

The Impact of Brexit on the EU Development Policy. Selected Financial Issues

Monika Szynol¹

Abstract: *The withdrawal of the United Kingdom from the European Union – if it happens, regardless of the chosen variant – will be associated with various consequences for both sides. Brexit (British exit) will also impact the EU development policy, as London is one of the leading providers of ODA – in 2018 it financed 11.67% of its world's total, and with Germany and France ensured two thirds of the EU ODA (65.61% in 2018). This paper attempts to answer the main research question: what impact will Brexit have on the EU development policy? The analysis covers the financial plane, and the following elements will be taken into consideration: the impact of the United Kingdom's withdrawal from the organisation on the general EU budget, the European Development Fund and the sum of funds transferred to ODA by the EU institutions and its Member States, guaranteeing the status of the world's most generous donor, currently providing more than 50% of total ODA. However, I argue that in the post-2020 perspective the fact that Brexit will happen will matter more the EU'S ODA than the actual form that it will eventually take. The withdrawal of the United Kingdom from the European polity may be associated with a significant reduction of the financial resources at the EU's disposal and directed towards development assistance, but the European Union will remain the most important ODA donor, contributing around 41% of all global development aid.*

Keywords: *EU development policy; EU development cooperation; development aid; Brexit; the United Kingdom*

The withdrawal of the United Kingdom (UK) from the European Union (EU) – if it happens, regardless of the chosen variant – will be associated with various consequences for both sides.² The effect of Brexit (British exit) will also affect the EU development policy.

The main reason for this is the overriding principle provided by the EU policy in the development area – dualism. The distribution of competences in this field between the Member States and the supranational level was apparent from the

¹ **Monika Szynol** is a research assistant at the Institute of Political Science and Journalism, University of Silesia in Katowice, Poland. ORCID: 0000-0003-4811-6304. E-mail: monika.szynol@us.edu.pl.

² For various interpretations, see: Andrew Gamble, 'Taking back control: the political implications of Brexit', *Journal of European Public Policy*, vol. 25, no. 8, 2018, pp. 1215-1232; Tim Oliver, Barry Eichengreen, 'The international financial implications of Brexit', *International Economics and Economic Policy*, vol. 16, no. 1, March 2019, pp. 37-50; Guntram B. Wolff, 'The implications of a no-deal Brexit: is the European Union prepared?', *Bruegel - Policy Contribution*, no 2, January 2019.

very beginning of the existence of the European Communities (their assistance programmes were often implemented independently of national programmes).³ That on the one hand hindered the achievement of coherence of activities and limited their effectiveness, but, on the other, it allowed the organisation and its members to become the largest (statistically) donor of Official Development Assistance (ODA). The EU in the second decade of the 21st century provides more than 50% of world's ODA.

Yet, this duality was upheld by the treaty signed in 2007 in Lisbon, currently regulating the legal order in the EU. The key in this context is Article 4 of the Treaty on the Functioning of the European Union, stating: 'In the areas of development cooperation and humanitarian aid, the Union shall have competences to carry out activities and conduct a common policy; however, the exercise of that competence shall not result in Member States being prevented from exercising theirs'.⁴ As a result, as specified in Article 208 of the same treaty, the policies run in this field by the EU and individual Member States 'complement and reinforce each other'.⁵

Therefore, the EU development policy should be seen as the financial and political sum of activities carried out by the EU institutions and agencies, and by its members (especially their bilateral cooperation and other, additional to EU, multilateral ODA). However, in practise, Member States financing this policy play the main role in the EU development cooperation. This in turn means that the withdrawal of any of them from the organisation will also have consequences for this area of its activity. In particular, when that particular state is one of the EU's net contributors and is part of the avant-garde of international development cooperation, which happens to be the case of the United Kingdom.⁶ The UK finances one tenth of the EU budget (belonging to the group of the biggest net payers), as well as around one tenth of the total ODA (11.67% in 2018). The country has become the third world's largest ODA donor (after United States and Germany), and with Germany and France provides around two thirds of the total EU ODA (65.61% in 2018).⁷ This paper attempts to answer the main research question: **what impact will Brexit have on the EU development policy?** The analysis will cover the financial plane, and the following elements will be taken into consideration: the impact of the United Kingdom's withdrawal from the organisation on the general EU budget, the European Development Fund (EDF) and the sum of funds transferred to ODA by the EU institutions and its Member States, guaranteeing the status of the world's most generous donor. In view of this

³ Paweł Bagiński, *Europejska polityka rozwojowa. Organizacja pomocy Unii Europejskiej dla krajów rozwijających się* [European development policy. Organisation of the European Union's assistance to developing countries], CeDeWu – Wydawnictwo Fachowe, 2009, p. 45.

⁴ Art. 4, Consolidated version of the Treaty on the Functioning of the European Union, Official Journal of the European Union, 26.10.2012, C 326.

⁵ Art. 208, Consolidated version of the Treaty on the Functioning of the European Union, Official Journal of the European Union, 26.10.2012, C 326.

⁶ OECD, *OECD Development Co-operation Peer Reviews: United Kingdom 2014*, OECD Publishing, Paris 2014, pp. 15-16.

⁷ OECD, Net ODA (Total: Million US dollars; 2000-2018), [website], <https://data.oecd.org/oda/net-oda.htm#indicator-chart>, (accessed 29 July 2019).

research question, it is necessary to formulate additional ones: how is the EU development policy financed?, what is the share of the UK in the financial mechanism of the EU development assistance?, will the form of Brexit have a significant impact on this specific EU policy?, and can ODA become an effective platform for cooperation between the parties in the future?

Despite the high importance of the subject, this area of the European Union's activity was not a priority for the negotiations launched under Article 50 of the Treaty on European Union. Also, not much has been written about this issue, and the published materials mainly analyse the impact of Brexit on the UK development policy.⁸ Meanwhile, development cooperation is an important field of the EU's activity and a tool for meeting its global obligations. The EU has declared its efforts to solve global problems (including reduction and eradication of poverty) for the first time in response to the United Nations *Millennium Declaration* (2000) and the Millennium Development Goals agenda.⁹ Member States expressed their commitment to this matter in the *European Consensus on Development* in 2005.¹⁰ In the face of new challenges and the preparation of the *2030 Agenda*¹¹ by the UN, the consensus was renewed in 2017 (*The New European Consensus on Development*)¹², and the EU countries confirmed achieving the Sustainable Development Goals until 2030. At the same time, they were also obliged to increase their expenditure on ODA – the value of 0.7% GNI was meant to be reached in 2015, but the time was extended to 2030. Also in this context, Brexit may weaken the EU development cooperation – the United Kingdom belongs to a small group of Member States that has already achieved the level of declared contributions and consistently maintains it.¹³

Considering the uncertainty of the influence of the EU's internal problems on its development policy, the presented material shall fulfil the predictive function

⁸ The post-Brexit EU development cooperation was analysed, among others, in: Clare Castillejo et al., 'The European Union's next Multiannual Financial Framework: Prospects and Challenges for EU Development Cooperation', *European Think Tanks Group Policy Brief*, 2018; Thomas Henökl, 'How Brexit affects EU external action: The UK's legacy in European international cooperation', *Futures*, vol. 97, March 2018; Simon Lightfoot, Emma Mawdsley, Balázs Szent-Iványi, 'Brexit and UK International Development Policy', *The Political Quarterly*, vol. 88, no. 3, July-September 2017; Iliana Olivé, Aitor Pérez, 'Possible impacts of Brexit on EU development and humanitarian policies', Policy Department, Directorate-General for External Policies, European Parliament, 2017; Sophie Price, 'Brexit, Development Aid, and the Commonwealth', *The Round Table – The Commonwealth Journal of International Affairs*, vol. 105, no. 5, 2016, and Bernardo Venturi, 'Toward the New Multiannual Financial Framework: Fuel for the EU Global Strategy and Development Cooperation?', *FEPS*, March 2019.

⁹ United Nations Millennium Declaration. Resolution adopted by the General Assembly on 8 September 2000. A/RES/55/2.

¹⁰ Transforming our world: the 2030 Agenda for Sustainable Development. Resolution adopted by the General Assembly on 25 September 2015. A/RES/70/1.

¹¹ Joint statement by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the Commission on European Union Development Policy: 'The European Consensus', Official Journal of the European Union, 24.02.2006, C 46.

¹² Joint statement by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the Commission. The New European Consensus on Development 'Our World, Our Dignity, Our Future', Official Journal of the European Union, 30.06.2017, C 210.

