



INTERNATIONAL DEVELOPMENT COOPERATION

**THREE-YEAR PROGRAMMING AND POLICY
PLANNING DOCUMENT
2017 – 2019**



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INTRODUCTION

The [Programming and Policy Planning Document 2016-2018](#) set out strategic guidelines for Italian Development Cooperation, geographical and sector priorities, implementation mechanisms, instruments and financial allocations.

This Document confirms the above strategic and policy planning guidelines for the three-year period 2017-2019, provides an update on developments at European and national level and examines in greater detail certain priority topics on which Italian Development Cooperation will concentrate during the period. It also indicates the spending goals for the next three years contained in the Economy and Finance Document for 2017. That document indicates the allocations for the activities of the Directorate General for Development Cooperation, the Italian Agency for Development Cooperation and the Ministry of the Economy and Finance, as well as the allocations of the other Ministries for the three-year period 2017-2019. The commitment of the Italian government to strengthen development cooperation is confirmed, with the gradual alignment of the annual allocations made for this purpose, in order to ensure that Italy fulfils its international commitments.

As an attachment to this Document, the Report on Italian Development Cooperation activities in 2016 describes the work performed by all the administrations - detailing the initiatives in progress, those completed and the related funding allocations - as well as the Italian participation in banks, development funds and multilateral organizations.

1. International and National Background

1.1 New European Consensus on development

Italy has helped to define the new European Consensus on development, contributing its vision on priority topics. We obtained solid language on the central importance and positive role of migration in development policy, continued reference to the countries of Africa, the Caribbean and the Pacific Basin in an agreed framework of principles and values for implementation of the 2030 Agenda, and strengthened recourse to programming and the joint implementation of activities with a view to maximising the impact of European foreign aid.

The Consensus recognises the importance we attach to such priority topics as the right to food and water, universal access to healthcare, gender equality, youth, sustainable energy and climate action, jobs and investment, democracy and the rule of law.

1.2 Africa on the European and international agenda

Africa is at the centre of the European and international agenda: in addition to the EU-Africa Summit, Africa also occupied a pre-eminent place on the agendas of the G7 and G20 Summits in 2017. Italy will continue to support EU action to promote the central position of Africa, investing in equal and multi-dimensional partnerships that do not focus solely on migration and food security, but also extend to multiple topics of common interest, including: the economy, investment and infrastructure, governance, democracy and human rights, the role of women, young people, education and employment. In this context, by Law 232 of 11 December 2016, Italy has established a specific fund - the Fund for Africa - for special projects designed to relaunch dialogue and cooperation with those African countries of priority importance for the migration routes (see the side box for details).

1.3 National Sustainable Development Strategy

Italy has launched a pro-active and inclusive, inter-institutional process for the development of a new sustainable development strategy that implements the 2030 Agenda. The National Sustainable Development Strategy intends to implement the 17 Sustainable Development Goals (SDGs), in the light of the characteristics of the national development process. Strategic choices and possible measures are identified that can guide the political-regulatory system and enhance the sustainable development work performed by Italy, stimulating the economic pillar and reconciling it with the need for environmental and social protection.

The national strategic choices are defined in relation to the SDGs and their targets, and organised around the 5Ps: People, Planet, Prosperity, Partnership and Peace. The national strategy represents a reference framework for applying the “internal dimension” of the 2030 Agenda and helps to ensure the policy coherence for development. Partnership also expresses the “external dimension” of applying the SDGs, based on the Programming and Policy Planning Document 2016-2018, which included the content and principles of the 2030 Agenda in the strategy for Italian Development Cooperation.

1.4 Italian Development Cooperation System

➤ *National Public Conference*

The National Committee for Development Cooperation (CNCS) has commenced discussions regarding the first National Public Conference. The Conference seeks to represent an opportunity to meet, discuss and examine development topics, with broad public participation not limited to sector operators. In preparation, the Vice-Minister for development cooperation has held meetings at a number of Italian universities, in order to encourage participation by the academic world and, above all, to gather ideas and suggestions from young people. Further opportunities for consultation and participation will be created, in order to include stakeholders of the system of development cooperation in the Conference preparations.

➤ *Summit and Forum of migrant communities*

Over 2,000 associations represent the migrant communities in Italy. They are eclectic and fragmented, with extreme diversification in terms of history, degree of formalisation, type of activities, complexity and consolidation in organisational terms, country of origin and quality of relations with local institutions and other associations. There is currently no process enabling these associations to meet, understand each other, grow and, above all, strengthen their organisations and degree of representation, especially in their relations with Italian Development Cooperation.

The National Summit of Migrant Communities, organised by the “Migration and Development” Working Group of the CNCS, therefore seeks to bring together the migrant associations and communities, the Ministry of Foreign Affairs and International Cooperation (MFAIC), the Italian Agency for Cooperation and Development (AICS) and the CNCS, as well as local bodies, Civil Society Organisations (CSOs) and profit and non-profit private sector. Participants will be able to hold discussions, with opportunities for training and building awareness about topics related to migration and development, while promoting partnerships at local level. The associations in fact play a fundamental role in the process of integrating immigrants into their host society and maintaining links - economic, social and cultural - with their countries of origin. In preparation for the Summit, meetings will be held in various Italian cities to identify and listen to those migrant communities in each region with the ability and organisation to have already established, at local level, transnational partnerships involving various administrations (regional, municipal, other institutions) and territorial bodies.

The Summit also seeks to establish a permanent forum - the Italian Forum of Migrant Communities - to facilitate the exchange of experiences and ideas, as well as to build relations with the institutions.



Support for migrant entrepreneurs: CNA World

Help foreign entrepreneurs to pursue their business activities and strengthen awareness about the important role they play in the local economy: the European Commission included these objectives of the “CNA World” initiative in its 2016 Guidebook entitled “*Evaluation and Analysis of Good Practice in Promoting and Supporting Migrant Entrepreneurship*”, selecting the Confederazione Nazionale dell’Artigianato e della Piccola e Media Impresa (National Confederation of Artisans and SMEs - CNA) from among the most representative Italian organisations in the area of migrant entrepreneurship.

➤ ***Civil Society Organisations and Non-profit bodies***

Analysis of the results, following the first year of applying the Guidelines for inclusion on the List of CSOs and Non-profit bodies, shows that several types of entity do not satisfy the criteria. The Agency has started an inclusive review process, with the introduction of additional criteria that will result in gradual expansion of the bodies included on the List.

At the programming stage, grant funds will be allocated for projects proposed by the CSOs and Non-profit bodies in the priority sectors indicated in the Programming and Policy Planning Document (Euro 40 million in 2017), in particular: migration and development; social innovation (health, youth employment, education, social services, environmental protection, enhancement of the cultural heritage); rural development and food security; management of natural resources, also via the use of renewable energy; strengthening the role and abilities of local CSOs as actors on the development stage. Part of the available funds will be allocated to non-priority countries. Special attention will be given to the creation of partnerships with the actors indicated in Chapter VI of Law 125/2014 as, given their nature and expertise, they may be able to make valuable and innovative contributions to the various projects.

Mechanisms will be identified in order to support the CSOs at European level, with a view to facilitating access to European funds, co-financing projects approved by the Commission and promoting greater involvement in multi-donor programmes and trust funds.

➤ ***Territorial partnerships***

The territorial partners - regions, autonomous provinces, local bodies - are committed, both locally and in international cooperation activities, to supporting those development projects considered most suitable and appropriate for achieving the Sustainable Development Goals. These partners play an important liaison role in relations between the various local actors and the administrations of partner countries, with a view to building long-term partnerships in areas of mutual interest: social, cultural, economic. The approach is to organise the contributions of all public and private actors and identify areas for action, consistent with the programming and policy guidelines, in the context of a shared strategy that ensures the coherence of development policies at all levels (international, European, national and regional) in line with a modern vision of development cooperation. Not one-way aid, but a common path, partnership, reciprocal interests and benefits: support for decentralisation processes; local economic development, particularly by the creation of value chains, identifying the best development opportunities for meeting the needs of the communities concerned; fair trade and solidarity, the development of SMEs, micro finance and financial inclusion; co-development, involving migrant communities in projects in their regions of origin, with a view to enhancing the roles and skills of migrants, facilitating productive investment and promoting activities that generate income; strengthening decentralised governance structures, key services and systems for the collection of data about the populations resident in partner countries; global citizenship education; social-healthcare services and support for the disabled; professional training.

