

EUROPEAN COMMISSION

MULTI-ANNUAL INDICATIVE PROGRAMME FOR ASIA

2007-2010

Country/Sub Region	All Asia
Budget Years	2007-2010
Budget Lines	19.10.01
Legal Base	DCI
Cost of Order	€400 million
Programming Service	DG RELEX H1
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1 SUMMARY OF THE MULTI- ANNUAL INDICATIVE PROGRAMME

The Multi-Annual Indicative Programme (MIP) covering the period 2007-2010 is to be read in conjunction with the Strategy Document 2007-2013 of the Regional programming.

The Multi-Annual Indicative Programme focuses on three main areas of intervention:

- (1) Support to Regional Integration;
- (2) Policy and Know-How based Cooperation in:
 - (i) Environment, Energy and Climate Change,
 - (ii) Higher Education and Support to Research Institutes;
 - (iii) Cross-border Cooperation in Animal and Human Health; and
- (3) Support to Uprooted People.

The principles of subsidiarity and complementarity will be fully applied during the development and implementation of projects to be financed under the MIP for Asia.

1) Support to Regional Integration

The Sub-Regional Co-operation Programmes will cover co-operation with the Asia-Europe Meeting (ASEM), with South Asia (support to the South Asian Association for Regional Co-operation – SAARC) and South-East Asia (support to the Association of South-East Asian Nations – ASEAN).

2) Policy and Know-How based Cooperation:

Environment, Energy and Climate change

Cooperation in this key area of EC intervention will focus on two main activities: (1) A regional intervention to promote "green growth" in Asia by financing projects that encourage Sustainable Consumption and Production (SCP) in Asian industries, with a particular focus on SMEs, and (2) Cooperation on Forest Law Enforcement, Governance and Trade (FLEGT), addressing illegal logging and enhanced forest governance.

Higher Education and Support to Research Institutes

EC support will focus on (1) the promotion of higher education in Asia, partnerships between European and Asian institutions and academic exchanges at the student and scholar level, as well as (2) research institutes with the aim of enhancing mutual understanding whilst at the same time contributing to the development of the countries of the Asian region.

Cross-border cooperation in animal and human health

The Commission will assist in the reinforcement of animal husbandry and veterinary public health services, at national and regional levels, thus pursuing its cooperation with Asian countries in the area of Avian Influenza (AI) and extending it to other Highly Pathogenic and Emerging Diseases (HPED). Assistance will also target public health structures, when relevant.

3) Support to Uprooted People in Asia

Aid will support existing as well as new crisis profiles. There is a need to ensure the continuum of assistance in countries still greatly affected by uprooted people issues. Especially in protracted refugee situations, support will aim at promoting the search for long term solutions.

Whenever possible in the prevailing political environment, the focus will be on fostering medium and long term activities aimed at the self-sufficiency and integration or reintegration of uprooted people, ensuring that an integrated and consistent approach between humanitarian aid, rehabilitation and development cooperation is pursued.

The financial allocation for the 2007-2010 period is €400 million.

Priority 1 - Support to Regional Integration	20% of the total budget
Priority 2 - Policy and Know How-based Cooperation	52% of the total budget
- Environment, Energy and Climate change	25%
- Higher education & Support to research institutes	15%
- Cross Border Cooperation in animal and public health	12%
Priority 3 - Support to Uprooted People	28% of the total budget

2 PRIORITIES AND ACTIONS

2.1 Support to Regional Integration

The Sub-Regional Co-operation Programmes cover the cooperation in relation to (i) ASEM, (ii) South Asia (SAARC), and (iii) South-East Asia (ASEAN). The principle of subsidiarity, complementarity and sub-regional specificity will be applied during the development and implementation of projects.

The objectives and activities of each programme will be described briefly below. However, for details on expected results of the programmes, their main assumptions, main indicators, the coordination with Member States and other donors, envisaged start of activities, as well as possible cross cutting issues see Annex 18 and 24.

ASEM

Activities under ASEM will aim at strengthening: (1) the ASEM dialogue through the Dialogue Facility; (2) the work of the Asia-Europe Foundation (ASEF) and (3) the continuation of the communication network established by TEIN2 to facilitate inter-regional and intra-regional collaboration in research and education (TEIN3).