¹³ OECD, Net ODA (Total: % of gross national income, Million US dollars; 2000-2018), [website], <https://data.oecd.org/oda/net-oda.htm#indicator-chart>, (accessed 29 July 2019).

of science. All forecasts were prepared primarily on the basis of an analysis of documents regulating the European Union's development cooperation, an analysis of statistical data on the EU and the British ODA, as well as an analysis of public discourse in this matter. Two main variants of Brexit scenarios were taken into account: based on the agreement accepted at the end of 2018, and a no-deal withdrawal (so-called hard Brexit). **However, I argue that in the post-2020 perspective the fact of Brexit itself is more important for the EU'S ODA than the final form of the leave process.** Nevertheless, for the EU development policy (in the long term) the most beneficial outcome may be to work with the UK, e.g. according to the adapted version of the concept of differentiated integration.¹⁴

Brexit and the development cooperation financed by the EU budget

One of the most important implications of the prospective (at the time of writing) British withdrawal from the European Union will be a significant reduction in the general budget of the EU.¹⁵ This effect will occur even though some transitional provisions regarding financial matters included in the fifth part of the 'divorce bill'¹⁶ will enter into force. The United Kingdom is among countries that – due to the level of economic development (according to the World Bank's data for 2018, the British economy is the fifth largest in the world, after the American, Chinese, Japanese and German ones¹⁷) – contribute to the EU budget largest membership fees.¹⁸ However, at the same time, such a dynamically developing market, as well as directing the European Union towards convergence and equalizing disparities in the fields of political, economic and social development between MS¹⁹, mean that the UK is not one of the leading recipients of EU funds. Consequently, the country is in the group of net payers, i.e. those countries that contribute more than they receive from the European budget.

¹⁴ For more on the *differentiated integration* concept, see: Frank Schimmelfenning, Dirk Leuffen, Berthold Rittberger, 'The European Union as a system of differentiated integration: interdependence, politization and differentiation', *Journal of European Public Policy*, vol. 22, no. 6, 2015, pp. 764-782.; Benjamin Leruth, Christopher Lord, 'Differentiated integration in the European Union: a concept, a process, a system or a theory?', *Journal of European Public Policy*, vol. 22, no. 6, 2015, pp. 754-763.; Katharina Holzinger, Frank Schimmelfenning, 'Differentiated integration in the European Union: many concepts, sparse theory, few data', *Journal of European Public Policy*, vol. 19, no. 2, 2012, pp. 292-305.

¹⁵ Jörg Haas, Eulalia Rubio, 'Brexit and the EU Budget: Threat or Opportunity?', *Jacques Delors Institut Berlin, Bertelsmann Stiftung – Policy Paper*, no. 183, 16.01.2017, pp. 6-8.; Kevin Körner, 'Post-Brexit EU budget – the next hot button issue', *Deutsche Bank Research – EU Monitor, European Integration*, 28.02.2018, pp. 4-6.

¹⁶ Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, Official Journal of the European Union, 25.04.2019, C 144.

¹⁷ The World Bank, World Development Indicators – GDP (current US\$), [website], <https://databank.worldbank.org/reports.aspx?source=2&country=&series=NY.GDP.MKTP.CD&period=>, (accessed 29 July 2019).

¹⁸ Matthew Keep, 'EU budget and the UK's contribution', *House of Commons Library – Briefing Paper*, no. 06455, 1 November 2016.

¹⁹ Preamble, Consolidated version of the Treaty on European Union, Official Journal of the European Union, 26.10.2012, C 326.

The British result in this category is indeed negative. London ranks 4th in the amount of membership contributions paid to the EU budget.²⁰ Although the UK still is one of the 28 Member States, it finances around one tenth of the organisation's budget. Taking into account the period 2000-2018, the United Kingdom paid around EUR 204.82 billion to the EU budget and its annual contributions constituted from 7.01% (2001) to 15.35% (2015) of all membership fees (including VAT-based own resource, GNI-based own resource, UK correction and different adjustments). Total revenues from Member States at that time amounted to around EUR 1 826.89 billion²¹ and the UK financed them in 11.21%. At the same time, around EUR 132.15 billion returned to the country from the EU budget, which meant a share in EU spending from 4.67% (2013) to 9.42% (2000). In total, the EU spent around EUR 2 131.14 billion of which 6.20% returned to the UK budget. This means that London has paid around EUR 72.68 billion more to the EU cash than it received. Then, the state did not 'recover' a total of one-third of its contributions (35.48%).²² The annual British contributions and EU expenses in the United Kingdom are summarized in Table 1 of the Annexes.

Net payer status is one of the basic arguments for the Brexit supporters. They propose to entirely allocate the funds to domestic expenses instead of transferring them to the EU budget.²³ The withdrawal of the United Kingdom from the European Union and, consequently, a reduction in the EU budget will most likely also mean a decrease in development cooperation expenditures.

At the current stage of negotiations of the next Multiannual Financial Framework (MFF), it is difficult to predict the final limit of expenses for the development policy implemented by EU's institutions. Funds allocated to development assistance are settled from the part of the EU general budget focused on the external actions of the organisation. The financial perspective 2000-2006 allocated EUR 34.6 billion to this area, the 2007-2013 framework allocated nearly EUR 51.3 billion, and the 2014-2020 budget planned EUR 51.5 billion.²⁴ In the

²⁰ The biggest shares in the 2000-2018 period were incurred by Germany (around EUR 380.92 billion – 20.85% of total contributions), France (around EUR 323.67 billion – 17.72%), and Italy (around EUR 246.59 billion – 13.50%). The EU expenditures in these countries reached: for Germany – around EUR 219.28 billion (10.29% of total expenses), France – around EUR 251.79 billion (11.81%), and Italy – around EUR 198.85 billion (9.33%). These states did not 'recover' 42.43% (Germany), 22.21% (France), and 19.36% (Italy) of their contributions. European Commission, EU expenditure and revenue 2014-2020. Data 2000-2018, [website], http://ec.europa.eu/budget/graphs/revenue_expenditure.html, (accessed 29 July 2019).

²¹ The European Union's budget is funded mainly from the EU's own resources (98%) which are supplemented by other sources of revenue. Total EU revenue means chiefly national contributions, enriched by value added tax, duties and levies, surplus from previous year, surplus from EAGGF-Guarantee, surplus from External Aid Guarantee Fund and other revenues, revised by correction mechanisms. European Commission, EU budget own resources, [website], https://ec.europa.eu/info/about-european-commission/eu-budget/revenue/own-resources_en, (accessed 29 July 2019).

²² European Commission, EU expenditure and revenue 2014-2020.

²³ Such arguments and postulates were used by referendum campaigns promoting the exit of the United Kingdom from the European Union, e.g. Better Off Out, Get Britain Out, Grassroots Out, Labour Leave, Leave.EU, Left Leave or Vote Leave. London School of Economics, The Brexit Collection, [website], <https://digital.library.lse.ac.uk/collections/brexit/organisation>, (accessed 29 July 2019).

²⁴ European Commission, EU expenditure and revenue 2014-2020.

current period, to the most important development cooperation programme – Development Cooperation Instrument (DCI) – EUR 19.6 billion was allocated (with EUR 16.9 billion in 2007-2013).²⁵ In addition, for instruments indirectly linked to development cooperation the allocation reached: European Instrument for Democracy & Human Rights (EIDHR) – EUR 1.3 billion (EUR 1.1 billion in 2007-2013)²⁶, Instrument Contributing to Stability and Peace (IcSP) – EUR 2.3 billion and Partnership Instrument – EUR 954.7 mln.²⁷ Moreover, EUR 350 mln from the general EU budget and EUR 400 mln from the European Development Fund was allocated to the established in 2017 European Fund for Sustainable Development (EFSD).²⁸

The preliminary proposal of the European Commission (EC) for the new 2021-2027 MFF in relation to external EU's activities seems ambitious. To eliminate poverty, promote sustainable development, prosperity, peace and stability the new Neighbourhood, Development and International Cooperation Instrument (NDICI), amounting to EUR 89.2 billion, should be used. This tool, due to the EC proposal, will accumulate not only the budgetary instruments through which development policy has been carried out, but also the so-far non-budgetary instrument – the European Development Fund. The amount proposed by the EC is over EUR 7 billion higher than the funds at the EU's disposal in the years 2014-2020 (in total, EUR 82 billion was allocated to external actions, including expenditures on the 11th EDF). Under NDICI, funds shall be spent on: the geographical pillar (EUR 68 billion; including EUR 32 billion for Sub-Saharan Africa, EUR 10 billion for Asia and the Pacific, and EUR 4 billion for Americas and the Caribbean), the thematic pillar (EUR 7 billion; EUR 1.5 billion for Human Rights and Democracy, EUR 1.5 billion for Civil Society Organisations, EUR 1 billion for Stability and Peace, and EUR 3 billion for Global Changes), the rapid-response pillar (EUR 4 billion) and an additional flexibility cushion (EUR 10.2 billion). Moreover, the investment framework shall operate under the instrument focused on obtaining financing from the private sector, and include the European Fund for Sustainable Development as well as the External Action Guarantee.²⁹ The structure of the NDICI is presented in Graph 1.