Funds will be allocated (Euro 5 million in 2017) to co-finance the projects, presented by regions, the autonomous provinces of Trento and Bolzano, and local bodies, that are selected using public comparative procedures, as well as to co-finance projects approved by the European Commission in the context of European partnership programmes between territories. Part of the funds will be used to co-finance projects in non-priority countries. Comparative procedures will also be used to assign programmed initiatives, approved by the Joint Committee, to territorial bodies - active in the country and/or sector concerned - with the demonstrated professionalism, experience and knowledge needed to ensure optimal execution of the work.

Further details about the procedures and notices will be published on the Agency website, which will contain ever more information, not least to facilitate access to European resources and promote greater involvement in the multi-donor programmes and trust funds by stakeholders of the development cooperation system.

➤ ***Role of the Universities***

The Italian academic world has an important role to play, at international level, in promoting a broad and well-founded focus on capacity building. This must move beyond the basic delivery of training hours to fuel the institutional strengthening (at local, national and/or supra-national level) of skills and capabilities, in a process that results in direct benefits for the territory as a measure of the effectiveness of development and empowerment. While recognising the essential role of basic training, Universities also push the development cooperation system not to overlook secondary (including professional) and tertiary education, or development of the scientific, humanistic and managerial skills needed for technological and social innovation in the territories concerned. This virtuous spiral is particularly important in the healthcare sector: the training of qualified staff not only permits the development of second and third-level structures, offering opportunities for employment and professional growth, but also contributes to strengthening national healthcare systems and reducing the related migration phenomena. In this regard, the Universities in all their emanations can make a fundamental contribution to global citizenship education. They must also play an active and aware role in ensuring that the new generations are able to operate in contexts and societies that continue to evolve rapidly.

In this light, it is necessary to review the link between the challenges faced by society, as reflected in the Sustainable Development Goals, the related needs that emerge and the training-research binome.

➤ **Enrich training paths and contribute to institutional capacity building**

The Universities must prepare professionals capable of playing a more active role in the transformation of societies, both in the North and the South of the world. Sustainable development must be an integral part of the curricula of young people (regardless of their specific discipline), covering both the theoretical and operational aspects. This urgent training need melds with the possibility of offering a new critical view of internationalisation, being not just the ability to grasp the opportunities offered by international markets, but also a response to the need to provide societies in partner countries with tools and policies capable of preventing the outbreak of social, economic, cultural and environmental crises.

Practical implementation of these theoretical requirements calls for the strengthening of inter-academic mobility projects - involving young teachers, researchers and post-graduate students - in order, above all, to share knowledge and work on capacity and institution building at national and international level, as well as renewed focus on the development of joint training and study programmes, with simplification of the procedures for obtaining study visas and residence permits on arrival in Italy.

➤ **Research for development, cooperation models and evaluation**

Scientific research can become a strategic tool for sustainable growth, via the promotion of appropriate, shared development models capable of creating autonomous development and facilitating the extrapolation of local knowledge. This requires cooperation practices characterised by dialogue with local counterparts in a spirit of reciprocal learning. Interdisciplinary innovation and technological transfer in all sectors, including the humanities, will increasingly become tools that

underpin sustainable human development. More effective monitoring and evaluation models and methods are needed, in order to assess the long-term impact of development cooperation actions and guide future strategies.

➤ **Role of academia as an agent for the development of country systems: Institutional capacity building for all**

The academic world has three key roles:

- I. contribute to training the future leaders of partner countries on specific topics, as part of the integration of knowledge and multi-actor partnerships (public, private, CSOs);
- II. contribute to the empowerment of Universities in partner countries;
- III. develop experience in the co-design of higher education that involves, on an equal basis, teachers and students from the North and the South of the world.

The strengthening of knowledge and human and institutional capacity building are fundamental objectives for the promotion of innovation, development and technological transfer while, at the same time, guaranteeing participation, involvement and the growth of social responsibility (ownership) in partner countries, as well as strengthening relations among the scientific, technical and academic communities and with Italy.

➤ *The private sector*

The involvement of the private sector, envisaged in art. 27 of Law 125/2014, coincides with the international trend to recognise a growing role for firms in development cooperation activities, with the objective of promoting a business culture that contributes to implementation of the 2030 Agenda; in particular: i) support the generalised development of SMEs; ii) facilitate sustainable and inclusive economic growth that assures full employment and decent work for all; iii) reduce inequalities by promoting social, economic and political inclusion, without discrimination; iv) guarantee a more peaceful and just society, with solid and responsible institutions; v) facilitate partnerships between Italian and local firms, not least to guarantee the continuity of investment; vi) encourage sustainable investment in social and environmental terms, especially in areas that might be economically unattractive, promoting partnerships with actors - NGO/CSOs and other non-profits - that have demonstrated experience and local knowledge. Innovative methods may be identified (concessional finance, loans, blending mechanisms etc.) to facilitate the participation of firms, especially SMEs, in cooperation projects with a view to combining their economic/entrepreneurial objectives with their social responsibilities. In general, the participation of firms in development cooperation projects facilitates the opening up of new markets and others that were not previously served, resulting in competitive and other advantages.

The Inter-ministerial Committee for Development Cooperation (CICS) has approved a resolution to form topic-specific Working Groups in order to facilitate and inform the work of the Committee, via deep dives and the preparation of policy guidelines and proposals on development cooperation matters, as well as the definition of mechanisms for encouraging private sector participation in cooperation activities, which is a matter that will also be addressed by the CICS Working Group dedicated to the private sector. This WG will examine projects in the energy sector, partly to reach an understanding on the Policy Guidelines for energy and development (see “Multi-actor National Platform for Energy and Development” below), and the project dedicated to the private sector in support of innovative ideas for development: social firms and inclusive business in support of cooperation. On this and other topics, coordination and exchange mechanisms will be identified between the CICS Working Groups and the CNCS Working Groups dedicated to the private sector.

➤ *Inclusive business*

When defining actions in support of projects promoted by for-profit private actors, we refer to the European Commission Communication of 13 May 2014 on the role played by the private sector in sustainable development: measurable impact on development; additionality, neutrality and transparency; shared goals and interests; compliance with international standards and employment, social, environmental and tax regulations; respect for human rights. Italian experience with SMEs - aggregated and organised in networks, with common services to exploit economies of scale - and the cooperative system, gives us a comparative advantage with respect to other donors when contributing to the growth of entrepreneurship and development of the private sector in partner countries.

In this context, innovative forms of partnership will be promoted with private for-profit and non-profit actors, seeking to increase the participation of those for-profits that respect the principles of transparency, competition and social responsibility, in order to implement specific projects designed to achieve goals with a social impact in priority partner countries.

Funds will be allocated (Euro 5 million in grants in 2017) to co-finance projects selected via public procedures. The actors eligible to present project proposals will be entrepreneurs, oriented towards inclusive business, that comply with universally-recognised international principles and standards. Preference will be given to projects in priority countries and sectors that are presented together with other actors identified in Chapter VI of Law 125/2014 and, in particular, projects co-designed and/or co-managed in a spirit of convergence, involving collaboration by actors with different skills, united by their intention to achieve the same Sustainable Development Goals.

THE CNCS Working Group on “The role of the private sector in development cooperation” may examine the relationship between the private for-profit and no-profit sector and inclusive business, in order to leverage the positive effects and facilitate greater awareness about inclusive business and its dissemination.



