Annual Report
2009
**What is Eurodad?**
The European Network on Debt and Development has a vital place in European and global civic action on aid, debt and related North-South economic and financial policy issues. The network is comprised of 57 non-governmental organisations in 18 European countries involved in raising public awareness and advocating to their governments and international institutions. Member organisations are supported by the Eurodad office – a specialist NGO office conducting current and accurate analysis of complex policy issues.

The Eurodad office – a non-profit organisation located in Brussels – produces reports and briefings, exchanges information, convenes meetings and manages joint advocacy and campaigns. We have a reputation for being:

- focused and knowledgeable
- political yet credible
- well-connected with officials, researchers and Southern civil society groups.

Eurodad has a twenty year track record, and has been strongly involved in most major civil society research and mobilisation activities on debt, aid effectiveness, International Financial Institutions, and tax justice and capital flight in recent years. Substantial progress has been made in reshaping official debates about debt and financial flows: civil society scrutiny has achieved the cancellation of significant amounts of low-income country debt, increases in volumes and quality of aid, progress in global regulation to curb capital flight from developing countries, and a partial transformation of International Financial Institutions’ policies and practices.

One current example of how Eurodad is helping set the agenda of NGOs across Europe is the questioning of the international response to the impacts of the global crisis in developing countries and the proposals put forward to build a development-friendly global financial architecture in the aftermath of the crisis.

**Eurodad’s work**
The Eurodad network offers a platform for collecting intelligence and ideas, exploring complex issues, and undertaking collective advocacy. It combines extensive on-the-ground presence, policy analysis capacity, and an ability to disseminate evidence and policy proposals to decision-makers and influencers across Europe and in important international fora.

The Eurodad office fills several vital roles: as a research body, a bridge between different perspectives and approaches and leader of well-informed advocacy. Eurodad produces and commissions briefings to stimulate and inform member activities. We obtain and circulate political intelligence and suggest specific advocacy strategies. Eurodad also undertakes direct advocacy for and with its members, for example with officials of international institutions such as the World Bank and the IMF, the European institutions, the OECD or Paris Club.

Eurodad has a broad reach and can inform opinions and generate movement on an issue across a wide range of organisations. The network includes the vast majority of relevant European NGO players on development finance and can mobilise large and small groups, religious and other specialist networks and platforms. While most Eurodad member groups have poverty reduction as their main focus, several members also work a great deal on environmental and human rights issues. Eurodad also has strong links with a number of Southern networks and groups.
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Introduction

Highlights- Eurodad’s work during 2009 included:

• Analysing global responses to the economic and financial crisis, the impact of the crisis on development finance, and proposing reforms that should be undertaken. This included meeting with senior decision-makers involved in preparing the 2009 G20 and European summits. Eurodad’s efforts resulted in strong and coordinated European CSO action in support of proposals to regulate global finance and curb capital flight.

• Putting tax justice and capital flight from developing countries on the official agenda and moving European governments to make commitments to plug the leaks of South to North financial flows.

• Scrutinising IFI responses to the crisis and producing research on IMF policy advice and conditions in their loans for low income countries. Eurodad provided timely and thorough analysis and updates for members and worked with members to channel key messages to officials at national level and at the multilateral fora such as the IMF and the UN. Eurodad and members’ coordinated advocacy pushed the IMF to take decisions to streamline their conditionality frameworks, provide temporary debt interest relief, and to revamp their lending facilities for low income countries.

• Co-convening a South-North process to debate and agree upon a global CSO platform on Sovereign Democratic and Responsible finance, with crucial input from the Eurodad Charter on Responsible Finance. The process resulted in a common platform for Southern and Northern CSOs campaigning on responsible finance.

• Producing a study on the evolution of debt figures in developing countries as a result of new lending in the wake of the global crisis. This resulted in a renewed interest by governments and international institutions and the launch of new initiatives to consider the establishment of debt work-out mechanisms to deal with the increasing risk of a new debt crisis.

• Playing a leading role in civil society action on aid effectiveness at European and global levels, launching a major multi-year research and advocacy project together with global networks Reality of Aid and BetterAid, producing new research on aid effectiveness, and facilitating Southern groups’ advocacy towards Northern governments. Eurodad’s policy development and advocacy drove a shift in CSOs’ and governments’ views from the more technical aid effectiveness agenda towards holistic approaches on development effectiveness.

• Addressing key European decision makers in the run-up to the UN Conference on the world economic and financial crisis and the G20 Summit in September to put forward proposals for a development-friendly global financial architecture. Eurodad played a strong role in coordinating European CSOs in these processes, including at the UN conference in New York.
Note from the Chair of the Board – Antonio Tricarico

2009 – a year of change in the global economy and at Eurodad

In 2009, Eurodad’s key role as a specialist network on development finance was confirmed. Eurodad was able to provide essential evidence and recommendations about the challenges facing development finance, steering a debate at the European and global level about how civil society should prepare for new challenges at a time of deep transformation in global governance, the global economy and finance, and North-South relations.

In particular, Eurodad dealt with issues around the impact of the financial and economic crises on the global South, especially on low income countries. Eurodad lobbied European, G8 and G20 governments for sufficient policy space for these countries in support of their economies at a time of unprecedented crisis, and to mobilise unconditional emergency financing to tackle the social impact of a crisis brought about by the financial system of the global North. As part of this drive, Eurodad and allies stepped up coordination work at the European level on the critical issue of capital flight, which structurally undermines North-South financial flows.

At the same time Eurodad focused on the deepening of the financial crisis and its likely impacts on European finance policies. Eurodad developed proposals for advanced reforms that should be undertaken, and lobbied for these at meetings with senior European decision-makers preparing for the G8 and European summits.

In a year that saw both the emergence of the G20 as a major arena for global decision-making and a deepening of the crisis of the existing multilateral system, Eurodad called on European governments to address the aid effectiveness agenda and the UN financing for development process – including the UN conference on the financial and economic crises and their impacts on developing countries.

Today Eurodad is regarded as a key stakeholder in European and international institutional processes as well as a well respected facilitator and reliable clearing house within international civil society.

Given the renewed role given by the G20 to International Financial Institutions in the context of the crisis, Eurodad has been at the forefront in challenging the hard-to-die, harmful economic policy conditions imposed by the IMF on most developing countries. Eurodad has also presented its research findings on World Bank conditionality to key decision-makers, including the US Congress. Eurodad is also preparing to lead more in addressing the current changing role of the World Bank within development finance.

Debt justice and the risk of a new wave of debt accumulation due to new emergency lending was also at the core of Eurodad work in 2009. Eurodad continued campaigning for the recognition of illegitimate debt and its cancellation by major donor countries as well as promoting its responsible finance charter in cooperation with Southern partners and networks.

Finally, 2009 has been a year of substantial changes at the Eurodad secretariat. Following on from Alex Wilks, Nuria Molina became the new director of the network, with the full support of all membership, and a significant turnover also took place within the rest of the staff. 2010 will be an opportunity to look ahead and revise the long term strategy of the whole network, to adapt its work to a rapidly and chaotically changing world.
Eurodad’s main objectives for 2010

2010 will be a challenging and exciting year. The aftermath of the global economic and financial crisis continues to have a major impact on vulnerable people in Europe and in the South. It is also swiftly changing the landscape of development finance, as challenges to hard-won progress made on aid and risks of a new debt crisis mount, and we see a re-empowerment of the IFIs. Upon the outbreak of the global financial crisis, CSOs saw a golden opportunity to re-regulate the financial system and change the development model so that benefits are more equally shared. Indeed, 2009 has witnessed fundamental changes in the world’s geopolitics. However, eighteen months on from the start of the crisis, politicians in the North and some economic and financial institutions are jostling to portray the crisis as over, arguing that we should quickly start devising exit strategies from the countercyclical policies implemented to weather its worst effects. In 2010, CSOs will face a key challenge to keep the political momentum to advance the transformative agenda that emerged as a response to the global financial and economic crisis.