²⁵ Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020, Official Journal of the European Union, 15.03.2014, L 77.; Regulation (EC) No 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation, Official Journal of the European Union, 27.12.2006, L 378.

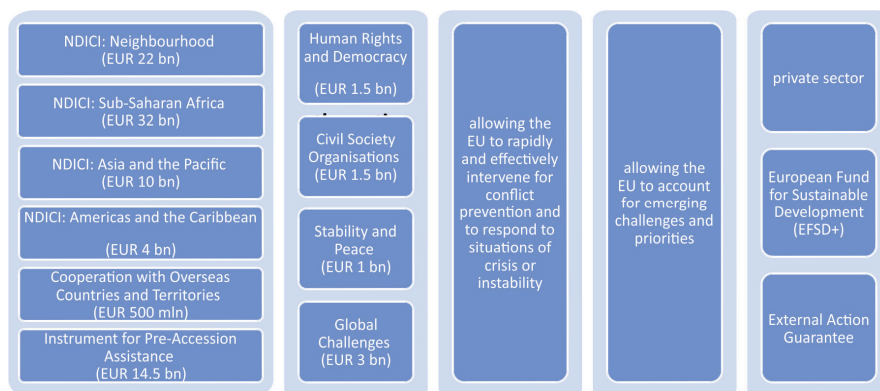
²⁶ European Initiative for Democracy and Human Rights in 2000-2006.

²⁷ Regulation (EU) No 230/2014 of the European Parliament and of the Council of 11 March 2014 establishing an instrument contributing to stability and peace, Official Journal of the European Union, 15.03.2014, L 77.; Regulation (EU) No 234/2014 of the European Parliament and of the Council of 11 March 2014 establishing a Partnership Instrument for cooperation with third countries, Official Journal of the European Union, 15.03.2014, L 77.

²⁸ Regulation (EU) 2017/1601 of the European Parliament and of the Council of 26 September 2017 establishing the European Fund for Sustainable Development (EFSD), the EFSD Guarantee and the EFSD Guarantee Fund, Official Journal of the European Union, 27.09.2017, L 249.

²⁹ Proposal for a Regulation of the European Parliament and of the Council establishing the Neighbourhood, Development and International Cooperation Instrument, COM(2018), 460 final, Brussels, 14.06.2018.

Graph 1: The structure of the Neighbourhood, Development and International Cooperation Instrument (NDICI) for 2021-2027



Data source: Proposal for a Regulation of the European Parliament and of the Council establishing the Neighbourhood, Development and International Cooperation Instrument, COM(2018), 460 final, Brussels, 14.06.2018.

As far as the Commission’s proposal to create a new, comprehensive and more flexible development cooperation tool, NDICI can be seen as a step in the right direction³⁰, it is difficult to imagine a compromise on the amount allocated to this instrument, while the funds directed to the EU’s internal affairs will be reduced.³¹ Experience also does not support the probability of entering into force the suggested amount. The initial EC proposal for the MFF 2014-2020 assumed a budget of EUR 70 billion for external actions³², of which the already mentioned more than EUR 50 billion remained.

Therefore, it can be assumed that due to the reduction of the general budget at the EU’s disposal after Brexit (despite the presentation of various scenarios, including the increase in contributions made by other countries)³³, the funds allocated to development policy instruments will most likely be reduced.³⁴ The lack

³⁰ Bernardo Venturi, ‘Toward the New Multiannual Financial Framework: Fuel for the EU Global Strategy and Development Cooperation?’, *FEPS*, March 2019, pp. 2-3.

³¹ Mikaela Gavas, ‘Development Cooperation Has Emerged a Winner in the EU’s 2021-2027 Budget Proposal, but the Odds Are Stacked against It’, [website], 04.05.2018, <https://www.cgdev.org/blog/development-cooperation-has-emerged-winner-eus-2021-2027-budget>, (accessed 29 July 2019).

³² Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. A Budget for Europe 2020, Brussels, 29.06.2011, COM(2011) 500 final.

³³ Even if the amount of expenses incurred for activities in the United Kingdom will remain in the general budget, there still remains a gap resulting from the British net payer status.

³⁴ Jörg Haas, Eulalia Rubio, ‘Brexit and the EU Budget: Threat or Opportunity?’, *Jacques Delors Institut Berlin, Bertelsmann Stiftung – Policy Paper*, no. 183, 16.01.2017.; Iain Begg, ‘The EU budget after 2020’, *Swedish Institute for European Policy Studies – European Policy Analysis*, no. 9, September 2017.; Iain Begg, ‘The Brexit-sized hole in the future EU budget’, [website], 18.01.2018, <https://ukandeu.ac.uk/the-brexit-sized-hole-in-the-future-eu-budget/>, (accessed 29 July 2019).; Zsolt Darvas, Guntram Wolff, ‘Rethinking the European Union’s post-Brexit budget priorities’, *Bruegel – Policy Brief*, no. 1, March 2018.; Noah Gordon, ‘The EU budget after Brexit. Reform not revolution’, *Centre for European Reform*, April 2018.

of British money will be too substantial and the European Union does not have a clear conception of future reform, which could motivate other Member States to increase their (not only financial) efforts. Taking that into account, a proportional 10% reduction in spending in this area can be expected.³⁵ Nevertheless, impact on the final shape of financial mechanisms for development assistance in 2021-2027 will certainly also have (apart from the particular interest of Member States) internal and international commitments undertaken by the European Union, which are also associated with specific amounts of allocated funds for development. These include, first of all, the European Consensus on Development, the New European Consensus on Development and the United Nations 2030 Agenda, which assume spending at least 0.7% GNI on development goals.³⁶

Moreover, the aggregation of funds for development cooperation in the general budget of the EU (including the European Development Fund in it) will constitute a significant impediment to potential future cooperation between the European Union and the post-Brexit United Kingdom in achieving the Sustainable Development Goals.³⁷ Proposals for such cooperation appeared on the British side³⁸, they were also included in the Political Declaration, which is a part of the current 'divorce agreement'.³⁹ Therefore, the question arises whether (even despite the possibility of no-deal Brexit) the parties will manage to conduct a dialogue on international development cooperation "beyond the 'EU-UK story'".⁴⁰

Brexit and the European Development Fund

The UK's withdrawal from the European Union will also affect the European Development Fund, which was established in 1957 to support the development of Africa, Caribbean and Pacific states (ACP) and Overseas Countries and Territories (OCT). The fund, which is a non-budgetary instrument of the EU development policy, is in principle linked to other agreements that associate the ACP and OCT with the European Union (formerly the European Communities). Therefore, its editions referred to the Convention on Overseas Territories, the Yaoundé Convention, the Lomé Convention, and since 2000 – the Cotonou Agreement (and its revised versions). The budgets of subsequent EDF editions have increased significantly: the 9th EDF (2000-2007) operated on EUR 13.50 billion, the 10th EDF

³⁵ Michael Anderson, Ian Mitchell, 'Beyond Brexit: How Will EU Overseas Development Assistance Be Affected?', [website], 28.10.2016, <https://www.cgdev.org/blog/beyond-brexit-how-will-eu-overseas-development-assistance-be-affected>, (accessed 29 July 2019).

³⁶ Clare Castillejo et al., 'The European Union's next Multiannual Financial Framework: Prospects and Challenges for EU Development Cooperation', *European Think Tanks Group Policy Brief*, 2018, pp. 18-21.

³⁷ Sophie Edwards, 'Can the UK contribute to EU aid funds after Brexit?', [website], 15.11.2018, <https://www.devex.com/news/can-the-uk-contribute-to-eu-aid-funds-after-brexit-93810>, (accessed 29 July 2019).

³⁸ Department for International Development – UK, The EU beyond 2020. Future Development Instruments: A UK Perspective. Non-paper, [website], https://www.bond.org.uk/sites/default/files/dfid_uk_non_paper_on_instruments_draft_final20_feb.pdf, (accessed 29 July 2019).

³⁹ Art. 108-109, Political declaration setting out the framework for the future relationship between the European Union and the United Kingdom, Official Journal of the European Union, 19.02.2019, CI 66.

