Information note on EU-funding of development and humanitarian projects of Danish CSOs in 2013

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GLOBAL FOCUS
- Danish CSOs for Development Cooperation

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1. Introduction

In 2013, the Danish Civil Society Organizations (CSOs) that are members of Global Focus (earlier Concord Denmark) signed EU-contracts for development and humanitarian projects for a total amount of €112 million.

Global Focus is the EU network of the Danish development and humanitarian organizations with 74 Danish CSOs as members. Global Focus is part of the European network, CONCORD Europe, representing more than 1800 CSOs from all of Europe.

In total, the Danish organizations signed contracts on humanitarian projects funded by the EU related to the crisis in Syria for a total amount of €54 million. The Danish organizations thereby implemented more than 15% of the total ECHO humanitarian assistance in Syria and surrounding countries in 2013.

Of the €112 million that Global Focus's member organizations signed projects for €104.5 million is donated by the EU and €7.5 million is co-financed by the organizations. The primary source of co-financing is Danida, the Danish agency for official development cooperation.

Danida (Danish agency for official development cooperation) is the most important donor for Danish CSOs. Having said this, the importance of the EU financing the development and humanitarian work of Danish CSOs all over the world is increasing. Through the large number of projects funded by the EU in 2013, the members of Global Focus and their partners managed to help people all over the world living in poverty.

In 2013, the Danish CSOs that are members of Global Focus, signed EU project contracts for a total amount of €112 million, which is a significant increase compared to a similar analysis for 2012. The EU has even overtaken Danida as the largest donor of humanitarian projects to the Danish CSOs. The large amount of project contracts is largely a consequence of the strategic efforts made by Danish CSOs in applying, implementing and reporting on EU projects of high quality and in correspondence with the (sometimes rigorous) rules and workflows of the EU. The diversity of organizations implementing EU projects, the growing number of projects implemented, and the high amount of funds gained simultaneously indicate that the Danish CSOs are relevant and qualified partners of the EU.

While a number of organizations obtain a large amount of EU-funded projects, it is clear that the experiences and capacities of the CSOs differ, in particular in regards to obtaining and managing the funding. Apart from the administrative challenges of applying and implementing EU projects, the co-financing requirements can be a barrier for some organizations. From the total amount of €112 million that Global Focus' member organizations obtained in 2013, €104.5 million were granted by the EU, and €7.5 million were co-financed by the organizations.

While the role of Danida as a provider of the funds needed for co-financing is indispensable, experiences show that there still are important challenges and potentials for the Danish CSOs in achieving EU funding.

The Danish CSOs have been pleased to experience the awareness of Danida regarding the interest for EU-funding among Danish CSOs, as well as their continuous need for support in these efforts. The newly launched strategy for the Danish participation in EU's development cooperation[1] also stresses the different capacities and experiences of Danish CSOs and underlines that there is a need to raise awareness regarding the possibilities for European development cooperation. Furthermore, Denmark will work to make the procedures of financing from the EU more stable and predictable. Global Focus welcomes the invitation of engaging in dialogue with Danida, the members of Parliament, and other interested stakeholders. The aim is to ensure the best possible conditions for the work of Danish CSOs to gain and implement development and humanitarian projects funded by the EU.

The following sections provide an overview of the size and distribution of the EU-funded humanitarian and development projects gained by Danish CSOs in 2013. The main sources of co-financing are furthermore described.

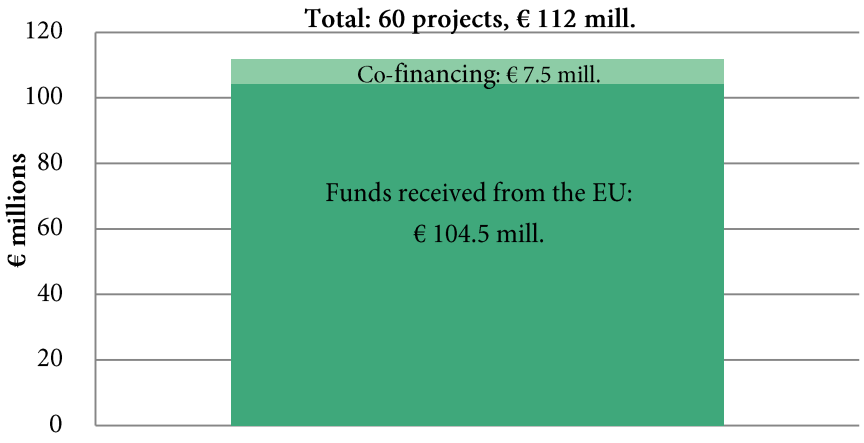
2. Extent and distribution of the EU-funding of Danish CSOs

Total amount and number of projects, divided into grants from the EU and co-financing

The Danish CSOs that are members of Global Focus gained 60 development or humanitarian projects from the EU in 2013 with a total value of €112 million Of these €104.5 million are funded directly by the EU, while the remaining €7.5 million are co-financed by the organizations. This is shown in Figure 1.

