costs	83	75	76	78	87	4	4	3	3	4	5
Other in-donor expenditures	181	250	400	323	235	8	12	16	14	11	7
of which: refugees in donor countries	166	240	390	316	230	7	12	16	14	10	7
Gross Multilateral ODA	**1 001**	**834**	**907**	**901**	**951**	**45**	**40**	**37**	**40**	**43**	**27**
UN agencies	221	154	138	130	119	10	7	6	6	5	4
EU institutions	454	487	577	633	581	21	23	24	28	26	9
World Bank group	175	27	34	63	174	8	1	1	3	8	7
Regional development banks	52	52	50	11	17	2	3	2	1	1	3
Other multilateral	98	114	107	65	60	4	5	4	3	3	5
Total gross ODA	**2 214**	**2 078**	**2 433**	**2 234**	**2 220**	**100**	**100**	**100**	**100**	**100**	**100**
of which: Gross ODA loans	4	23	17	20	111	0	1	1	1	5	13
Bilateral	4	23	17	20	22	0	1	1	1	1	12
Multilateral	-	-	-	-	89	-	-	-	-	4	2
Repayments and debt cancellation	**- 42**	**- 75**	**- 49**	**- 38**	**- 14**						
Total net ODA	**2 173**	**2 003**	**2 384**	**2 196**	**2 206**						
For reference:											
Country programmable aid	*394*	*304*	*300*	*283*	*-*						
Free standing technical co-operation	*430*	*403*	*284*	*63*	*62*						
Net debt relief	*7*	*0*	*5*	*15*	*7*						

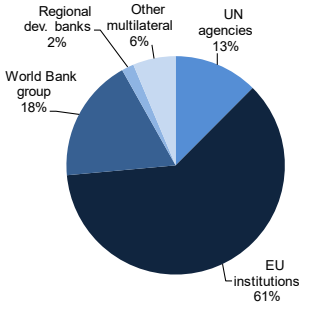
Composition of bilateral ODA, 2018, gross bilateral disbursements



Share of ODA channelled to and through the multilateral system, two year average



ODA flows to multilateral agencies, 2018



StatLink https://doi.org/10.1787/888934184434

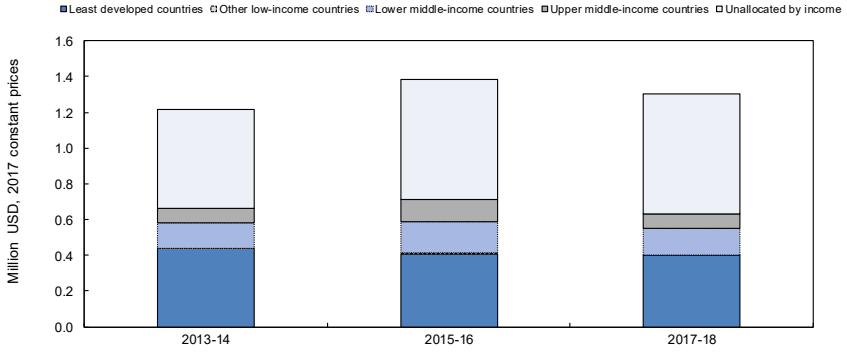
Table B.3. Bilateral ODA allocable by region and income group