Decent work

In order to keep pace with demographic trends, it will be necessary to create 40 million new jobs worldwide every year until 2030. Work is therefore a fundamental priority for development cooperation, in order to combat poverty, exclusion, inequality, wars and hunger. Productive economies and inclusive societies are only possible by offering decent work opportunities to men and women.

The four pillars of decent work identified by ILO - employment creation, rights at work, social protection and social dialogue - are inseparable and interconnected, indispensable for achieving the SDGs and “leaving no-one behind”.

Promoting growth and development by public and private investment that generates quality jobs makes existing social protection systems more sustainable and, where they do not exist, makes it possible to create them. In addition, the rise in earned income widens the tax base of the country and increases the spending power of workers, thus supporting economic growth and the solidity of local development. The creation of quality jobs in a sustainable manner is crucial for the transformation from an informal economy to a formal economy, contributing to making migration a free choice rather than a necessity. The EU Trust Fund addressing the root causes of migration in Africa, of which Italy is a founder member, will only achieve its goals if it can create decent work

that guarantees respect for the rights of workers, is fairly paid and offers adequate social protection.

Social dialogue and collective bargaining, via involvement of the social actors, are crucial for sustainable social and economic growth, promoting social cohesion and a culture of peace, and the peaceful management of conflicts and social justice. They also help to guarantee the fair distribution of income and adequate social protection, while marginalising informal work. Social dialogue requires a favourable environment and an effective institutional framework, being founded on respect for the freedom of association and the right to collective bargaining. Representative and independent workers' and employers' organisations, together with good industrial relations practices and the proper functioning of employment administrations, including the work inspectors, provide the necessary foundations for social dialogue. For development cooperation, social dialogue is therefore both an element of development policy and a means to implement the SDGs.

In recognising the importance of the contribution made by the social actors, it is necessary to promote partnerships. When involving firms in development activities, Italian Cooperation also envisages involving the social actors, in accordance with Law 125/2014, which identifies the trade unions and the employers' representatives among the actors in cooperation activities and supports the vitality of industrial relations systems. It is necessary to strengthen institutions and services in partner countries, including the work inspectors and the representatives of the social actors.

In particular, in the current global economy, workers are increasingly part of global value chains that are highly complex, spanning several countries and sectors. Within these value chains, workers often have little or no voice and the conditions for decent work and the enforcement of rights are missing. The international networks of workers' organisations in partner countries are a tool for monitoring the entire global chain of production and for promoting respect within that chain for human and workers' rights, partly by specific capacity building actions.

2. Priorities, Instruments and Implementation Modalities

2.1 Humanitarian aid

Ongoing debates in the principal international forums, UN and OECD-DAC, increasingly stress the need for coherence and continuity between humanitarian aid and development.

The extension of the average period of population displacement has required the way that humanitarian aid is used to be revised, highlighting the need to tie emergency relief activities more closely to those designed to strengthen the resilience of the population and, therefore, the ability of local communities to prevent and manage emergencies, thus reducing their dependence on external support. At the same time, Italian humanitarian aid will continue to comply with the fundamental principles of neutrality, impartiality, independence and humanity approved at international level.

Italian Cooperation agrees with and supports the need to invest in post-emergency initiatives that provide a bridge for development (*“Linking Relief and Rehabilitation to Development – LRRD”*). A smooth transition from initial relief and rehabilitation to sustainable development is in fact crucial to the effectiveness of humanitarian aid and when transitioning to peace. Consistent with this, we will make increased efforts to support peace processes, post-conflict stabilisation and national reconciliation, as in Columbia and the Central African Republic, for example.

In this regard, consideration is being given to extending, where necessary, the duration of the humanitarian aid initiatives assigned to CSOs with specific and demonstrated experience in this field. Specifically, the duration would be extended beyond 12 months and sufficient funds would be provided in order to support their rescue operations for a longer period.

At the Istanbul *“World Humanitarian Summit”* in May 2016, Italy made concrete and measurable commitments and signed the *“Grand Bargain”*, a pact between donor countries and international bodies, whereby the former agreed to allocate more funds to humanitarian aid, to make them more predictable and not to pre-allocate them. From a financial standpoint, Italy has met this commitment by increasing the funding for humanitarian activities, in line with the trend that raised the funds available for emergency between 2013 and 2015, followed by a further rise of about 40% in 2016. This trend will be consolidated in 2017, with another increase in funding of around 10%.

Humanitarian aid: allocations (Euro)			
2013	2014	2015	2016
55,720,282	73,021,380	72,960,687	102,661,810

Additionally, we will expand our efforts to finance innovative schemes, including the *“Humanitarian Impact Bond”* proposed by the International Red Cross in order to assist the victims of mines.

2.2 Migration and Development

In order to tackle the root causes of migration, Italy has promoted various initiatives at European level: contribution to the EU emergency trust fund for stability and the fight against the root causes of migration in Africa, of which Italy is a founder member and second-largest contributor and from which six delegated cooperation projects have already been endorsed; presentation of an ambitious plan to increase investment in Africa, the *“Migration compact”*, which has given rise to the new European Migration Partnership Framework for cooperation with third countries and the European External Investment Plan for Africa and the EU Neighbourhood; launch of the Fund for Africa addressing migration.

Italy promotes a long-term, integrated strategy for “[sustainable migration](#)”, in the conviction that migration policies must be consistent with development policies and tackle the structural causes in the countries of origin that lie at the root of the migratory flows. In addition to investing in welfare, especially in the healthcare and education sectors, in order to improve access to services whose absence contributes to migration, action in the countries of origin and transit will focus on: i) improving job market conditions in the countries of origin, to discourage unplanned emigration and facilitate the matching of migrants in the jobs market of their destination country: this will require discussions with producers and service providers (trade associations, SMEs) to identify sectors and areas that need manpower and monitor the development of grassroots entrepreneurship; ii) developing information programmes to inform potential migrants - especially unaccompanied minors - about the risks of illegal migration channels, which are often linked with smuggling and trafficking of human beings; iii) increasing the employment opportunities, especially for young people, by investing in education and professional training in order to create a technically-qualified workforce and guide young people towards skills sought by the jobs market; iv) facilitating two-way movements (circular migration) of migrants, knowledge, skills and accumulated capital; v) encouraging the involvement of the migrant communities, to stimulate entrepreneurship and promote commercial and cultural exchanges (good examples exist, for example with the Senegalese diaspora); vi) assisting informed, voluntary return with the prospect of reintegration in the country of origin; vii) upgrading the systems for the protection of minors abandoned in the countries of origin and transit.

Regional and local bodies play a fundamental role in this context. Leveraging the knowledge and skills of immigrants may represent a trump card for co-development activities, with reciprocal advantages for the countries of origin and reception, as well as for the immigrants concerned. In Italy, immigrants live in specific local contexts and necessarily maintain relations with the institutions, economic and commercial bodies and civil society. They also create stable relations between the areas of origin and reception, making the territorial institutions - especially the regions and local bodies - the preferred partners of Italian development cooperation in co-development initiatives.

Movements of people are not just an emergency to be tackled. They require management over the long term, in order to transform migration into an opportunity for economic growth and social development in the countries of origin and in Europe, with particular reference to Target 10.7 of the 2030 Agenda. Continuing on the concept of human mobility, addressed by the Italian Presidency of the G7, the phenomenon of migration requires both a global strategy and the identification of solutions agreed by the countries involved, in full compliance with the relevant European and international laws including, in particular, those governing human rights.

The appeal for a partnership that unites all actors and generates concrete and effective actions to be implemented “together”, has found an initial response in the Fund for Africa.



