FRANCE

1) QUANTITY OF AID

1.1. Current/Recent Quantity Performance:

<table>
<thead>
<tr>
<th>Net ODA US$m</th>
<th>10,957</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of GNI</td>
<td>0.39</td>
</tr>
</tbody>
</table>

Source: OECD/DAC, preliminary 2008 data.

Between 2001 and 2006 French ODA increased sharply in absolute terms from US$4,198 (equivalent to 0.31% of GNI) to US$10,601m (0.47% of GNI). However, since then it has fallen back slightly, largely due to a lower level of debt relief, though it grew by 2.9% in real terms in 2008.

1.2. Future Quantity Intent

In 2002, France committed to increase its aid to 0.5% of GNI by 2007 and 0.7% of GNI by 2012. However, in June 2008 President Sarkozy revised the commitment made by President Chirac to that of reaching 0.51% of GNI by 2010 and 0.7% of GNI by 2015, in line with the general EU target. This revision could be seen to indicate France’s weakening resolve to increase its aid, but on the other hand may well provide the French government with space to plan its aid increases more manageably. According to this revised commitment France’s ODA should be around US$13,909 by 2010 (DAC, 2009).

2) KEY AGENCIES/MECHANISMS

2.1 Bilateral Agencies and Structures

The Ministry of Foreign Affairs (MAE) and the Ministry of Economic Affairs, Finance and Industry (MINEFI) jointly oversee the French Development Agency (AFD). The MAE and the MINEFI exercise joint functions of policy setting, management and control over French ODA implementation (DAC, 2004, p55). The MAE and the MINEFI, were responsible respectively for disbursing 25% and 28% of bilateral ODA in 2002, while AFD directly disbursed only around 4% (although it also managed funds for the MAE and MINEFI - see below), and 42% was disbursed by other ministries, mostly as technical assistance and debt relief (DAC 2004, p29). The Institutional Act on Finance Legislation (LOLF) of 2006 provides for MAE and MINEFI activities to be combined into a single mission.

Inter-ministerial committee for international co-operation and development (MAE, 2005)

The Inter-ministerial committee for international co-operation and development (CICID) was created in 1998 as part of the reform process that rationalized and streamlined French foreign affairs/development cooperation. CICID “responds to the government’s determination to provide a place for co-ordination, reflection, debate
French bilateral aid programmes (the so-called Priority Solidarity Zone or ZSP). Further, “it has the ongoing task of monitoring and evaluating conformity with the set objectives and the resources allocated to the policies and international co-operation and development aid instruments. It sets the priority intervention sectors” (MAE, 2005). CICID also set up the Strategic Orientation and Programming Conference (French acronym COSP), with a view to organising inter-ministerial work more efficiently (CICID, 2005).

Ministry of Foreign Affairs (MAE)
The MAE has both a political and an operational role. Its mission is to help guide all the international co-operation activities of government. The main department responsible for development is the Directorate General for International Development and Cooperation (DGCID). The ministry manages four programmes directly: (i) aid for development or transition, implying transfers of know-how (in education, health, economic administration, justice, police, public administration and environment); (ii) cultural co-operation and promotion of the French language; (iii) university exchanges; and (iv) exchanges in the communications sector (press, audiovisual, and information technologies).

The Priority Solidarity Fund (FSP) is the project aid instrument of the Ministry of Foreign Affairs. Its purpose is “to finance, solely by grants, the support given by the Ministry of Foreign Affairs to countries in the Priority Solidarity Zone (PSZ) for institutional, social, cultural and research development” (MAE, 2004).

Ministry of Economic Affairs, Finance and Industry (MINEFI)
The MINEFI is responsible for macroeconomic and financial aid and therefore for debt management, monetary and financial co-operation with CFA franc zone countries, promoting investment, export financing, and economic and financial relations with developing and transition countries as well as with international financial institutions (see also www.minefi.gouv.fr).

