THE EFFECTIVENESS OF EU DEVELOPMENT AID AND THE IMPLEMENTATION OF COUNTRY OWNERSHIP IN CARIBBEAN SMALL ISLAND DEVELOPING STATES

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Chapter 1 Introduction

Development assistance is aimed at eradicating poverty and promoting the economic, environmental, social, and political development of developing countries (OECD C., 2021). The European Union (EU) is the largest contributor to Official Development Assistance (ODA). Ever since its foundation, the EU has supported Least Developed Countries (LDCs) from different regions in the world. One of these regions is the Caribbean, with a long history of colonisation.

The majority of countries in the Caribbean are Small Island Developing States (SIDS) with unique characteristics that result in special vulnerabilities and challenges for their development. Effective development assistance is crucial for these countries to cope with those threatening disadvantages. One of the guiding principles for effective ODA is Country Ownership. Since the Caribbean islands are distinct from one another, with very different states of development and income levels, developing strategies and programs must be exclusively designed and implemented by each Caribbean SIDS individually. The main purpose of this dissertation is to answer the question ***"Was the EU development aid policy effective with respect to the implementation of the Busan Principle of Country Ownership in Caribbean Small Island Developing States?"***.

I begin by outlining the development aid policy of the EU, how it started and developed over time as well as its key components and financial instruments. I then describe the concept of development aid effectiveness, including its fundamental principles. In the chapter that follows, I shift the focus to the Caribbean SIDS. First, I describe SIDS and their key characteristics as well as the resulting vulnerabilities and the weaknesses that can be derived from them. I then examine the relationship between the EU and the Caribbean SIDS and how the EU is assisting the region in coping with its unique development challenges. The literature review concludes with an examination of the current state of research on this topic. After the literature review, I move on to the research part of this dissertation. First, I describe the applied approach as well as the methodology. I then introduce the data I used for the study and explain the coding framework. At the end of the methodology chapter, I provide an overview of the challenges and limitations that arise from the data and the applied research method. The dissertation continues with the presentation of the result obtained by the analysis. Subsequently, I critically discuss the findings and answer the research question about the effectiveness of the EU development aid policy in the Caribbean SIDS. In the end, I summarise the key findings of this dissertation in a concluding chapter.

Chapter 2 EU Development Aid Policy

2.1 Background

In the following chapter, I'll provide an outline of the development aid policy performed by the European Union and its member states. To start with, I illustrate the history and advancements of the EU development cooperation. In the course of this, the European Consensus on Development is introduced, which I explain briefly. Afterwards, I discuss the current state of the ACP-EU cooperation. The final section of this chapter provides an overview of the EU's financial instrument for development cooperation.

2.2 Brief History and Evolution of the EU Development and Cooperation Policy

The current relationship between Europe and developing countries started long before the existence of the European Union and it has been influenced by interrelated historical circumstances such as European colonialism, the cold war as well as the emergence and enlargement of the European Union (Hurt, 2010). The ratification of the treaty of Rome in 1957 thus formed both the European Community (EC) as well as its development policy. The Union's development policy can then be divided into three phases (Carbone, 2008). The first one begins with the treaty of Rome and lasts until the mid-1980s. In Part IV of the treaty, it is stated that the Community will bring non-European countries and territories with special relations to Belgium, France, Italy, and the Netherlands into the association. However, its provisions in Article 131 were focused mostly on economic issues and aimed to fortify the economic development of those regions as well as to strengthen their economic bonds with the European Community. Regarding trade relations, Article 132 stated that all trading parties have to extend the same rules and values to each other. Furthermore, all customs tariffs between the European Community and non-European nations and territories were to be repealed on a comparable basis. The treaty therefore essentially created a free trade area between Europe and its former colonies in Africa, the Pacific, and the Caribbean region. Additionally, the same article urged for financial contributions and investments by the Community members to promote the development of those non-European countries and territories. Although it was not formally codified, the provisions hereby initially called for the creation of the European Development Fund (EDF), which is still one of the most important financial instruments of development aid today (Banthia, 2007). All in all, the treaty's scope regarding development and cooperation policy has been limited both in geographical and policy terms since its provisions were highly influenced by French interests. Most of the non-European beneficiaries of the agreement, with special relations to European countries, were French colonies. For France, the treaty was a way to protect its colonial markets and secure the influx of supplies from those regions. Furthermore, France aimed to secure its influence over its colonies and at the same time through the community-funded aid allowance to share the financial burden of providing economic assistance to its colonies with the other European countries (Banthia, 2007).

Nevertheless, for that time the European development and cooperation policy can be considered very progressive. The debate was dominated by two opposing positions: regionalists on the one side, who emphasised Europe's strategic and lucrative links with its former colonies, and globalists with a focus on the eradication of poverty and hunger on the other side (Carbone, 2008). The treaty called into question long-held beliefs regarding state sovereignty. These assumptions had repercussions that were not solely internal but also extended to a state's exterior affairs. The European market's internal integration had immediate and serious effects for third nations, and the developing world's position was addressed. While creating the first multilateral customs union, it also laid the foundation for European Overseas Development Aid (Holland, 2002).

The second major milestone in the first phase of Europe’s Development and Cooperation Policy evolution was the Yaoundé Conventions. In the years following the treaty of Rome, the majority of the overseas collectivities and territories gained their independence, and the imperial relationship between Europe and its former colonies dissolved. This necessitated new arrangements, which culminated in the first Yaoundé Convention being ratified in 1963. The convention aimed to structure the relationships between the EC and the former colonies. The non-European side included 18 African states, the majority of which were ex-French territories (Banthia, 2007). Both sides were motivated to modify their relations with each other. Although the former colonies gained independence, in terms of trade and aid, they still heavily relied on the European Community. On the European side, France remained in the leading position to push for renewed arrangements. In the French opinion, the newly independent states were too fragile to compete unguided in the world market. The partnerships were intended to be based on complete equality and amicable relations. Yaoundé introduced the formal creation of the EDF and three institutions that were to govern the relationship between Europe and the African- Caribbean- and Pacific (ACP) regions. These institutions included the Association

Council, the Parliamentary Conference of the Association, and the Court of Arbitration of the Association. Also, the promotion of intra-African trade was mentioned in the Convention but not sufficiently specified. Regarding trade, not much has changed from the treaty of Rome. The free trade zone was maintained, which allowed both sides to access each other's markets (Banthia, 2007).

The Yaoundé arrangements were renewed six years later in 1969 with no significant amendments. Three additional ACP countries joined the Convention and the EDF gained increased capacities. Otherwise, Yaoundé II just extended the timespan of the arrangements for another five years until more innovative agreements between the parties could be set up (Banthia, 2007). Throughout the period of the Yaoundé arrangements, approximately 20 percent of the total aid received by the ACP countries was provided by the Community as a whole. Around 60 percent were provided through direct contributions from individual European countries such as France, Belgium, and Germany. Although the balance of bilateral and Community-level ODA has changed throughout the Evolution of Europe’s Development and Cooperation Policy, the combination of multilateral and bilateral development aid has always been an essential element (Holland, 2002).