The Fund for Africa

The Fund for Africa, established by Law 232 of 11 December 2016, allocates Euro 200 million for specific projects designed to relaunch dialogue and cooperation with those African countries of priority importance for the migration routes. The directives issued by the Minister of Foreign Affairs and International Cooperation on 1 February 2017 define how the Fund will be used. The projects seek to ensure full cooperation with the countries of origin and transit of the migratory flows, within the framework of integrated foreign policy action that assigns high priority to the African continent. The priority countries, with which we will work to identify needs and the

technical-operational areas for action, are: Libya, Niger and Tunisia, together with Ivory Coast, Egypt, Eritrea, Ethiopia, Ghana, Guinea, Nigeria, Senegal, Somalia and Sudan. Programmes will also be funded in neighbouring countries and in those areas where the largest flows originate.

Projects financed by the Fund for Africa may be implemented via the Agency, other public administrations, the EU and its agencies, the IOM and the UNHCR, as well as via the other international organisations responsible for migration matters that are active in the countries concerned.

The Fund for Africa can finance development cooperation projects, interventions to protect the most vulnerable, unaccompanied minors and the victims of trafficking; training programmes for border authorities and court officials; the supply of equipment and instruments for the control and prevention of illegal migratory flows and for the fight against human trafficking; projects for institutional support and administrative capacity building; update and computerisation of the civil status registers; programmes for the reception and assistance of migrants and refugees; assisted voluntary repatriations from African transit countries to the countries of origin; involvement of the local authorities; information campaigns about the risks of migration. The project must comply with the European and international regulations that govern fundamental human rights.

The development cooperation projects financed by the Fund for Africa, to the extent indicated by the Ministry, are implemented by the CSOs and the migrant communities of the countries involved, in accordance with the programming and policy planning document and the regulations envisaged in Law 125/2014 and Ministerial Decree 113 of 22 July 2015. The projects identified to date seek to: improve the access of the most vulnerable groups to basic services (healthcare, hygiene, education, protection and psycho-social support); create income-earning opportunities and decent work, especially for young people and women; support education and professional training policies, promoting new sectors/professions in order to facilitate employment; strengthen systems for the protection of child victims of human rights violations and those at greater risk of succumbing to human trafficking; guarantee the right to an identity via the registration of births; increase agricultural, fishing and grazing activities in a sustainable manner, with the adoption of community agro-husbandry practices that are resilient to the effects of climate change, as well as the creation of jobs via income-earning activities and micro-enterprises; launch communication and information campaigns on the subject of migration and development, aimed mostly at young people, in partnership with African media.

Italian Cooperation supports national and transnational programmes to fight both illegal migration, via the opening of legal and safe channels, and human trafficking, especially with reference to unaccompanied minors. Consistent with the strategy underpinning the 2016-2018 “National action plan against trafficking and serious exploitation”, the projects will help partner countries to align their legislation with international standards; build the capacity of local institutions, partly via the promotion of programmes that make study grants to African students attending African and European universities on first-cycle and post-graduate programmes and those carrying out research into migratory phenomena; strengthen social protection networks and community awareness actions.

Another type of migration sometimes gets overlooked: South-South movements. In particular, with regard to the relationship between agriculture, nutrition, migration and development, Italian Cooperation promotes a development model focused on family agriculture and support for smallholders, which assures the right to food and the fair governance of common assets - land, seeds,

water - and, therefore, contributes to poverty reduction and the improvement of living conditions in rural areas. Italy has a wealth of experience in this field. It is now necessary to consolidate and broaden this experience, with a consistent approach that promotes sustainable agro-ecological practices, in environmental and biodiversity terms, in order to guarantee increases in production capable of generating income; supports the diversification of production and the gradual inclusion of smallholders in local food chains, with a particular focus on the role of women; strengthens the organisation of networks/cooperatives in order to improve access to resources and local markets; improves the resilience to shocks and climate change by tackling the economic, social and environmental causes that result in poverty, conflicts and migration.

With regard to migration and development, priority will be given to the countries listed in the Decree that established the Fund for Africa (see the side box for details), as well as to Burkina Faso.

2.3 Agriculture and food security



Global Donor Platform for Rural Development

The “*Global Donor Platform for Rural Development*” brings together 38 bilateral donors, multilateral bodies and international financial institutions in a quest to build a network for the exchange of knowledge and dialogue about policies and programmes designed to achieve the 2030 Agenda goals, starting with the eradication of poverty and hunger. The objective is to strengthen the commitment to increase public and private investment, in order to promote rural development, nutrition and the improvement of agricultural production, dedicating particular attention to the “rural transformation” processes that are often affected by such factors as employment, the condition of young people and women, land rights and access to financial services. Italy has confirmed its membership and financial contribution, participating via the Agency on the Board ([member page](#)) and in the work of the Platform.

2.4 Environment

➤ *Goal 14: conserve and sustainably use the oceans, seas and marine resources.*

The Ministry of the Environment is committed to the pursuit of Goal 14 on the conservation and sustainable use of the oceans, seas and marine resources. This commitment will be implemented by strengthening the existing partnerships with Small Islands in the Pacific and the Caribbean, the Maldives and the Comoros, facilitating involvement of the private sector together with the local communities, and sharing the experiences acquired at national level. The growing attention dedicated to the conservation of marine ecosystems and their resources is founded, among other reasons, on the need to implement adaptation strategies for the populations most vulnerable to climate change. In this context and at the request of the small island developing States, the Ministry of the Environment is carrying out projects on the link between the climate and the oceans, releasing synergies between rural electrification and protection of the oceans. Electrification of the fishing centres in the small islands has resulted in energy security and the mitigation of problems and, at the same time, has strengthened the small local fishing communities, encouraging sustainable, small-scale fishing and supporting the food security needs of the local populations, while also conserving marine and coastal habitats and ensuring ecological, economic and social resilience.

- ***Goal 15: protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss***

The 2015 Paris Accord renewed the commitment to forestry protection made by the international community, encouraging the parties to adopt and support the international programme designed to Reduce Emissions from Deforestation and forest Degradation (REDD+) in the Developing Countries, as defined in the UN Framework Convention on Climate Change (UNFCCC). Support for REDD+ makes a fundamental contribution to the sustainable development of Developing Countries and the fight against climate change: about one quarter of the man-made emissions of greenhouse gases is attributable to the agro-forestry sector. The countries most involved are those with large tropical rainforests in South America, Africa and Asia. In these countries, forests often comprise a key part of their economic fabric and contribute to supporting the local communities and indigenous populations that live in them.

In this regard, the programming of the Ministry of the Environment will be implemented via support for the Forest Carbon Partnership of the World Bank, agreements with the United Nations to facilitate the presentation of projects to multilateral funds, and with several countries, including Ghana, Panama, Papua New Guinea, Kenya and the Dominican Republic. In particular, the intention is to facilitate involvement of the private sector in helping to mitigate and adapt to climate change in the forestry sector. In this regard, the recent signature of the Amsterdam Declarations on “Eliminating deforestation” and a “Fully sustainable palm oil supply chain” represents support by our government for the efforts made by the Italian private sector, which has been committed to the sustainability of agricultural supply chains for many years.

- ***Creation of the Centre for the exchange of information on activities in Africa***

Commitment to the ongoing projects in support of African countries in the implementation of the 2030 Agenda was confirmed in the final communique of the Bologna G7 Environment Ministerial Meeting (June 2017).

In particular, Italy announced the launch of a Centre in Rome to facilitate the voluntary exchange of information on activities in support of African countries with regard to climate change and energy efficiency. The purpose of the Centre is to promote the effectiveness, synergies and complementary nature of the ongoing projects in Africa, considering the impact of climate change and environmental degradation on agricultural production and food security, access to water and the economic stability and growth of the region. The objectives of the Centre are also to facilitate access to economic, modern, sustainable and reliable energy, promote gender equality and provide specific assistance for needs identified in collaboration with African partners.