French Development Agency (AFD)
The mandate of the AFD is to promote stable economic and financial development (DAC, 2004, p10). Apart from activities on its own behalf, under article 5 of its statutes the AFD exercises a number of missions that are said to be “on behalf of the state”. The Agency thus manages loans and grants from the Treasury (MINEFI). It also acts as the operator for projects situated outside the ZSP (see 3.2.2 below). For countries in the ZSP, the agency implements the Debt Reduction for Development Contracts (C2D) for MINEFI (MAE, 2005). AFD provides funds to governments, the private sector and networks, and attempts to align all its activities to the MDGs, as well as providing funding for global public goods and anti-disaster funds (see www.afd.gouv.fr).

Since 1977, AFD has had a 60%-owned subsidiary named Proparco (Société de Promotion, participation et coopération économique), responsible for private sector investment projects (AFD, 2007a). It focuses on four thematic areas: (i) infrastructure, (ii) modernisation and strengthening of financial systems, (iii) financing of modern
enterprises which prioritise using local skills, and (iv) support to productive enterprises involved in promoting sustainable development.

Decentralisation is limited. Most programming and project appraisals continue to happen at headquarters, although tenders and payments are dealt with in the field. The 1998 reforms reorganised French co-operation in the field. Coordination is now in the hands of each ambassador, assisted by the head of the Cooperation and Cultural Action Service (SCAC). The local development presence consists of (DAC, 2004, p70):

- The SCAC, which is responsible for managing the FSP-funded technical co-operation and the education grants and training programmes.
- The AFD, which enjoys a degree of management autonomy, but whose projects are included in the Country Strategy Paper (DCP) and must be approved by the ambassador.
- A military and defence co-operation mission that includes one or more defence attachés and advisors (coopérants).
- A Service de coopération technique international de la police headed by an internal security attaché backed by two technical advisers.
- The French cultural centres, the Alliances françaises, and the French lycées.

2.2 Key Policies and Documents
(See www.afd.fr/jahia/Jahia/home/publications for an overview of key publications)

French International Cooperation (MAE/DGCID, 2005)
This document outlines France’s International Cooperation strategy. The three main priorities set out in it to guide (mainly) DGCID are:

1. To strengthen France’s contribution to international solidarity (i.e. increase French Development assistance)
2. To foster international cultural dialogue. This pillar emphasises the need to take cultural diversity more into account and to be “even more determined when it comes to respect for universal rights”, when setting and implanting development policy.
3. To make France more attractive to foreign students and researchers.

AFD 2007-2011 Strategic Plan (AFD, 2007b)
This describes the road-map for the AFD to follow for 2007-2011, implementing the strategic orientations laid out by the CICID and the ministries. The four main axes are: (i) priority to Africa and the French overseas departments and territories, as well as promoting global public goods in 4 pilot countries (India, Indonesia, Pakistan and Brazil), (ii) Extension of the AFD’s mandate to the protection of global public goods, including combating climate change, protecting biodiversity and world public health, (iii) Development of AFD’s activities in the private sector and with local authorities, as well as partnerships with non-governmental organizations and foundations, (iv) Continued efforts to increase knowledge production in order to give a central role to capacity building and participation in the international debate regarding ODA flows.

AFD Annual Report (last edition AFD, 2007c)
The AFD annual reports contain a wealth of information on specific AFD issues.
3) RECIPIENT COUNTRIES AND ALLOCATION CRITERIA