⁴⁰ Emmanuel De Groof, Andrew Sherriff, 'The Future of UK-EU Development Cooperation after Brexit: Finding a New Point of Departure', [website], 21.01.2019, <http://dcubrexitinstitute.eu/2019/01/the-future-of-uk-eu-development-cooperation-after-brexit-finding-a-new-point-of-departure/>, (accessed 29 July 2019).

(2008-2013) – EUR 22.68 billion, while EUR 11.55 billion has already been allocated to the 11th EDF (2014-2020).⁴¹

One of the most important facts is that the Fund's budget is created from additional (separated from the general budget of the EU) direct contributions from the Member States. The contribution key results from internal agreements adopted by the states and takes into account the level of economic development of each member. As a result, British contributions are one of the pillars of the Fund. For the 10th EDF, the United Kingdom had paid almost EUR 3.4 billion, which accounted for 14.82% of its total budget. This means that the British input was four times higher than the total payments of the 'new' European Union countries, which financed EUR 821.0 mln (3.62%) of the 10th EDF. Higher than the UK's contributions for that edition of the Fund were made only by Germany (EUR 4.6 billion – 20.50%) and France (EUR 4.4 billion – 19.55%), next was Italy (EUR 2.9 billion – 12.96%).⁴² Similar data can be mentioned for the 11th EDF. The British contribution has been calculated at over EUR 4.4 billion and 14.68% of the total budget of the Fund. This is almost three times more than counted in total payments made by the thirteen countries that joined the EU since 2004 (EUR 1.7 billion – 5.71%). Again, higher costs were incurred by Germany (EUR 6.2 billion – 20.58%) and France (EUR 5.4 billion – 17.81%), and the United Kingdom was followed by Italy (EUR 3.8 billion – 12.53%).⁴³ Distribution of all national contributions to the 11th EDF, which reflects the financial role of the UK in the Fund, is presented in Chart 1.

The 'technical' implication of the EDF budget structure is also the distribution of votes in the European Development Fund Committee, which manages the Fund's activities. The contribution key reflects also the number of votes in the Committee (Table 2). Therefore, in the 10th EDF, the United Kingdom had 148 votes, and in the 11th EDF – 147. Consequently, Germany (205 and 206 votes) and France (196 and 178 votes) had greater voting power, while Italy had slightly weaker – 129 and 125 votes. It is worth adding that in the 10th edition of the Fund it was agreed that the Committee should operate by a qualified majority of 720 votes, and 13 member states should cast votes for. The blocking minority was determined to 280 votes. In the 11th edition the qualified majority was upheld at 720 votes, but there should be 14 countries voting in favour. The necessary blocking minority was reduced to 279 votes. This indicates the significant potential of British stake. Although the United Kingdom could not push through or block initiatives on its own, its votes could have been the backbone of the coalition for or against discussed decisions.

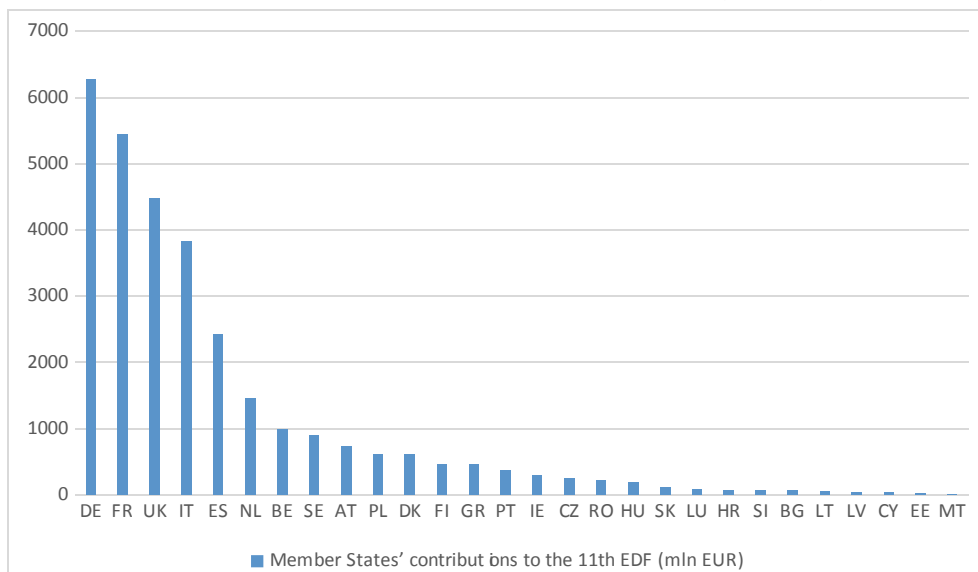
⁴¹ European Commission, European Development Fund (EDF), [website], https://ec.europa.eu/europeaid/funding/funding-instruments-programming/funding-instruments/european-development-fund_en, (accessed 29 July 2019).

⁴² Internal agreement between the Representatives of the Governments of the Member States, meeting within the Council, on the financing of Community aid under the multiannual financial framework for the period 2008 to 2013 in accordance with the ACP-EC Partnership Agreement and on the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the EC Treaty applies, Official Journal of the European Union, 09.09.2006, L 247.

⁴³ Internal agreement between the Representatives of the Governments of the Member States of the European Union, meeting within the Council, on the financing of European Union aid under the multiannual financial framework for the period 2014 to 2020, in accordance with the ACP-EU Partnership Agreement, and on the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the Treaty on the Functioning of the European Union applies, Official Journal of the European Union, 06.08.2013, L 210.

Detailed information on the contribution key and granted votes in 10th and 11th EDF can be found in Table 2 of the Annexes.

Chart 1: Member States' contributions to the 11th EDF (mln EUR)



Data sources: Internal agreement between the Representatives of the Governments of the Member States of the European Union, meeting within the Council, on the financing of European Union aid under the multiannual financial framework for the period 2014 to 2020, in accordance with the ACP-EU Partnership Agreement, and on the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the Treaty on the Functioning of the European Union applies, Official Journal of the European Union, 06.08.2013, L 210.

The EDF issue was mentioned in the fifth part and fifth chapter (articles 152-154) of the withdrawal agreement. In relation to the state's participation in the European Development Fund, it was confirmed that the United Kingdom will remain the EDF party until its 11th edition is closed and all assumed tasks resulting from its previous editions will be completed. The financial liabilities were also maintained. Nevertheless, amounts not committed or decommitted in accordance to relevant provisions, in the United Kingdom's share of this amounts, cannot be reused – this applies to the 10th and previous EDF editions and the uncommitted or decommitted sums from 11th EDF after December 31, 2020. Moreover, it was also agreed that British beneficiaries may participate on the basis of existing rules in projects that are implemented under the 11th EDF and its previous editions, as well as OCT with special relations with the United Kingdom.⁴⁴ Furthermore, the United Kingdom may participate in the meetings of the EDF Committee (and the

⁴⁴ Anguilla, Bermuda, British Antarctic Territory, British Indian Ocean Territory, British Virgin Islands, Cayman Islands, Falkland Islands, Montserrat, Pitcairn, Saint Helena, Ascension and Tristan da Cunha, South Georgia and the South Sandwich Islands, Tursk and Caicos. Annex II, Consolidated version of the Treaty on the Functioning of the European Union, Official Journal of the European Union, 26.10.2012, C 326.

Investment Facility Committee, also established by an internal agreement), however, as an observer without the right to vote.⁴⁵ Nonetheless, if Brexit enters into force in the no-deal scenario, British NGOs and other entities using the EU funds from the EDF will most likely lose their funding from day to day.⁴⁶

Due to the investment facility established by the internal agreement concerning the 11th EDF (through which the Fund's activities are connected with the European Investment Bank, EIB), it was decided that the state's share (in proportion corresponding to the contribution to the EDF budget) will be returned at the investment's maturity. As a rule, the UK's capital share should not be recommitted or rolled over into subsequent periods after the end of the accounting period of the current edition.⁴⁷ EDF related guarantees for loans from EIB's own resources also remain in force, however the United Kingdom retains the right to participate in the amounts recovered in accordance with the guarantee conditions of the Member States and the right to balance its account payable on demand. This share should be proportional to participation in each guarantee agreement.⁴⁸

Thus, it can be stated that the 'divorce agreement' – in the part concerning the EDF – focuses on finalizing the cooperation under the Fund between the United Kingdom and the European Union (its Member States), but without harm to previous commitments. The purpose of the provisions contained in the bill is primarily to implement the initiated and planned initiatives and to ensure the most advantageous use of the funds allocated in the EDF. However, only until the indicated end date of the cooperation.