2.5 Energy

Italy is well qualified in the energy sector, given the industrial and entrepreneurial history of our country, supported by the experience of our CSOs and the scientific and training skills developed by the world of research and the universities. Building on the wealth of experience and knowledge of the actors active in the partner country, Italian Cooperation intends to promote clear process innovations focused on three main directions, together with a fourth encompassing element that is required to ensure the sustainability of the projects concerned:

- promote appropriate and sustainable technologies for local needs, in order to: i) accelerate electrification, with distributed systems based mainly on renewables (off-grid solutions, which may also connect to the main grid); programmes that seek to leverage the direct

(reduction of fossil sources, impact on the environment and health) and indirect (creation of jobs, local capacity building, impact on the capital assets of local communities) advantages of those systems; ii) strengthen the domestic use of modern energy systems, even on a stand-alone basis (improved heaters, gasifiers, domestic biodigesters, distribution solutions for the generation of energy), that are appropriate to the local contexts and household situations;

- support new models for autonomous energy activities that generate income, applicable in the local context (BOP model, community and cooperative entrepreneurship) and implemented within suitable funding mechanisms in order to support the development of new business activities;
- support the development of policies and regulatory mechanisms that lead to the modernisation of energy governance, by identifying specific local needs;
- strengthen the local level and facilitate empowerment via the local development of skills and technical-operational capabilities and the provision of training at various levels: schools, universities, vocational, professional and entrepreneurial development courses, including advocacy at institutional and political level.

Following an initial survey, the following geographical areas have a consolidated and diversified Italian presence that would favour application of the above directions: the southern shore of the Mediterranean (North Africa), where numerous projects are already in progress; eastern Africa (e.g. the East Africa Community) and the southern coast (e.g. Mozambique and South Africa), and various countries in central and western Africa (Congo, Nigeria, Ghana), where leading Italian companies have operated for many years, in synergy with CSOs and research institutions.

Energy and, in particular, the link between the introduction of renewables (and, where appropriate, the development of adequate electricity infrastructures) and local development provides fertile ground for testing the effectiveness of for-profit and non-profit collaboration. Here, in fact, it is possible to leverage both the grassroots, historical presence of Italian CSOs, often in charge of energy-related projects, and the interest of sector firms in increasing their activities in the territory, in a modern take on co-development that meets the needs of local communities. A model of for-profit/non-profit collaboration, applied to sustainable energy solutions and focused on renewables and integrated solutions, would contribute to the optimisation of resources and accelerate broad-based development, combining high-impact projects for local autonomous development with the equitable promotion of the Italian system of culture, training, research and social and entrepreneurial innovation in the energy field.



Multi-actor National Platform for Energy and Development

The Platform for Energy and Development represents an initial collaborative experience in a sector, energy, that can count on a wealth of Italian experience and skill within the institutions, the private sector, civil society, the academic world and research. Each actor contributes skills and specific technical-operational, theoretical-methodological, political-strategic, informational and training experiences at various levels. The document entitled "Guidelines for the Italian Cooperation in the energy-development field" is the first result of this collaboration, which will be submitted to the CICS Working Party on the private sector ahead of formal adoption by CICS.

Starting from an analysis of the connections between energy, water, food, health, environment and climate change in Developing Countries, together with the best practices recognised at an international level, the document identifies the strategic goals for action by Italian Cooperation in the areas of energy and development, identifying the need to prepare actions based on need (at domestic level, for services and/or productive uses) and dedicating particular attention to capacity building at local level. In terms of methodology, the document defines the criteria to be followed for the identification, formulation and monitoring of initiatives, in line with international instructions and best practices.

Italian Cooperation supports the work performed by the Platform, drawing on its own experiences in the areas of energy and sustainable development. Approval of the Guidelines will make a reference framework available that, starting from the current three-year period, will enable us to identify and launch projects with high impact on local development, in a vision that seeks to leverage the Italian system of culture, training, local knowledge, research and innovation. In addition to providing fundamental support for the economic-productive component, energy development is supported by Italian Cooperation with an eye to satisfying the most urgent needs of fragile communities: food security, health, education, gender balance and decent work.

2.6 Health

In application of the Guidelines on Health, Italian Cooperation adopts an approach focused on strengthening healthcare systems, improving access to services for the weakest members of the population who live in the poorest urban areas (urban health) and in rural areas, and protecting mother-infant health. In order to pursue Goal 3 - ensure healthy lives and promote well-being for all - and its specific targets, it will also be necessary to broaden the field of action.

➤ *Early child development*

It is estimated that 250 million children in low and middle-income countries (43%) risk not achieving their full potential as a result of the adversities encountered in the early years of life. Early Child Development (ECD) has become a global political priority on which several international agencies, including UNFPA and UNICEF, are working in the poorest countries. Considering the ability of fetuses and children to respond to the social and environmental conditions in which they live, helping children in their first 1,000 days of physical, cognitive, emotional and social development represents an investment in human capital by society and an extraordinary opportunity to combat social and health inequalities. Italian Cooperation intends to promote multi-sector projects that address both maternal nutrition (during pregnancy and after), with a particular focus on adolescent girls, and child nutrition including breast feeding during the first six months of life, while also tackling postnatal depression, domestic violence and early learning. In this important action area, NGO/CSOs will also have to invest in the evaluation, research and capacity building of local institutions.

➤ *Non-transmissible chronic diseases*

The growth in non-transmissible chronic diseases (especially cardio-vascular and respiratory diseases, tumours and diabetes) has reached epidemic proportions in low and middle-income countries, due to the ageing of their populations, urbanisation and the rapid globalisation of unhealthy lifestyles. The poorest countries are burdened by a “double dose of disease”, being a combination of infectious and chronic diseases that result in growing demand for new services and

increasingly high medical care costs, most of which are borne directly by the persons concerned. Consequently, there is a need to intervene with systematic, multi-sector public healthcare programmes focused on prevention and control of the principal risk factors - tobacco consumption, unhealthy diets, physical inactivity and alcohol abuse - and tackling the underlying social causes. Based on the best practices in countries such as Palestine and Bolivia, consistent with the global strategies of the WHO and applying the Guidelines on Health, the fight against chronic diseases will be extended to other partner countries as a contribution towards achievement of SDG Target 3.4. The projects will be oriented towards supporting the national healthcare systems with technical assistance programmes, giving priority to primary prevention work, both in support of the policies that address social causes and to tackle the various risk factors at individual and community level, as well as to secondary prevention via screening programmes. Projects will also be promoted for the effective and appropriate management of chronic diseases by primary care services, and for the development of community and family medicine, in order to guarantee continuity of care and assistance for those with multiple long-term conditions. Lastly, efforts will be made to update university degree programmes to take account of the modified epidemiological picture and the need to encourage the development of public health, general practice and community medicine skills specific to the needs of the partner country.

➤ ***Transmissible diseases***

Alongside the growing importance of non-transmissible diseases, in terms of long-term illness and mortality rates, the South of the world continues to suffer the epidemiological pressure of numerous incapacitating and deadly infections, that are particularly dangerous under conditions of extreme poverty. The fight against HIV, malaria and tuberculosis still requires a massive cooperative effort, for the joint development of public healthcare programmes and healthcare training and education programmes, designed to identify innovative strategies and implement pure and operational research programmes dedicated to the achievement of SDG Targets 3.3 and 3.b. The classic transmissible diseases are also accompanied by neglected infections and the extremely serious problems of under administered and counterfeit medicines, whose solution requires supra-national support.



The Global Fund to fight AIDS, Tuberculosis and Malaria: “the 5% initiative”

The renewed political and financial commitment of Italy to the Global Fund will be accompanied by efforts for the Italian Cooperation System to become more intensively involved in the activities of the Fund. Consistent with similar initiatives by other major donors, the “5% initiative” to be introduced by Italy in 2017 reflects this objective. The plan is for Italy to withhold 5%, Euro 7 million in total, from the annual tranches of the Euro 140 million in funding envisaged over the three-year period 2017-2019.

Via specific calls for projects, this reserve will be used to finance Italian CSO and research institution activities that are coordinated with and complementary to those of the Fund. Working together with the Global Fund, these activities will be decided with reference to the needs identified in the “Country Coordinating Mechanisms” (CCM), being the national committees that supervise how the resources made available by the Fund in each country are managed.