In 1973, new members joined the EC, which raised the number of member states from originally six to now nine. While Ireland and Denmark did not have any colonial legacies, the accession of Great Britain increased the necessity for a restructuring of the Communities external relations. Most significantly, the British urged to protect and maintain partnerships with developing countries of their Commonwealth. They thus demanded the inclusion of its former colonies into the Communities external agreements. The following Lomé I Convention, which was signed in 1975, therefore brought a significant expansion both in numbers and geography. The external partners more than doubled from 21 to 46. Moreover, while the non-European members of Yaoundé II were mostly African states, Lomé I included both Caribbean and Pacific states. The new agreement thus established the foundation of the ACP group as it is known today (Holland, 2002). With the new arrangements, both parties acknowledged the flaws of the Yaoundé Conventions, which failed to deliver the anticipated outcomes. The African associates had not been able to expand their trade revenue despite guaranteed access to the European market. According to the ACP, this was due to reverse preferences as well as price instability. Lomé I brought new features and innovative changes to Europe's Development Policy. Firstly in trade relations, Lomé I replaced the reciprocal free trade zone created by the Rome treaty with a new arrangement that promoted trade while taking the respective levels of development of the member states into consideration. Thus non-reciprocal trade preferences were established, where ACP states still enjoyed duty-free access to Europe. However, they only had to award European goods preferred but not free entry into their own markets (Banthia, 2007). Regarding financial cooperation, Lomé I created the System for the Stabilisation of Export Earnings (STABEX), which was the major innovation of this agreement. STABEX was completely funded by the EC and to compensate the ACP for fluctuating export revenues. Lastly, Lomé I also prolonged and enhanced EDF contributions and the contracting parties agreed to renew the arrangements every five years (Banthia, 2007).

Hence, the Lomé II Convention was signed in 1980 with nearly identical provisions to its predecessor. The only significant innovations were the introduction of the System for the Promotion of Mineral Production and Exports (SYSMIN), greater emphasis on the Least Developed Countries (LDCs) and landlocked states, and the expansion to 12 new ACP member states. SYSMIN was similar to STABEX but with a focus on mineral products. It was established to support ACP producers to maximise their mine output by funding improved mining facilities. Additionally, the EDF program was renewed and there were discussions whether to link EDF contributions to human rights. This however was opposed by the ACP countries and eventually not included in the final agreement (Banthia, 2007).

The second phase of the Evolution of the EU Development and Cooperation Policy began with the adoption of the Lomé III Convention in 1985. In this phase, major global events, such as the end of the Cold War and the beginning of globalisation, changed the international arena. The Community went through two enlargement rounds and adopted the Treaty of Maastricht. Regarding international development cooperation, the Washington Consensus had been implemented. All these events greatly affected the European development policy, which saw an expansion in its geographical and policy scopes (Carbone, 2008).

In 1985, nine states on the ACP side and Greece on the EC side joined the partnership and signed the Lomé III Convention. Besides the introduction of a policy dialogue between the two parties and more emphasis on the well-being of the population - particularly women - the arrangement did not include any innovative provisions. In the 1980s, the African states were facing a severe economic crisis and Lomé III failed to address the resulting setbacks in the “Third World’s“ development (Banthia, 2007). These negative trends led to more progressive and determined provisions in the Lomé IV Convention signed also by two new ACP countries as well as Spain and Portugal in 1990. The Lomé IV arrangements were compiled to tackle the stagnation of the 1980s in the developing countries and introduced several innovative features including specific economic and political conditionality. Developing countries were thus only eligible for aid if they implemented Structural Adjustment Programs (SAPs). The provisions also focused on political development and aid was only distributed to countries that follow international human rights standards. These provisions were promoted by the European signatories. With the end of the Cold War, the international political environment changed entirely and the economic stagnation in Africa led the EC to focus politically, economically, and ideologically on the former communist countries. The ACP on the other hand was marginalised and lost its privileged position in terms of development cooperation (Banthia, 2007). The available funding for the ACP from Europe was reduced and due to conditionality, the EC could drain the influx of resources even further if ACP countries violated their economic and political obligations. Other innovative references were made regarding the environment, population issues, as well as social policies such as education, training, and health. Different from its predecessors, Lomé IV was set to be a ten-year agreement with a review after five years. By 1995, when the provisions were amended, the European Union was officially created and three new EU members - Austria, Finland, and Sweden - and three new ACP countries joined the agreement. Moreover, the Maastricht treaty influenced Europe's development policy, which was now considered an area of shared competencies of the Union's common foreign and security policy (CFSP). Thus EU development policy has to be coherent and the policies of member states and the EU must be coordinated and complement each other. The EU aimed to become an influential global actor and to be involved in all regions of the developing world (Carbone, 2008).

In Lomé IV-bis - the mid-term review -, the EDF was renewed and conditionality was expanded to include democratic principles, the rule of law, and good governance. Furthermore, the total amount of ODA was reduced and from now on aid was delivered in two instalments. Only if the first payment of 70% was implemented satisfactory, the remaining 30% were distributed. In this way, the aid-giving parties increased their supervisory power over the recipients. The Lomé Conventions shaped Europe's Development and Cooperation Policy and the EU-ACP like no other arrangement between those regions (Banthia, 2007).

In the 2000s, the third phase of the Evolution of the EU Development and Cooperation Policy began. In this phase, EU development cooperation became more efficient and poverty-oriented. Security issues, as well as trade liberalisation, were included in the partnerships with developing countries. EU member states - especially after the enlargement in 2004 - started to question the advantages of a common EU development policy and threatened to stop their development aid contributions. Facing this criticism, the EU-Commission implemented several reforms regarding the motives and management of development cooperation. The main focus of EU-development policy was declared to be poverty reduction in the Statement on Development Policy by the Council and EU involvement in other areas was now limited (Carbone, 2008).

The Cotonou Agreement, signed in 2000, replaced the Lomé Convention and introduced some ground-breaking changes for the EC–ACP relationship. It amended the aid and trade regimes and fortified the political scope of the partnership. The eradication of poverty was once again highlighted in the agreement. The private sector, as well as the civil society and non-governmental organisations (NGO's), were included in the development cooperation, which fortified less centred or purely governmental relations. Those new development actors were also consulted in compiling the new National Indicative Programmes (NIPs), which structured how developing countries should spend the distributed aid (Hurt, 2010). The agreement was revised twice, in 2005 and 2010. Those revisions also stressed the importance of coordinating the EU Development and Cooperation Policy with other EU policies. The Economic Partnership Agreements (EPAs) were introduced in 2008, which regulated EU-trade policy with developing countries. Also the Council Regulation "Everything But Arms" (EBA) was included, which gave LDC's full duty-free and quota-free access to the EU for all their exports except arms and armaments. Finally, in this phase of EU development policy evolution, the importance of security as a central element of development in ACP countries was highlighted. The EU's central role in international development was strengthened as well as its relations with the developing world (Carbone, 2008).

2.3. The European Consensus on Development

The EU has always been determined to follow the approach of other multilateral actors and to focus on poverty eradication as the main objective of its development policy. For this, the EU needed to place its development policy in a wider external relations framework and to find a consensus and common vision with shared values that can be applied to policies from member states as well as the EU. The European Consensus on Development was signed in 2005 and was a ground-breaking document for the EU development policy. It indicates how the common values can be implemented in EU development aid and the funding instruments. The challenge for this agreement was to find a compromise between the opposing ideas of member states. The northern EU members refused EU interference with their national development policies, while other countries vouched for increased development aid coordination (Dearden, 2011). The member states agreed for more coherence in all policies regarding LDCs and that aid should be based on specific values. Those values included common objectives and principles of comprehensive development such as poverty reduction, democracy, and good governance, gender equality, and Country Ownership. The EU thus acknowledged that good governance cannot be imposed from the outside via conditionality but only from the inside through Country Ownership. The document further highlighted the need for more effectively delivered aid in line with the Paris Declaration on Aid Effectiveness and included commitments made by all member states to delivering more and better aid, and to promoting policy coherence for development. Aid from Europe should be based on transparent and objective criteria (Carbone, 2010).

The EU adopted the new European Consensus on Development in 2017, in response to the UN 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDG's) and to newly arising global challenges. The document defines the shared vision and action framework for the development cooperation of the EU and its member states. Like its predecessor, the new Consensus set poverty reduction as the primary development objective. At the same time, it integrated the economic, social, and environmental dimensions of sustainable development. Furthermore, the Consensus highlighted the interlinkage of development policy with other EU policies such as peace and security. New elements have been included like sustainable energy and climate change. For the implementation of the targeted development goals, the Consensus called for aid being combined with other resources, better-connected partnerships with a wider range of stakeholders, and commitments which are in respect to the EU's policy coherence for development. A mid-term review of the implementation of the Consensus is set to be carried out in 2024 (European Commission, 2017).