Besides, EDF after 2020 will probably transform independently of Brexit. The European Commission is proposing to include this hitherto non-budgetary instrument in the general budget of the EU. The calculation initially presented by the EC indicated that the amount of expenditures on the next EDF edition shall be similar or slightly higher than the one allocated in its 11th edition.⁴⁹ Regardless of this offer, as well as the provisions of the 'divorce agreement' and whether Brexit will finally enter into force on its basis, the limitation of the budget of the European Development Fund should be expected (as in the case of the general EU budget).⁵⁰ Despite the noticeable tendency in the Member States to increase contributions, which will most likely be maintained (due to the need to fulfil the commitment to spend 0.7% GNI on ODA), it can be assumed that the lack of nearly 15% of the

⁴⁵ Art. 152-153, Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, Official Journal of the European Union, 25.04.2019, CI 144.

⁴⁶ Charlotte Bailey, 'What Brexit means for UK NGOs and foreign aid', [website], 17.04.2019, <https://www.thenewhumanitarian.org/analysis/2019/04/17/what-brexit-means-uk-ngos-and-foreign-aid>, (accessed 29 July 2019).

⁴⁷ Art. 152, Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union.

⁴⁸ Art. 154, Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union.

⁴⁹ Proposal for a Regulation of the European Parliament and of the Council establishing the Neighbourhood, Development and International Cooperation Instrument, COM(2018), 460 final, Brussels, 14.06.2018.

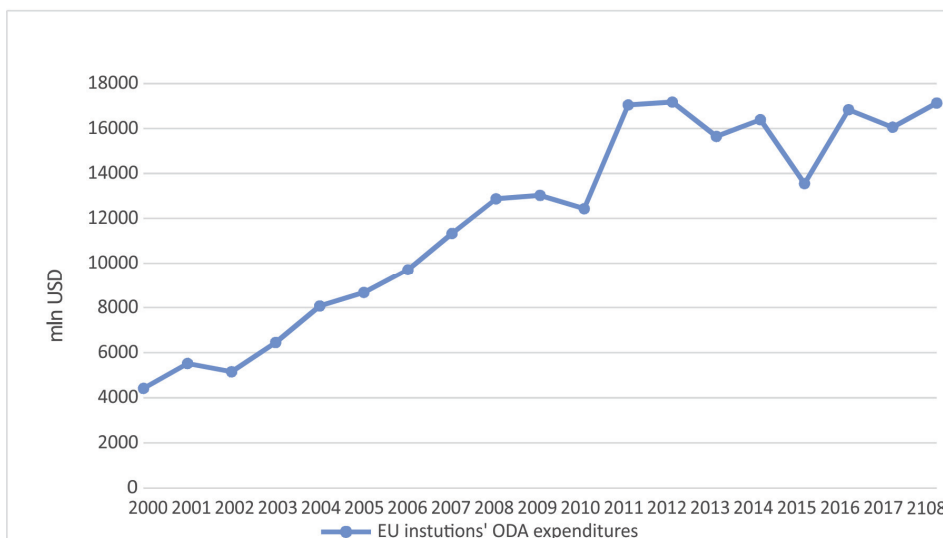
⁵⁰ Sophia Price, 'Brexit, Development Aid, and the Commonwealth', *The Round Table – The Commonwealth Journal of International Affairs*, vol. 105, no. 5, 2016, pp. 505.

British payments will not be covered by the other EDF participants and the next Fund will not operate with a higher financial allocation than the previous ones.⁵¹

Brexit and the EU's status of the largest global ODA donor

Another instance of the envisioned consequences of the UK's withdrawal from the European Union should be considered in the context of the status of lead global ODA donor, which is attributed to the EU. The European Union – acting through its institutions and agencies, but primarily thanks to its Member States' commitments – is indeed at the forefront of global donors for development cooperation. The amounts of ODA provided by the EU institutions are presented in Chart 2.

Chart 2: Official Development Assistance provided by EU institutions 2000-2018 (mln USD)



Data sources: OECD, *Geographical Distribution of Financial Flows to Developing Countries. Disbursements, Commitments, Country Indicators, 2000-2006*, OECD Publishing, Paris 2008, p. 69.; OECD, *Geographical Distribution of Financial Flows to Developing Countries. Disbursements, Commitments, Country Indicators*, OECD Publishing, Paris 2012, p. 71.; OECD, *Geographical Distribution of Financial Flows to Developing Countries 2019. Disbursements, Commitments, Country Indicators*, OECD Publishing, Paris 2019, p. 82.; OECD, 'Development aid drops in 2018, especially to neediest countries', [website], 10.04.2019, <http://www.oecd.org/dac/financing-sustainable-development/development-finance-data/ODA-2018-detailed-summary.pdf>, (accessed 29 July 2019).

However, taking into account the fact that the resources available to the European Union in this respect also come largely from its Member States (contributing to the general budget of the EU and to the EDF), it seems more appropriate to verify the total participation of the EU members in global ODA, regarding the sum of their bilateral and multilateral expenditures (not only those operated by the EU budget).

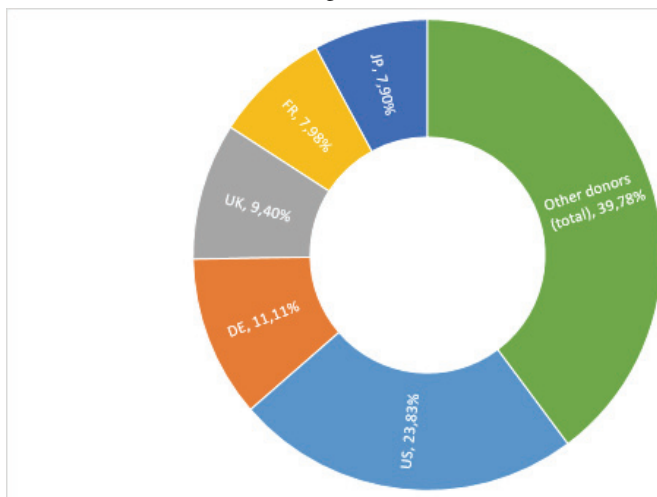
⁵¹ Iliana Olivíe, Aitor Pérez, 'Possible impacts of Brexit on EU development and humanitarian policies', Policy Department, Directorate-General for External Policies, European Parliament, 2017, pp. 32-33.

The OECD monitors ODA flows from 44 countries around the world. Of these, 29 belong to the OECD Development Assistance Committee (the 30th member is the European Union), and 20 are both members of the DAC and the EU. The data presented by the organisation confirm that the members of DAC transfer the majority of global ODA – in 2000-2018 it was from 85.31% (2014) to 97.72% (2000) of all flows. About half of all expenditures is borne by the EU DAC group of countries – from 44.07% (2014) to 52.99% (2001).⁵² Even higher results, confirming the EU status of the world's generous donor, present data on the share of all EU Member States in the total global ODA (regardless of their membership in the DAC). EU countries in each year were donors of: 51.24% ODA in 2000, 52.99% in 2001, 50.22% in 2002, 49.28% in 2003, 48.60% in 2004, 47.93% in 2005, 51.32% in 2006, 51.95% in 2007, 50.41% in 2008, 50.33% in 2009, 50.77% in 2010, 49.26% in 2011, 48.62% in 2012, 45.82% in 2013, 44.41% in 2014, 50.99% in 2015, 52.03% in 2016, 51.82% in 2017, and 52.63% in 2018. Detailed information on the EU Member States' shares in total ODA in the years 2000-2018 is presented in Table 3 of the Annexes.

Considering the abovementioned calculations, it can be stated that the European Union actually provides half of global ODA and is a global leader in development cooperation. However, this status and the strength of the EU in this area result from the status and strength of its Member States, which spend funds on bilateral and multilateral development activities. This context means that Brexit may affect the global position of the EU in providing development cooperation. The United Kingdom is one of the top countries that spend most on ODA every year. In the period from 2000 to 2007, the country was the 5th donor of global ODA. Constantly increasing its expenditures, in the second decade of the 21st century it was advanced to the top three largest donors. During this period, only the United States and Germany incurred higher expenditures on development cooperation. The share of British expenses (which in 2000 amounted to more than USD 5.3 billion, and in 2018 reached more than USD 18.4 billion) in the total global ODA was: in 2000 – 7.19%, in 2001 – 7.40%, in 2002 – 6.73%, in 2003 – 7.35%, in 2004 – 7.69%, in 2005 – 7.92%, in 2006 – 9.18%, in 2007 – 6.99%, in 2008 – 7.76%, in 2009 – 8.69%, in 2010 – 9.50%, in 2011 – 9.45%, in 2012 – 10.01%, in 2013 – 11.40%, in 2014 – 10.72%, in 2015 – 11.30%, in 2016 – 10.87%, in 2017 – 11.16%, and in 2018 – 11.67%. The position of the UK in the group of five world's most generous ODA donors in the years 2000-2018 is presented in Chart 3. Detailed information is available in Table 4 of the Annexes.