After an intense year during which Eurodad and members closely monitored and reacted to the flurry of official meetings and announcements, and organised a major international conference with more than 130 participants from some forty countries in the North and the South, 2010 provides an opportunity to consolidate policy proposals put forward in 2009 and push for further change in official responses to the crisis.

This year will also be challenging because of internal staff changes at the Secretariat. During 2010, Eurodad will also be drafting its next three year strategic plan for 2011-2013. A think piece on the future of development finance towards 2015 will ensure that Eurodad balances out strategic priorities and a longer term vision for far-reaching change in a rapidly changing environment. Thanks to active members and Board support, the Secretariat will be able to smooth the transition and Eurodad will continue to be at the centre of European and international strategising and action to ensure that the lessons of these crises are learned and measures put in place to ensure a more equitable, sustainable and reliable financial system.
Eurodad’s main activities in 2010 will be to:

• Continue monitoring responses to the global crisis, provide analysis, and facilitate advocacy coordination in order to keep the political momentum to advance far-reaching transformations in the global financial architecture. This includes member meetings, links with Southern groups, intelligence gathering and circulation, inputs to official processes.

• Update the Eurodad’s Responsible Finance Charter, to include latest Eurodad’s policy positions on tax justice and development effectiveness. Promote discussion and uptake of its principles and procedures by key international institutions, European governments and the private sector.

• Push European governments and institutions to agree on specific measures to clamp down on capital flight by ensuring that European regulation enables developing countries to retain much needed domestic resources for development.

• Keep track of how the World Bank and the IMF are repositioning themselves at the centre of the global financial architecture in the wake of the global crisis, including on climate finance. Seize the opportunity of renewed debates on policy space and the need to consider alternative economic policy frameworks to press IFIs and European governments to stop attaching economic policy conditions to their development finance.

• Assess the aid policy response to the economic downturn and provide independent research on tied aid and procurement, to shift CSO and governments positions from the more technical aid effectiveness debates to the broader and more transformative development effectiveness agenda.

• Research and debate the likelihood of a new phase of the debt crisis and propose debt cancellation and architecture reforms in favour of developing countries.
Section 1. Ensuring pro-development responses to the global crisis

In 2009, Eurodad:

- Drove the CSO response to the global crisis
- Pushed the G20 to deliver for the world’s poor
- Coordinated the international conference: “Beyond the crisis: renewing finance, demanding economic justice”
- Led on CSO advocacy at the UN conference on the global economic and financial crisis and development

Eurodad drives CSO responses to the global crisis

In February 2009 Eurodad convened an exceptional EuroIFInet biannual meeting to analyse official policy responses to the global crisis, and discuss and agree upon civil society’s own proposals. The meeting gathered 43 participants from around Europe, including EuroIFInet members and other key allies in Europe and the South. The meeting addressed key issues in crisis response, including debt, International Financial Institutions (IFIs), and capital flight. The meeting agreed upon a set of common proposals, “Preventing capital flight, overcoming debt, and transforming the international financial institutions” which was published in March 2009. The position paper was widely used as a common advocacy platform, and was well-received by several decision-makers.

“This is a very good set of proposals; it includes most of the key issues being currently discussed in official circles. In fact, the Nordic-Baltic constituency could be supportive of several proposals in the paper.”

Representative of the Nordic-Baltic Chair at the World Bank during a meeting with European CSOs in Brussels in March 2009

Eurodad also played a leading role in the European cross-network, an informal broad European alliance of NGOs, trade unions, social movements and other CSOs created in 2009 providing a joint European CSO response to the global crises. Eurodad facilitated some of the strategic discussions related to the impacts of the financial crisis on development that identified key priority areas on which CSOs could focus their strategies, and developed a European CSO campaign for a Financial Transaction Tax.

Pushing the G20 to deliver for the world’s poor

In the run up to the G20 summit in London on 2nd April, Eurodad coordinated joint advocacy with members and global platforms to push forward key demands to reform the global financial architecture and ensure a pro-poor response to the global crisis. Ahead of the G20 summit, Eurodad published new analysis outlining the needs of low income countries following the crisis: “G20: additional emergency funding required to mitigate crisis impacts on poorer countries” and called for strengthened support of
the world’s poorest countries that were not responsible for causing the crisis and yet were hardest hit by its dramatic effects. Five months later, ahead of the following G20 leaders meeting in Pittsburgh, Eurodad published the briefing “From London to Pittsburgh: assessing G20 action for developing countries” outlining the pledges made by G20 leaders on development, and examining implementation and likely outcomes of the process.

Eurodad and other CSO advocacy resulted in EU countries prioritising development and curbing capital flight and tax in their 2010 agenda under the leadership of the Spanish Presidency of the EU. It also resulted in the establishment of a Task Force on tax and development within the OECD, where civil society organisations including Eurodad are now invited to participate. Also, civil society pressure pushed institutional reforms at the IFIs, including increased access to finance, provisional debt interest relief, and lighter conditionality frameworks for low income countries.

“Beyond the crisis: renewing finance, demanding economic justice”
120 participants from 45 countries gathered in Barcelona from 15-17 June for our conference on development finance at a time of crisis. Representatives of civil society movements, NGOs and researchers from all regions of the world discussed the status of development finance policies and debated messages and tactics to create change. The 2009 International Conference was co-organised with and hosted by Eurodad member Observatorio de la Deuda en la Globalización (ODG).

The debates at the conference were guided by a comprehensive background paper written by the Eurodad Secretariat staff, circulated to all participants and published in three languages on the Eurodad website.

The conference debated key questions on the policies and institutions that civil society should call for in the aftermath of the crisis. There was a general sense that the crisis could spark a breakthrough in the neoliberal consensus has previously dominated development finance and the global financial architecture. The crisis could provide new opportunities such as re-launching CSO demands for further debt cancellation and repudiation, and for immediate measures to prevent unjust and ineffective lending that could create a new wave of bad debts. Other opportunities identified included further action on tax policies to prevent tax evasion by multinational companies; and making aid more effective by giving recipient countries the space to determine their own policies, and enhancing the current narrow aid effectiveness approach to the wider development effectiveness one. However new risks were also identified, such as the lack of legitimacy of the G20 and their unambitious proposals for reform, and the re-emergence of the IFIs.
A detailed summary of the debates and outcomes of the conference is available on Eurodad’s website.

Conference participants found this event very timely and well organised, and a useful occasion to engage in in-depth debates on how a post-crisis global financial architecture should be reformed to ensure economic, social and environmental justice. The conference also provided the space to strengthen South to North collaboration and strategise on CSO responses to the global crisis, which continued to be at the forefront of debate at the UN Conference on the World Financial and Economic Crisis and its Impact on Development, and during the Annual Meetings of the World Bank and the IMF in Istanbul.

Conference participants’ views on Eurodad’s International Conference:

“The networking helps to drive attentive advocacy campaigns in different spaces”

“It has been good to focus on key political issues”

“There were good discussions and brainstorming in plenaries”

**Eurodad leads on CSO advocacy at the UN conference on the global economic and financial crisis and development**

As the United Nations became a counterbalance to the IFIs in crisis response, Eurodad continued supporting the UN as a more legitimate global forum to discuss policy responses to the global crisis and highlighted that— while preferable to the G8 – the G20 still has serious democratic and legitimacy deficits.