2.4. The contemporary ACP-EU partnership

The ACP and the EU have a unique development partnership that dates back to the creation of the European Community by the treaty of Rome and was in the beginning mainly driven by the relations of European countries with their former colonies. Since then the partnership has been amended through various Conventions and agreements. Today the relationship is determined by the Cotonou Agreement signed in 2000 with a duration of 20 years. Due to the upcoming expiration of the agreement in November 2021, there is the question of how this partnership can be renewed. Since the beginning of the century, global economic, demographic and geopolitical as well as internal developments have impacted the relationship between the EU and the ACP. In the fields of development cooperation as well as in the political and security context, there has been a continual process of adaptation and revision. Development cooperation under Cotonou has improved considerably with regards to the concepts of ownership, predictability, accountability, and results orientation (Pape, 2013).

In April 2020, the ACP Group of States formally became an international organisation, the Organisation of African, Caribbean, and Pacific States (OACPS). The EU and OACPS are determined to update their partnership considering new realities and global challenges. Negotiations for a Post-Cotonou agreement have already begun. The goal is to compile a comprehensive political agreement, which fortifies commitments to sustainable development and climate action on the basis of the UN 2030 Agenda, the European Consensus on development, and the Paris Agreement. The agreement is intended to make the partnership with OACPs countries more flexible and yet coherent. The new partnership is planned to go beyond development dynamics and include political cooperation, particularly on the international scene (European Commission A., 2021).

2.5. Financing and Instruments

Together with its member states, the European Union is the world's largest source of official development assistance. The European Union and its member states spent €75.2 billion in ODA in 2019, accounting for 55.2 percent of global development funding. To compare, the United States as the second-largest donor with €30.9 billion and Japan with €13.9 billion as the third, spent far less than the EU. Also in terms of Gross National Income (GNI) the EU has taken the lead in worldwide aid donations. During the 2000s, the EU spent more of its GNI on development aid than any other contributor, increasing from

0.32 percent in 2000 to 0.46 percent in 2019. The European Development Fund (EDF) and the Development Cooperation Instrument (DCI) are hereby the EU's main financial instruments to support the development of LDC's (European Commission, 2020).
With €30.5 billion allocated between 2014 and 2020, the EDF is the EU's largest geographical tool for development aid. In recent years, the EDF has distributed around 30% of the EU's overall foreign aid. The benefiting countries are often historically tied to some EU member states. The African, Caribbean, and Pacific Group of States receives the majority of EDF funds, although EU overseas counties and territories (OCTs) also benefit. The EDF is an intergovernmental fund that is not part of the EU budget. The European Commission is in charge of managing its resources. This means that regulations guiding the EDF's finances, investments, and monitoring are distinct from those governing financial instruments under the EU budget. Hence concerns have been raised about the European Development Fund's transparency and integrity (D'Alfonso, 2014). The EDF funds a wide range of projects. Between 2010 and 2012, over 50 percent of its contributions went to developing countries to finance social and economic services, infrastructure projects, and associated services. 56 percent of its financial assistance in this period was allocated to LDCs. The amount of financial transfers from the EDF directly to the national budgets of receiving countries - interventions through budget support - is typically larger when compared to development initiatives funded by the EU budget. The budgetisation of the EDF, or the inclusion of the Fund in the EU budget, is a perennial problem. The EDF's applicable structure would be simplified, and democratic legitimacy, efficiency, and effectiveness would all improve. This approach has the backing of both the European Parliament and the European Commission, however, the EU member states have yet to agree on a proposal for the budgetisation of the EDF (D'Alfonso, 2014).

The Development Cooperation Instrument, which complements the EDF, is the primary financial instrument within the EU budget for distributing ODA to developing nations. Aside from its primary target of eradicating poverty, the DCI also assists recipient nations to establish economic sustainability, social and environmental development and supports democracy, good governance, human rights, and international law. Whereas the EDF is primarily concerned with the ACP and OCTs of EU member states, the DCI is involved with all other developing nations across the world. The DCI's geographic programs, which are not available to EDF beneficiaries, get the largest share of the DCI funding. In comparison to the EDF's €30.5 billion budget between 2014 to 2020, the DCI's financial body is much smaller, with €19.6 billion for the same term. 60 percent of the total budget has been allocated to geographic programs, 36 percent to thematic programs, and 4 percent to a pan-African program (Parry & Segantini, 2017).

2.6. Summary

The European Union's Development and Cooperation Policy dates back to the founding of the European Community and has progressively developed from maintaining control over former colonies and focusing on economic progress to truly genuine assistance for poverty reduction and human development. While conditionality of funds was formerly an important component of development aid, developing country government are increasingly able to create and implement their own development strategies and programs. As the world's largest donor of development aid, the EU has adopted a consistent development policy based on globally recognised values.

Chapter 3: Development Aid Effectiveness

3.1. Background

The notion of aid effectiveness will be discussed in the following chapter. To start off, I describe how effectiveness was introduced into the context of development cooperation as well as how the international community developed shared principles for aid effectiveness, which I'll also outline in this chapter. One of these principles is Country Ownership, which I'll present as the core subject of my analysis.

3.2. The issue of aid effectiveness and the Busan Principles

As discussed in chapter 2.2., the focus of development aid shifted from purely economic growth-oriented on the national or international level towards real development results rooted in the local communities. Hence development cooperation became more and more complex with new sectors such as health, agriculture, and education taken into consideration for the planning of structural action programs. With the Cotonou Agreement development cooperation also became less state-driven with various new development actors from the private sector and civil society being included in the development partnerships. This prompted the discussion among donors about the value and effectiveness of financial flows to the receiving countries. Several donor countries expressed concerns about whether development aid was being used in the most cost-effective and efficient way possible. These concerns raised accusations of corruption and waste of funds, as well as the question of whether aid truly satisfies the recipients' core policy needs, and its effectiveness in eradicating poverty and supporting economic progress in LDCs (Rahman & Farin, 2019). Aside from the typical donors' sorrow about the value of money, there was a second sphere of concern from development cooperation analysts. They were advocating for a greater focus on ensuring national policy and priority adaptation, as well as poverty reduction in aid-receiving nations. Prior to the 1990s, the standpoint of developing nations had only a minor influence in determining ODA objectives and policies. Country Ownership was then recognised, and it is a critical component of effective development assistance today. The International Conference on Financing for Development in Monterrey, Mexico, in 2002 addressed concerns regarding the quality of ODA. Countries were emphasising the significance of concentrating less on the short-term results of development assistance projects and more on the long-term benefits of ODA on developing country economies. The importance of giving recipients' perspectives more weight than those of contributors was also emphasised in Monterey. Finally, conference participants agreed that, in addition to examining the outcomes, the process of development cooperation must be monitored in order to maximise ODA. Several conferences on development aid in the following years raised the issue of development aid effectiveness. The Fourth High-Level Forum in Busan, South Korea, in 2011, was one of them, with stakeholders deciding on key factors of effective development cooperation (Rahman & Farin, 2019).

The Conference in Busan set the international standards for good development and effective aid and created the Global Partnership for Effective Development Cooperation (GPEDC), which is the primary multi-stakeholder vehicle for driving development aid effectiveness (Bena, 2012). Participating development actors have agreed at the conference on four principles for effective development cooperation, which include:

1. *Ownership of development priorities by developing countries*:

   Stakeholders acknowledge that development cooperation can only function if developing countries retain control of the initiatives. Development strategies must be tailored to the unique circumstances and demands of each country.

2. *Focus on results*:

   Development cooperation will be focused on concrete outcomes and lasting impact regarding poverty eradication, reduction of inequality, and promotion of sustainability.