3.1. Recipient Countries

<table>
<thead>
<tr>
<th>Top ten countries</th>
<th>% of total ODA gross disbursements</th>
<th>% of bilateral ODA gross disbursements</th>
<th>US$m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nigeria*</td>
<td>14.3%</td>
<td>19.5%</td>
<td>1,741</td>
</tr>
<tr>
<td>Iraq</td>
<td>5.9%</td>
<td>8.0%</td>
<td>713</td>
</tr>
<tr>
<td>Congo, Rep.*</td>
<td>5.6%</td>
<td>7.6%</td>
<td>676</td>
</tr>
<tr>
<td>Morocco*</td>
<td>2.9%</td>
<td>3.9%</td>
<td>355</td>
</tr>
<tr>
<td>Cameroon*</td>
<td>2.4%</td>
<td>3.3%</td>
<td>291</td>
</tr>
<tr>
<td>Mayotte</td>
<td>2.2%</td>
<td>3.0%</td>
<td>273</td>
</tr>
<tr>
<td>Algeria*</td>
<td>2.1%</td>
<td>2.9%</td>
<td>251</td>
</tr>
<tr>
<td>Senegal*</td>
<td>2.1%</td>
<td>2.9%</td>
<td>249</td>
</tr>
<tr>
<td>Tunisia*</td>
<td>1.8%</td>
<td>2.4%</td>
<td>222</td>
</tr>
<tr>
<td>China</td>
<td>1.5%</td>
<td>2.0%</td>
<td>186</td>
</tr>
</tbody>
</table>


*ZSP countries (see 3.2.2. below)

NB Nigeria and Iraq received uncharacteristically high ODA in 2005-06 due to debt cancellation.

The top ten recipients listed above received 65.5% of bilateral ODA in 2005-06. According to the OECD, in 2005-06 Africa received 54% of disbursements, and Middle East and North Africa 21.1%. France also expanded its aid to 5 new countries in 2005 (Afghanistan, Egypt, Jordan, Syria and Turkey).

Distribution among different groups of recipients (% country allocated / region specified gross ODA disbursements):

| Least Developed Countries | 19.6% |
| Other Low Income Countries | 39.6% |
| Sub-Saharan Africa         | 58.6% |
| Middle East and North Africa | 22.8% |


3.2. Allocation Criteria

3.2.1. Pre-selection criteria

France has no defined pre-selection criteria for aid.

3.2.2. Allocation criteria:

The priority solidarity zone (ZSP), membership of which may be changed by the CICID, defines a group of countries with which France intends to build a significant aid relationship, but is foremost a political concept and does not guarantee that the countries will receive a predetermined amount of French aid. The ZSP (59 countries in total) includes former French colonies, as well as other poor countries with limited access to finance, mostly in Sub-Saharan Africa.

France has stated its determination to avoid spreading aid too thinly but, while 62% of bilateral ODA is concentrated on the 15 main recipients, the remaining 38% is spread over more than 120 countries. The share of bilateral ODA going to the ZSP is increasing, from under 50% in 1999 to 63% in 2002, but some 20 ZSP countries receive annual amounts under USD 10 million. This is because the ZSP involves only AFD and FSP activities, which represent a small proportion of ODA, while debt
France Profile

reduction and cultural, scientific and technical co-operation go beyond the ZSP (DAC, 2004, p35).

At least 50% of France’s aid is expected to go to Africa in the future. The allocation of development aid for each country in the ZSP takes account of the level of income, the quality of governance, France’s political priorities and the vulnerability of the country, but without any precise allocation formula (CICID, 2005).

4) AID POLICIES

4.1. Concessionality

| Grant share of bilateral ODA commitments (excluding debt reorganisation) | 81.2% |
| Grant element of bilateral ODA commitments to LDCs | 99.2% |


Terms of ODA loan commitments:

| Grant element | 53.1% |
| Average maturity | 21.5 years |
| Average grace period | 7.1 years |
| Average interest rate | 2.4% |

Source: OECD/DAC, 2006 data.

Part of French aid (13.1% of total gross ODA) is in loan form. In countries which are at the same time HIPCs and LDCs, the AFD provides grants or non-sovereign loans which go to productive sectors and do not require a government guarantee. It can also grant loans on very concessional terms to HIPCs that are not LDCs. The MINEFI grants loans under the heading of the Emerging Economies Fund (RPE), with the main criteria being that: i) the projects concerned should have a strong leverage effect on the country’s development; and ii) French technology and know-how should be used in implementation (DAC, 2004, p32).