Gross disbursements

Belgium	Constant 2017 USD million					% share					Total DAC
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2018%
Africa	484	453	495	468	445	73	69	62	72	69	**41**
Sub-Saharan Africa	454	427	460	440	418	68	65	58	68	65	**34**
North Africa	27	21	28	23	22	4	3	4	4	3	**4**
Asia	62	40	44	34	52	9	6	6	5	8	**29**
South and Central Asia	21	9	14	4	7	3	1	2	1	1	**18**
Far East	38	30	30	29	45	6	5	4	5	7	**11**
America	87	73	85	68	68	13	11	11	11	11	**10**
North and Central America	23	20	28	26	32	3	3	4	4	5	**4**
South America	64	53	57	42	37	10	8	7	7	6	**5**
Middle East	29	85	97	66	68	4	13	12	10	11	**13**
Oceania	-	0	0	0	0	-	0	0	0	0	**2**
Europe	2	9	76	12	12	0	1	10	2	2	**5**
Total bilateral allocable by region	**663**	**659**	**797**	**649**	**644**	**100**	**100**	**100**	**100**	**100**	**100**
Least developed	426	401	416	404	396	66	62	53	63	63	**39**
Other low-income	3	2	4	1	1	1	0	0	0	0	**1**
Lower middle-income	133	158	193	153	146	21	25	25	24	23	**41**
Upper middle-income	79	84	169	80	85	12	13	22	12	13	**19**
More advanced developing countries	0	0	0	0	-	0	0	0	0	-	**-**
Total bilateral allocable by income	**642**	**646**	**781**	**638**	**628**	**100**	**100**	**100**	**100**	**100**	**100**
For reference*[2]*:											
Total bilateral	1 213	1 244	1 526	1 333	1 269	*100*	*100*	*100*	*100*	*100*	***100***
of which: Unallocated by region	*550*	*585*	*730*	*684*	*625*	*45*	*47*	*48*	*51*	*49*	***32***
of which: Unallocated by income	*571*	*598*	*745*	*694*	*641*	*47*	*48*	*49*	*52*	*51*	***39***
Fragile and conflict-affected states (as per DCR of each year)	*443*	*437*	*482*	*449*	*438*	*37*	*35*	*32*	*34*	*35*	***35***
SIDS (as per data provided to UN)	*15*	*12*	*21*	*20*	*23*	*1*	*1*	*1*	*1*	*2*	***2***
Landlocked developing countries (as per data provided to UN)	*206*	*207*	*226*	*197*	*192*	*17*	*17*	*15*	*15*	*15*	***13***

1. Each region includes regional amounts which cannot be allocated by sub-region. The sum of the sub-regional amounts may therefore fall short of the regional total.
2. 'Fragile and conflict-affected states' group has overlaps with SIDS and Landlocked developing countries and can therefore not be added. For the same reason, these three groups cannot be added to any income group.

Gross bilateral ODA by income group, 2013-18



StatLink https://doi.org/10.1787/888934184453

Table B.4. Main recipients of bilateral ODA

Gross disbursements

Belgium	2013-14 average			Memo:		2015-16 average			Memo:		2017-18 average			Memo:
	Current USD million	Constant 2017 USD mln	% share	*DAC countries' average %*		Current USD million	Constant 2017 USD mln	% share	*DAC countries' average %*		Current USD million	Constant 2017 USD mln	% share	*DAC countries' average %*
Democratic Republic of the Congo	148	132	11		Democratic Republic of the Congo	96	100	7		Democratic Republic of the Congo	121	117	9	
Burundi	64	57	5		Burundi	51	53	4		Rwanda	41	40	3	
Rwanda	45	40	3		Turkey	37	38	3		Burundi	39	38	3	
West Bank and Gaza Strip	27	24	2		Rwanda	31	33	2		Benin	27	26	2	
Viet Nam	27	24	2		West Bank and Gaza Strip	29	31	2		West Bank and Gaza Strip	24	24	2	
Top 5 recipients	**311**	**277**	**23**	**25**	**Top 5 recipients**	**244**	**255**	**18**	**21**	**Top 5 recipients**	**252**	**244**	**19**	**18**
Mozambique	26	23	2		Syrian Arab Republic	22	24	2		Uganda	24	23	2	
Mali	25	22	2		Mali	23	24	2		Viet Nam	23	23	2	
Benin	23	20	2		Benin	20	21	1		Kenya	22	21	2	
Senegal	22	19	2		Niger	20	20	1		Niger	21	21	2	
Peru	21	19	2		Senegal	19	20	1		Mozambique	16	15	1	
Top 10 recipients	**428**	**381**	**31**	**39**	**Top 10 recipients**	**348**	**363**	**26**	**33**	**Top 10 recipients**	**359**	**347**	**27**	**29**
Niger	21	19	2		Morocco	19	20	1		Burkina Faso	15	15	1	
Uganda	20	18	1		Mozambique	18	19	1		Morocco	15	14	1	
South Africa	19	17	1		Uganda	18	18	1		Peru	14	14	1	
Ecuador	18	16	1		Bolivia	18	18	1		Mali	13	13	1	
Morocco	17	15	1		Kenya	16	17	1		Tanzania	13	13	1	
Top 15 recipients	**523**	**466**	**38**	**46**	**Top 15 recipients**	**436**	**455**	**33**	**41**	**Top 15 recipients**	**430**	**416**	**32**	**35**
Bolivia	16	14	1		Peru	16	17	1		Senegal	13	12	1	
Tanzania	16	14	1		South Africa	16	17	1		Bolivia	13	12	1	
Kenya	15	13	1		Viet Nam	15	15	1		Syrian Arab Republic	12	12	1	
Burkina Faso	12	11	1		Tanzania	13	14	1		Iraq	12	12	1	
Syrian Arab Republic	11	10	1		Iraq	13	13	1		South Africa	12	11	1	
Top 20 recipients	**593**	**528**	**43**	**52**	**Top 20 recipients**	**509**	**531**	**38**	**47**	**Top 20 recipients**	**491**	**476**	**37**	**42**
Total (97 recipients)	**743**	**662**	**54**		**Total (107 recipients)**	**684**	**714**	**52**		**Total (109 recipients)**	**653**	**633**	**49**	
Unallocated	622	555	46	36	Unallocated	644	672	48	41	Unallocated	688	668	51	53
Total bilateral gross	**1 365**	**1 216**	**100**	**100**	**Total bilateral gross**	**1 328**	**1 385**	**100**	**100**	**Total bilateral gross**	**1 342**	**1 301**	**100**	**100**