In the run-up to the UN Conference on the World Financial and Economic Crisis and its Impact on Development, Eurodad was invited to provide a keynote input at the plenary session opening of the UNCTAD symposium on “The global economic crisis and development” which laid the ground for further official discussions at the conference in late June in New York. During the months preceding the UN conference, Eurodad also facilitated members’ advocacy in European capitals, Brussels and at UN missions in New York, and closely liaised with key institutional stakeholders and CSO allies to ensure that European governments played a constructive and progressive role leading up to a successful conference. In this regard, Eurodad together with members organised in May a launch event in Brussels to discuss the findings of the UN Commission of experts on the global financial crisis – chaired by Joseph Stiglitz – which were a crucial input to the UN conference in June.

Despite the challenges faced by this UN conference, Eurodad and other CSO contributions put pressure on European governments to continue engaging and playing a progressive role in the process. A wide range of Eurodad demands for pro-poor responses to the global crisis stand out in the outcome document of the conference, including demands on combating illicit flows and tax evasions, managing the global monetary system, and dealing with the debt crisis.
Section 2. Maximising North-South financial flows and improving their quality and poverty impact

A. Improving the quantity and quality of European aid

In 2009, Eurodad:

- Launched a major aid effectiveness research and advocacy project, in partnership with the Reality of Aid network.
- Conducted on-the-ground research on procurement, tied aid, and the use of country systems in Namibia and Ghana.
- Facilitated a reverse fact-finding mission of Southern researchers which looked into the constraints on making aid from the North more effective.
- Worked with members and partners such as BetterAid, Reality of Aid and EU AidWatch in joint advocacy and policy messaging.

On the forefront of aid effectiveness

In spring 2009, Eurodad launched a major new project on aid effectiveness, which is jointly implemented with the Reality of Aid, the largest Southern-led CSO network working on aid. The project aims to deliver in-depth independent research on aid effectiveness, and to strengthen coordination of South-North policy development and advocacy ahead of the 2011 High-Level Forum in Seoul. It builds on the successful coordination and facilitation roles that Eurodad played ahead of and during the 2008 High-Level Forum on Aid Effectiveness in Accra. The continued cooperation with Reality of Aid and Better Aid and the joint multiyear planning efforts conducted throughout 2009 gave Eurodad’s work a global scale and ensured that Southern voices and priorities were reflected in Eurodad’s activities. The launch of this project enabled Eurodad to build its aid effectiveness work in 2009 and onwards on solid research and evidence-based policy development, and to set up a long-term and results-based advocacy strategy leading up to the Fourth High-Level Forum on Aid Effectiveness in late 2011.

Eurodad launches new research on development effectiveness

After having solidly covered the aid effectiveness topics of ownership and alignment in 2008, Eurodad focused on procurement, tied aid and the use of country systems in 2009. This shift was intended to strengthen the focus of the political economy of aid relations, assessing who profits from aid flows and their impact on economic development and socioeconomic justice. These are prominent issues in the Accra Agenda for Action and the Paris Declaration, and they are also aligned with the strategic priority of South-North joint advocacy of shifting the focus from aid effectiveness to the broader approach of development effectiveness.

This new research project is based on on-the-ground country case studies is a long-term project that will lead to a Synthesis Report due to be published ahead of the fourth High-Level Forum on Aid Effectiveness in Seoul in 2011. During 2009, two pilot case studies were conducted in Namibia and
Ghana. The Ghana case study was particularly useful to complement official research with independent CSO research in a country that is a donor darling as well as a development researcher darling. The Namibia case study filled a significant research gap in a country which is a latecomer to the aid effectiveness reform agenda, did not participate in the OECD’s official Paris Monitoring Survey, and is largely neglected by official development research. Case study findings are primarily based on face-to-face interviews with representatives of relevant stakeholder groups in both countries. Desk-based research complemented the interviews.

“A new push for aid untying won't come from donors. It will come from recipients or CSOs. The Eurodad case study on Namibia is a good example.”

Richard Manning, former chair of the OECD Development Assistance Committee, at the launch of the OECD/ODI Report “Untying Aid. Is it working?”

In December, Eurodad published a literature review on “Procurement and Development Effectiveness”. The literature review was received with great interest, by development and environment CSOs working on topics beyond aid effectiveness. This research promoted synergies with other CSO constituencies working on procurement from fair trade, corporate social responsibility, environmental and social standards, and human rights angles.

**Eurodad puts aid decision-makers in the spotlight**

In November, Eurodad and members facilitated a Southern Aid Effectiveness Commission consisting of four high profile activists from Asia, Africa and Latin America, who visited five donor country-capitals to investigate the constraints of implementing aid effectiveness commitments in the North. The innovative and unconventional approach of this activity received excellent feedback from all sides. In all countries visited, high-level decision makers agreed to meet and discuss with the Commission – including the German development ministry’s Director-General and EuropeAid’s Director-General Koos Richelle, as well as the Co-Chair of the OECD Working Party on Aid Effectiveness and aid effectiveness.

The Commission’s report was published in April 2010.

The work of the Commission went well beyond the pure fact-finding mission: it made decision-makers in the North feel that they are being watched, thus contributing to evening out the usually unbalanced relations between donors and recipients.

**Pushing for change in official aid effectiveness debate**

Eurodad staff played a crucial role in advocacy activities on aid and development effectiveness in 2009 – individually, in cooperation with members, and with partners such as EU AidWatch, BetterAid and Reality of Aid. The CSO work on aid effectiveness, in which Eurodad took a lead position, promoted in particular the progression from the technical and donor-driven concept of aid effectiveness to the rights-based concept of development effectiveness, from the short-term focus on cost-efficiency to the long-term views on developmental impact, and from country ownership to democratic ownership.
Advocacy targeted primarily the OECD-hosted Working Party on Aid Effectiveness (WPEFF), the European Commission (DG Dev and DG Aidco) and the United Nations’ Development Cooperation Forum (DCF). Eurodad has continued to participate as a CSO representative at the WPEFF which transformed from a “governments only” to a multi-stakeholder body after the Accra High-Level Forum on Aid Effectiveness, and at the WPEFF Cluster on using country public financial management and procurement systems, and its Task Force on procurement. At the beginning of the year, Eurodad was also consulted by EU officials on their proposals to expand the approach to ODA and move towards an “ODA plus” approach (including other non-ODA flows) and played an instrumental role in halting the risky expansion of the ODA concept.

As a result of continued policy development to which Eurodad contributed, CSOs working on aid and development effectiveness further elaborated positions papers such as BetterAid’s “Development Cooperation: Not Just Aid” and Concord’s “Spotlight on Policy Coherence”, also co-authored by Eurodad staff. This has enhanced CSOs’ ability to challenge the official donors’ views in the preparatory process for the next High-Level Forum on Aid Effectiveness. In addition, some donors already started to sympathise with CSO views. The Swedish Agency for International Development (SIDA), for instance, co-organised a colloquium on development effectiveness with the Reality of Aid, alongside the European Development Days in Stockholm. Likewise, governments also accepted the CSO demand to nominate a CSO co-chair for the Working Party on Aid Effectiveness’ Cluster on Ownership and Accountability.

**Eurodad working hand in hand with Reality of Aid, Better Aid and Aidwatch networks**

Eurodad staff continued its close engagement in global CSO coalitions working on aid and development effectiveness, and as a bridge between European and Southern CSO coalitions. Substantial efforts were made in 2009 to link Eurodad’s work with those of Southern partners, in particular through engagement in the global networks Reality of Aid (for which Eurodad is the European hub since 2007) and BetterAid.