AFD funding for projects in least developed countries of the ZSP is in grant form. Only profitable public enterprise projects are financed with loans (though this is now being extended to large municipalities). Since 2004, AFD has put in place a new range of lending products, with three possible levels of concessionality, variable or fixed interest rates, and differentiation between loans to the public and private sectors. Criteria are as follows; either:

1. 30 year maturity, 10 year grace and 1.5% interest during the grace period rising to 2% thereafter
2. 10 to 25 year maturity with varying grace, and market-related interest rate.
3. For private enterprises: maturity of 3 to 15 years at market interest.

There is also a « second window » in which concessionality is determined by the type of project, its level of profitability and whether it is guaranteed by the recipient country government. It can also make very concessional loans to governments. Proparco lends with maximum 12 year maturity and 5 year grace, and a market-based interest rate (AFD, 2007a).
ADF also has a guarantee fund known as Ariz (assurance du risque des investissements dans la ZSP) which covers part of the economic risk attached to loans or to equity investment in national enterprises (AFD, 2003).

4.2. Types of Assistance
Breakdown of different types of ODA (commitments unless otherwise stated)

<table>
<thead>
<tr>
<th>Type of Assistance</th>
<th>USDm</th>
<th>% of gross bilateral ODA disbursements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stand-alone technical cooperation (disbursements)</td>
<td>2805</td>
<td>35.4%</td>
</tr>
<tr>
<td>General budget support</td>
<td>360</td>
<td>4.5%</td>
</tr>
<tr>
<td>Sectoral projects and programmes (including some technical cooperation)</td>
<td>951</td>
<td>12.0%</td>
</tr>
<tr>
<td>Action related to debt</td>
<td>3683</td>
<td>46.5%</td>
</tr>
<tr>
<td>Developmental food aid</td>
<td>34</td>
<td>0.4%</td>
</tr>
<tr>
<td>Other commodity assistance</td>
<td>1</td>
<td>0%</td>
</tr>
<tr>
<td>Emergency and distress (disbursements)</td>
<td>48</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

Source: OECD/DAC, 2006 data.
Note: The breakdown into different types of assistance shown in the table is taken from different OECD/DAC data sources. As such, the final column does not add to 100%.

C2Ds (debt relief and development contracts) are three-year contracts between the French government and the recipient government. They are signed at HIPC completion point, and entail France making payments to the recipient government reimbursing ongoing loan repayments. Depending on the loan repayment dates, the C2D process can be spread over forty years. C2D resources are used to support sectoral programmes in: basic education and occupational training; primary health care and measures to combat the major endemic diseases; local authority plant and infrastructure and physical planning; and natural resource management. This mechanism is helping French aid adapt to a more programmatic approach (DAC, 2004, p33).

France places strong emphasis on programme approaches, notably budget support and sector programme aid to sectors with strong strategies and monitoring structures. This is also reflected in France’s action plan to implement the Paris declaration (COSP, 2006) which indicates a willingness to increase Programme Based Arrangements (PBAs). Budget support programmes originate in MINEFI, with sectoral aid managed by MAE (CICID, 2005). France has retained an important role in project aid, which is delivered by the MAE, through the FSP, by the MINEFI through the Emerging Country Reserve, and by the AFD (DAC, 2004, p65).

How far has France got towards increasing the relative of its aid devoted to PBAs? According to Paris indicator 9, best practice can be found in Ghana (76% of French ODA channelled through PBAs), Morocco (65%) and Mali (65%). However, analysis by HIPCs indicates generally high levels of programme aid, especially to ZSP countries in Africa.