StatLink https://doi.org/10.1787/888934184472

Table B.5. Bilateral ODA by major purposes

Commitments - Two-year average

Belgium	2013-14 average		2015-16 average		2017-18 average		DAC
	2017 USD million	%	2017 USD million	%	2017 USD million	%	2017 %
Social infrastructure & services	**427**	**36**	**381**	**28**	**294**	**24**	**36**
Education	98	8	89	7	85	7	7
of which: basic education	5	0	11	1	23	2	2
Health	140	12	116	9	85	7	5
of which: basic health	82	7	44	3	46	4	3
Population & reproductive health	9	1	11	1	14	1	6
Water supply & sanitation	39	3	68	5	27	2	4
Government & civil society	104	9	80	6	64	5	11
of which: Conflict, peace & security	5	0	6	0	8	1	3
Domestic revenue mobilisatic	-	-	-	-	3	0	0
Other social infrastructure & services	36	3	18	1	17	1	2
Economic infrastructure & services	**87**	**7**	**85**	**6**	**93**	**7**	**17**
Transport & storage	23	2	6	0	11	1	9
Communications	4	0	8	1	4	0	0
Energy	25	2	22	2	22	2	6
Banking & financial services	5	0	0	0	-	-	2
Business & other services	31	3	48	4	55	4	1
Production sectors	**126**	**10**	**105**	**8**	**91**	**7**	**7**
Agriculture, forestry & fishing	107	9	99	7	80	6	5
Industry, mining & construction	4	0	5	0	4	0	1
Trade & tourism	14	1	1	0	7	1	1
Multisector	**210**	**18**	**147**	**11**	**144**	**12**	**8**
Commodity and programme aid	**0**	**0**	**0**	**0**	**1**	**0**	**3**
Action relating to debt	**9**	**1**	**3**	**0**	**10**	**1**	**0**
Humanitarian aid	**102**	**9**	**248**	**18**	**175**	**14**	**13**
Administrative costs of donors	**83**	**7**	**75**	**5**	**165**	**13**	**6**
Refugees in donor countries	**153**	**13**	**315**	**23**	**273**	**22**	**10**
Total bilateral allocable	**1 197**	**100**	**1 358**	**100**	**1 246**	**100**	**100**
For reference:							
Total bilateral	*1 278*	*52*	*1 421*	*64*	*1 292*	*54*	*77*
of which: Unallocated	*82*	*3*	*63*	*3*	*46*	*2*	*1*
Total multilateral	*1 183*	*48*	*790*	*36*	*1 116*	*46*	*23*
Total ODA	***2 461***	***100***	***2 210***	***100***	***2 408***	***100***	***100***

Commitments

	2013-2014		2015-2016		2017-2018	
	Constant 2017 USD million	% Bilateral Allocable	Constant 2017 USD million	% Bilateral Allocable	Constant 2017 USD million	% Bilateral Allocable
Gender equality	658	*64*	626	*61*	466	*59*
Environment	486	*47*	501	*49*	374	*47*
Rio markers						
Biodiversity	167	*16*	180	*18*	166	*21*
Desertification	102	*10*	118	*12*	110	*13*
Climate change Mitigation only	51	*5*	22	*2*	86	*10*
Climate change Adaptation only	99	*10*	150	*15*	106	*13*
Both climate adaptation and mitigation	116	*11*	128	*12*	101	*12*