[1] 'Together for a Better World: Strategic Framework for Denmark's participation in EU Development Cooperation', Danida, October 2013

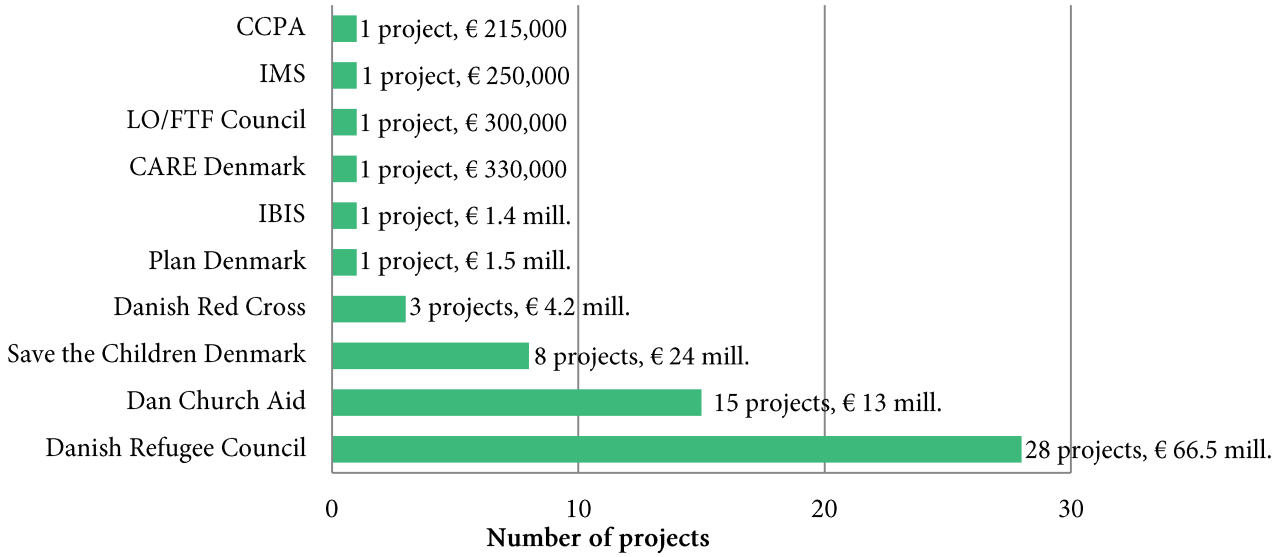
Figure 1: ***EU projects,*** *divided in donation from the EU and co-financing*



Amount and number of projects by organization

According to the study made by Global Focus, 18 Danish organizations applied for projects from the EU in 2013, of which 10 signed one or more contracts in 2013. In 2012, 16 organizations applied for EU-funds, of which 11 signed one or more contracts for projects. As Figure 2 shows, the Danish Refugee Council received the largest amount of funding from the EU in 2013 (66.5 mill. €), followed by Save the Children Denmark (€ 24 mill.), DanChurchAid (€ 13 mill.), Danish Red Cross (€ 4 mill.), Plan Denmark (€ 1.5 mill.) and IBIS (€ 1.4 mill.). In addition Care, Cross Cultures Project Association, International Media Service and the LO/FTF Council signed EU project contracts in 2013.