3. *Inclusive development partnerships*:
   To create effective partnerships in support of development goals, development actors must be open, trusting, mutually respectful, and willing to learn from one another. All development partners must be considered in their various and complementary responsibilities.

4. *Transparency and accountability to each other*:
   Mutual responsibility and accountability to the targeted beneficiaries of collaboration, as well as to the respective communities, organisations, constituencies, and shareholders, must underpin development cooperation. Transparent business procedures are essential for improving service delivery, clarifying mutual obligations, and increasing responsibility.
   (Bena, 2012; OECD 2011)

3.3. Country Ownership

The principle of “Country Ownership“ was first employed in the mid-1990s as a reaction to the system of “conditionality“, which has been a major element of previous development aid strategies. Rather than using ODA as a lever to coerce governments to embrace policies created and driven by external actors, Country Ownership aimed to make developing countries the primary agents in deciding on policies and establishing programs funded by foreign aid. Developing countries should thus be the holders of development programs. Furthermore, there is a change in the adapted terminology. Instead of classifying development actors as donors or recipients, they are considered as equal “development partners“ (Savedoff, 2019).
In 1999, the International Monetary Fund (IMF) and the World Bank introduced the Poverty Reduction Strategy Papers (PRSP’s) as a framework for concessional lending and debt relief. It was implemented in order to improve recipient governments' engagement in the development process as well as their ownership of development strategies and objectives. Six years later in the Paris Declaration on aid effectiveness, development partners agreed to amend the system of conditionality and to commit to Country Ownership. They thus recognised the principle as a primary element of ODA (Jonsson, 2021). Those commitments require participation and actions from both sides of development partners. Aid receiving governments are assigned to develop their own national development priorities and to take the lead in designing and implementing

development programs. Donors, on the other hand, must align their support to the national priorities using country systems. Additionally, they need to direct financial support to government budgets while also providing technical support to enhance public financial management, which will have an effect on the quality of funds application. Country Ownership has changed the political relationship between those who provide aid and those who receive it from one of charity and guidance to one of cooperation and shared accountability. At the same time, there is empirical evidence that Country Ownership also increases the effectiveness of financial assistance and country-owned programs factually perform better and produce better results than those driven by external development actors (Savedoff, 2019).

Nevertheless, critics of the principle argue that conditionality is an inherent element within the concept of aid. Some programs that are declared to be country-owned may, in reality, be drafted and driven by external consultants or just accepted by local governments under financial pressure. Furthermore, the principle only increases effectiveness if the government that owns the programs really has the primary objective of promoting development (Savedoff, 2019).

Another issue with Country Ownership derives from its relation to another principle of aid effectiveness, namely accountability. Instead of employing national monitoring and evaluation systems, donors continue to rely on their own mechanisms. However, if donors were to harmonise and use national systems in recipient countries to a greater extent, this would ultimately raise the workload on these systems. Hence, in order to implement country ownership flaws and failures of the recipient countries' systems must be eliminated as well. While recipient countries aim to improve the coordination, harmonisation, and ownership of development cooperation, the increase of privately funded aid further challenges the administration of aid in those countries. Capacity building can be one answer to these problems since it will assist governments in establishing the necessary administrative structures to take control of the development and the application of aid. This is suggested as a way to boost ownership and effectiveness (Jonsson, 2021).

As one of the 4 Busan Principles of Effective Development Aid, the GPEDC has developed indicators of how country ownership can be monitored. Indicator 5 points out whether Development cooperation is predictable both annually and in the mid-term. Predictability of aid is assessed by measuring the gap between committed and disbursed funds by each donor. Secondly, Indicator 9b reveals whether and to what extent the donor country is using the developing countries' Public Financial Management (PFM) and procurement systems. PFM systems guide how governments use and monitor financial resources and different PFM systems hereby consist of different regulations, standards, and processes. The application of PFM systems ensures that providers of aid do not include safeguard measures when distributing funds to developing country governments (GPEDC, 2013). The type of development funding is also essential for the analysis of this indicator. There are three distinct characteristics of development project funding, which can be categorised into General Budget Support (GBS), Sector Budget Support (SBS) and Project Type Intervention (PTI). It is generally agued that GBS fully applies country systems when conducting aid projects. SBS on the other hand only partly uses country systems and PTI generally uses donor systems instead (Dipama, 2019). Indicator 9a refers to the quality of PFM systems in developing countries. Since I am analysing the effectiveness of the development aid policy of the EU as an ODA provider, this indicator will not be part of my research. Lastly, Indicator 10 displays whether development aid is untied. This indicator is assessed by measuring the amount of tied aid in relation to untied aid by the donor country (GPEDC, 2018).

According to the GPEDC, the alignment of development partner projects to partner country objectives, result indicators, statistics, and monitoring systems has declined between 2016 and 2018. Furthermore, DAC members have decreased their use of national statistics and monitoring systems, while being less focused on country-defined results and objectives. This is an alarming trend regarding country ownership and a signal for neglect of the SDG Target 17.15 to respect each country's policy space and leadership. Even though some development partners have increased their alignment of project objectives to partner country plans and strategies, the overall trend is negative, especially for bilateral partnerships (OECD/UNDP, 2019).

Overall improvements have been made in terms of the predictability of development aid in recent years. A higher share of the annually committed ODA was actually allocated. At the same time, the data shows an increase in unplanned disbursements, which can negatively affect the planning, budgeting, and execution of the development partner's projects (OECD/UNDP, 2019). In general, the use of country PFM systems for development cooperation has increased from 49 percent to 53 percent between 2011 and 2018. The GPEDC findings hereby suggest that even though they are resource- as well as time-intensive, strong, long-term partnerships increase the effectiveness of development aid. If a development partner has a long-term presence in a country, the share of funds to the public sector is larger, more predictably and national systems are more likely to be used (OECD/UNDP, 2019).

Even though the share of untied aid from DAC countries has increased since 2016, a large share of ODA-funded contracts is still awarded to suppliers that are based in the donor country. This indicates that suppliers from donor countries still have an advantage in securing aid contracts compared to suppliers from the development partners themselves.

Finally, the GPEDC has reported overall improvements made by development partners regarding Country Ownership in development cooperation. However, the performances vary significantly among the DAC members. The performance of the EU in establishing Country Ownership in Caribbean small island states is the subject of this dissertation (OECD/UNDP, 2019).

3.4. Summary

The international community has compiled four standardised principles as the foundation of effective development cooperation. The analytical framework of this dissertation is based on Country Ownership, which is one of these principles. It is measured by three indicators, namely *predictability*, *use of country systems* and *untying of aid*.

Chapter 4: The Caribbean Small Island Developing States (SIDS)

4.1. Background

Small island developing states have distinct characteristics, which will be discussed in the next section. I then move on to describe how these characteristics lead to specific vulnerabilities and obstacles that impede the islands' development. The research of my dissertation is focused on the Caribbean region. Hence, an overview of SIDS in the Caribbean sea is also included in this chapter as well as an assessment of their special relationship with the European Union and how the EU supports them in overcoming their development challenges.

4.2. SIDS and their Characteristics

Even though there is no common definition for SIDS, they all share similar characteristics. The United Nations Office of the High Representative for Least Developed Nations, Landlocked Developing Countries, and Small Island Developing States (UN-OHRLLS) currently classifies 58 countries and territories as SIDS. 38 of them are UN members (see

Table 1) and 35 are eligible for ODA. SIDS are remote and small in size as well as in population. The majority of them are middle-income states, ranging from Lower Middle-Income Countries (LMICs) to Upper Middle-Income Countries (UMICs) (Quak, 2019). Furthermore, they share similar challenges related to social, economic, and environmental issues. SIDS are situated in the world's major oceans and in the tropical or subtropical climate zone. The geographical regions where those islands are located include the Caribbean, the Pacific, the Atlantic, Indian Ocean, Mediterranean, and South China Sea (AIMS). At the 1992 United Nations Conference on Environment and Development in Rio de Janeiro, Brazil, SIDS were acknowledged as a separate case for their environment and development (UN-OHRLLS, 2017).