StatLink https://doi.org/10.1787/888934184491

Table B.6. Comparative aid performance of DAC members

Basis	*Grant equivalent*				*Net disbursements*				*Commitments*	
	Official development assistance				Share of multilateral aid				Grant element of ODA	Untied aid % of bilateral
	2018		2018	2012-13 to 2017-18 Average annual % change in real terms	2018				commitments 2018	commitments 2017
					% of ODA		% of GNI			
	USD million	% of GNI	USD million		(b)	(c)	(b)	(c)	% (a)	(d)
Australia	3 149	0.23	3 149	-5.5	19.0		0.04		100.0	100.0
Austria	1 170	0.26	1 167	2.0	58.6	26.2	0.15	0.07	100.0	48.5
Belgium	2 312	0.43	2 348	0.9	43.1	16.8	0.19	0.07	95.8	98.0
Canada	4 660	0.28	4 641	0.4	24.7		0.07		91.1	97.2
Czech Republic	305	0.13	305	8.6	67.2	7.4	0.09	0.01	100.0	57.5
Denmark	2 590	0.72	2 577	-0.6	30.3	18.3	0.22	0.13	100.0	97.0
Finland	984	0.36	984	-4.5	51.6	27.3	0.19	0.10	99.6	95.4
France	12 136	0.43	12 840	2.5	42.6	22.0	0.19	0.10	79.5	98.1
Germany	24 977	0.61	25 670	14.2	24.2	11.3	0.15	0.07	86.9	85.1
Greece	290	0.13	290	4.4	86.7	13.4	0.12	0.02	100.0	87.9
Hungary	285	0.21	285	13.1	54.7	11.5	0.11	0.02	100.0	76.7
Iceland	74	0.28	74	12.2	17.6		0.05		100.0	8.8
Ireland	934	0.31	934	2.4	43.2	18.5	0.14	0.06	100.0	100.0
Italy	5 190	0.25	5 098	14.0	58.0	20.4	0.14	0.05	99.6	92.2
Japan	14 164	0.28	10 064	3.3	39.4		0.08		78.5	67.2
Korea	2 355	0.14	2 420	5.0	25.8		0.04		88.4	51.8
Luxembourg	473	0.98	473	2.6	27.4	18.8	0.27	0.19	100.0	99.0
Netherlands	5 659	0.62	5 617	0.9	33.3	21.9	0.20	0.13	100.0	96.8
New Zealand	556	0.28	556	3.2	16.8		0.05		100.0	80.6
Norway	4 258	0.94	4 258	1.8	24.2		0.23		100.0	100.0
Poland	766	0.14	759	11.9	68.6	7.6	0.09	0.01	97.7	27.0
Portugal	411	0.18	388	-5.6	66.0	13.5	0.11	0.02	97.8	76.1
Slovak Republic	138	0.13	138	11.5	76.5	17.2	0.10	0.02	100.0	70.3
Slovenia	84	0.16	84	7.2	64.9	9.8	0.10	0.02	100.0	51.2
Spain	2 841	0.20	2 540	5.2	74.1	23.7	0.13	0.04	99.8	87.2
Sweden	5 848	1.04	5 847	4.1	34.4	26.8	0.36	0.28	100.0	91.4
Switzerland	3 101	0.44	3 097	1.4	24.7		0.11		100.0	96.2
United Kingdom	19 410	0.70	19 462	5.6	36.6	27.1	0.26	0.19	99.2	100.0
United States	34 152	0.16	33 787	0.5	11.4		0.02		100.0	60.2
Total DAC	**153 271**	**0.30**	**149 852**	**3.9**	**29.8**		**0.09**		**91.8**	**78.7**

Notes:

a. Excluding debt reorganisation.
b. Including EU institutions.
c. Excluding EU institutions.
d. Excluding administrative costs and in-donor refugee costs.
.. Data not available.