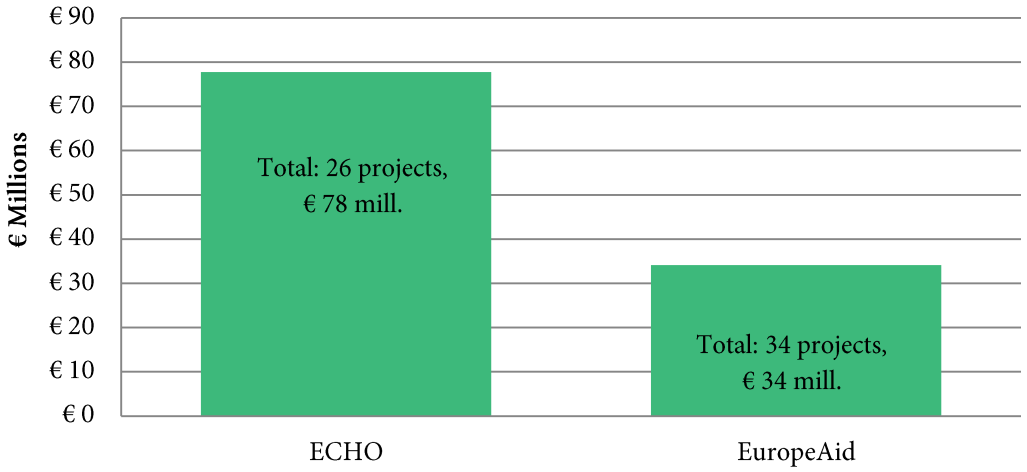
Figure 2: ***EU projects by organization,*** *amount and number of projects*



Amount and number of projects allocated between development and humanitarian work

The Danish CSOs have applied for funds from ECHO and EuropeAid, which are the EU institutions for respectively humanitarian and development. As shown in Figure 3, the Danish organizations had 60 applications approved in 2013, of which 34 are development projects from EuropeAid with a total value of € 34 million and 26 are humanitarian projects from ECHO with a net worth of € 78 million. The value of the funds given to humanitarian projects is thus more than double compared to that granted to development projects. This is mainly due to three large ECHO-projects related to the humanitarian crisis in and around Syria. The net value of funds granted to humanitarian projects is significantly higher in 2013 compared to 2012. The funds given to development projects are stable at a net worth of approximately € 35 million.

Figure 3: ***Development and humanitarian projects,***
EU-financing allocated between development (EuropeAid) and humanitarian projects (ECHO)



The application for EU-funded development projects from EuropeAid requires organizations to submit applications for specific tenders, laid out by geographical region and program content – also known as 'Calls for Proposals'. Some applications are rejected at the initial concept-note stage, while the preliminarily accepted applications require a subsequent full application. The data collected by Global Focus indicates that the Danish CSOs receive contracts for about 25% of the submitted concept notes.[2]

Project funds allocated between regions

The EU projects of the Danish organizations are divided in five regions as illustrated in the figure below, namely Africa, Asia and the Pacific, Europe, and the Middle East. As the figure reveals, projects in the Middle East received the majority of the funds (€ 61 mill.) in 2013, followed by Africa with € 33 mill. As mentioned earlier the three ECHO-projects related to the crisis in Syria carry much weight in this allocation.

[2] The collected data on rejected applications does not cover all member organizations, and it is therefore not possible to asses an actual rate of success for the applications submitted by the Danish CSOs.

Figure 4: ***Allocation of funds and number of projects between regions,***
Both EuropeAid and ECHO

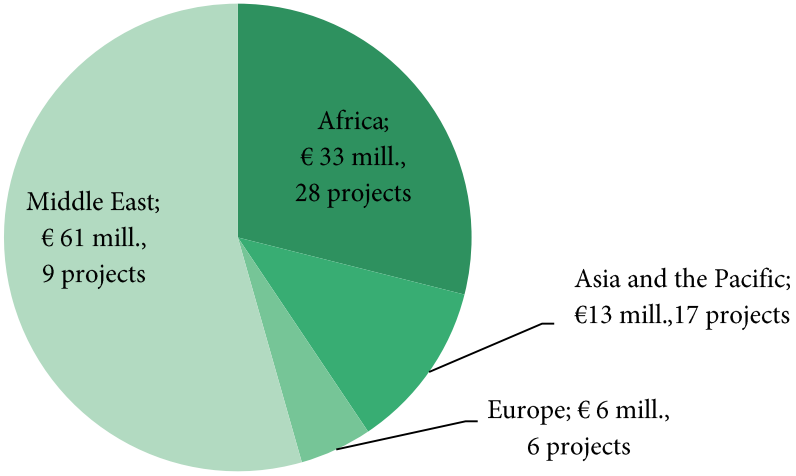
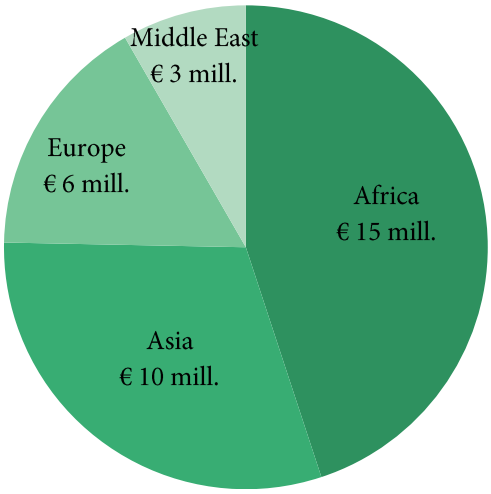