SIDS are diverse in terms of population size and density, geographical distribution, natural resource endowments, and relative development advancement. Even among SIDS in the same region or with similar economic levels, there are many different prospects for growth and different needs for foreign assistance. The development and growth of these countries have been hampered by various obstacles, which will be mentioned in the following subsection (OECD, 2018).

Table 1: Overview of Small Island Developing States

UN- Members **AIS**: Bahrain, Cabo Verde, Comoros, Guinea-Bissau, Maldives, Mauritius, Sao Tomé and Principe, Seychelles, Singapore **Caribbean:** Antigua and Barbuda, Bahamas, Barbados, Belize, Cuba, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago **Pacific:** Fiji, Kiribati, Marshall Islands, Micronesia, Nauru, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu, Vanuatu
Non-UN Members/Associate Members of Regional Commissions American Samoa, Anguilla, Aruba, Bermuda, British Virgin Islands, Cayman Islands, Commonwealth of Northern Marianas, Cook Islands, Curacao, French Polynesia, Guadeloupe, Guam, Martinique, Montserrat, New Caledonia, Niue, Puerto Rico, Sint Maarten, Turks and Caicos Islands, U.S. Virgin Islands

Source: United Nations, SDG-Knowlege Platform: https://sustainabledevelopment.un.org/topics/

4.3. Vulnerabilities of SIDS

According to the Intergovernmental Panel on Climate Change (IPCC), the changing climate represents the greatest danger for SIDS. They are thus heavily affected by sea level rise, ocean warming as well as the rapidly increasing air temperature and as a result, changing rainfall patterns and incidence of tropical cyclones. Furthermore, due to their high diversity, SIDS do not have uniform climate change risk profiles, which aggravates a common climate change adaptation and resilience planing (Nurse et al., 2014). In addition, there are issues regarding food security in SIDS. They are exacerbated by climate change impacts and need to feature in adaptation planing and resilience building (Lincoln Lenderking, Robinson & Carlson, 2021).

Briguglios implications confirm these findings. He further includes non-climate related impacts and classifies the vulnerabilities of SIDS in five categories, which refer to some of their unique characteristics. Firstly, challenges for SIDS root from their small size. Small size can refer to the population, the land area, or the gross national product and is economically disadvantageous in any way. Small island states usually have fewer natural resources and poor industrial linkages. This often leads to a high import content compared to the countries GDP and their economies are highly dependent on imports and trade. Furthermore, the number of possible suppliers and import substitution is often limited due the small size of their domestic markets. Imported products thus become more expensive and lower in quality. Because of the limited local markets and the requirements for a substantial quantity of foreign exchange to cover the hefty import bills, the countries are heavily reliant on exports and hence on external economic conditions. This also affects the countries ability to control the prices of the products they export and import. In addition, compared to regular-sized economies, SIDS lack the advantage to exploit economies of scale due to indivisibilities and limited scope for specialisation. This is a significant disadvantage, as it increases - among other things - the relative cost of production, infrastructure, and training. Also, domestic competition is limited in SIDS due to their small size. This can increase the risk of price-fixing and the emergence of oligopolistic and monopolistic organisations. Lastly, a small population size leads to a relatively small labor force and a lack of skilled personnel for the public administration, which makes this sector very cost-intensive and SIDS are often reliant on larger states' administration (Briguglio, 1995).

The second category of disadvantages results from SIDS' insularity and remoteness as obstacles for transport and communication. Due to their location and the distance to the mainland, costs of transport per unit are usually higher for SIDS than for other countries. The movement of goods and people is constrained to the use of air and sea transport. Furthermore, since most SIDS are distinct from major trading routes, the available transport vehicle is usually smaller as well as less modem and technologically advanced, which further increases the time and costs of transportation. As a result of time delays and unreliability in transport services, SIDS also have to deal with uncertainties in the provision of industrial supplies. In order to cope with such uncertainties and to deal with sudden changes in demand, businesses in small islands need to keep large stocks, which also creates additional costs in production, rent, and tied-up capital. (Briguglio, 1995)

The third category of vulnerabilities that Briguglio mentions originates from the SIDS' "proneness to natural disasters". Surrounded by water and located in the tropical climate zone, many of the small island states are impacted by disasters such as earthquakes, cyclones, landslides, or volcanic eruptions. Due to the small size of their territory and population, the damages and economic costs caused by those events are relatively larger for SIDS than for non-island countries. Settlements get destroyed, the agricultural sector and thus the food supply gets devastated and the communication services break down. For some islands, those disasters may even threaten their very existence (Briguglio, 1995).

Also, environmental factors increase the vulnerability of small islands. As Briguglio describes, environmental problems may increase a country's long-term instability and are likely to be more intense for SIDS. High demand for industrial production and housing fuelled by the process of economic development can lead to a depletion of already scarce agricultural land and natural resources. Tourism and marine-related activities exploit the coastal zones and often produce a relatively large amount of waste. Again due to their small size, those factors have a greater effect on SIDS than on bigger countries facing the same issues. Moreover, the ecosystems of small islands are often unique and very fragile with a low level of resistance to external influences. One of the greatest environmental threats for SIDS is global warming and rising sea level, which cause the loss of large proportions of land especially for the low-lying coral atolls and this effect will even exacerbate in the future. Adding to this, small islands are particularly affected by erosion due to their relatively large coastline in relation to the landmass. This further increases the issues of land loss for SIDS (Briguglio, 1995).

Lastly, Briguglio displays two more characteristics of SIDS that affect their vulnerability, dependence on foreign sources of finance, and demographic changes. Some islands rely heavily on foreign development aid and remittances from emigrants. Emigration can thus affect the demographics of an island as residents leave the island to move abroad. This outflow of people might result in intellectual and talent deficits as well as social upheavals (Briguglio, 1995).

All in all, the vulnerabilities of SIDS are caused by a wide range of factors. Due to their unique characteristics, these influences usually have a greater impact on them than for other countries and they often lack the necessary capacities to adapt and cope with the adverse effects. To cope with these unique obstacles, development strategies must be compiled in accordance to the SIDS's needs and priorities. Hence, in oder to be effective, the islands have to be the holders of development programs with respect to the principle of Country Ownership.

4.4. The Caribbean SIDS and the EU

The majority of 29 out of 58 SIDS is located in the Caribbean sea (see Table 2). 16 of the Caribbean SIDS have United Nations membership. The Caribbean is a distinct region with a long history of colonisation by European countries, imperialism as well as revolutionary upheavals, and pursuits for independence. Today, 16 independent countries are situated in this region, all of which are members of the ACP group. Together they form the Forum of the Caribbean Group of ACP States (CARIFORUM). The group - except for Cuba - is part of the Cotonou Partnership Agreement of 2000 and the Economic Partnership Agreement (EPA) signed with the European Union in 2008. Additionally, there are 17 dependent territories with Dutch, English, French, and Spanish backgrounds. Four of them are outermost regions and 13 are overseas territories. The Caribbean thus has a tight connection to Europe regarding culture, trade, political administration, and development cooperation. At the same time, the Caribbean states are more and more building their own institutions of regional integration and move towards their Latin American neighbours, which also affects the European-Caribbean relationship (Girvan & Montoute, 2017).