StatLink https://doi.org/10.1787/888934184510

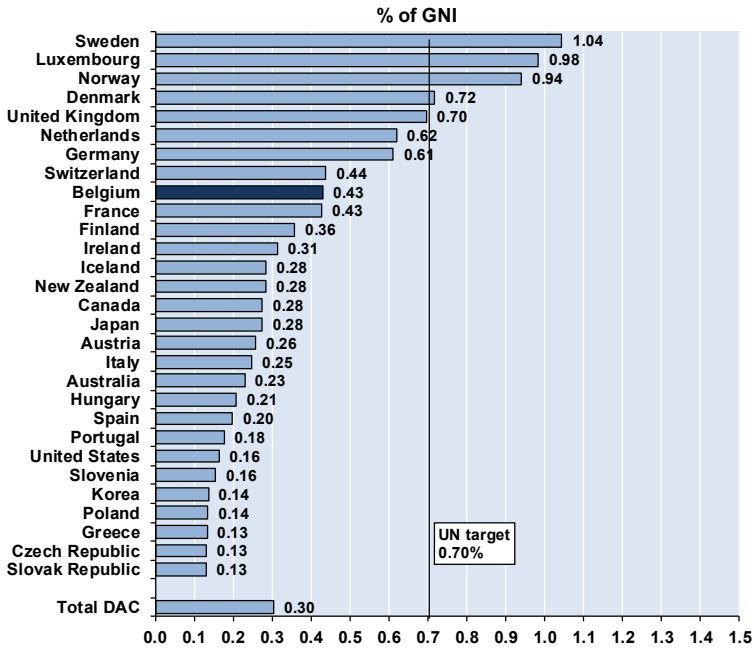
Table B.7. Comparative performance of aid to LDCs

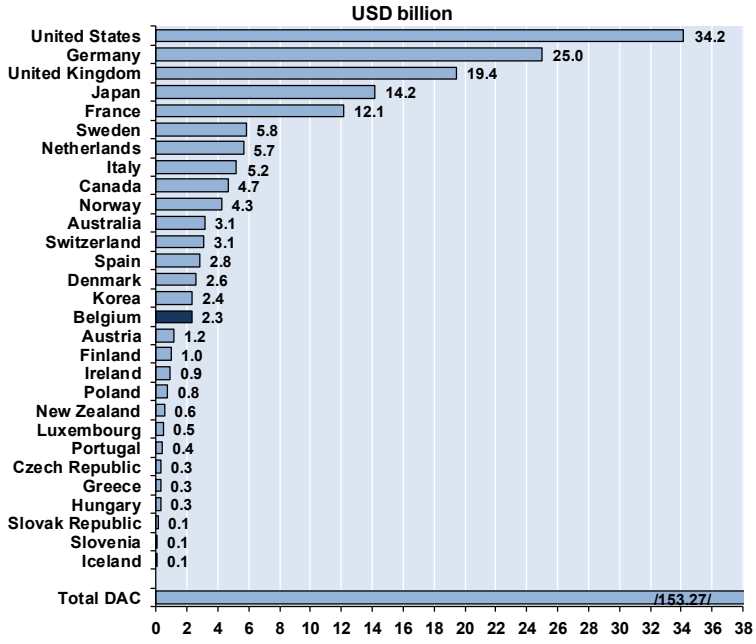
	Net disbursements						Commitments		
	Bilateral ODA to LDCs 2018			Total ODA to LDCs (Bilateral and through multilateral agencies) 2018			Grant element of bilateral ODA commitments[a] to LDCs (two alternative norms)		
							Annually for all LDCs Norm: 90%		3-year average for each LDC Norm: 86%
	USD million	% bilateral ODA	% of GNI	USD million	% total ODA	% of GNI	2017	2018	2016-2018
Australia	571	22.4	0.04	868	27.6	0.06	100.0	100.0	n
Austria	57	11.9	0.01	319	27.3	0.07	100.0	100.0	c
Belgium	422	31.6	0.08	744	31.7	0.14	99.8	99.3	c
Canada	1 069	30.6	0.06	1 645	35.4	0.10	100.0	100.0	n
Czech Republic	16	15.9	0.01	65	21.2	0.03	100.0	100.0	c
Denmark	452	25.1	0.13	726	28.2	0.20	100.0	100.0	c
Finland	133	27.9	0.05	314	31.9	0.11	100.0	100.0	c
France	1 244	16.9	0.04	3 390	26.4	0.12	75.1	77.0	c
Germany	2 711	13.9	0.07	4 956	19.3	0.12	99.8	97.4	c
Greece	0	0.4	0.00	60	20.6	0.03	100.0	100.0	c
Hungary	29	22.5	0.02	68	23.9	0.05	100.0	100.0	n
Iceland	26	42.6	0.10	32	43.6	0.12	100.0	100.0	c
Ireland	253	47.7	0.09	386	41.3	0.13	100.0	100.0	c
Italy	367	17.2	0.02	1 318	25.8	0.06	97.5	97.0	c
Japan	3 279	53.8	0.06	5 370	53.4	0.10	87.8	84.8	c
Korea	642	35.8	0.04	969	40.0	0.06	94.6	92.2	c
Luxembourg	177	51.7	0.37	224	47.2	0.46	100.0	100.0	n
Netherlands	608	16.2	0.07	1 352	24.1	0.15	100.0	100.0	c
New Zealand	104	22.5	0.05	132	23.7	0.07	100.0	100.0	c
Norway	769	23.8	0.17	1 242	29.2	0.27	100.0	100.0	c
Poland	88	36.9	0.02	220	29.0	0.04	85.0	82.7	c
Portugal	54	41.2	0.02	129	33.1	0.06	94.4	93.9	n
Slovak Republic	1	3.2	0.00	25	18.3	0.02	100.0	100.0	n
Slovenia	1	2.0	0.00	13	16.0	0.02	100.0	100.0	c
Spain	102	15.5	0.01	673	26.5	0.05	100.0	100.0	c
Sweden	1 175	30.6	0.21	1 916	32.8	0.34	100.0	100.0	c
Switzerland	591	25.3	0.08	951	30.7	0.13	100.0	100.0	c
United Kingdom	3 203	26.0	0.11	6 407	32.9	0.23	100.0	100.0	c
United States	9 634	32.2	0.05	11 360	33.6	0.05	100.0	100.0	c
Total DAC	**27 779**	**26.4**	**0.06**	**45 873**	**30.6**	**0.09**	**96.2**	**95.5**	..