In October 2009 the Reality of Aid held its Global Meeting convening about 50 primarily Southern participants back to back with the European Development Days in Stockholm. The meeting discussed joint advocacy strategies and research for the coming year, including the bi-annual Reality of Aid report, a book-length publication with chapters contributed by civil society authors from different regions. As part of the Reality of Aid Management Committee Eurodad helped shape the publication and coordinated the contributions from European CSOs. The report, which focuses on the theme development effectiveness, will be published in the second half of 2010.

Throughout 2009 Eurodad was also actively engaged in the BetterAid Coordination Group which coordinates global civil society advocacy on aid and development effectiveness. Eurodad helped develop BetterAid’s strategy and workplan for 2009-2011 and, since the second half of 2009, hosts the communications officer of the BA network and takes a leading role in implementing BetterAid’s communication strategy.

For the first time since it was set up, the EU AidWatch Report, which analyses the volumes and quality of European Union countries’ aid, was not drafted by Eurodad staff. However, Eurodad actively contributed to the AidWatch’s report working group. Based on its research and expertise, Eurodad had the opportunity to provide key input and messages on aid effectiveness both in the Aidwatch network and its [2009 report](#).
B. Challenging World Bank and IMF economic policy roles: Changing International Financial Institution governance

In 2009, Eurodad:

- Pushed for and achieved reforms in IMF conditionality, including abolishing one type of IMF structural conditions
- Facilitated advocacy on IMF gold sales and Special Drawing Rights for low income countries.
- Urged the IMF to support greater policy space for developing countries to allow them to implement counter-cyclical policies to weather the worst effects of the global crisis.
- Strengthened coordination of CSO advocacy among European IFI watchers.

Reforming IMF conditionality: Starting on the road to success

Eurodad played a crucial role in monitoring, analysing and providing policy messaging on the IMF crisis response for developing countries, and particularly for low income countries. Eurodad’s expertise on the institution was greatly drawn upon by members, allies and institutional stakeholders in light of the dramatic reinvigoration of the institution as a result of the G20 leaders’ decision to accord the IMF a leading role in their attempt to address the effects of the crisis in developing countries.

In May Eurodad provided a keynote speech at the opening plenary of the UNCTAD symposium on “The global economic crisis and development”, and organised, together with Third World Network, a workshop to launch Eurodad and Third World Network research on IMF policy advice and conditions in crisis loans for developing countries. Eurodad, together with members and Southern allies, organised workshops on the role of the IMF in the aftermath of the crisis, both at the Spring Meetings of the World Bank and the IMF in Washington, and at the Annual Meetings in Istanbul. These events gathered high profile decision makers, including IMF officials, Northern and Southern government officials, and experts such as the Nobel Laureate Joseph Stiglitz.

Eurodad and other CSOs’ advocacy resulted, in March 2009, in the decision by the IMF to abolish one type of the conditions that they attach to their loans for developing countries – the structural performance criteria. It also resulted, throughout 2009, in the IMF slightly increasing their flexibility in fiscal targets to allow developing countries to endure the worst effects of the crisis.

IMF Overhauls Lending Framework for low income countries

Press Release March 24, 2009

“These reforms represent a significant change in the way the Fund can help its member countries— which is especially needed at this time of global crisis,” said IMF Managing Director Dominique Strauss-Kahn. “More flexibility in our lending along with streamlined conditionality will help us respond effectively to the various needs of members.” “We arrived at these reforms by listening to our membership, consulting with a variety of stakeholders, and reviewing past experiences.”
**Advocacy on IMF gold sales and Special Drawing Rights**

Eurodad conducted detailed analysis and facilitated joint positioning on IMF gold sales, on the Special Drawing Rights allocation decided by the G20 to help counter the effects of the global financial crisis, and on the IMF’s decision to revamp their financing facilities for low income countries. Eurodad produced several briefings and member updates, including a joint briefing with ActionAid, Bretton Woods Project, and Third World Network on the July 2009 package for low income countries “IMF financing package for low income countries: much ado about nothing?”

Eurodad conducted intense advocacy around these issues in their meetings with European Executive Directors at the IMF. It also facilitated NGO participation at a hearing with the Sub-Committee of the Economic and Financial Committee of the European Union working on the IMF, where it presented NGO positions on these issues. Eurodad’s information digests and policy positions also encouraged members’ advocacy, parliamentary questions, and media work around IMF gold sales and SDRs in countries throughout Europe, such as Belgium, Finland, France, Ireland, the Netherlands, Norway, Spain, Sweden and the UK.

Although official decisions did not match CSO expectations, concerted advocacy resulted in the use of a share of gold sales for subsidising IMF lending to low income countries, and in some European countries transferring a share of their SDRs allocation to low income countries.

**Eurodad urges the IMF to support greater policy space and counter-cyclical policies**

In June, Eurodad published a report, “Bail-out or blow-out? IMF policy advice and conditions for low-income countries at a time of crisis” assessing whether IMF crisis programmes allowed for greater flexibility in these countries’ fiscal and monetary policies, as well as in the structural reforms. The briefing reviewed both IMF binding and non-binding conditions and programme objectives in ten IMF loans to low income countries. The report found that IMF programmes for low income countries granted extremely limited additional flexibility in fiscal and monetary policies and only on a temporary basis, while emphasising the need to rapidly return to tighter fiscal and monetary objectives.

In October, Eurodad conducted joint research with Solidar and the Global Network focusing on IMF crisis loans and the decent work agenda. The report, “Doing a decent job? IMF policies and decent work in times of crisis”, critically examined the impact of IMF conditions and policy advice on the decent work agenda and how this affected the most vulnerable in the wake of government cuts imposed by the IMF’s tight fiscal policies. The report was based on three on the ground case studies in El Salvador, Ethiopia and Latvia.

Eurodad analysis was taken into account in an IMF paper published in the second half of the year, “Creating Policy Space—Responsive Design and
Streamlined Conditionality in Recent Low-Income Country Programs”, an attempt by the IMF to respond to Eurodad and other CSOs’ criticism of their overly stringent policy advice and conditions in the wake of the global crisis. Eurodad was also commissioned to contribute policy analysis on “IMF emergency loans for low income countries” to the Inter governmental group of twenty four, which concerns the position of developing countries on monetary and development finance issues.

Extensive media coverage, including Eurodad staff op-eds and interviews, were published in mainstream media echoing the findings of Eurodad’s research and reports (see media mentions below).

**Eurodad coordinates CSO advocacy among European IFI watchers**

Eurodad organised the EuroIFInet meeting in Brussels in February and helped organise the follow-up meeting in Frankfurt in September. These meetings, attended by some 30 representatives from across Europe, were key opportunities to share information and enhance joint planning and strategising before the World Bank and IMF Spring and Annual meetings. The 2009 meetings provided the opportunity to discuss and coordinate CSO positions in response to the global crisis. They also opened-up discussions on the role of the World Bank in climate finance and the reinvigoration of the IFIs in the context of their new role as accorded to them by the G20 in their attempt to respond to the challenges facing developing countries in the wake of the global crisis (see section 1 on “Ensuring pro-development responses to the global crisis”).

Eurodad also coordinated meetings with the World Bank Executive Directors during their annual visit to Brussels in March; and with the World Bank and the IMF Executive Directors during the Spring and Annual meetings in Washington and Istanbul. The role of the World Bank and the IMF in crisis response in developing countries featured prominently in these meetings. Climate change and World Bank voice and vote reform, were some of the other issues addressed. In between these meetings Eurodad staff remained active in facilitating information exchange and convening teleconferences to discuss positions.