ASEM Dialogue Facility

The objective of this facility is to support the ASEM dialogue in the following priority areas: (1) economic and financial matters (2) employment and social policy; (3) environment and (4) cultural diversity and intercultural dialogue. Further to this, cross-cutting issues and other specific issues in the field of business will be promoted such as Corporate and Social Responsibility (CSR), decent work conditions and social protection in line with ILO Conventions, Small and Medium-sized enterprises (SMEs), Intellectual Property Rights (IPR), etc. A preliminary plan of the activities to be supported is attached in Annex 17.

The facility is intended to be an evolving instrument which may also provide support to dialogue in other areas, for example research, transport and migration. The activities to be undertaken will vary depending on the nature and objectives of the dialogue to be supported.

Asia-Europe Foundation (ASEF)

The objectives of ASEF are to: (1) build on its current programme to further promote exchanges between civil societies in Asia and Europe; (2) foster links between governments and civil society groups in Asia including regional and local authorities; (3) contribute to policy dialogue and academic debates on themes of inter-regional importance; and (4) complement and support the official ASEM dialogue and events.

The core priorities of ASEF will be as follows: (1) dialogue between cultures and civilisations, including cultural networks and policy dialogue; (2) youth (including young artists), education and academic co-operation; (3) good governance, democracy and human rights; (4) environment and sustainable development; (5) multilateralism, regionalisation and globalisation.

ASEF will also seek to intensify partnerships with key cultural, intellectual, youth and media organisations in ASEM countries to facilitate dissemination of information and sharing of resources, and to enhance public awareness of ASEM/ASEF.

ASEM Trans-Eurasia Information Network (TEIN 3)

TEIN3 aims at extending and enhancing the communication network established by the TEIN 2 to facilitate inter-regional and intra-regional collaboration in research and education and to provide a sustainable environment for research networking in Asia, particularly in Least Developed Countries, reducing the digital divide in Asia.

TEIN3 will thus build on the achievements of TEIN2, by focusing on the following objectives: (1) network deployment and operation, and will thus continue to acquire additional capacity and other network services needed to consolidate, enhance and extend the connections established by TEIN 2, and to attract donations; (2) applications promotion and support, by stimulating innovative applications with development impact (such as telemedicine, e-learning, environmental forecasting), and facilitating the establishment of global world research partnerships in coordination with EU framework programmes for Research and Development; and (3) sustainability; to this end, TEIN3 will continue to build a strong sense of ownership among its Asian partners, with the aim of establishing a self-sustaining regional network. Funds for TEIN3 are intended to be committed as from 2008.

SAARC - South Asia Activities

The Commission proposes to concentrate its assistance to SAARC countries, including Afghanistan as a new member, on regional capacity-building with a particular focus on: (1) Support to Trade Development to assist in the implementation of the South Asia Free Trade Agreement (SAFTA), (2) Sectoral Dialogue to foster institutional links and to share relevant EU experiences, and (3) Civil Aviation, to move towards closer regional integration and co-operation in safety rulemaking. Additional information on activities is available in Annexes 18 and 24.

SAARC SAFTA Trade Development

This programme will contribute to sustainable development through trade, and will assist in the implementation of SAFTA. It will provide technical co-operation and exchange relevant experience in: (1) Harmonisation of standards, reciprocal recognition of tests and accreditation of testing laboratories, certification of products; (2) Institutional development related to quality management and quality award schemes; (3) Simplification and harmonization of customs clearance procedures, harmonization of national customs classifications based on the HS coding system, customs cooperation to resolve disputes at customs entry points, support to the SAARC Secretariat in overseeing the customs reform process; (4) Simplification and harmonisation of import licensing and registration procedures; (5) Transit facilities for efficient intra-SAARC trade, especially for land-locked countries; (6) Removal of barriers to intra-SAARC investment; and (7) Development of communication systems and transport infrastructure.

SAARC Sectoral Dialogue Facility

The objective of the programme is twofold: (1) to analyse opportunities and scenarios for greater regional integration and to share relevant EU experience on cooperation initiatives and selected themes; and (2) to facilitate dialogue and networking among relevant Asian institutions and to develop a common understanding of issues facing South Asia.

This programme will thus facilitate interaction of institutional networks in South Asia and build stronger regional integration in selected themes, namely the benefits of regional integration, energy and environment, disaster preparedness and statistics. Other specific issues in the field of business such as Corporate and Social Responsibility (CSR), decent work conditions and social protection in line with ILO Conventions, Small and Medium-sized Enterprises (SMEs), Intellectual Property Rights (IPR), may also be included.