Notes:
a. Excluding debt reorganisation. Equities are treated as having 100% grant element, but are not treated as loans.
b. c = compliance, n = non compliance.
.. Data not available.

StatLink https://doi.org/10.1787/888934184529

Figure B.1. Net ODA from DAC countries in 2018





StatLink https://doi.org/10.1787/888934184396

Annex C. Organisational charts

Figure C.1. Organisation of the Directorate-General for Development Co-operation and Humanitarian Aid (DGD) of the Belgian Ministry of Foreign Affairs, Foreign Trade and Development Co-operation

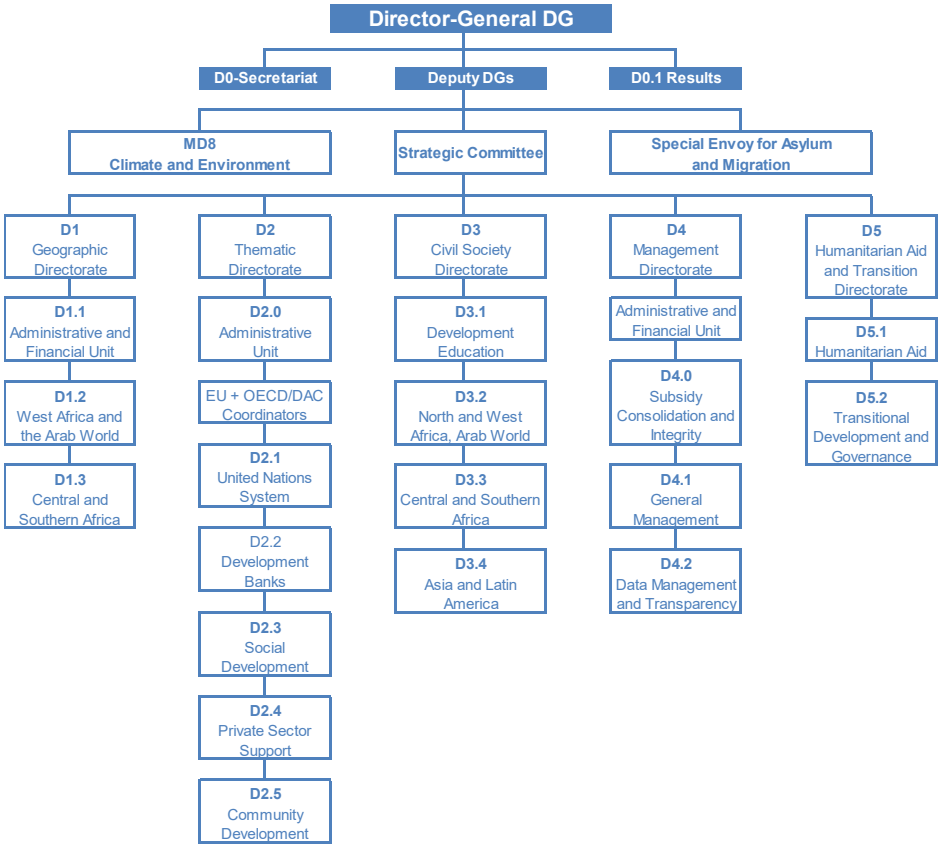


Figure C.2. Enabel's organisational structure

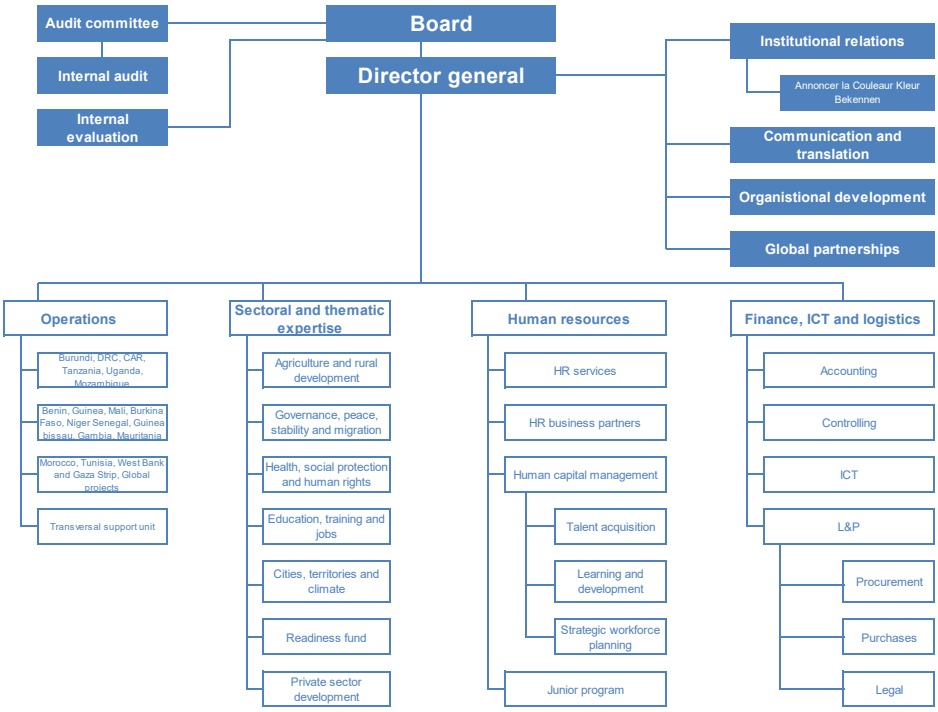


Figure C.3. Belgian Investment Company for Developing Countries (BIO) organisational structure

OECD Development Co-operation Peer Reviews

BELGIUM

The OECD's Development Assistance Committee (DAC) conducts reviews of the individual development co-operation efforts of DAC members once every five to six years. DAC peer reviews critically examine the overall performance of a given member, not just that of its development co-operation agency, covering its policy, programmes and systems. They take an integrated, system-wide perspective on the development co-operation activities of the member under review and its approach to fragility, crisis and humanitarian assistance.

Belgium is a powerful voice for the cause of the least developed countries and fragile contexts, and a strong humanitarian partner. Committed to the principles of partnership, it empowers multilateral, civil society and private sector organisations to achieve their mandates. As Belgium emerges from a period of institutional reforms, this peer review provides recommendations to strengthen the management of its development co-operation policy. It also advises on how to take advantage of recent changes to reinforce the humanitarian-development-peace nexus, and improve the management of human resources.

PRINT ISBN 978-92-64-90571-9
PDF ISBN 978-92-64-83098-1

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