**Organising trainings on IFIs for NGOs in Southern and Eastern Europe**

Eurodad organised two trainings to help members and close allies keep up to speed with the rapidly changing landscape in development finance in the aftermath of the crisis, focusing particularly on the reinvigorated role of the IFIs. The first training session took place in Barcelona, ahead of Eurodad’s International Conference, and the second one took place in November in Budapest, Hungary, and was jointly organised with local CSOs and CEE Bankwatch.

The trainings were part of the strengthened coordinating role that Eurodad played within the EuroIFInet, which also included the organisation of a seminar on the Asian Development Bank in Frankfurt in September, and the establishment of a mentoring system to facilitate the integration of new EuroIFInet members in the network activities. Eurodad also facilitated enhanced coordination and participation of Southerners at the EuroIFInet meetings, and outreach to Southern and Eastern European NGOs scaling up their work on IFIs and engagement in pan-European advocacy. As a result, both EuroIFInet and Eurodad acquired new members from and increased their active collaboration with IFI watchers in Eastern European countries.
Section 3. Reducing South-North financial flows: greater debt cancellation and plugging regulatory and tax leaks

A. Resolving the debt crisis and accepting creditor responsibility

Eurodad:

- Promoted standards for responsible finance and took part in official processes working to establish a set of principles on responsible lending and borrowing.
- Facilitated South-North positions on illegitimate debt and responsible finance.
- Produced analysis on developing countries’ debt in the wake of the global crisis.
- Scaled-up advocacy for a fair and transparent debt work-out mechanism.

Eurodad promotes standards for responsible finance

Eurodad continued promoting discussion with officials and civil society on the need to establish principles for responsible finance, on the basis of its 2008 Responsible finance charter. It also facilitated members’ advocacy at national level to promote European governments’ adherence to its principles.

Eurodad and members’ advocacy resulted in specific commitments from national governments and international institutions to work towards the establishment of a set of standards on responsible finance. In December, the Norwegian Parliament Committee on Foreign Affairs highlighted the importance of an increased focus on illegitimate debt and responsible finance and stated that “the Eurodad Charter on Responsible Finance could be a starting point to establish binding standards on this area.” In May 2009, the UK government launched a consultation on vulture funds and Eurodad member Jubilee Debt Campaign urged the government to adopt the principles outlined in the UK Charter on the sale of debt on the secondary market.

As a result of Eurodad’s and other CSOs’ efforts to promote debate and official agreements to establish principles on responsible finance, the United Nations Conference on Trade and Development (UNCTAD) with the support of the Norwegian government set up a “Group of experts on responsible sovereign lending and borrowing” which gathers official, academic, private sector and CSO experts with the aim to develop criteria for defining responsible lending and borrowing practices and assess models for a debt work out mechanism. The group is working on the basis of different research inputs, including the Eurodad Charter for Responsible Finance.

Eurodad facilitates South-North positions on illegitimate debt and responsible finance

Eurodad continued engaging in the International Facilitation Team for the South-North International Campaign on Illegitimate Debt which plays a central role in the coordination of civil society groups working on illegitimate debt. Eurodad organised the “South-North meeting on sovereign, democratic and responsible finance” in Collevecchio, Italy, in June 2009, which gathered about 50 participants from
more than 30 countries. The meeting intended to build global CSO consensus on detailed responsible and accountable procedures and practices for lenders and borrowers, and resulted in the South-North Platform on "Transforming the International Financial System: Sovereign, Democratic and Responsible Financing". The platform includes most of the standards established in the Eurodad Charter for Responsible Finance.

To follow-up on this meeting, Eurodad co-organised, to coincide with the Annual Meetings of the World Bank and the IMF in Istanbul in October, CSO strategy sessions on debt and responsible finance with members, key partners and Southern allies, to decide on strategic priorities and next steps in CSO work on illegitimate debt and responsible finance.

Eurodad also continued promoting debt audits as a key tool to assess the legitimacy of developing countries’ debt. In particular, Eurodad provided support to Zimbabwean NGOs addressing the debt situation in their country as a crucial aspect of forthcoming donor re-engagement with the country. As part of the international conference in Barcelona in June, Eurodad organised a strategy session with European and Zimbabwean NGOs to discuss Zimbabwe’s debt situation, and provided some technical advice on dealing with Zimbabwe’s arrears problem as the campaign progresses. It also provided a training session on debt to a European coalition of NGOs working in solidarity with Zimbabwe.

**Shining a light on developing country debt in the wake of the global crisis:**
**Eurodad analysis**

In 2009 several countries found themselves at significantly increased risk of debt distress as a result of the global economic downturn. Eurodad has shared analysis with members and officials and has advocated for deeper debt cancellation and a long lasting solution to the unresolved debt crisis. In October, Eurodad produced the report “Debt in the downturn” analysing the impact of the crisis on debt levels in developing countries. The report was well received by members and officials, as it filled an important research gap.

Feedback from members indicates that the data was widely used in members’ national level advocacy.

The report was launched at a seminar during the Annual Meetings of the World Bank and the IMF, co-organised by Eurodad and the Friedrich Ebert Stiftung. The seminar, entitled “A New Sovereign Debt Crisis? New Measures to Safeguard Social Spending and Ensure Debt Sustainability”, counted on the participation of World Bank and IMF officials and Eurodad and members. Eurodad stressed that
developing countries’ financing shortfall resulting from the global crisis would not be covered by the levels of concessional finance offered, and strongly criticised the G20 policy response to fill the finance gap with new debt which will store-up significant debt problems for countries in the future. Eurodad staff were also invited to participate and provide an input on this issue at the conference organised by Halifax Initiative in October in Canada, entitled “What's missing in the response to the global financial crisis?”, and contributed two chapters to the publication resulting from this event, “Fifteen years is enough: What's changed in the international financial system and its institutions, what hasn't and what needs to” which was released in April 2010.

**Scaling up advocacy for a fair and transparent debt work-out mechanism**

Eurodad criticised the flexibilisation of the IFIs’ “Debt Sustainability Framework” for not offering a comprehensive response to the new challenges faced by developing countries in the context of the crisis. Together with Afrodad and EED, Eurodad organised a seminar with IMF and World Bank officials at the Spring Meetings in Washington to discuss the measures taken by the IFIs and the growing risks of a new debt crisis. Eurodad advocated for a moratorium on debt as a short-run response, and the establishment of a new comprehensive, fair and transparent debt work-out mechanism.

Indeed, the issue of ensuring a fair and transparent arbitration of credits in cases of repayment difficulties or disputes became more prominent during the year, as a result of the debt difficulties encountered not only by Low- and Middle Income Countries, by also by some Northern countries following the financial crisis. Recognising the need for a common civil society position to establish a debt work-out mechanism, towards the end of the year Eurodad produced a briefing outlining ten key principles that should underpin the establishment of a fair and transparent debt work-out mechanism: “A fair and transparent debt work-out procedure: ten core civil society principles”.

Eurodad’s ten principles laid the ground for scaled-up Eurodad and members’ advocacy around this issue in the following months.
B. Retaining domestic resources through global financial regulation

In 2009, Eurodad:

- Galvanised CSO proposals for development-friendly financial regulation.
- Produced new research on proposals for reform of the global financial system and its impact on development.
- Advocated policy proposals to curb capital flight and to regulate the global financial system.
- Put Multilateral Development Banks’ in the spotlight by denouncing their financial support to private companies based in tax havens.

