

Discussion paper on regional programming for Asia: 2007-2013

The DCI as the backbone of the EC regional cooperation

The financing Instrument for Development Cooperation (DCI) is the backbone of EC regional cooperation with the overarching objective of poverty eradication in the region. Consistent with this objective, regional cooperation consolidates democracy, fosters sustainable development, encourages the smooth integration of Asia into the world economy, improves the environment and the management of natural resources, and strengthens the relationship between the Community and Asia. The regional strategy reflects the specific situation in Asia by encouraging regional integration and cooperation, and by contributing to the control of epidemics and zoonosis. Given the specific needs in the region the regional programming addresses, as a core component, the vulnerable situation of uprooted people in post crisis situations and fragile states.

The regional programme will be complemented by the thematic programmes of the DCI: Investing in People; Environment and Sustainable Management of Natural Resources, including Energy; Food Security; Non-State Actors and Local Authorities in Development; and Migration and Asylum.

All activities contemplated in the regional programming fulfil the criteria for ODA eligibility established by the OECD/DAC.

Other external instruments

Given Asia's diversity, in particular with regard to the level of development among countries and sub-regions, the EC response strategy will encompass several instruments and policies. The situation in several parts of the region in terms of governance, human rights, democracy and the rule of law is of concern, and will be addressed through the Instrument for the Promotion of Democracy and Human Rights. Humanitarian aid might also be necessary in this disaster-prone region. Asian situations may also need the Instrument for Stability for assistance in response to emerging crises, and to ensure stable conditions for cooperation. EC Cooperation will also be carried out with Macao, Brunei, Singapore, Hong Kong and Chinese Taipei to strengthen EU relations with these countries and territories under the financing Instrument for Cooperation with Industrialised Countries (ICI), including fostering trilateral cooperation.

Complementarity issues

The Regional Programme is driven by the principles of complementarity and concentration. It is complementary to individual Country Strategy Papers for Asia. The document concentrates on three strategic priorities for EC regional cooperation in Asia for the period 2007-2013:

- Support to Regional Integration; through ASEM, ASEAN, and SAARC.
- Policy and Know-How based Cooperation: (i) Environment, Energy and Climate Change; (ii) Higher Education and support to research institutes; (iii) Cross-Border Cooperation in Animal and Human Health and (iv) Trade and Business Cooperation.
- Support to Uprooted People, aimed at rehabilitating persons and populations displaced by crises.

Regional cooperation has an inherent comparative advantage vis-à-vis intervention on the country and global level. The added value is the following for every area of concentration:

As regards regional integration and dialogues the added value is self-explanatory.

As for Policy and know-how based cooperation:

- Environment, Energy and Climate Change: these issues require a cross border approach;
- Higher Education and Support to Research Institutes: avoiding high costs linked to management of national windows for higher education justifies the regional approach, with the exception of China and India for which specific higher education windows are established in country strategy papers.
- Cross-Border Cooperation in Animal and Human Health: the fight against highly pathogenic and emerging diseases, including avian influenza, requires a regional approach.
- As for Business development, the focus will be on activities in trade and regional integration complementary to activities under the country programmes.
- As for the support to uprooted people, most of the areas of intervention are cross-border regions which involve a regional approach.

Complementarity and synergies will be sought with EC assistance to Central Asia. Complementarity will also be strived for with other regional or sub-regional groupings in Asia and Central Asia.

Coherence of the policy mix

The coherence of the policy mix is ensured between development policy and other areas of external action, including trade policy. Coherence is also ensured with other EC (internal) policies which are likely to affect partner countries and regions, including environment (and climate change), transport and energy, economic and financial policies, and research.

The sectoral dialogues that will take place with Asian (sub)regional groupings also contribute to ensure coherence. The external aspects of EU policies contribute to the development of Asian countries on topics jointly selected with them at their main interest.

Donors coordination

The coordination process with donors is more complicated at (sub)regional level than at national level. Given the added value of EU coordination an exchange of views with member states has been organised to discuss the orientations proposed and their complementarity and added value to bilateral programmes. A more general discussion has also taken place with other donors though video/audio conferences with the Asian Development Bank, the World Bank and the European Investment Bank. During implementation, donor coordination will take place, as appropriate, emphasising the added value of EU coordination and the division of labour among donors.

Ownership and consultation process

The (sub)components were discussed bilaterally between the main Asian partners concerned and the geographical/thematic services of DG External Relations of the Commission, and the general programme was discussed during ad hoc exchanges of views with ASEAN and SAARC.

The issue of a consultation process with civil society at regional level is even more complex and in fact was limited to specific actors.

EU visibility

Appropriate measures will be taken to ensure visibility of the activities to be implemented under the Regional Programming document, including the dissemination of the present document and ad hoc events organised by EC delegations in Asia.

Indicative Allocation

Under the Development Cooperation Instrument (DCI), an indicative allocation of € 775 million is earmarked for regional assistance that will be divided as follows: Multi-Annual Indicative Programme I, covering 2007-2010: € 400 million and the Multi-Annual Indicative Programme II, covering 2011-2013: € 375million.

SP 2007-2013

Priority Sector 1- Support for regional integration	141	18%
<i>ASEM</i>	54	7%
<i>SAARC</i>	18	2%
<i>ASEAN</i>	71	9%
Priority Sector 2-Policy and know-how based co-operation	417	54%
<i>Environment, energy and climate change</i>	185	24%
<i>Higher education and research</i>	117	15%
<i>Cross border cooperation in animal and human health</i>	92	12%
<i>Business development</i>	23	3%
Priority sector 3-Support to uprooted people	217	28%
Total	775	100%

MIP 2007-2010

400 MEURO (100 MEURO/year)

MIP 2011-2013

375 MEURO (125 MEURO/year)