⁵² The calculations include different dates of accession to the DAC and the EU. Until 2010, the following EU Member States were members of the OECD DAC: Austria (1965), Belgium (1960), Denmark (1963), France (1960), Finland (1975), Germany (1960), Greece (1999), Ireland (1985), Italy (1960), Luxembourg (1992), The Netherlands (1960), Portugal (1960/1991), Sweden (1965), Spain (1991), United Kingdom (1961), European Union (European Commission; 1961), and Australia (1966), Canada (1960), Japan (1960), New Zealand (1973), Norway (1962), Switzerland (1968), United States (1961). In subsequent years, DAC was joined by: from the EU – Czech Republic (2013), Poland (2013), Slovak Republic (2013), Slovenia (2013), Hungary (2016), as well as Iceland (2013) and Korea (2010). In turn, until 2004, the EU Member States were: Austria, Belgium, Denmark, France, Finland, Germany, Greece, Ireland, Italy, Luxembourg, The Netherlands, Portugal, Sweden, Spain and United Kingdom. In 2004, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovak Republic and Slovenia joined, and in 2007 Bulgaria and Romania. In 2013, Croatia joined the EU, which is not included in OECD statistics.

Chart 3: The world's five most generous ODA donors 2000-2018 (% of total ODA)



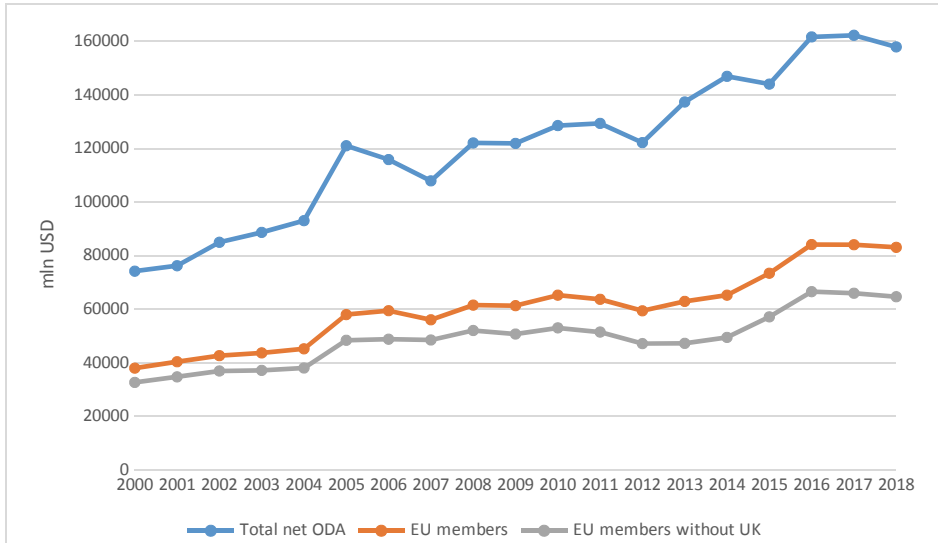
Data source: OECD, Net ODA (Total: Million US dollars; 2000-2018), [website], <https://data.oecd.org/oda/net-oda.htm#indicator-chart>, (accessed 29 July 2019).

Moreover, it can be seen that among the leaders of global ODA there are – except the United States and Japan – three EU MS: Germany, France and the United Kingdom. Consequently, they must be considered as the pillars of the EU development policy. Also worth mentioning is that the contribution of the UK in 2004 was more than 16 times higher than the total expenditures on development goals of 10 new EU MS (their share in total ODA was 0.47% at that time), while in 2018 it remained 10 times higher than the spending of 12 countries of the ‘new’ EU (their share was 1.18%). Taking into account the outlays of all EU Member States, the British share in them was: 14.02% in 2000, 13.96% in 2001, 13.40% in 2002, 14.91% in 2003, 15.82% in 2004, 16.52% in 2005, 17.89% in 2006, 13.45% in 2007, 15.39% in 2008, 17.27% in 2009, 18.70% in 2010, 19.19% in 2011, 20.59% in 2012, 24.88% in 2013, 24.15% in 2014, 22.17% in 2015, 20.89% in 2016, 21.53% in 2017 and 22.17% in 2018. Counting the share of three EU development cooperation locomotives (Germany, France and the UK) in total EU Member States’ spending on ODA, it turns out that they transferred over a half of the sum from all countries (from 50.79% in 2000 to 65.61% in 2018).⁵³

Referring to the data presented, it is worth checking how the status of the EU among donors would have changed, if the British contributions had not been counted in the total expenses incurred by organisation’s members. The presence of the European Union in the total world ODA, counted with and without the UK’s share, is shown in the Chart 4.

⁵³ The share of France, Germany and the United Kingdom in total ODA provided by the European Union: 50.79% in 2000, 49.21% in 2001, 50.08% in 2002, 53.12% in 2003, 53.59% in 2004, 50.06% in 2005, 54.36% in 2006, 50.18% in 2007, 50.53% in 2008, 52.96% in 2009, 55.41% in 2010, 56.31% in 2011, 59.74% in 2012, 61.07% in 2013, 60.89% in 2014, 60.33% in 2015, 63.04% in 2016, 64.74% in 2017, and 65.61% in 2018.

Chart 4: The European Union in world ODA: with and without the United Kingdom 2000-2018



Data source: OECD, Net ODA (Total: Million US dollars; 2000-2018), [website], <https://data.oecd.org/oda/net-oda.htm#indicator-chart>, (accessed 29 July 2019).

The indicated data shows that even without the British shares to the EU development cooperation, the organisation will hold the status of global ODA leader. The total expenditures of all its Member States will continue to outweigh the expenses of other actors⁵⁴, for example being twice as high as the funds allocated to development cooperation by the United States. However, the EU will certainly lose the status of this party, which is the donor of more than half of the global ODA. Subtracting British contributions from the sum of the total EU ODA flows means that the organisation already operated not more than 50%, but about 40% of Official Development Assistance. At the same time, an increase of expenditures on development cooperation by individual countries involved in it may be expected (due to the need to meet global financial obligations in this respect). However, this growth will be disproportionately higher for the United States, Japan or the UK than for EU Member States (except Germany and France). This, in turn, may result in a gradual decrease in the Union's financial participation in global ODA, especially taking into account the fact that after Brexit its development policy will be based not on three, but only on two pillars.

Conclusions

Brexit will without any doubt have serious consequences for the development cooperation provided by the European Union. This will mainly result from two issue. First of all, the United Kingdom is one of the main global ODA

⁵⁴ Including also countries that are not members of the DAC and OECD. OECD, 'Estimates for other providers of development co-operation not reporting to OECD', in: *Development Co-operation Report 2018: Joining Forces to Leave No One Behind*, OECD Publishing, Paris 2018.

donors (currently it is among the top three largest donors). Secondly, London also finances a significant part of the EU's activities, including those implemented under development policy. Despite that, this matter does not constitute a priority for negotiations initiated under Art. 50 of the Treaty on European Union.

The European Union finances its development cooperation primarily from the resources of its general budget (from its part allocated to external actions) and the European Development Fund, which is a non-budgetary instrument. Both the general budget of the organisation and EDF are made up of direct contributions from Member States (the EU budget in the vast majority, EDF – completely). Until now, payments from the United Kingdom belonged to the pillars of these tools. London financed around 10% of the EU's own resources, being one of the largest net payers to the EU budget, and it also paid around 15% of each EDF edition. Therefore, the withdrawal of the United Kingdom from the organisation will be associated with a significant reduction in financial resources at the EU's disposal and directed at development cooperation. Although the preliminary calculation presented by the European Commission on the Multiannual Financial Framework 2021-2027 assumes an increase in the EU budget for external actions, experience shows that this is a section of the organisation's budget, which is in the first place vulnerable to cuts during the debate between the Member States. Therefore, it can be expected that after Brexit, the organisation's expenditures on ODA will fall in proportion to British contributions, because other Member States will not be able to fill the gap created in this way.

In addition, the effect of Brexit will also be negative to the EU's status as the most generous global ODA donor. The organisation (counting the total expenditures of the EU institutions, as well as the expenses of the Member States on bilateral and other multilateral activities) will remain the largest donor, but, most likely, it will not provide more than half of the global development assistance. This is due to the fact that EU development cooperation after the British withdrawal will be based not on three, but on two pillars – contributions from Germany and France. Although the commitment to allocate 0.7% GNI to ODA will remain valid, nominally the expenditures in this field will be higher in the UK as one of the largest economies in the world than in relation to other EU countries (except Germany and France).