In this way, Italy intends to intensify its collaboration with the Fund resulting, inter alia, in much improved visibility in partner countries. The “5% initiative” will also represent an opportunity for

the skills and abilities of the many actors in the Italian Cooperation System to serve the mission of the Global Fund, which is to eliminate the three pandemics.



Innovative financial instruments: Global Alliance for Vaccine Immunization (GAVI)

The following contributions will be made in the period 2017-2019: IFFIm, Euro 82.5 million, and AMC, Euro 114 million. In December 2016, Italy also defined procedures for making the bilateral contribution of Euro 100 million over the period 2016-2020 that was promised in Berlin in January 2015.

Following changes to the constituencies that comprise the board of GAVI, Italy now shares the seat with Canada and Spain. The rotation agreement for 2017-2018 envisages that our country will be represented, as an alternate member, by Angela Santoni, an immunologist and Director of the Department of Molecular Medicine at the “La Sapienza” University in Rome, before taking over leadership of the constituency in the following two years.

➤ **Mental health**

Mental health represents a priority, too often neglected, for global health. Mental illnesses account for 10% of the overall total in low and middle-income countries, with a massive gap between needs and the availability of effective care. In many countries, treatment is provided by psychiatric hospitals that absorb a large part of the available resources, placing at risk the rights of individuals and resulting in chronic disabilities and social exclusion. Programmes are needed that strengthen community mental health services, integrating them with the systems of primary care, expand action in the area of psycho-social rehabilitation and increase population awareness about the problems of stigmatisation and discrimination. Italy has excellent services and consolidated experience in terms of mental health and psycho-social rehabilitation, which is carried out via the provision of jobs, social cooperatives and ethical financing tools: a wealth of experience that can be drawn on by Italian Cooperation, as demonstrated by the recent successful project in Egypt.

2.7 Education

Italian Cooperation supports initiatives designed to guarantee the availability of quality education services on an inclusive basis, covering all levels from pre-school and primary education, to university and post-graduate studies. This concept of education is underpinned by an approach that goes beyond the school gate, to address a social dimension that seeks the all-round development of individuals and the communities to which they belong. In addition to providing adequate education, schools represent a way to include the most disadvantaged levels of society and support the democratisation and peace-building processes. Education also plays a central role when it comes to emergencies and conflicts, strengthening the effectiveness of humanitarian aid, reducing the vulnerability of children, managing risk factors for their protection and contributing to the construction of a culture of safety and resilience, as well as to the social, economic and political stability of communities.

Within the various projects funded, particular attention will be dedicated to the categories at greatest risk of exclusion, such as children, adolescents, students with disabilities and minorities. In synergy with the work on early childhood development, we will take account of the needs associated

with pre-school education by drawing on Italian excellence with regard to teaching methodologies and the organisation of services that, founded on the Montessori method, focus on the child, the surrounding environment and the development of skills.

Building on the experience accumulated, we intend to strengthen efforts in the areas of technical education and professional training, in order to develop young people capable of responding to the demand for specialists from manufacturers and the jobs market, and with regard to higher education and university cooperation, where Italian excellence and know-how is complemented by the dense network of relations among Universities and with multiple actors working in the sector. Leading actors include the Ministry of Education, the Universities and Research, the Regions and local bodies, the Italian Universities, the research and training centres of the Public Administration and the Civil Society Organisations in Italy and partner countries, working in the sector in partnership with the Universities and the trade associations, which have experience in training immigrants in the specialisations demanded by firms. These topics will be examined further by the CISC Working Party dedicated to “Professional training and secondary and university education”.

Looking ahead, there is also the Conference for the replenishment of the *Global Partnership for Education*, which currently represents the principal funding mechanism for actions to achieve SDG 4.

Italy plays a leading role, recognised at international level, in the protection of cultural heritage due to the high standard of our institutional structures and the professional skills deployed in the sector. The technical bodies of the Ministry of Cultural Assets and Activities and Tourism (Istituto Superiore per il Restauro e la Conservazione, Opificio delle Pietre Dure, Istituto Centrale per la Grafica, Istituto per il catalogo e la documentazione) are excellent structures that carry out training, research and field activities at the same time, thus strengthening capabilities and leveraging skills.

Italy has developed great skills in the promotion of collaboration among Universities and hosts several centres of excellence, for example in Trieste and Bari, that offer students and researchers from developing countries access to science, innovation and technology.

2.8 Global Citizenship Education

Italy is committed to ensuring that students acquire the knowledge and skills needed to promote sustainable development, via education, sustainable lifestyles, respect for human rights, the promotion of a culture of peace and non-violence, global citizenship and the leveraging of cultural diversity and the contribution of culture to development, as envisaged in SDG Target 4.7. At European level, membership by Ministry of Education, University and Research and MFAIC of “*Global Education Network Europe*” represents an opportunity to stimulate strong political action on the topic of Global Citizenship Education (GCE) and to start the development of a national strategy in 2017. Other key factors include: objective 10.2 of the National Operational Programme “For Schools - skills and environments for learning” for the programming period 2014-2020, which mentions and promotes a specific GCE programme, as well as the common position on GCE expressed by the Italian Regions in the document approved on 4 February 2016 by the Conference of Regions and Autonomous Provinces. The Regions in fact play a leading role in coordinating GCE activities, in close collaboration with the regional Education Offices, and in implementing GCE projects in their territories, with the involvement of various actors active in schools, CSOs, Universities and the private sector.

Global Citizenship Education is central to this strategy, being an educational approach designed to promote social justice and democratic principles in a world that is increasingly interdependent and interconnected at local, national and global level, and characterised by multiple identities, realities

and political, cultural and social affiliations. It is important that the policies for education, culture and international cooperation all aim in the same direction, facilitating education that is modern, intercultural and inclusive. A national strategy is needed that leads to the inclusion in school curricula of specific, umbrella global citizenship skills that build on the original contribution made by the various components of civil society.

2.9 Culture, development and creative industries

Culture may represent a way to mitigate ethnic, religious and social tensions, becoming a dynamic element capable of contributing to the consolidation of stabilisation processes and helping beneficiary populations to preserve the roots of their identity. The resolution on “Culture and Development” adopted by the UN General Assembly recognises the importance of that binome and the essential function that culture can play in achievement of the Sustainable Development Goals.

The work of Italian Cooperation in this sector is consistent with the strategies of the European Union contained in the European Agenda for Culture, which identifies three fundamental objectives for the external relations of the EU with other countries: support culture as driver of sustainable economic and social development and a catalyst of creativity, promote cultural diversity and inter-cultural dialogue, and strengthen cooperation in the field of cultural heritage.

Against this background, we will support the creation of cultural industries, the transfer of know-how, the strengthening of capabilities and the dissemination of new technologies, responsible and ecological tourism and professional training. Projects will focus on safeguarding tangible and intangible cultural heritages, a field in which Italy has consolidated experience, and well as on the development of cultural and creative industries. This dynamic sector represents a source of quality jobs, facilitates the development of talents and promotes sustainable and inclusive growth. The trade associations can also make a contribution to the development of skills, professional training, the promotion of entrepreneurship and the spread of creative firms in partner countries: sustainable tourism, but also artistic crafts, the social economy and ecological firms linked to the use of renewables.

2.10 Juvenile justice

The 2030 Agenda recognises the decisive role of justice in the achievement of sustainable development. Access to justice and full respect for human rights are fundamental for the construction of security and peace-keeping systems, as well as for democratisation and the inclusion of vulnerable groups. Justice systems must be - and must be perceived as - accessible, fair and impartial and, accordingly, a multi-sector approach will be adopted for the organisation of programmes, bringing together the institutions, civil society, the media and academia.

Accumulated Italian experience and the positive contribution of the Ministry of Justice allow leverage of the Italian System in this area, with particular reference to juvenile justice. The projects will take a two-pronged approach: on the one hand, institutional support for the harmonisation of justice systems with international standards and, on the other, community action to support and strengthen social protection systems for prevention at all levels and the full inclusion of juveniles in trouble with the law.