Eurodad galvanises CSO proposals for development-friendly financial regulation

Eurodad worked to raise awareness and understanding among members and the broader NGO community on the structural causes of the financial crisis, and the impact of the unregulated global financial system and its 2007-2009 crisis on developing countries. To this effect, Eurodad – together with partner organisations – launched dedicated multi-lingual and interactive website on financial regulation, www.regulatefinancefordevelopment.org and www.rethinkingfinance.org. These websites provide updated information on key debates around these issues, as well as CSO proposals for reform in the wake of the global crisis. The website also contains Eurodad and partners’ reports and analysis on pro-development financial regulation, with a specific European focus.

Eurodad co-organised three European strategy meetings which gathered economic and social justice CSO networks, trade unions, and social movements in Paris, Frankfurt and Brussels to discuss key messages, strategies and mobilisations in response to the financial crisis and to the G20 summits. It also organised an international conference in Brussels on the occasion of the G20 September meeting, with the participation of high-level officials and experts.

Eurodad played a key role facilitating discussions and coordinating European CSO actions, including a conference and mobilisations in Jersey (UK) to expose Europe’s tax havens and their continued support of financial secrecy. These efforts highlighted the issue of the use of tax havens by companies evading taxes from developing countries, which became prominent in European decision-makers’ agendas throughout the year. It also attracted wide European media coverage. These successes laid the ground for further joint campaigning, including the launch of a European campaign in support of a Financial Transaction Tax. Eurodad also provided support to its Czech member, Glocalis, in the organisation of an alternative ECOFIN meeting in Prague in April to showcase civil society demands on financial regulation. The event was attended by around 180 participants from 23 countries. The meeting helped consolidate CSO policy responses on financial regulation in response to the global crisis.
Proposing pro-development reforms to the global financial system

Eurodad produced a report, “The cost of reserves: developing countries pay the price of global financial instability”, which shows how the lack of appropriate regulation and the global monetary (dis)order at the heart of the current financial crisis has devastating costs for developing countries and reinforces reverse flows from South to North. The report summarises key existing proposals to reform the global monetary system in the short term, as well as deeper reforms of the global financial architecture that give a stronger voice to developing countries. Eurodad also produced a short briefing on derivatives, and provided members with updates on current EU initiatives to regulate these and other financial instruments, highlighting the huge risks that they pose for developing countries’ financial stability.

Eurodad contributed articles to various members’ reports and external publications on financial regulation and development. These included an article on the role of tax havens and tax evasion on development finance for the Global Progressive Forum publication “Dilemmas in Globalisation: exploring global trends and progressive solutions”; a chapter on the impact of the crisis on development finance flows to the book by Eurodad member CNCD “Refonder les politiques du développement: les relations Nord Sud dans un monde multipolaire”; and an article for a publication entitled “Les cahiers de l’éducation permanente in Belgium”. Eurodad also contributed to the drafting of Eurodad member WEED’s report on EU financial regulation.

Curbing capital flight; regulating the global financial system

After the European elections, Eurodad produced a briefing paper with key advocacy demands for European parliamentarians emphasising the need to regulate the global financial system and take measures to curb capital flight, as part of the agenda on European policy coherence for development. This briefing also outlined specific recommendations on other areas of development finance such as debt, aid and international financial institutions, in order to provide adequate and comprehensive responses to the financial needs developing countries are facing in the context of the crisis.
Subsequently, Eurodad was invited to speak at a conference in December on “Tax and Development” organised by the European Parliament and the European Commission in Brussels, and influenced the drafting of European Parliament reports and EC communications on tax justice which were published in the first half of 2010 and contain progressive proposals on tax justice and development. Intensive advocacy and coordination of CSO positions on tax justice and capital flight also resulted in Eurodad being invited to take part in the **Global Financial Integrity Task Force on financial integrity and economic development**, and in the OECD task force on tax and development, bringing together CSOs, officials, and businesses to advise the OECD on the development and implementation of a Tax and Development programme.

**Building capacities and a better understanding of the impact of key financial reforms on development**

To respond to the financial crisis, Eurodad supported members and other CSOs to increase their understanding of the functioning of the global financial system and the main flaws of its regulatory frameworks. To achieve this, Eurodad together with some member organisations, published a *Civil society report* exposing failures of EU financial regulation and supervision processes. Additionally, in order to enhance understanding of the technical debates around financial regulation and better assess the different approaches to policy changes, Eurodad organised an experts meeting on financial regulation focusing on ongoing reform processes on European financial regulation. This meeting, organised in Brussels in December in collaboration with the Friedrich Ebert Foundation, gathered high profile experts from different backgrounds, including academics, economic journalists and officials from relevant regulatory and supervisory institutions. It provided a critical assessment of the adequacy of ongoing reform proposals to deal effectively with the crisis and to promote a development friendly financial system.

**Putting Multilateral Development Banks in the spotlight**

Eurodad produced a report exposing the links between European Investment Bank lending and the use of tax havens by beneficiaries. The report entitled “*Flying in the face of development. How European Investment Bank funds enable tax havens*” was published by the CSO coalition Counter Balance. This report contributed to putting pressure on the EIB for improved guidelines on their use of offshore financial centres. A similar briefing, “*Is the IFC supporting tax evading companies?*”, was also produced together with Eurodad members exposing the use of tax havens by companies receiving financial support from the International Financial Corporation of the World Bank. This briefing was presented to high-level IFC staff in a meeting in Brussels and was discussed with key European senior officials at the World Bank thus opening official discussions to enhance the IFC guidelines on the use of tax havens by companies receiving World Bank financial support.

Eurodad and members’ pressure has pushed decision makers at the European Investment Bank, the World Bank and European governments to improve the guidelines of multilateral development banks and the Association of European Development Finance Institutions (EDFI) to start discussions on how to strengthen guidelines regarding the use of tax havens by companies investing in developing countries and receiving public financial support from European governments or multilateral institutions.
Eurodad communications and reports

Communications and outreach

Eurodad improves its main communication tools and external outreach

Eurodad has continued to implement improvements in its website and biweekly newsletter, Development Finance Watch. Since the beginning of the year, Eurodad’s website has a blogging space where Eurodad staff and members have contributed latest intelligence on government positions and policy developments and analysis in a more informal and personal style. Eurodad’s website has continued as a prominent source of information for researchers, officials, activists, and journalists. The site features prominently in searches on the themes that Eurodad works on. The number of visits to the Eurodad website more than tripled during 2009, and the number of hits increased by nearly half.

Eurodad staff also encouraged contributions from members to Development Finance Watch, thus increasing member visibility in Eurodad’s external communications. Furthermore, Eurodad increased the number of joint outputs and publications with members thus amplifying outreach to broader constituencies and strengthening active network collaboration.

The network’s information exchange has also been improved by setting up new listservs on aid, capital flight and tax justice and debt. Members and staff have actively used the listservs to exchange information, follow up on joint advocacy actions, and discuss policy issues in a decentralised fashion, thus allowing members to take the lead on communications exchange without the need to centralise them through the Secretariat. This has resulted in an improved and ongoing exchange of information and the ability to rapidly react to members’ calls for support.

Last but not least, Eurodad created the new position of communications officer at the end of the year. Clare Birkett, the new Eurodad communications officer, divides her time in Better Aid and Eurodad communications work. The creation of this new position allowed Eurodad to start a major rethink of its external communications, including systematising in house style for articles and reports; improving protocols for dissemination of Eurodad reports and briefings; and preparing for a major revamp of Eurodad’s website, newsletter and report production in 2010.