Our analysis allows to draw the conclusion that for the EU development policy it is of little significance whether Brexit will be finalized on the basis of an agreement or will enter into force in the no-deal option. If the United Kingdom will leave the European Union in an orderly fashion, the gate to jointed development cooperation will remain open, which results from an agreed political declaration. Even if the current agreement will be renegotiated (as some British decision-makers strive), it can be assumed that the provisions on development assistance will remain the same – they do not make for controversial parts of the deal (for the British side). Nevertheless, a reform of the EU budget, assuming the concentration of all development cooperation instruments in the general budget of the organisation (in particular the inclusion of EDF) may stand in the way of the declaration to search for a new formula for cooperation in the matter of ODA. It is difficult to imagine a form of concurrence in which a state outside the organisation would have to contribute to its general budget on the one hand, and have access to

it on the other. In the short term, regarding the process of negotiating a new MFF, difficulties in cooperation between parties are to be expected.

In the case of the no-deal Brexit, cooperation in the field of development assistance between the European Union and the United Kingdom will be significantly more difficult. This will be the result of a total breaking of the relationship between the parties, according to the words of former British Prime Minister Theresa May, 'Brexit means Brexit'.⁵⁵ In the short term, this will mean conducting completely independent development policies, despite the fact that they will implement globally set goals.

However, in both these scenarios, in the medium and long term, one can expect an attempt to work out a mutually acceptable formula for ODA cooperation. With regard to Brexit carried out on the basis of the agreement, this would again result from the provisions of the political declaration, and above all – from the unity of development cooperation goals.⁵⁶ In the context of the no-deal final – also from the awareness, as the United Kingdom is likewise actively taking advantage of the European Union's possibilities of implementing assistance actions⁵⁷ and distributes a significant part of its ODA through EU channels.⁵⁸ Then, creating mechanisms and tools that will allow the participation of non-member countries in a greater extent may be the next challenge for the EU development cooperation. This kind of differentiated integration (delegated cooperation and fund trusts) already exists and is used by Norway and Switzerland. Therefore, Brexit may paradoxically increase the flexibility of the EU ODA or focus the European Union's attention on cooperation within the DAC OECD framework⁵⁹. In a longer perspective, such an effect could prove beneficial for global development. Nevertheless, potential negotiation on this matter will entail further dilemmas. Considering the fact that development cooperation reaches overriding priorities, it may become a relatively non-conflicting and convenient instrument of cooperation between the EU and the UK.⁶⁰ Still, the basic question will be whether the parties will be more determined to achieve global goals, or whether they will be more focused on their particular interests. In the latter situation, it is not excluded that Brussels and London will concentrate primarily on building bilateral economic relations, leaving development cooperation behind.

Therefore, the above considerations regarding the financial impact of Brexit on the EU development policy, as well as many uncertainties in this matter, lead to

⁵⁵ Theresa May's Tory leadership launch statement: full text, [website], 30.06.2016, <https://www.independent.co.uk/news/uk/politics/theresa-mays-tory-leadership-launch-statement-full-text-a7111026.html>, (accessed 29 July 2019).

⁵⁶ *The impact of Brexit on UK and EU international development and humanitarian policy. Views from UK and European civil society*, Bond, Society Building, London 2017, p. 39.

⁵⁷ Simon Lightfoot, Emma Mawdsley, Balázs Szent-Iványi, 'Brexit and UK International Development Policy', *The Political Quarterly*, vol. 88, no. 3, July-September 2017, pp. 517-524.

⁵⁸ Ian Mitchell, Michael Anderson, 'Beyond Brexit: How Do You Spend £1.3bn of Aid?', [website], 16.12.2016, <https://www.cgdev.org/blog/beyond-brexit-how-do-you-spend-13bn-aid>, (accessed 29 July 2019).

⁵⁹ Iliana Olivié, Aitor Pérez, 'Possible impacts of Brexit on EU development and humanitarian policies', Policy Department, Directorate-General for External Policies, European Parliament, 2017, pp. 33-34.

⁶⁰ Thomas Henökl, 'How Brexit affects EU external action: The UK's legacy in European international cooperation', *Futures*, vol. 97, March 2018, p. 70.

the next research question: what political consequences will Brexit cause for the EU development assistance? It should be noted that the United Kingdom is not only a rich part of the EU wallet in this area, but also an important partner in designing the cooperation or strengthening the ability of Member States to meet development commitments. In addition, development cooperation is an important element of the EU's soft power, which Brexit will significantly weaken.

Annexes

Table 1: British contributions and expenditures in total EU national contributions and expenditures 2000-2018 (mln EUR, % in total)

Year	Total national contribution			Total expenditures			Difference	
	EU	UK	%	EU	UK	%	mln EUR	%
2000	72 702.00	10 682.60	14.69	83 450.00	7 857.20	9.42	-2 825.40	-26.45
2001	66 128.80	4 634.40	7.01	79 987.30	5 863.60	7.33	1 229.20	26.52
2002	68 484.00	8 085.70	11.81	85 144.50	6 161.00	7.24	-1 924.70	-23.80
2003	72 775.30	7 872.10	10.82	90 557.50	6 174.50	6.82	-1 697.60	-21.56
2004	82 746.20	9 378.90	11.33	100 139.40	7 130.20	7.12	-2 248.70	-23.98
2005	86 748.00	9 630.20	11.10	104 835.20	8 670.40	8.27	-959.80	-9.97
2006	87 322.90	9 830.20	11.26	106 575.50	8 294.20	7.78	-1 536.00	-15.63
2007	93 414.50	10 771.90	11.53	113 953.30	7 422.90	6.51	-3 349.00	-31.09
2008	93 886.20	7 613.80	8.11	116 544.50	7 309.90	6.27	-303.90	-3.99
2009	94 378.70	7 879.60	8.35	118 361.00	6 247.10	5.28	-1 632.50	-20.72
2010	103 415.60	12 145.80	11.74	122 230.70	6 745.60	5.52	-5 400.20	-44.46
2011	103 216.90	11 273.40	10.92	117 336.90	6 570.00	5.60	-4 703.40	-41.72
2012	112 976.40	13 461.10	11.91	138 683.40	6 933.90	5.00	-6 527.20	-48.49
2013	124 378.30	14 509.50	11.67	134 656.10	6 308.30	4.68	-8 201.20	-56.52
2014	116 531.80	11 341.60	9.73	128 654.90	6 984.70	5.43	-4 356.90	-38.42
2015	118 604.30	18 209.40	15.35	130 108.60	7 457.60	5.73	-10 751.80	-59.05
2016	112 080.20	13 460.50	12.01	117 875.40	7 051.60	5.98	-6 408.90	-47.61
2017	94 968.60	10 575.00	11.14	111 604.30	6 326.30	5.67	-4 248.70	-40.18
2018	122 130.70	13 461.90	11.02	130 436.20	6 633.10	5.09	-6 828.80	-50.73
Sum	1 826 882.40	204 817.60	11.21	2 131 134.70	132 142.10	6.20	-72 675.50	-35.48

Data source: European Commission, EU expenditure and revenue 2014-2020. Data 2000-2018, [website], http://ec.europa.eu/budget/graphs/revenue_expenditure.html, (accessed 29 July 2019).