Technical assistance is a high proportion of French aid, and France has made Capacity Building one of its three pillars for the implementation of the Paris Declaration (DGCID, 2007a). The government has made profound changes to technical assistance
since 1997. Even though most continues to consist of seconding high-level technicians from French ministries to government departments in partner countries (DAC, 2004, p67), the number of technical assistants has been cut back by around 90% since the 1980s, and their objective has changed to short- or medium-duration missions, integrated into projects or programmes, with a more central focus on training (DAC, 2004, p68). Since 2004, French Technical Cooperation is financed either directly by MAE (in the fields of governance, cultural co-operation, la Francophonie, research, higher education, non governmental co-operation), or by AFD on MINEFI delegated funds – for agriculture and rural development, health, primary and secondary education, professional training, the environment, private sector, infrastructures and urban development (CICID, 2005).

According to Paris Indicator 4, best practice on French TC being aligned with beneficiary government plans can be found in DRC, Mali and Burundi (all 100%). However, HIPC in general indicate that a relatively low proportion of French TA is government-led and capacity-building, with best practice in Guyana and Mali.

4.3. Channels of Assistance
In 2006 France allocated around 25% of its ODA via multilateral organisations, of which 72% went to the EC, 17% to the World Bank and 8% to UN agencies (DAC 2007a, table 15). Only 0.4% of France’s total ODA was delivered through NGOs in 2004 (DAC 2007a, table 14).

The resources released via the C2D programme are allocated in the form of budgetary support for certain priority activities. Use of C2Ds has allowed France to support national sectoral strategies in a few countries, in collaboration with other donors, but this approach is based on a complex management system and has high transaction costs – e.g. separate bank accounts (DAC, 2004, p15).

As a member of the EU, France signed up commitments in Paris in 2005 to channel 50% of government-to-government assistance through country systems. Willingness to move on this aspect is reiterated in the French Action plan to implement the Paris Declaration (COSP, 2006).

According to HIPCs, the proportion of French aid on-budget varies considerably, with Ethiopia, Ghana and Mali indicating that almost all aid is on-budget.

4.4. Sectors and Projects

<table>
<thead>
<tr>
<th>Sector</th>
<th>% of bilateral ODA (commitments)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social and Administrative Infrastructure</td>
<td>29.5%</td>
</tr>
<tr>
<td>Of which: Education</td>
<td>18.0%</td>
</tr>
<tr>
<td>Health</td>
<td>2.7%</td>
</tr>
<tr>
<td>Population</td>
<td>0.0%</td>
</tr>
<tr>
<td>Water supply and sanitation</td>
<td>2.4%</td>
</tr>
<tr>
<td>Government and civil society</td>
<td>1.4%</td>
</tr>
<tr>
<td>Economic Infrastructure</td>
<td>6.5%</td>
</tr>
<tr>
<td>Of which: Transport and communications</td>
<td>4.3%</td>
</tr>
<tr>
<td>Energy</td>
<td>1.0%</td>
</tr>
<tr>
<td>Production</td>
<td>1.9%</td>
</tr>
<tr>
<td>Of which: Agriculture</td>
<td>1.7%</td>
</tr>
<tr>
<td>Industry, mining, construction</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Sector</td>
<td>% of bilateral ODA (commitments)</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>Trade and tourism</td>
<td>0.7%</td>
</tr>
<tr>
<td>Multi-sector</td>
<td>9.5%</td>
</tr>
<tr>
<td>Programme Assistance</td>
<td>4.0%</td>
</tr>
<tr>
<td>Action relating to debt</td>
<td>39.3%</td>
</tr>
<tr>
<td>Emergency aid</td>
<td>0.6%</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>3.4%</td>
</tr>
<tr>
<td>Unspecified</td>
<td>5.3%</td>
</tr>
</tbody>
</table>

Source: OECD/DAC, 2006 data.

Education consistently makes up a large portion of French aid. However, though France plays a leading role in the Education For All – Fast Track Initiative, aid to developing countries’ education systems makes up less than one-quarter. The bulk reflects imputed student costs and the enrolment of national students in French lycées (DAC, 2004, p35). Another key sector in which French cooperation specializes is water.