Eurodad launches new dedicated websites on financial regulation and development

Eurodad – together with partner organisations – launched dedicated multi-lingual and interactive websites on financial regulation, www.regulatefinancefordevelopment.org and www.rethinkingfinance.org. These websites provide updated information on key debates around these issues, as well as CSO proposals for reform in the wake of the global crisis. The website also contains Eurodad and partners’ reports and analysis on pro-development financial regulation, with a specific European focus.
**Eurodad appears in the media**

Eurodad staff and members continued to appear regularly in the media, giving background briefings and quotes on key issues. Examples of media appearances by Eurodad staff include:

Libération, 1 February 2009: Forum de Belem “puts finance in its place”

Mladina Dnevnik, 11 February 2009: Profit Charity

Standardnewswire, 12 February 2009: Global Finances Can and Must Change - Here’s How

Le Soir, 6 March 2009: Un monde meilleur est possible. Ils y pensent...

International debt Observatory, 2 March 2009: Europe’s financial regulation “wise men” unwanted say protesters

El País, 14 March 2009: No culpemos a los políticos. Estamos todos implicados

Le Soir, 3 April 2009: 5.000.000.000.000 pour un nouvel ordre mondial

Europe’s World, 2 September 2009: Coming down from the castle: Towards a citizen-oriented overhaul of European financial regulation

El País, 20 September 2009: A cara fea de la cumbre

European Voice, 15 October 2009: Financial Institutions are out of touch

El País, 2 December 2009: España presiona a Suiza para acabar con el secreto bancario

IPS, 11 December: No Qualms Funding Tax Haven-Tainted Banks

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**Eurodad is quoted in other CSO reports and official publications**


Education International, August 2009: Education : The Cost of The Crisis

OECD, 1 September 2009: Policy Ownership and Aid Conditionality in the Light of the Financial Crisis

IMF, 10 September 2009: Creating Policy Space—Responsive Design and Streamlined Conditionality in Recent Low-Income Country Programs


Jubilee USA Network, 16 September 2009: Falling Short: A Progress Report on the G-20’s Commitments to the World’s Poorest


Jubilee Debt Campaign, November 2009, The Climate Debt Crisis: Why paying our dues is essential for tackling climate change
**Eurodad drives global civil society coordination**

The Eurodad office provides regular updates to members in Europe – including two-page documents on current advocacy opportunities. It has also set up several global coordination mechanisms. On aid, Eurodad continued playing key roles in the Reality of Aid and Better Aid global networks, including hosting one of the newly created permanent staff positions for the Better Aid network. On debt, Eurodad continued actively engaging in South – North coalitions on illegitimate debt and responsible finance.

Eurodad actively engaged in discussions on illegitimate debt and responsible finance, and played a leading role in organising the South North meeting on sovereign, democratic and responsible financing in June in Collevecchio (Italy).

In financial crisis response work, Eurodad also worked with hubs in other regions and co-convened several global strategy sessions throughout the year. It helped coordinating CSO positions, including a **global statement** on the global financial crisis that was submitted to the UN and was signed by hundreds of Southern and Northern CSOs. It also facilitated advocacy and mobilisation ahead of G20 meetings, the UN conference on the global and economic financial crisis, and the Annual Meetings of the World Bank and the IMF.

**Eurodad reports and briefings 2009**

- **Think piece on aid and development cooperation post Accra and beyond**, January 2009
- **Financial regulation in the European Union**, January 2009
- **G20: additional emergency funding required to mitigate crisis impacts on poorer countries**, April 2009
- **Bail-out or blow-out? IMF policy advice and conditions for low-income countries at a time of crisis**, June 2009
- **Flying in the face of development. How European Investment Bank funds enable tax havens**, July 2009
- **From London to Pittsburgh: assessing G20 action for developing countries**, September 2009
- **Debt in the downturn**, September 2009
- **Doing a decent job? IMF policies and decent work in times of crisis**, October 2009
- **A fair and transparent debt work-out procedure: 10 civil society principles**, December, 2009
- **Is the International Finance Corporation Supporting Tax –Evading Companies?**, December 2009
- **Procurement and Development Effectiveness - A Literature Review**, December 2009

All reports available at: [www.eurodad.org/whatsnew/reports.aspx](http://www.eurodad.org/whatsnew/reports.aspx)
Contributions to other publications

Eurodad staff also contributed articles to other publications. These include:

- **Bretton Woods Project updates:**
  - Not much on offer for poor countries to counter the crisis, 17 April 2009
  - IMF crisis response- discussion, 25 April 2009
  - IMF financial package for low-income countries: Much ado about nothing?, August 2009
  - IFC deceptions on Doing Business, 22 September 2009
  - Flexibility or seeds of new crisis? IFIs debt framework revised, 22 September 2009
  - IMF advice paradox: Increase social spending, but contain deficits, 23 September 2009
  - G20 remains vague on social impact measures, still fails to tackle fundamental reform, 3 October 2009

- **G-24 Policy Brief No. 48:** IMF emergency loans for low-income countries, July 2009

- **Concord:** Spotlight on Policy Coherence, October 2009

- **La Magalla**, la revista trimestral de la Federació Catalana d'ONG per al Desenvolupament, April 2009.

- **Halifax Initiative:** Fifteen years is enough: What's changed in the international financial system and its institutions, what hasn't and what needs to, released in April 2010.


- **CNCD:** Refonder les politiques du développement: les relations Nord Sud dans un monde multipolaire, released March 2010.

- **Agir par la Culture:** Les Cahiers de l’éducation permanente, December 2009.
**Eurodad staff and board 2009**

**Staff**

**Alex Wilks**  
Director (until October 2009)

**Gail Hurley**  
Policy and Advocacy Officer – Debt and Responsible Finance

**Núria Molina**  
Policy and Advocacy Officer – International Financial Institutions  
Director (since November 2009)

**Marta Ruiz**  
Policy and Advocacy Officer – Capital Flight and Financial Regulation

Clare Birkett  
Communications Officer (since November 2009)

Nora Honkaniemi  
Advocacy and Networking Officer (since November 2009)

Cibele Cesca  
Office and Finance Manager

Selena Morrison  
International Conference Assistant (1\textsuperscript{st} semester 2009)

Agnese Brancatelli  
Communications Assistant (1\textsuperscript{st} semester 2009)

Luke Atazona  
Research Assistant (July and August 2009)

Valentina Manzato  
Finance and communications assistant (2\textsuperscript{nd} semester 2009)
### Eurodad board

<table>
<thead>
<tr>
<th>Name</th>
<th>Organisation</th>
<th>Board role</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Penny Davies</td>
<td>Diakonia</td>
<td>Chair (until October 2009)</td>
<td>Ad interim staff liaison</td>
</tr>
<tr>
<td>Arnaud Zacharie</td>
<td>CNCD</td>
<td>Treasurer</td>
<td></td>
</tr>
<tr>
<td>Antonio Tricarico</td>
<td>CRBM</td>
<td>Chair (since October 2009)</td>
<td></td>
</tr>
<tr>
<td>Jostein Hole Kobbeltvedt</td>
<td>Norwegian Church Aid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hetty Kovach</td>
<td>Oxfam GB</td>
<td>Staff Liaison (on maternity leave since October 2009)</td>
<td></td>
</tr>
<tr>
<td>Sasja Bokkerink</td>
<td>Oxfam Novib</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lars Koch</td>
<td>IBIS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jenny Brown</td>
<td>ChristianAid</td>
<td>Joined June 2009</td>
<td></td>
</tr>
<tr>
<td>Iolanda Fresnillo</td>
<td>ODG</td>
<td></td>
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</tr>
</tbody>
</table>
Financial overview 2009

The figures presented here refer to Eurodad’s financials for the year ending December 31, 2009, which have been audited by external auditor Saskia Luteijn Bedrijfsrevisor BV BVBA, in accordance with the financial reporting framework applicable in Belgium. A copy of the full 2009 external auditor’s report can be obtained from the secretariat upon request.