SAARC - South Asia Civil Aviation Programme

This programme has the following objectives: (1) to improve safety levels for the benefit of air travellers and manufacturers; and (2) to promote the adoption of European safety regulations.

Aviation can play a vital role in the economic development of poorer countries and regions, in particular in regions where tourism and agriculture (transport of perishable goods) are important sectors of the economy, or where transport infrastructure is poor. Experience shows that promoting regional integration can be a very economical way for those countries to improve safety levels in aeronautics and to ensure the safety oversight functions to group their resources on a regional basis within regional organizations and institutions. However, a prerequisite for such regional groupings is the harmonisation of regulations.

ASEAN - South-East Asia Activities

Activities to be developed for ASEAN will focus on: (1) Institutional support and region-to-region dialogue; (2) Statistical cooperation; (3) Cooperation and policy reform in the security field. Details of these focal areas are given in Annex 19 and in Annex 24.

ASEAN - Institutional Support and Region-to-Region Dialogue

This programme is meant: (1) to enhance ASEAN's overall strategic planning and policy development for key sectors of regional co-operation in the light of relevant EU experience (e.g. Disaster Risk Reduction); (2) to increase the capacity of ASEAN to propose, prepare, develop and implement sector-specific actions for regional economic integration with the contribution of EU and ASEAN regional experts; (3) to assist ASEC with institution building and to strengthen ASEC's capacity in measuring progress towards ASEAN Community goals; (4) to contribute to the realisation of the "Vientiane Action Plan" (VAP) for the creation of an ASEAN Community (Single Market as part of the proposed ASEAN Economic Community (AEC)); (5) to support possible ASEAN-EU FTA negotiations and implementation; (6) to support the organisation of activities stemming out of region-to-region dialogue, either trade related (TREATI) and non-trade related (READI), or dialogue between civil society organisations; (7) to support sustainable development including political aspects; and (8) to raise the visibility of EC contribution to ASEAN.

Cross-cutting issues and other specific issues in the field of business will be promoted such as Corporate and Social Responsibility (CSR), decent work condition and social protection in line with ILO Conventions, Small and Medium-sized enterprises (SMEs), Intellectual Property Rights (IPR), etc.

Activities will include technical assistance to support the Secretariat, and technical assistance for the implementation of actions at the national and regional level, including training, seminars, studies, conferences, exchanges, study tours, specialist group meetings, peer contacts etc.

ASEAN –Statistical Cooperation

This programme will (1) strengthen the capabilities of ASEC and members countries; (2) produce more accurate and reliable figures in selected areas (Trade, Foreign Direct Investment, Health, Education, Non Observed Economy); and (3) facilitate ASEAN regional integration, that is facilitate the coordination of activities within the ASEAN (ASEC-members states), as well as between ASEAN and the EU.

Actions will include European TA and training to be provided to the ASEAN Secretariat and chosen national statistical offices for the purpose of producing better and comparable regional statistics. The ASEAN Secretariat will be the counterpart within this programme, and will ensure coordination of the programme with National Statistical Offices.

ASEAN – Cooperation and Policy Reform in the Security Field

The overall objective is to support cooperation and reform in the security field, in order to develop a more coherent system of Border Management (BM) in place at selected main ports of entry/exit of the ASEAN Member Countries, at their request and in the main interest of the population. More specifically it is meant to strengthen the capacities of the ASEAN Border Management system both at regional cooperation level and at selected Border Crossing Points. Cooperation activities will also include promoting the implementation of international standards in combating organised crime and corruption in line with the relevant UN conventions.

2.2. Policy and Know-How based Cooperation

Environment, Energy and Climate Change

The two main activities that are foreseen under this pillar are: (1) Sustainable Consumption and Production in Asia; and (2) Forest Law Enforcement, Governance and Trade (FLEGT).

Sustainable Consumption and Production in Asia (SCP–ASIA)

This instrument is a four-year programme to promote "green growth" in the region by financing projects that encourage more sustainable consumption and production (SCP) in Asian industries, as called for by the 2002 UN World Summit in Johannesburg on Sustainable Development and its Plan of Implementation. The SCP programme will also strengthen the environmental cooperation between Europe and Asia, notably by mobilizing the private sector (especially SMEs) in supporting environmental policy development.