AFD’s main areas of intervention are infrastructure, urban development, rural development and environment, health, education, modernising financial sectors, and private sector support.

Among the seven MDG sectors declared priorities by the CICID (education; water and sanitation; health and the fight against AIDS; agriculture and food security; infrastructure in sub-Saharan Africa; protection of the environment and biodiversity; and the productive sector), aid is concentrated in two or three selected intervention sectors in each country. This is also reiterated in the number of focal sectors a DCP should consist of (see section 5.1 and DGCID, 2006).

HIPCs assess French aid as generally being reasonably well aligned to sectoral priorities of PRSPs, especially in Mali, which assesses all aid as well-aligned.

4.5. Flexibility
AFD has taken a leading role in innovations to enhance flexibility to combat exogenous shocks, by introducing an Exogenous Shocks Facility in 2007.

In general, though some countries receive high proportions of aid as budget support, it is mostly programmed in advance, leaving relatively little possibility for extra disbursements to fill budgetary gaps or combat exogenous shocks. However, contingency allowances do provide some scope for flexibility, especially for ZSP countries.

HIPCs indicate generally a medium-to-low level of flexibility in French aid, though assessments should improve with the introduction of the shocks facility.

4.6. Predictability
France had until recently no multi-year programming framework for aid (DAC, 2004, p29). However, in its implementation plan for the Paris declaration, several strong proposals are made for making French aid more predictable. These include turning the ODA specified in the 5-year ZSP country strategy papers into formal commitments for the full period, and informing partners in the first 6 months of year
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N, of disbursements planned in year N+1 so French aid can be included in budget projections (COSP, 2006).

HIPCs indicate variability in multi-year programming, with Ethiopia and Mali suggesting that around 75% of French funds are projected indicatively for more than 3 years. They also indicate considerable variation in reliability of disbursements in the intended fiscal year. This is confirmed by the Paris survey (indicator 7) which shows disbursements recorded by Government compared to aid scheduled by France are highest in Morocco (100%), Cape Verde (99%), Sudan (96%) and Senegal (89%).

4.7. Conditionality
French budget support and sector support has relatively low conditionality, but when provided as part of a multi-donor budget support or SWAp group applies the conditionality of the wider group. It tries to avoid conditionality additional to that of such groups, and has supported streamlining of conditionality in such groups.

HIPCs assess French conditionality as highly variable, with countries which do not receive budget support (such as Ethiopia, Ghana, Guyana, and Sierra Leone) describing it as relatively low, and indicating that delays in disbursement are less than three months, but others indicating that France is broadly similar to other budget support donors.

4.8. Policy Dialogue
France is very active in the policy dialogue in ZSP countries, with its position varying between supporting the recipient and supporting the BWIs depending on issues. However, its budget support has tended in recent years in most countries to depend on BWI programme performance.

As a result, HIPCs analyse engagement in the policy dialogue as highly variable, with Ghana and Mali finding France most supportive, closely followed by Bolivia, Burundi, Guyana, Mauritania and Sao Tome. They also find varying French links to BWI policies, with most independence noted in Burundi and Sao Tome.

5) AID PROCEDURES (for AFD, see also AFD 2006).

5.1 Conditions Precedent
In 2004, the CICID decided to replace the “Documents de Stratégie Pays” (DSP or Country Strategy Papers), which were not in the public domain with the “Documents Cadre de Partenariat” (DCP or Partner Framework Papers), which are publicly available. The DCPs set the overall orientation and priorities for French co-operation (including all of France’s public actors involved) in consultation with the partner country authorities (CICID, 2005). DGCID (2006 and 2007a) indicate that the DCPs will be closely aligned to the spirit of the Paris declaration.