Table 2: Contribution key in the 10th and 11th EDF – amounts and votes

10th EDF				11th EDF			
Country	Key	Amount (EUR)	Votes	Country	Key	Amount (EUR)	Votes
AT	2.41	546 636 200	24	AT	2.40	731 402 704	24
BE	3.53	800 674 600	35	BE	3.25	991 222 306	33
BG	0.14*	31 754 800*	[1]	BG	0.22	66 664 762	2
CY	0.09	20 413 800	1	CY	0.11	34 050 797	1

CZ	0.51	115 678 200	5	CZ	0.80	243 270 097	8
DE	20.50	4 649 810 000	205	DE	20.58	6 278 073 788	206
DK	2.00	453 640 000	20	DK	1.98	604 156 077	20
EE	0.05	11 341 000	1	EE	0.09	26 341 931	1
ES	7.85	1 780 537 000	79	ES	7.93	2 419 882 349	79
FI	1.47	333 425 400	15	FI	1.51	460 362 995	15
FR	19.55	4 434 331 000	196	FR	17.81	5 433 939 212	178
GR	1.47	333 425 400	15	GR	1.51	459 832 191	15
HR	-	-	-	HR	0.22*	68 693 411*	[2]
HU	0.55	124 751 000	6	HU	0.61	187 477 674	6
IE	0.91	206 406 200	9	IE	0.94	286 774 704	9
IT	12.86	2 916 905 200	129	IT	12.53	3 822 429 255	125
LT	0.12	27 218 400	1	LT	0.18	55 145 696	2
LV	0.07	15 877 400	1	LV	0.12	35 423 567	1
LU	0.27	61 241 400	3	LU	0.25	77 817 755	3
MT	0.03	6 804 600	1	MT	0.04	11 595 331	1
NL	4.85	1 100 077 000	49	NL	4.78	1 457 204 507	48
PL	1.30	294 866 000	13	PL	2.01	612 359 140	20
PT	1.15	260 843 000	12	PT	1.20	365 092 757	12
RO	0.37*	83 923 400*	[4]	RO	0.72	219 078 839	7
SE	2.74	621 486 800	27	SE	2.94	896 604 897	29
SI	0.18	40 827 600	2	SI	0.22	68 492 071	2
SK	0.21	47 632 200	2	SK	0.38	114 751 370	4
UK	14.82	3 361 472 400	148	UK	14.68	4 477 859 817	147
Total		22 682 000 000	[1004]	Total		30 506 000 000	[1000]

*estimated votes / estimated amount

Data sources: Internal agreement between the Representatives of the Governments of the Member States, meeting within the Council, on the financing of Community aid under the multiannual financial framework for the period 2008 to 2013 in accordance with the ACP-EC Partnership Agreement and on the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the EC Treaty applies, Official Journal of the European Union, 09.09.2006, L 247.; Internal agreement between the Representatives of the Governments of the Member States of the European Union, meeting within the Council, on the financing of European Union aid under the multiannual financial framework for the period 2014 to 2020, in accordance with the ACP-EU Partnership Agreement, and on the allocation of financial assistance for the Overseas Countries and Territories to which Part Four of the Treaty on the Functioning of the European Union applies, Official Journal of the European Union, 06.08.2013, L 210.

Table 3: The EU member states in ODA 2000-2018

	2000	2001	2002	2003	2004	2005	2006
Total net ODA (mln USD)	74 212.2	76 244.4	84 998.0	88 689.3	93 070.6	121 033.2	115 864.1
▪ DAC members (mln USD)	72 522.3	74 436.3	79 942.2	83 649.0	88 625.4	116 578.1	110 117.3
▪ DAC members (% in total)	97.72	97.63	94.05	94.32	95.22	96.32	95.04
▪ DAC-29 members (mln USD)	72 939.1	75 001.9	80 492.5	84 398.8	89 597.6	118 063.5	111 407.2
▪ DAC-29 members (% in total)	98.28	98.37	94.70	95.16	96.27	97.55	96.15
▪ UE DAC members (mln USD)	38 027.2	40 403.8	42 687.9	43 709.1	44 794.8	57 340.0	58 602.4
▪ UE DAC members (% in total)	51.24	52.99	50.22	49.28	48.13	47.38	50.58
▪ UE members (mln USD)	38 027.2	40 403.8	42 687.9	43 709.1	45 232.6	58 010.7	59 459.4
▪ UE members (% in total)	51.24	52.99	50.22	49.28	48.60	47.93	51.32
	2007	2008	2009	2010	2011	2012	
Total net ODA (mln USD)	107 926.7	122 080.7	121 902.1	128 559.2	129 380.2	122 204.5	
▪ DAC members (mln USD)	101 263.3	113 018.6	114 649.9	122 092.4	121 042.7	116 466.8	
▪ DAC members (% in total)	93.83	92.58	94.05	94.97	93.56	95.30	
▪ DAC-29 members (mln USD)	102 715.1	114 720.3	116 519.8	122 889.5	121 876.1	117 311.4	
▪ DAC-29 members (% in total)	95.17	93.97	95.58	95.59	94.20	96.00	
▪ UE DAC members (mln USD)	55 249.2	60 607.1	60 306.6	64 225.5	62 595.5	58 305.6	
▪ UE DAC members (% in total)	51.19	49.65	49.47	49.96	48.38	47.71	
▪ UE members (mln USD)	56 071.7	61 543.3	61 348.0	65 264.6	63 726.5	59 416.7	
▪ UE members (% in total)	51.95	50.41	50.33	50.77	49.26	48.62	
	2013	2014	2015	2016	2017	2018	
Total net ODA (million USD)	137 368.3	146 937.2	144 038.8	161 660.4	162 252.8	157 919.6	
▪ DAC members (mln USD)	123 381.4	125 346.0	133 067.9	147 554.7	147 160.5	143 217.9	
▪ DAC members (% in total)	89.82	85.31	92.38	91.27	90.70	90.69	

▪ DAC-29 members (mln USD)	123 496.4	125 475.9	133 233.5	147 554.8	147 160.3	143 217.9	
▪ DAC-29 members (% in total)	89.90	85.39	92.50	91.27	90.70	90.69	
▪ UE DAC members (mln USD)	62 525.0	64 757.5	72 933.6	83 714.4	83 642.5	82 643.3	
▪ UE DAC members (% in total)	45.52	44.07	50.63	51.78	51.55	52.33	
▪ UE members (mln USD)	62 939.6	65 259.8	73 448.4	84 149.3	84 083.3	83 111.0	
▪ UE members (% in total)	45.82	44.41	50.99	52.03	51.82	52.63	

Data source: OECD, Net ODA (Total: % of gross national income, Million US dollars; 2000-2018), [website], <https://data.oecd.org/oda/net-oda.htm#indicator-chart>, (accessed 29 July 2019).

Table 4: The world's five most generous ODA donors 2000-2018 (mln USD)

Year	1 st	2 nd	3 rd	4 th	5 th
2000	13 763.4 (US)	11 699.1 (JP)	7 663.5 (DE)	6 316.6 (FR)	5 332.3 (UK)
2001	15 462.8 (US)	9 719.4 (JP)	7 724.6 (DE)	6 517.8 (FR)	5 639.1 (UK)
2002	17 700.2 (US)	9 581.6 (JP)	7 929.4 (FR)	7 728.8 (DE)	5 718.5 (UK)
2003	21 338.6 (US)	8 624.0 (JP)	8 585.0 (FR)	8 115.8 (DE)	5 718.5 (UK)
2004	25 089.8 (US)	8 975.7 (FR)	8 172.3 (JP)	8 108.2 (DE)	7 155.8 (UK)
2005	34 494.1 (US)	12 372.8 (JP)	10 778.9 (DE)	10 415.9 (FR)	9 585.2 (UK)
2006	28 204.2 (US)	11 196.7 (JP)	11 012.5 (DE)	10 672.4 (FR)	10 639.6 (UK)
2007	25 429.4 (US)	11 695.1 (DE)	8 896.8 (FR)	7 889.9 (JP)	7 542.2 (UK)
2008	30 267.9 (US)	12 521.5 (DE)	9 471.5 (UK)	9 103.1 (FR)	8 732.1 (JP)
2009	32 759.7 (US)	11 012.0 (DE)	10 885.3 (FR)	10 592.2 (UK)	7 817.7 (JP)
2010	33 309.0 (US)	12 352.8 (DE)	12 207.0 (UK)	11 605.8 (FR)	8 746.1 (JP)
2011	34 068.5 (US)	12 634.2 (DE)	12 227.7 (UK)	11 021.1 (FR)	8 099.5 (JP)
2012	33 088.7 (US)	12 358.8 (DE)	12 232.4 (UK)	10 906.4 (FR)	7 817.5 (JP)
2013	33 169.7 (US)	15 656.9 (UK)	12 902.9 (DE)	10 372.7 (JP)	9 877.1 (FR)
2014	34 457.9 (US)	15 757.0 (UK)	14 774.3 (DE)	12 438.2 (SA)	9 204.3 (FR)
2015	31 919.8 (US)	18 765.8 (DE)	16 281.9 (UK)	9 929.8 (JP)	9 264.6 (FR)
2016	35 075.2 (US)	25 603.6 (DE)	17 574.7 (UK)	10 079.9 (JP)	9 873.0 (FR)
2017	34 732.0 (US)	25 005.0 (DE)	18 103.4 (UK)	11 462.6 (JP)	11 330.9 (FR)
2018	32 999.8 (US)	24 265.6 (DE)	18 428.9 (UK)	11 831.7 (FR)	9 921.4 (JP)

Data source: OECD, Net ODA (Total: Million US dollars; 2000-2018), [website], <https://data.oecd.org/oda/net-oda.htm#indicator-chart>, (accessed 29 July 2019).

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