It addresses the requirement in the Regional Programming Document "Asia-wide Areas of Concentration" to define regional actions to deal with major environmental challenges in

Asia, in particular the region's increasing consumption of natural resources, including energy, leading to rising greenhouse gas emissions, and environmental degradation due to unsustainable production and consumption patterns and processes, including severe biodiversity loss and deforestation, waste, mismanagement and misuse of chemicals and hazardous substances, and air and water pollution.

The programme will address Sustainable Production and Sustainable Consumption in an integrated approach. Activities will preferably cover both production and consumption. The main target groups for programme activities will be manufacturing industries, especially SMEs, across Asia with a view to minimising their consumption of natural resources, reducing pollution at source, and improving the quality and extending the lifecycle of products produced. Besides SMEs, government agencies and bodies as well as retailer chains will be targeted for their role in public procurement. Finally, consumer organisations will be targeted in particular to promote sustainable consumption and demand for environmentally-friendly goods and services. The programme will include incentives to promote participation of Least Developed Countries (LDCs) and Least Developed Regions in countries like China and India (LDRs). The programme will be designed to allow for a well-focused but integrated approach, and to achieve a high degree of synergy with other national and regional programmes.

Forest Law Enforcement, Governance and Trade (FLEGT)

This programme, envisaged to start in 2008, aims at supporting the implementation of the EU FLEGT Action Plan, as well as commitments of Asian countries, to tackle illegal logging. Forests are a key resource for the people of Asia as a source of timber and non-timber forest products, as well as providing multiple environmental benefits such as reliable water flow. Many of Asia's poorest populations, including indigenous people depend on forests. However, in parts of the region they are threatened by illegal logging, which itself is partly driven by demand from regional and international markets.

The FLEGT programme will thus foster cooperation within the region as well as between the region and the EU in improving forest governance and forest law enforcement. Such cooperation will provide support for the development of bilateral FLEGT Agreements with the EU, but will also include other activities that support the general objective of improving forest governance and combating illegal logging. Strong collaboration with country level programmes related to FLEGT will be sought. Activities will thus include support for the exchange of best practice on forest governance in the region, support for regional enforcement cooperation to combat illegal logging and associated trade, regional pilot activities to test new approaches or technologies, and support for triangular (South-South-North) cooperation involving civil society and the private sector.

Higher Education and Research

The strategic importance of higher education in the development of Asia has been emphasised through its inclusion in the 2005-2006 Regional Strategy Paper/Regional Indicative Programme for Asia, as one out of three Asia-wide priorities. The overall objective is to contribute to Asia's economic, scientific and social development, thus alleviating

poverty in the region through EC cooperation in higher education. The specific objectives are to: (1) help to enable Asian countries' and their students', scholars' and universities' participation in a higher education scheme of a world standard of excellence; (2) deliver on calls in the context of ASEM, EU-ASEAN and EU-SAARC relations to promote educational and intercultural exchanges and dialogue; (3) help universities and higher education institutes in Asia to raise their academic standards while coping with steep increases of demand and enrolment; (4) promote better understanding of European higher education in Asian developing countries; (5) support sustainable cooperation programmes and networks between European and Asian universities, in areas which could have the greatest added value for supporting the economic and social development in Asian countries, thus contributing to poverty alleviation.

Activities will include: Mobility schemes for students (in particular masters and specialised studies) and for academics; Networking and transfer of best practice between EU and Asian universities, with participation of governments of recipient countries where possible (including financing). Programme support activities including workshops, higher education fairs, stakeholders meetings, promotional activities, production of working papers, supporting mutual recognition of qualifications, surveys. Partner countries will benefit from the EU's experience in higher education cooperation, mobility and reform. More detailed information on foreseen activities is available in Annexes 21 and 24.

Support to Research Institutes

This programme aims at enhancing mutual understanding with a view of contributing to the development of the Asian region. This will be done by bringing together think-tanks and policy makers from both regions, and broadening and intensifying the range of seminars and conferences. For this purpose, funds will be allocated to support the work of specialised institutes focusing on Asia-EU relations.

Activities will focus on strengthening research related capacities, promoting public debate on EU-Asia relations and twinning between Asian and European institutes, think tanks and similar circles. The call for proposals is expected to be launched in 2007. For more information see Annex 24.