Eurodad is grateful to all its network members and to other funders who have made the delivery of the work presented in this report possible. Public funding was mainly provided by the European Commission with whom Eurodad has two projects; one on financial regulation and another on debt and International Financial Institutions, both covering the years 2009, 2010 and 2011. The project with the Ford Foundation was renewed for another two years, guaranteeing co-funding for the financial regulation work. In order to avoid another financial loss as the one experienced in 2008, new sources of income were added, such as the Bill & Melinda Gates Foundation, which sponsors the aid effectiveness activities.

The Zimbabwe Europe Network (ZEN) is a new project which was included in Eurodad’s portfolio in 2009 and will stay as such until halfway through 2010. This new project partially explains the overall increase in both income and expenditure if compared to 2008. The other reason for increase in overall revenues and costs was the realisation of Eurodad’s international conference in 2009, an event that happens every two years and involves specific income and expenses.

The financial result of 2009 was a benefit of €51,643.07 which will be used to partially offset the 2008 loss of €92,064.41 and, according to Eurodad’s board recommendation, to increase the organisation reserves. As a result, the reserves will be at €146,007.

All amounts presented in the tables and graphs below are in Euros and were rounded to the closest figure.

Balance sheet

<table>
<thead>
<tr>
<th></th>
<th>2009 Amount</th>
<th>2008 Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non current assets</td>
<td>4,321</td>
<td>14,087</td>
</tr>
<tr>
<td>Current assets</td>
<td>311,964</td>
<td>421,311</td>
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<tr>
<td>TOTAL ASSETS</td>
<td>316,285</td>
<td>435,399</td>
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<tr>
<td>Permanently restricted funds</td>
<td>107,075</td>
<td>107,075</td>
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<tr>
<td>Social reserves</td>
<td>71,141</td>
<td>71,141</td>
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<tr>
<td>Accumulated profit &amp; loss</td>
<td>- 32,209</td>
<td>- 83,852</td>
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<tr>
<td>Debts</td>
<td>124,936</td>
<td>54,807</td>
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<tr>
<td>Accrued charges and deferred income</td>
<td>45,341</td>
<td>286,227</td>
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<tr>
<td>TOTAL LIABILITIES</td>
<td>316,285</td>
<td>435,399</td>
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### Income

<table>
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<tr>
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<th>2009</th>
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</tr>
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<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>%</td>
</tr>
<tr>
<td>Members</td>
<td>233.560</td>
<td>30%</td>
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<tr>
<td>Public</td>
<td>183.833</td>
<td>24%</td>
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<tr>
<td>Private</td>
<td>162.576</td>
<td>21%</td>
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<tr>
<td>Consultancy &amp; Other NGOs</td>
<td>55.928</td>
<td>7%</td>
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<tr>
<td>Int’l Conference fees</td>
<td>47.359</td>
<td>6%</td>
</tr>
<tr>
<td>Zimbabwe Europe Network Donors</td>
<td>77.238</td>
<td>10%</td>
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<tr>
<td>Other</td>
<td>14.210</td>
<td>2%</td>
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<tr>
<td><strong>TOTAL INCOME</strong></td>
<td>774.704</td>
<td>100%</td>
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### Expenditure

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<tr>
<th></th>
<th>2009</th>
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<tr>
<td></td>
<td>Amount</td>
<td>%</td>
</tr>
<tr>
<td>Human resources</td>
<td>383.602</td>
<td>53%</td>
</tr>
<tr>
<td>Publications &amp; outputs</td>
<td>76.306</td>
<td>11%</td>
</tr>
<tr>
<td>Meetings &amp; partner support</td>
<td>39.013</td>
<td>5%</td>
</tr>
<tr>
<td>Travel</td>
<td>55.006</td>
<td>8%</td>
</tr>
<tr>
<td>Equipment &amp; running costs</td>
<td>83.103</td>
<td>11%</td>
</tr>
<tr>
<td>Subgrants</td>
<td>5.000</td>
<td>1%</td>
</tr>
<tr>
<td>Zimbabwe Europe Network</td>
<td>72.760</td>
<td>10%</td>
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<tr>
<td>Financial cost &amp; income writedowns</td>
<td>4.356</td>
<td>1%</td>
</tr>
<tr>
<td>Costs regarding previous year</td>
<td>3.915</td>
<td>1%</td>
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<tr>
<td><strong>TOTAL EXPENDITURE</strong></td>
<td>723.061</td>
<td>100%</td>
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### Results

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
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<tbody>
<tr>
<td>TOTAL INCOME</td>
<td>774.704</td>
<td>546.577</td>
</tr>
<tr>
<td>TOTAL EXPENDITURE</td>
<td>723.061</td>
<td>638.641</td>
</tr>
<tr>
<td><strong>FINAL RESULT</strong></td>
<td>51.643</td>
<td>92.064</td>
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</tbody>
</table>
Expenditure by nature
- Human resources 53%
- Publications & outputs 11%
- Meetings & partner support 5%
- Travel 8%
- Equipment & running costs 11%
- Subgrants 1%
- Zimbabwe Europe Network 10%
- Financial write down 1%
- Costs previous year 1%

Expenditure by issue
- Core 34%
- Aid Effectiveness 18%
- Debt + IFIs 16%
- Financial Regulation 19%
- International Conference 3%
- Zimbabwe Europe Network 10%

Network members who contributed with more than EUR 1,000

<table>
<thead>
<tr>
<th>Member</th>
<th>Amount (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oxfam Novib</td>
<td>75,000</td>
</tr>
<tr>
<td>CORDAID</td>
<td>20,000</td>
</tr>
<tr>
<td>Trocaire</td>
<td>17,750</td>
</tr>
<tr>
<td>Oxfam UK</td>
<td>14,491</td>
</tr>
<tr>
<td>Christian Aid</td>
<td>11,547</td>
</tr>
<tr>
<td>HIVOS</td>
<td>10,000</td>
</tr>
<tr>
<td>CAFOD</td>
<td>9,419</td>
</tr>
<tr>
<td>11.11.11</td>
<td>8,346</td>
</tr>
<tr>
<td>IBIS</td>
<td>6,710</td>
</tr>
<tr>
<td>World Vision UK</td>
<td>5,872</td>
</tr>
<tr>
<td>Norwegian Church Aid</td>
<td>5,790</td>
</tr>
<tr>
<td>Church of Sweden</td>
<td>5,695</td>
</tr>
<tr>
<td>Action Aid</td>
<td>5,500</td>
</tr>
<tr>
<td>Broederlijk Delen</td>
<td>4,000</td>
</tr>
<tr>
<td>CNCD</td>
<td>2,955</td>
</tr>
<tr>
<td>Save the Children</td>
<td>2,500</td>
</tr>
<tr>
<td>CCFD</td>
<td>2,300</td>
</tr>
<tr>
<td>Forum Syd</td>
<td>2,100</td>
</tr>
</tbody>
</table>

Grants passed directly to other organisations (Grants received by Eurodad but directly transferred to other organisations. Do not appear in overviews above since they do not represent a real income or cost for Eurodad.)

<table>
<thead>
<tr>
<th>Project / Issue</th>
<th>Beneficiary organisation</th>
<th>Amount (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aid effectiveness</td>
<td>Reality of Aid Network</td>
<td>143,888</td>
</tr>
<tr>
<td>(Funded by Gates Foundation)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Contact details

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