2.11 Debt Swaps

During the high-level international conference for Syria ("*Supporting Syria and the Region*") held in February 2016, Italy announced its intention to conclude debt swap agreements with Jordan and Lebanon totalling 50 million dollars during the three-year period 2016-2018, in order to help those countries to assist Syrian refugees. This commitment is part of a package of aid worth 400 million dollars that Italy will provide to countries in the region over the three-year period.

During the three-year period 2017-2019, we will continue to implement the swaps already agreed and new initiatives may be considered together with the MEF. With regard to the 2009 plan, the agreement with Syria is still outstanding since the related negotiations have been suspended, while those with Indonesia (about Euro 6 million) are ongoing. In terms of the 2012 plan, the agreement with Djibouti (Euro 14 million) has not yet been finalised. A debt swap agreement was signed with Albania (Euro 20 million) on 17 June 2016 and was followed by another with Cuba (Euro 13 million) on 12 July 2016, while an agreement with Tunisia (Euro 25 million) was signed on 13 December 2016.

2.12 Debt Cancellation

Implementation of the "*HIPC*" (*Heavily Indebted Poor Countries*) initiative has continued. This was launched by the international community in 1996, with a view to helping those countries by cancelling their debt to the extent required to reduce it to sustainable levels.

With regard to those HIPC's that have reached the final phase, or completion point, a bilateral agreement for the final cancellation of debt will be signed in 2017 with Chad, which signed a multilateral debt agreement with the Paris Club in 2015. Sudan, Somalia and Eritrea are eligible for recognition as HIPC's, but have not yet fulfilled all the conditions necessary for access to the initiative. Sudan and Somalia are expected to reach the HIPC first phase, or decision point, within the next few years. This would be followed by the conclusion of multilateral agreements at the Paris Club and related enabling bilateral debt cancellation agreements, for amounts that are significant for both countries. By contrast, there are no current prospects for an agreement with Eritrea.

Outside of the HIPC initiative, a bilateral debt restructuring and cancellation agreement was signed with Cuba on 12 July 2016, in implementation of the multilateral understanding signed between Cuba and the Group of Creditors of Cuba (sub-group of the Paris Club, without the United States) in December 2015. Under that agreement, Italy agreed to cancel trade receivables totalling about Euro 228 million, as well as Euro 5 million in concessional loans. In an additional effort, Italy also signed at the same time a debt swap agreement regarding the above concessional loans and a swap agreement relating to trade receivables due to SACE, which will involve the cancellation of an additional Euro 88 million.

If the necessary conditions are met during the period 2017-2019, a debt management agreement might be signed with Zimbabwe, given that - based on the latest IMF and WB evaluations - the country does not qualify as an HIPC and, therefore, cannot benefit from the total cancellation of its debt.

3. Multilateral Cooperation, Banks and Multilateral Development Funds

3.1 Multilateral Cooperation

Italy will participate in the dialogue about revising the UN multilateral development system, so that it can assist more appropriately in achieving the Sustainable Development Goals and, overall, become more effective.

The results of that process will influence future decisions about the multilateral contributions made. Greater attention and support must be assured for all bodies hosted by our country, with specific regard - where significant - to both voluntary and multilateral contributions. In relation to the last mentioned, specific meetings will be held with Italian Cooperation in order to examine the need to promote and/or fund “multi-bi” projects that are consistent with our bilateral cooperation strategies in priority countries, where the International Bodies concerned have operational capabilities at local level. Assessment criteria will be defined for the assignment of projects approved by the Joint Committee to International Bodies, when the skills and expertise of those Bodies in combination with those of Italian bodies and actors will maximise the efficiency and effectiveness of the results achieved. The objective is to strengthen bilateral cooperation via effective partnerships in the spirit of Law 125.

3.2 Banks and Multilateral Development Funds

➤ *Changes to the global financial architecture and its governance*

Italy has ratified its membership of the Asian Infrastructure Investment Bank (AIIB), with a participation of about 2.57%, and has also subscribed to the capital increase of the Inter-American Investment Corporation.

➤ *Replenishment of Development Funds*

Negotiations were completed in 2016 for the replenishment of the IDA, the African Development Fund and the Asian Development Fund.

IDA18 achieved the objective of collecting 23 billion dollars from donors. Considering market borrowing, the total funding framework amounts to 75 billion dollars. Italy is again the 10th largest donor, with a contribution of Euro 570 million (2.06%, essentially unchanged with respect to IDA17).

The donors to the African Development Fund (AfDF14) approved a funding framework that was smaller than expected, being down 15% with respect to ADF-13. With a commitment of Euro 250 million (4.74%) over the three-year period, Italy is now the sixth largest donor (eighth in ADF-13), overtaking Sweden and Canada and restoring its G7 status.

The contributions collected by the Asian Development Fund (AsDF12) totalled 2.5 billion dollars. With a contribution of Euro 44.7 million (1.58% again), Italy is the 10th largest donor.

The Multilateral Investment Fund (MIF) of the IDB Group was replenished with 300 million dollars in March 2017. Italy contributed 5 million dollars (1.83%), in line with its historical participation.

➤ **Bilateral understandings with Development Banks**

Collaboration with the Development Banks opens up new opportunities in the framework of Law 125/2014 and in the light of programming priorities. The Regional Development Banks can catalyse and mobilise funds for cooperation projects and even enable us to operate in countries where we do not have a permanent presence.

With a view to strengthening our collaboration with Regional Banks, contacts have commenced with the African Development Bank for a bilateral understanding that allows broad collaboration in various sectors of interest. In particular, the idea is to: i) co-finance joint projects with the Bank, partly via the use of innovative financial instruments; ii) promote projects in countries under particular migratory pressure, in sectors that can contribute to growth and stabilisation, with a significant social impact and regional reach; iii) facilitate participation by the Italian entrepreneurial system, CSOs and bodies in the opportunities offered by the Bank, which is one of the main project principals on the continent.

The following actions are envisaged as part an approach to enhance our international activities, by concentrating them with international bodies selected with a view to strengthening our ability to intervene in sectors that are strategic for development:

- more active participation in the *Infrastructure Consortium for Africa* (ICA), which is the international secretariat that operates within the African Development Bank to promote infrastructure development. The ICA is an international forum that brings together the countries that promote cooperation (G7, G20) and the Development Banks, in order to facilitate infrastructure investment on the continent. Italy will host the 2017 Plenary meeting, incurring the costs as a special contribution. Our objective for the ICA Plenary meeting is to define a series of infrastructure projects, in strategic countries and sectors, on which to focus the international funds;
- renewal of membership of the *Consultative Group to Assist the Poor* (CGAP), after an absence of five years. The CGAP is a structure hosted within the World Bank that facilitates innovative financial solutions in the context of the “*Global Partnership for Financial Inclusion*”. This international body complements the World Bank system and supports States and leaders in the cooperation sector (International Financial Institutions, Development Banks and National Cooperation Bodies). Participation in the work of the principal private foundations facilitates the release of synergies when implementing projects. Return to the CGAP seeks to benefit from the opportunities afforded by Law 125/2014 to activate development cooperation projects using mixed financing tools. This contribution to the CGAP, which provides access to private operators, seeks to facilitate the acquisition of operational capabilities in the development of innovative financial instruments together with our partners in the Italian development cooperation system (DGCS, AICS and CDP).

4. Effective Development Cooperation

The Outcome Document adopted at the High-Level Meeting of the Global Partnership for the Effective Development Co-operation (GPEDC) held in Nairobi in December 2016 confirms the four commitments for effective development cooperation: i) country ownership, ii) focus on results (donors and partner countries orient their activities to the achievement of verifiable results), iii) transparency and accountability for the progress made, iv) inclusive partnerships. Fulfilment of these commitments implies working “to leave no-one behind” in any country. This means targeting the most vulnerable groups of the population, focusing on the least developed countries, as well as fragile States and conflict countries, without forgetting the poor, excluded and marginalised in middle-income countries that, despite the progress made in terms of economic growth, still face significant challenges like inequality and vulnerability at both an individual level and collectively.