Figure 5 shows the allocation of funds from EuropeAid, only including development projects. The figure shows that the majority of funds within development projects are allocated to Africa (15 mill. €), followed by Asia (10 mill. €), Europe (6 mill. €), and the Middle East (3 mill. €). The development work implemented by Danish CSOs funded by the EU thus to a large extent follows the geographic allocation of the CSOs development work funded by Danida - Latin America being the obvious exception.

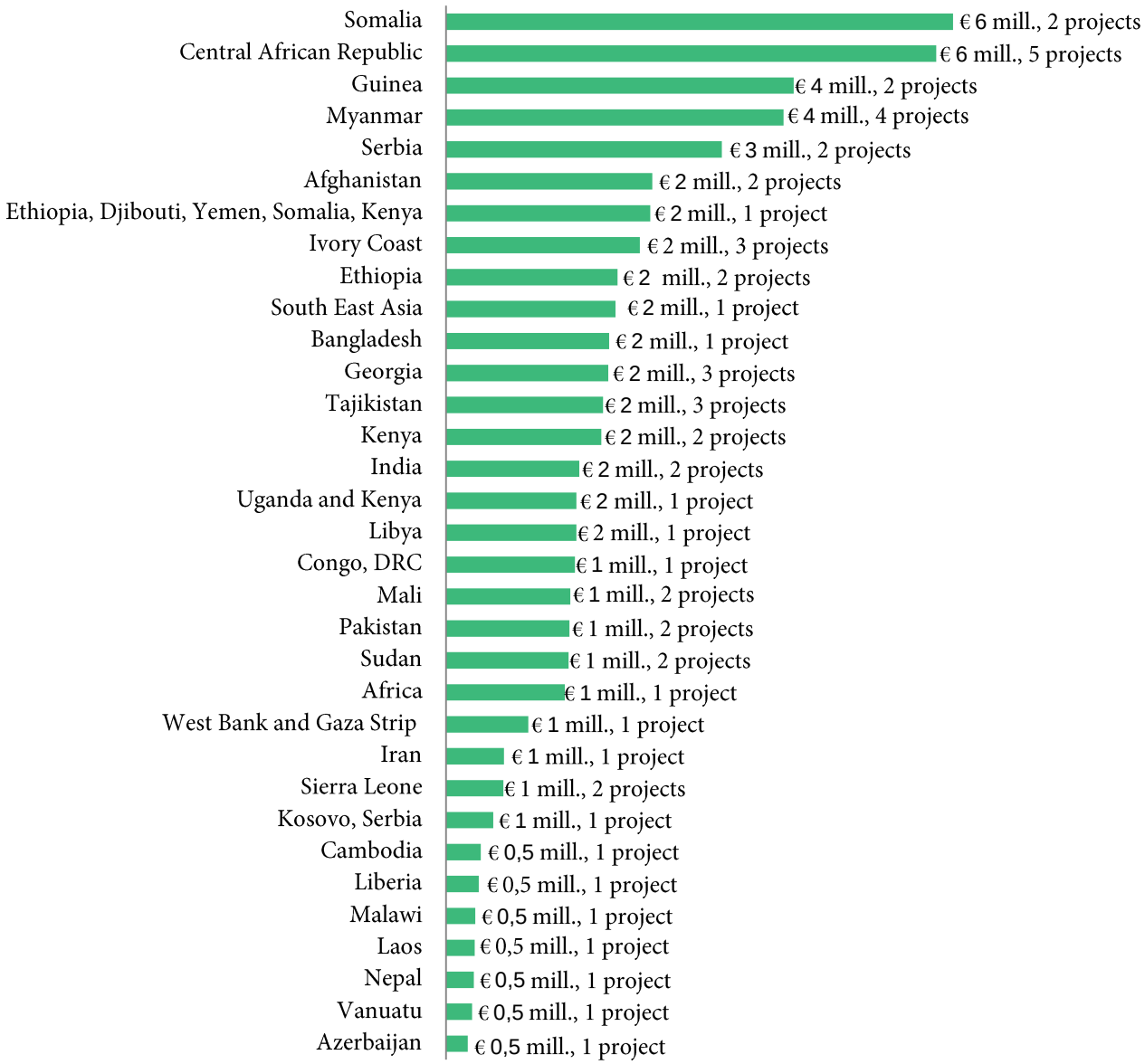
Figure 5: ***Development projects allocated between regions***
Only EuropeAid, not ECHO