The most important condition precedent for ZSP countries is the DCP. For project aid, there is normally a need to set up a project management unit, open a separate bank account and receive a signature specimen of the authorizing officer of the Finance Ministry. Government is also sometimes required to submit an undertaking to be responsible for the payment of cost overruns.
As a general rule, French cooperation funding agreements become effective upon their signature, with no additional formalities needed. Some administrative or substantive conditions must however be fulfilled before disbursement. These concern the starting phase, the provision of guarantees, the availability of counterpart funds, and the necessary administrative authorizations for projects.

Obtaining FSP financing needs: a funding application letter, the project document, a reference framework for the project (specifying the initial situation, the major problem and identification of the beneficiaries, and the intervention of possible stakeholders).

Paris Indicator 6 reports a relatively small number of French PIU’s in 2007, with half of the 36 country offices indicating no PIU’s. Interestingly, France’s plan on the implementation of the Paris declaration, does not mention PIUs (COSP, 2006).

HIPCs assess France’s demands for conditions precedent as varying dramatically by country as well as French agency and programme. The number of conditions precedent is lowest in Guyana, Mali and Burundi. Counterpart funding demands also vary considerably, with 10% expected on FSP programmes, but none on grants in Burundi, Sao Tome and Mali.

5.2 Disbursement Methods
AFD disbursement methods follow a standard procedure. Authorization of disbursements comes from MINEFI at the proposal of the Project Director. The payment submission is verified by MINEFI before being transmitted to AFD. Disbursement modalities are of three types: (i) direct payment to enterprises, (ii) advances replenished after expenses have been justified and (iii) the financing of expenses incurred.

Funds may be disbursed by half-yearly installments on special accounts. In the case of multi-donor programmes, AFD accepts joint procedures as is the case with the “basic education sector investment programme” in Burkina Faso.

Two disbursement methods are used for FSP programmes: direct payment to enterprises and local contractors, and the financing of already paid expenses. Once again, HIPCs assess French disbursement methods as variable. Only Burundi suggests that it has received 100% in cash-in-advance disbursements, and Burundi, Guyana and Ghana that delays linked to disbursement methods are kept to a minimum.

5.3 Disbursement Procedures
France performs reasonably well on use of local Public Financial Management systems (Paris indicator 5a), with best practice in Indonesia (91%), Cameroon (90%) and Nicaragua (76%). HIPCs also indicate a relatively low number of additional (to beneficiary government) disbursement procedures, especially in Burundi, Guyana and Honduras.

5.4 Procurement Procedures
The DAC reports that for 2006, 4.4% of French bilateral ODA (excluding TC) was still tied. Since February 2002, France has untied all project-aid managed by AFD,
including technical cooperation linked to investment projects (but not other TC). These measures have enabled the enterprises of industrialized countries as well as those of developing countries to bid for the relevant contracts. AFD’s basic principles in the field of procurement are competition and compliance with the national laws of the country, subject to internationally recognized standards such as the fight against money laundering and the financing of terrorism.

HIPCs indicate major variation in French use of local procurement systems, with use of local systems highest in countries where there is less TC or tied loans; in the Paris survey, France reported that all its aid to Dominican Republic and Ghana uses their procurement systems (indicator 5b), and nearly all its aid to Kenya (99%). HIPCs indicate that delays in French aid projects and programmes are lowest in Guyana, Mali, Burundi and Ethiopia.

5.5 Coordination
France endorsed the Paris Declaration in 2005 and signed up to the EU Action Plan on Harmonisation in November 2004. As a member of the EU, France committed in 2005 to reduce the number of uncoordinated missions by 50%. France is very keen on harmonisation initiatives through the EC, and is aligning its country strategies (DCPs) with the EC’s EDF programming cycle (DGCID, 2006).

According to the Paris survey (indicator 10a) France conducts all its missions jointly in Central African Republic and 93% in Yemen. All analytical work (Paris indicator 10b) is done jointly in Cambodia, Dominican Republic and Senegal.

Key Sources (All internet sources dated from 2007 or before were accessed in October 2008)