The commitments apply to all development cooperation actors, which are called upon to fulfil them based on their nature and specific characteristics: governments, parliaments, local authorities, civil society organisations, the for-profit private sector and philanthropic associations.

Law 125/2014 makes explicit reference to the “effectiveness principles agreed at international level, in particular those of the full appropriation of development processes by the partner countries, the alignment of projects with the priorities established by the partner countries and the use of local systems, as well as harmonisation and coordination among donors, results-based management and reciprocal responsibility”. During the three-year period, a new Effectiveness Plan will be developed that: takes account of the progress made at national and international level, the Nairobi Outcome Document and the ongoing work of the GPEDC and international bodies (EU, OECD-DAC); applies, in a differentiated manner, to all forms of development cooperation and to all actors of the system of development cooperation; and includes a mechanism to monitor progress using a set of effectiveness indicators.

➤ Evaluation

Law 125/2014 assigns maximum priority to evaluation, requiring the Directorate General for Development Cooperation (DGCS) to assist the Minister of Foreign Affairs and International Cooperation in assessing the impact of cooperation projects and checking the achievement of objectives, by recourse to independent external evaluators.

Evaluation is indispensable for measuring the effectiveness of development cooperation and must extend to all projects on a systematic basis, so that it becomes an integral part of the decision-making and management process. Evaluation seeks to guarantee transparency and accountability towards citizens, facilitates learning the best practices transferable to new cooperation projects, improves the quality of action and, in general, guides future development cooperation strategies and programming.

With support from the Evaluation Advisory Committee, which is tasked with providing the General Director of Development Cooperation with advice to improve the evaluation work, DGCS in collaboration with the Agency will update the Evaluation Guidelines that define the principles, criteria and methodologies for evaluation using a results-based approach. In addition, the three-year evaluation plan 2017-2019 will be implemented.

➤ ***IATI membership***

Transparency is one of the principles that underpin the effectiveness of development cooperation. A “common standard”, comprising three different but complementary systems, provides a reference point along the path towards transparency: the [IATI](#) (*International Aid Transparency Initiative*) dashboard, which collects data and information about current development cooperation activities, and the OECD statistics system that provides both historical (CRS – *Credit Reporting System*) and prospective (FSS – *Forward Spending Survey*) ODA data.

The Agency is a member of IATI and, in March 2017, attended the annual meeting of the IATI Technical Advisory Group in Dar es Salaam. Work during the three-year period will align the structure with the required standards; enhance the internal organisation for the systematic collection of data and information; improve OPENAID, the on-line platform administered by the Agency, with the creation of OPENAID 2.0; and include participation in events and seminars for the exchange and sharing of experiences and best practices in the area of transparency.

5. Resources

In this chapter, ODA means Official Development Assistance, as defined in the Reporting Directives of the Development Assistance Committee of the OECD (OECD-DAC): from 2016, ODA no longer measures cash flows, but rather the “grant equivalent” of the resources allocated to socio-economic development and improvement of the well-being of populations in developing countries.

Italian Official Development Assistance totalled 0.27% of Gross National Income (GNI) in 2016, which was a full 0.05 percentage points more than the final data for 2015 certified by OECD-DAC. Assistance provided to refugees in Italy accounted for 33%. If validated, this increase will confirm the positive trend seen in recent years (0.17% in 2013, 0.19% in 2014 and 0.22% in 2015).

With a view to achievement by the EU as a whole of the 0.7% goal by 2030, the following intermediate spending objectives are indicated in the 2017 Economy and Finance Document for the three-year period 2018-2020: 0.27% of GNI in 2018, 0.28% in 2019 and 0.30% in 2020. The achievement of those forecasts will be influenced by the amount of spending on refugee assistance in Italy that can be reported as ODA pursuant to the DAC Directives, which are currently being revised.

1. ODA TREND					
	2013*	2014*	2015*	2016**	2017***
ODA net (millions of Euro)	2,592.36	3,021.72	3,599.59	4,536.55	4,456
GNI	1,550,648	1,614,001	1,633,358	1,674,856	1,711,703
%	0.17%	0.19%	0.22%	0.27%	0.26%

* Source: OECD-DAC (amount spent)

** Source: MFAIC-DGCS (amount spent, not yet validated by OECD-DAC)

*** Estimate based solely on the allocations made by the central Administrations (Law 125/2014, art. 14, para. 1; see table 3)

Italian Development Cooperation in the three-year period 2017-2019: allocations for DGCS and AICS activities

2. ALLOCATIONS FOR DGCS AND AICS ACTIVITIES			
DIRECTORATE GENERAL FOR DEVELOPMENT COOPERATION - DGCS	Millions of Euro		
	2017	2018	2019
MANDATORY CONTRIBUTIONS TO INTERNATIONAL BODIES	54.28	54.28	54.28
CONTRIBUTION TO THE EUROPEAN DEVELOPMENT FUND (EDF)	470.00	470.00	470.00
ALLOCATIONS FOR DGCS ACTIVITIES	524.28	524.28	524.28
ITALIAN AGENCY FOR COOPERATION AND DEVELOPMENT - AICS			
PROGRAMMES	391.85	509.86	509.87
FUNDS FOR IMPLEMENTING EUROPEAN POLICIES - IGRUE	40.00	-	-
RESOURCES APPROVED FOR INT.L MISSIONS (inc. humanitarian demining)	111	-	-
ALLOCATIONS FOR AICS ACTIVITIES	542.85	509.86	509.87
TOTAL FUNDING FOR DGCS AND AGENCY ACTIVITIES	1,067.13	1,034.14	1,034.15

Italian Development Cooperation in the three-year period 2017-2019: allocations for MEF activities

The resources available under the current legislation for the three-year period 2017-2019 total Euro 1,965.5 million, of which Euro 1,307.7 million for participation in development funds, Euro 381.7 million for subscription to the capital increases in progress of development banks and Euro 276 million for other multilateral initiatives, including debt cancellation (*Multilateral Debt Reduction Initiative*) and those relating to vaccines (*Advance Market Commitment, IFFIm*).

Italian Development Cooperation in the three-year period 2017-2019: allocations by other Ministries

In order to guarantee the consistency and coordination of policies, Law 125/2014 established CICS, a committee composed of ministries with responsibilities for development cooperation. In the same spirit and with the same objective, all funds for action in support of development cooperation policies, previously spread among the budgets of the various ministries, are now indicated in a specific attachment to the MFAIC provisional budget prepared by the Ministry of Economy and Finance (Ragioneria Generale dello Stato - RGS). Table 3 presents the total allocations for each Ministry over the three-year period 2017-2019.

Details of the allocations are available on the RGS website ([Budget/2017](#)).

3. ALLOCATIONS TO SUPPORT DEVELOPMENT COOPERATION POLICIES IN THE 2017 BUDGET LAW			
MINISTRIES	SPENDING FORECASTS (Euro)		
	2017	2018	2019
Ministry of Economy and Finance *	1,694,421,865	1,626,801,799	1,656,806,865
Ministry of Economic Development	897,774	885,316	897,774
Ministry of Foreign Affairs and International Cooperation	1,279,020,987	1,197,893,863	1,197,657,315
Ministry of Education, University and Research	4,940,000	4,940,000	4,940,000
Ministry of Interior	1,420,837,051	1,401,624,418	1,400,841,593
Ministry of Environment and Protection of Land and Seas	40,690,123	31,592,112	31,887,937
Ministry of Infrastructure and Transport	117,388	165,388	117,388
Ministry of Health	14,773,787	14,772,450	14,783,323
TOTAL	4,455,698,975	4,278,675,346	4,307,932,195

* Including that part of the contribution to the EU budget allocated to the development cooperation activities of the European Commission (about Euro 3 billion).