

Where is Malta's aid money going?

Claudia Calleja
(*The Times*, Fri, May 11, 2007)

Development aid can make a real difference to the lives of the world's poorest people, which is why European governments have committed to allocate a percentage of their gross national income (GNI) to overseas development aid (ODA).

Every year, EU countries provide a figure to fill in the ODA tables and, at first glance, these figures suggest that the targets are generally being met. But, for several years, NGOs from several countries have questioned whether these figures reflect genuine aid.

These NGOs have worked together under Concord (the European NGO confederation for relief and development) to compile the report *Hold The Applause! EU Governments Risk Breaking Aid Promises*, to be launched in Brussels today.

The report, the contents of which will be discussed here during a seminar tomorrow, explores the inflation of aid figures by EU countries.

This is not the first report of its kind as, last year, the Real Aid Report Two claimed that almost half of all aid remains "phantom" as it is either poorly allocated, double counted as debt relief, tied to donor goods and services, or badly coordinated and highly conditional.

So what about Malta?

The government made a commitment when, as part of the EU10 that joined the bloc in 2004, it pledged to spend 0.17 per cent of GNI on aid by 2010 and 0.33 per cent by 2015.

According to the European Commission, the island spent 0.15 per cent of its GNI on ODA last year.



Edouard Coudreau: "Due to the lack of transparency, we cannot really understand where Malta is sending its aid money."
Photo: Matthew Mirabelli.

Is the government also inflating the sums?

The coordinator of the local STOPoverty campaign, Edouard Coudreau, said that, although figures show Malta is on track, "one is not in a position to ascertain if this is the case as no breakdown has been provided.

"Due to the lack of transparency, we cannot understand where Malta is really sending its aid money," he said adding that the money should be spent in developing countries.

Vince Caruana, a representative of the National Platform of Maltese NGOs (non-governmental development organisations) added: "We have been telling the ministry that we are not satisfied with the lack of transparency and accountability... As private citizens we have a right to know how the money is being spent."

Mr Coudreau and Mr Caruana further explained that when they asked the authorities for a breakdown of development aid figures, "they gave us a few lines and, when we asked for more, we were told that this was all they could give us".

Mr Coudreau said local NGOs had three main points to put across.

First, there was a need to improve transparency in reporting ODA figures by providing reports of where the money was allocated.

Secondly, there was the issue of the inflation of figures as NGOs insisted that ODA should only include money that is intended to eradicate poverty in a developing country.

Another important point, he said, was the issuing of the Official Development Policy, that has remained stuck at draft stage even though the government had promised that the proper policy would be issued by the end of last year.

"It is important that it is issued as soon as possible. There should be a policy which outlines a framework of where the money is destined," Mr Coudreau said.

Another factor that troubled NGOs was the issue of conditionality where aid is granted to countries depending on certain conditions, such as the repatriation of migrants. This, Mr Coudreau said, defeated the whole point of aid.

Agreeing to this, Mr Caruana elaborated: "ODA is for poverty eradication. So if a country has a government that does not want to respect an agreement between a government and the EU, for us it is still no reason to punish the poor who are probably living under a corrupt government. So, for us, the whole idea of conditionality is nonsense," he stated.

The Times contacted the Ministry of Foreign Affairs to ask when the development policy was planned to be issued and requesting a breakdown of the figures for development aid.

A ministry spokesman said work on the development policy was in progress and that it "will be launched soon".

He was not in a position to provide a breakdown of the figures for development aid.

Those who wish to learn more about the subject of development aid or participate in a debate on the subject can attend the seminar organised by STOPoverty in collaboration with Concord.

The seminar will be held tomorrow at St James Cavalier, in Valletta, between 10 a.m. and 12.30 p.m.

Representatives from the political parties have been invited to attend, Mr Coudreau said, adding: "If they do not attend, it means they're not interested."

www.ngdomalta.org, www.stopovertymalta.org, www.concordeurope.org