Amount and number of projects allocated between receiving countries

In 2013, the Danish CSOs signed project contracts with the EU in 32 developing countries, and three projects with a broader regional scope – including projects related to the crisis in Syria. Figure 6 shows the allocation of funds at country-level, excluding the projects related to Syria. Here, the majority of the funds are granted to projects implemented in Somalia, the Central African Republic, Guinea, Myanmar, and Serbia.

Figure 6: ***Allocation of funds and number of projects between countries / geographic scopes***
Projects in Syria and the surrounding countries not included

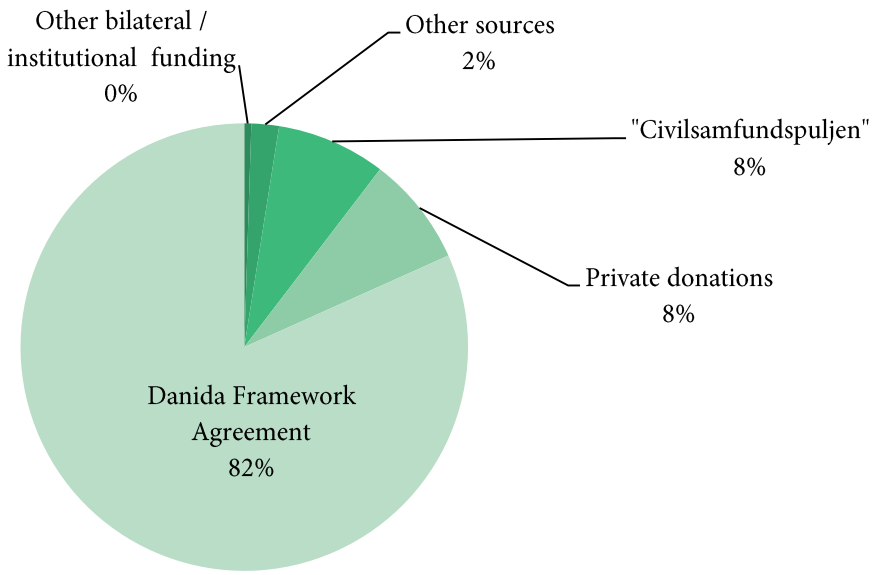


3. Co-financing of EU-funded projects

It is required that CSOs co-finance part of the EU projects. This is more often the case for projects from EuropeAid compared to ECHO-projects. In 2013, € 7.5 million was co-financed by Danish CSOs, whereas € 104.5 million was funded by the EU. This is equivalent to an average co-financing of 7% by Danish CSOs. 43 out of 60 projects required some degree of co-financing, of which the average was 17% for projects from EuropeAid. While many large ECHO-projects are exempted the requirements for co-financing, only four projects from EuropeAid did not require co-financing.

Though our data on the sources of co-financing is somewhat inadequate, it is possible to see some tendencies of the main sources of co-financing. As Figure 7 reveals, 82 % of the co-financing of EuropeAid-projects comes from Danida. The data also indicates that most Danish CSOs obtaining EU-funded projects have a framework agreement with Danida, which they use for co-financing. A few organizations without such framework agreement obtained EU-funded projects, and here the funds used for co-financing originate from "Civil Society Fund" also funded by Danida, private donations, or from local authorities and organizations.

Figur 7: ***Sources of co-financing of EuropeAid projects***



4. Global Focus' cooperation with members on EU-funding

Global Focus works with its member organizations to support and strengthen their access to EU-funding. As a service for members we distribute information on EuropeAid tenders (calls for proposals), targeted so that the member organizations only receive the calls for proposals that are relevant for their geographical and program portfolio. In cooperation with DanChurchAid and the Danish Refugee Council, two Danish

organizations with high experience and expertise in obtaining and implementing EU-funded projects, Global Focus offers courses at different levels, as well as individual counseling for its member organizations.

In addition, Global Focus continuously facilitates sharing of information and knowledge among the members of Global Focus and other relevant stakeholders. This takes place both electronically, as well as in a dedicated task force, which through regular meetings, plans and facilitates common work in relevant areas. Global Focus and its members also cooperate on EU funding through the CONCORD Europe network.