Table 2: List of Caribbean SIDS

UN-Member States	Overseas Departments and Territories
Antigua and Barbuda Bahamas Barbados Belize Cuba Dominica Dominican Republic Grenada Guyana Haiti Jamaica St. Kitts and Nevis St. Lucia St. Vincent and the Grenadines Suriname Trinidad and Tobago	Anguilla Aruba Bermuda British Virgin Islands Cayman Islands Curacao Guadeloupe Martinique Montserrat Puerto Rico Sint Maarten Turks and Caicos Islands United States Virgin Islands

Source: Based on UN-OHRLLS, 2011

In the past years, Caribbean islands have experienced strong growth rates, reduced extreme poverty, and improvements in human development parameters. Haiti hereby remains an exaction as it is still recovering from the destruction caused by an earthquake in 2010. Further improvements have been made in terms of tourism as well as in regional integration. Yet, factors such as climate change, high debt levels, low level of competitiveness, and the global economic crisis have hampered the development of the Caribbean region. The development cooperation between the EU and the Caribbean is a combination of bilateral partnerships with individual SIDS and multilateral cooperation through the CARIFORUM, the Caribbean Community (CARICOM), and the Organisation of Eastern Caribbean States (OECS). Between 2014 and 2020, the EU allocated €346 million to this region via the Caribbean Regional Indicative Programme (CRIP) under the 11th EDF. CRIP's primary focus includes regional economic cooperation and integration; climate change, environment, disaster management, and sustainable energy as well as crime and security (European Commission B., 2021).

Nevertheless, the relationship between the EU and the Caribbean since the Cotonou Agreement has not been as fruitful as expected with several disappointments and broken promises. One of the reasons is the huge asymmetry in bargaining power between the two parties. Especially in terms of trade diplomacy, EU officials tend to put EU interests first. Regarding development assistance, the EU has been more consistent in providing large funding to the region through the EDF. Yet, as the Cotonou Agreement expires in 2021, there is a high degree of uncertainty surrounding the future of ACP-EU relations in terms of development cooperation. Moreover, if the EU does not amend its criteria for the eligibility of ODA, the Caribbean might be facing a severe decrease of future funding due to the relatively large number of high- and upper-middle-income countries in the region (Girvan & Montoute, 2017). The EPA has been criticised for its lack of a genuine development dimension. The perspective of the Caribbean states towards their own development and economic integration has been marginalised. The partnership is mostly based on economic integration and private investments. The fundamental development challenges of SIDS have not been highlighted and European partners have failed to provide the necessary adaption funding. Despite the fact that the EPA contains many references regarding development cooperation, the implementation objectives were not specified, elaborated, or time-bound. Only cooperation criteria in the interest of the European side such as intellectual property or customs administration have been determined in detail. Although promises made as part of the EU's Aid for Trade initiative have yet to be fulfilled, Caribbean countries appear to have put a lot of hope in EU promises (Girvan & Montoute, 2017).

For the future EU-Caribbean development cooperation, a genuine partnership with sovereign equality is needed where the Caribbean islands can plan and drive their own development strategies. In this regard, the large asymmetry between the partners also needs to find sufficient consideration. Secondly, the Caribbean has to compile a strategic agenda for sustainable human development and international cooperation. Lastly, the Caribbean needs political and institutional arrangements among themselves, which includes all Caribbean states and territories. This would enable the region to speak with one voice when dealing with international partners such as the EU. These aspects are important for effective development cooperation and should be considered in drafting a post-Cotonou agreement (Girvan & Montoute, 2017).

4.5. Development Challenges and Country Ownership in Caribbean SIDS

The Caribbean is not the poorest region in the world. However, along with Latin America, it has the largest inequality with huge diversity among the Caribbean islands. This becomes evident when comparing the current GDP per capita of the Bahamas ($28,607.9) with that of Haiti ($1,176.8) provided by the World Bank (World Bank national accounts data, and OECD National Accounts data files). Hence, in the Caribbean, some of the world’s poorest countries and some of the richest countries are geographically close to each other, which makes it difficult to discuss the development of the Caribbean region as a whole without generalising and becoming unspecific. The 1990s have been a period of exceptional transition in the Caribbean with economic reconstruction, state reforms, and national development. While economic growth remained the priority other issues such as social equity, unemployment, and democratic participation became relevant for development cooperation (Skelton, 2004). One of the major challenges for the region is the accumulated debt. The money lent for development projects in the 1960s and 1970s suddenly became much more expensive due to the global oil crisis and the increased interest rates. The Caribbean countries were trapped and struggled to repay the debt, which caused various economic, social, and cultural challenges. Over the years, the Caribbean islands had to pay out significantly more in repayments than they could earn in foreign exchange or receive in loans, which has hampered their development (Skelton, 2004). Furthermore, as mentioned in Chapter 2.2, the concept of conditionality was included in development cooperation between Europe and the ACP. The Caribbean states thus had to implement strict Structural Adjustment Programs to be eligible to receive ODA, which opposed and prevented necessary investments in health, education, and infrastructure. Although the debt crisis in the Caribbean has eased slightly in recent years, two-thirds of Caribbean Community members still have a public debt-to-GDP ratio of more than 60 percent. These unsustainable debt levels have a significant impact on a country's fiscal space and capacity to support development priorities (OECD et al., 2019).

Besides the high debt level, the social situation in the Caribbean challenges the region's development. The birth rates are declining, young people are emigrating and there is a shift towards an ageing population in most of the Caribbean SIDS. Furthermore, poverty and inequality is still a major issue in the Caribbean. Haiti as a Least Developed Country is one of the small islands states where poverty is highly visible, but other poverty-related issues also affect the region as a whole. The Caribbean countries export mostly primary goods. Together with the globally low commodity prices, the predicted goods generate less income for the islands. In order to reduce poverty, the Caribbean needs more open and equitable access to the global markets as well as debt relief. High debt repayments increase the poverty in the region since investments in education, health, and physical infrastructure fail to materialise. Although poverty has been reduced in recent decades through economic growth, reduction in inflation and increase in social expenditure, social equity, and vulnerability as well as inequality remain major obstacles for human development in the Caribbean (Skelton, 2004). In addition, the changing climate has worsened issues related to food security in Caribbean SIDS in recent years. Rising prices food price affects the poorest household the most, contributing to the issue of poverty (Lincoln Lenderking, Robinson & Carlson, 2021).

Lastly, the region is facing the challenge to generate a more sustainable development, which is not at the expense of the environment. Environmental degeneration in the Caribbean is the result of a long-time mismanaged development, which was focused exclusively on economic growth. The concept of sustainable development as an integral part of development programs was first introduced at the Earth Summit in Rio de Janeiro, where the unique situation of SIDS was also acknowledged. It was emphasised that sustainable development could never be achieved if economic growth remained the only development objective. Environmental deterioration in the Caribbean, both locally and worldwide, is particularly concerning. Especially in the context of global warming, as the majority of people live in urban areas, virtually all of which are located around the shore (Skelton, 2004). According to Robinson, adaptation to environmental and climate-related impacts are undertaken in the Caribbean SIDS, mostly in the coastal zones and the water and agriculture sectors. There are, however, factors on the national level such as financing, that are limiting the island's climate-resilience process (Robinson, 2018). Those obstacles for the development of the Caribbean region, namely debt, poverty, and environmental degradation are closely interlinked and need to be featured in the development objectives of the Caribbean SIDS. In order to target these aspects effectively, the SIDS need to design and drive their own strategies according to their priorities.

Only a small amount of research has been conducted regarding Country Ownership in the Caribbean SIDS and even less specifically about the EU performance in this region. Alda and Cuesta have discovered that development aid is more effective in Caribbean middle-income countries than in low-income. Geographically, the impact of aid is higher in prosperous regions as well as less populous islands (Alda & Cuesta, 2019). The national financial systems in the Caribbean are described by Montoute et al. as relatively thin and underdeveloped. Furthermore, the national regulators are unable to manage risks and promote financial stability, which is why the regional financial sectors are being dominated by external commercial banking entities. Hence, Montoute et al. call for more effective monitoring of and compliance by the public and business sectors to increase ownership in Caribbean SIDS. In addition, the Caribbean SIDS should foster integration and participation in the Community of Latin American and Caribbean States (CELAC) in order to improve their collaboration with Latin America and the EU and thus to enforce and

achieve their national development objectives. The EU, on the other hand, needs to include and align good governance and transparency in future development plans in this region as it promotes broader community empowerment strategies and country ownership (Montoute et al., 2017).
Another aspect that adversely affects Country Ownership in Caribbean SIDS is the decreasing access to concessional and untied aid. As several Caribbean states move from Lower Middle-Income- to Upper Middle-Income-status, they lose the eligibility to official development aid as well as preferential trade measures. This poses an additional challenge for those islands as they have to become less reliant on untied support for governmental expenditures and infrastructural investments (Quak, 2019).