Cross-Border Cooperation in Animal and Human Health

The Commission will accompany the global response process on Avian Influenza (AI) during the next four years. The scope of intervention will be extended to the prevention of, and possible response to, other Highly Pathogenic and Emerging Diseases.

This programme will thus: (1) contribute to the control of the AI crisis, focussing on the animal health and husbandry aspects that remain the main causal factors; (2) increase capacities of the region to tackle health hazards, in particular highly pathogenic and emerging diseases (HPED), through a sustainable reinforcement of regional and national sanitary policies, planning, structures and actions; (3) minimise the multifactor socio-economic impact of AI and other HPED, and the loss of human lives, by assisting Asian countries to control HPED, and to prepare for possible epidemics or pandemics; and (4) promote strong regional networking and cooperation in animal and public health, food safety and sanitary

crisis response. Detailed background information on animal and human health activities is provided in Annexes 22 and 24.

2.3. Support to Uprooted People in Asia

The aim of this programme is to (1) ensure the link between Relief, Rehabilitation and Development in crises involving uprooted people; (2) to find durable solutions, (3) promote Peace-Building and Reconciliation; (4) protect of uprooted people; and (5) address the needs of demobilised former combatants and child soldiers. Activities include: interventions in the Afghan Crisis (Afghanistan, Pakistan and Iran), the Burmese Crisis (Burma/Myanmar, Thailand and Bangladesh), Indonesia, Nepal and India, the Philippines and Sri Lanka. A description of these crises and of the activities foreseen is included in Annex 22 and Annex 24. The list of countries covered is not exhaustive as new crises might emerge during the programming period.

Implementation will happen mainly through calls for proposals for each of the uprooted people crises, as well as in some cases direct agreements with certain organisations. UNHCR is likely to remain the EC's main partner in the implementation of operations to aid uprooted people (given their mandate for the protection of refugees and displaced persons and advocacy activities).

Given the urgent needs in the region, this programme should start in 2007, with calls for proposals or direct agreements with International Organisations following detailed need assessments.

2.4 Principles for Identification, Monitoring and Evaluation

During the identification phase, when fully preparing the outlined programmes and actions, the principles of sound Project Cycle Management will be applied. To this end, logical frameworks for all programmes and interventions will be developed, detailing further (1) the objective to which the specific intervention contributes; (2) its purpose, outcome and expected benefits to the target groups; (3) the direct and tangible results, that are being delivered, and (4) the activities that need to be carried out to deliver the planned results. To measure the interventions' achievements in qualitative and quantitative terms, indicators and sources of verification, as well as the individual implementation mechanism, will be established. In addition, the required monitoring and auditing provisions will be stipulated.

Special budgetary provisions for evaluations and audits will be included in the individual agreements and contracts, to properly monitor and audit the implementation of all programmes. In addition, a mid-term review of the whole programme is envisaged for 2009.

3 INDICATIVE WORK PROGRAMME AND BUDGET

The strategy covers the period 2007 to 2013, and an indicative allocation of €775 million has been earmarked for the Asian Regional Programme under the financing Instrument for Development Cooperation (DCI).

These resources will be supplemented by programmes and projects financed under the programmes for individual Asian countries and thematic budget lines.

The partition of the regional funds for Asia is as follows:

- Multi-Annual Indicative Programme I (2007-2010): €400 million – 52% of total
- Multi-Annual Indicative Programme II (2011-2013): €375 million – 48% of total

The table below gives an indicative yearly breakdown of the financial allocations by priority on the basis of the overall amount expected to be available. The indicative budget for the total period from 2007 to 2013 is provided in Annex 25.

In million Euro	Multi-Annual Indicative Programme I					
	2007	2008	2009	2010	2007-10	
1. Support for Regional Integration	32	31	6	9	78	20%
2. Policy and Know-How based Cooperation	51	74	45	40	210	52%
3. Support to Uprooted People	28	28	28	28	112	28%
TOTAL	111	134	79	77	400	100%

While the aim will be to implement the indicative allocations shown, some flexibility between priorities will be essential.

The allocation and annual breakdown for MIP II will be determined taking the assessment of the implementation and lessons learned under MIP I fully into account. To this end, a Mid-Term Review of the Strategy and the MIP I is envisaged for 2009.