4.6. Summary

SIDS have unique characteristics, which lead to specific development challenges. The EU has a special connection with the Caribbean Small Island Developing States and assists them in coping with those challenges. Country Ownership should be a driving principle for effective support. Unfortunately, only a few studies have investigated how the EU has implemented this principle in the Caribbean, which highlights the relevance of this dissertation.

Chapter 5: Research Design and Methodology

5.1. Background

In the following chapter, I introduce the research design and methodology of this dissertation. To begin, I describe the applied research approach followed by the research method and highlight why this approach is the most suitable for my dissertation. In the next step, I present the used data as well as the coding framework with the relevant keywords that have been analysed in the research section of this dissertation. The chapter concludes with a critical discussion of the challenges and limitations deriving from the applied research approach.

5.2. Research Approach

The research approach of this dissertation is exploratory, in so far as it investigates the issue of the effectiveness of the EU development aid. In this regard, I examine secondary data from development projects carried out in the recent past, which have been sufficiently monitored as well as evaluated. As indicated by the research question, I analyse the effectiveness of the development policy adopted by the EU in Caribbean Small Island Developing States, in particular the implementation of Country Ownership as one of the Busan Principles for Effective Development Cooperation, which are at the centre of EU commitments. To answer the research question, I investigate how much attention was given to the principle of Country Ownership in the EU development projects implemented in the Caribbean SIDS from 2014 until 2019. This time span is based on the 11th EDF program which was implemented in 2014 and completed in 2020. Project reports of each year are included and compared for the analysis of my research. The method most suitable for this is quantitative content analysis as it allows to compress and analyse a great number of relevant documents by looking for specific keywords, which are derived from the same concept of Country Ownership. Subsequently, the results from the content analysis shall be interpreted, in order to answer the research question. A focus is herby laid on salient mentions. This are the keywords, which are specifically linked to the context of Country Ownership and thus relevant to answer the research question (Alexandrova et al., 2014).

5.3. Content Analysis

The interpretation of messages and what they contain is called content analysis. These messages can be either written, verbal or visual. Content analysis is a replicable research technique, where usually a large volume of words in form of texts and documents are identified by specific characteristics, compressed, and structured into a system of key categories. The categorisation is hereby based on explicit rules of coding and is linked to certain themes and patterns (Stemler, 2000). The interpretation takes into consideration the contexts, meanings, subtexts, and intentions contained in the messages. The objective of content analysis is to assess and define the focus of attention for an individual, a group, an institution, or a community. It then allows producing replicable and valid inferences about the unobserved context of data and the consequences of the communicated message. Content analysis may also be used to identify the frequency and relevance of themes, as well as assess bias or hidden intentions in the applied documents. As a result, this approach permits quantitative data to be extracted from qualitative data sources by determining the frequency of the occurrence of certain content characteristics, which have been coded beforehand (Krippendorff, 1989).

Krippendorff outlines the process of content analysis as follows. At the beginning of a content analysis usually stands a conceptual phase in which the context of the research, the research question as well as the used data sources are determined. After defining units and drawing relevant samples, the coding phase is fundamental for the analysis' replicable notion. In this phase, the units get described and classified according to the categories of the analytical framework. Only after this is done, the most important part of a content analysis can be undertaken - drawing inferences. The researcher hereby applies the coded data to the analysed phenomenon. Depending on the context, the analyst draws conclusions from the frequency of references to the importance that is paid by the source towards the issues or from the unique style of the author towards his or her true intentions of communication. The phase always gives room for interpretation and the inferences are rarely obvious. For this reason, the last phase of a content analysis constitutes a validation of the inferences made. However, since the conclusions made by the analyst can rarely be observed directly and evidence is usually unavailable, the results can only be validated to a limited extent. Yet, it is essential for a content analysis to at least have the potential of drawing validating evidence to its results (Krippendorff, 1989).

Content analysis has certain advantages over other research techniques. First of all, this technique is less time- and cost-intensive than compiling primary data from interviews or surveys. Secondly, available documents can be analysed even if they were published a long time ago. In this way, retrospective reconstruction of political agendas as well as policies can be made. Furthermore, content analysis allows comparing policies over time or between countries, organisations, and institutions, due to the applied standardised coding schemes. Lastly, it allows scholars to recreate the relative importance or attention assigned to all policy concerns. In surveys and interviews usually only topics of the corespondent's own field of expertise can be captured. While with content analysis, inferences for the entire policy can be made by estimating general dynamics, patterns as well as evolutions of policies (Alexandrova et al., 2014).

5.4. Data and coding

The data used for my research is provided by the OECD Creditor Reporting System (CRS), which gathers on individual projects and programs (OECD A., 2021). The purpose of this database is to offer a collection of key statistics that can be used to analyse aid flows. It provides information on where the aid is distributed, what priorities it serves, and what policies it seeks to achieve for all DAC members on a comparative basis. The emphasis is on monetary statistics, although descriptive information is also included (OECD B., 2021). The CRS collects comprehensive data from official reports submitted by donor agencies and covers both bilateral and multilateral aid flows. Overall, 30 DAC donor countries, 20 non- DAC donor countries, and 46 multilateral funders are regularly reporting their aid contributions to the CRS. In addition, there is up-to-date information about the aid influx to the 143 eligible recipient countries in the CRS (Schäferhoff et al., 2019). Furthermore, the CRS data is based on common definitions. Those definitions and reporting guidelines are accepted and approved by all DAC members, which makes the CRS dataset comparable across the donors (Reisen, Soto, & Weithöner 2008). The CRS data is publicly available and can be downloaded directly from the OECD-CRS website. For my research, I have collected the data reported to the CRS about all aid contributions from the EU institutions under the 11th EDF program to development projects in the Caribbean SIDS from 2014 until 2019. For each year, there is a distinct dataset available, which allows the comparison and examination of trends and developments over time.

As preparation for the content analysis, I have created a coding framework based on the three indicators for Country Ownership developed by the GPEDC and described in chapter 3.3. For each indicator, I have compiled relevant keywords with numeric abbreviations based on available academic literature about the concept of Country Ownership (see Table 3). The keyword’s impact on aid effectiveness is illustrated in the table by the three colours. “Red“ stands for a negative, “green“ for a positive and “black“ for a neutral effect. The frequency with which those keywords appear in the data should indicate how much emphasis and importance the EU as a donor has paid to the principle of Country Ownership. This allows me to draw conclusions about the effectiveness of EU development aid policy in relation to the Country Ownership criteria.

Table 3: Coding framework for content analysis

Concept	Key words	Literature
Indicator 5 (predictability)	1. Predictable, Predictability foreseeable, anticipated, expected 2. difference, disparity, gap(s), divergence 3. Commitment, committed, devoted, pledged 4. Disbursement, disbursed, contributed, distributed, given 5. indicative spending plans 6. implementation-/application plan 7. comprehensive-/exhaustive coverage/strategy 8. stability, long-standing-/enduring-/established target 9. over- disbursement 10. deficiency, shortcomings, drawbacks, lack, lapse	GPEDC, 2013
Indicator 9b (use of country systems)	11. General Budget Support (GBS) 12. Sector Budget Support (SBS) 13.Project Type Interventions (PTI) 14. Pubic Financial Management (PFM) 15. national-/civil-/domestic-/internal-/public procurement systems 16. country system 17. accurate-/correct-/definite-/exact-/authentic accounting 18. accounting 19. fiscal-/budgetary-/financial reporting 20. national financial reporting procedures 21. reporting requirements/-conditions/-standards/-provisions 22. regulations 23. Supreme Audit Institution 24. Audit	DIPAMA, 2019 GPEDC, 2013
Indicator 10 (untying of aid)	25. tied 26. untied 27. conditional, restricted, limited 28. unconditional, genuine, unrestricted, decisive 29. grants, assistance, funds, donation, contribution, endowment 30. concessional 31. genuine (aid) 32. (development) priorities/preferences 33. in-kind (aid/grants) 34. material-/supply-/goods- (donations) 35. equipment donations 36. external-/donor tenderers 37. grants-in-nature 38. inflated-/bloated-/overblown-/swollen-/magnified aid 39. debt-/credit-/deficit relief 40. interest repayments/-compensation/-reimbursements/-reparations 41. student costs/-expenditure/-payments/-charge 42. refugee costs/-expenditure/-payments/-charge	GPEDC, 2013 DIPAMA, 2019 CONCORD, 2020

Source: Self-prepared based on the reviewed literature

5.5. Challenges and Limitations

Both the research approach as well as the available data also have their limitations. First and foremost, there is a lack of detailed information regarding development projects conducted by the EU in the Caribbean SIDS. Even though those projects have been reported to the OECD and made available through the CRS, there is a shortcoming of in-depth reports. In-depth project reports are a better source of information for my research than the metadata provided by the CRS, as they contain much more and detailed information even regarding their effectiveness and implementation of Country Ownership. Secondly, it has to be acknowledged that the data provided by the OECD is based on the reporting of donor governments. Hence, although it can be assumed that the reports are objective due to CRS ODA tracking standards, there is the question of how comprehensive the CRS data is and whether it contains sufficient information about all development projects. For example, when a project supports more than one sector, the CRS categories the project to the sector that received the majority of funding. Nevertheless, the OECD CRS is the only comprehensive and standardised database publicly available for my research.

In terms of methodology, the technique of content analysis also has its disadvantages. Content analysis is highly dependent on correct and sufficient coding. If the coding framework comes short in covering all relevant aspects, this can distort the final results. At the same time, a coding framework, which is based on the very material being analysed, does not produce generalisable results. On the other hand, if the coding framework is based only on the general theory, the results may ignore the unique terminology or symbols of the analysed data (Krippendorff, 1989). Moreover, content analysis is a descriptive research method and relies heavily on the interpretation of the analyst. While the former fact does not allow to answer questions of what is impacting the results and why, the latter limits the study’s replicability.

5.6. Summary

In this exploratory research, I examine the effectiveness of the EU development policy in Caribbean SIDS. For this, I am using content analysis of the data provided by the OECD CRS about the EU development projects in this region between 2014 and 2019. The coding framework, which is based on academic literature, allows me to examine how much attention was given to the principle of Country Ownership and thus to make inferences about the effectiveness of EU development aid. Although the applied research method, as well as the used data, have their limitations, this research approach is the most suitable for my study.

Chapter 6: Results and Discussion

6.1. Background

In the following sections, I present the results of the content analysis for each of the three indicators in particular. Due to its large size, I moved the full table of results with the respective keywords to the appendix (see Appendix I). Furthermore, I have used the numerical abbreviations of the keywords in the evaluation of the results for a better overview in this section. Those abbreviations are also displayed in Appendix I. The chapter concludes with a comparison of the results with the findings of the literature review.

6.2. Indicator 5

Indicator 5 contains information about the predictability of development aid. The most frequently mentioned salient keywords in the documents are related to the “disbursement“ (4.) as well as the “implementation“ (6.) of aid (see Table 4). A large amount of the total mentions of these keywords are however not salient as they are not particularly linked to the predictability of aid and thus to the principle of Country Ownership. The keywords with a small difference of total and salient mention are related to the “commitment“ (3.) of ODA contributions as well as the “disparity“ (2.) of committed aid and disbursed aid. Even all of the total mentions of “predictability“ (1.) in the documents were salient with a particular link to Country Ownership. The “stability“ (8.) of aid inflows to the Caribbean and the “comprehensiveness“ (7.) of aid coverage and development strategies also gained significant attention with 22 and 20 salient mentions respectively. Only very few mentions were related to “deficits" (10.) in aid disbursement as well as “over-disbursement" (9.) of ODA with a negative effect on Country Ownership. Not mentioned at all in the reports were concrete indicative expenditure- and “spending plans“ (5.). Overall, 40.7 percent of the total mentions regarding indicator 5 can be linked to Country Ownership and are thus salient.

Table 4 Word frequency Indicator 5 - Key words

	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	Total
Total	18	16	32	201	0	288	35	73	2	4	669
Salient	18	13	31	62	0	105	20	22	0	1	272
% of Saliency	100	81.3	96.9	30.8	—	36.5	57.1	30.1	0	25.0	40.7

Source: Own calculations with data from OECD-CRS

Over the 6 years from 2014 until 2019, the keywords were mentioned most frequently in 2015 and almost half of them were salient (see Table 5). The fewest mentioned keywords were in the 2014 report, both salient and in total. From 2016 until 2019 the keywords were mentioned in the documents between 96 and 131 times with a saliency of around 40 percent.

Table 5 Word frequency Indicator 5 - Years

	2014	2015	2016	2017	2018	2019
Total	84	135	111	96	131	112
Salient	29	65	46	39	49	44
% of Saliency	34.5	48.1	41.4	40.6	37.4	39.3

Source: Own calculations with data from OECD-CRS

6.3. Indicator 9

The keywords linked to indicator 9, which concerns the use of developing country systems, have been mentioned much more frequently than the keywords of indicator 5(see Table 6). Also the saliency is 92.9 percent much greater. The reason for this is, however, first and foremost due to the keywords regarding the particular development funding types, namely “GBS“ (11.), “SBS“ (12.), and “PTI“ (13.), which are mentioned very frequently in all six documents. Each development project is classified into one of those three characteristics. As I explained in section 3.3., GBS usually fully applies country systems, while SBS only partly uses recipient systems and PTI only uses donor systems instead. For this reason, all of the total mentions regarding these three project characteristics are also salient in my content analysis. The most frequently mentioned project funding type is PTI with 2676 followed by GBS with 200 and SBS with 104. Another keyword that frequently occurred in the documents is “Audit“ (24.) with 303 mentions in total, 40.6% of which were salient. The use of national auditing procedures is relevant for Country Ownership as they prevent additional audit requirements from being implemented by the providers of development cooperation (GPEDC, 2013). Fewer total mentions, but more salient mentions are linked to “PFM“ (14.), which ensure that the funds are provided without safeguard measures being imposed on the receiving government. “Reporting“ (22.) of aid and particularly “financial reporting“ also gained salient mentions. Even though those keywords were not mentioned frequently, over 70 percent of the total mentions were salient, which is one of the highest proportions for this indicator. “Accounting“ (18.) and “public procurement“ (15.), on the other hand, were mentioned more frequently but with lower saliency. Not mentioned at all were keywords regarding “Reporting procedures and regulations“ (20., 21.) the existence of a “Supreme Audit Institution“ (23.) as well as specifically about “country systems“(16) and “accurate accounting“(17.).

Table 6 Word frequency Indicator 9 - Key words

	11.	12.	13.	14.	15.	16.	17.	18.	19.	20.	21.	22.	23.	24.	T
Total	200	104	2676	164	29	0	0	29	4	0	0	14	0	303	3523
Salient	200	104	2676	138	9	0	0	11	3	0	0	10	0	123	3274
% of Salinecy	100	100	100	84.1	31.0	—	—	37.9	75.0	—	—	71.4	—	40.6	92.9

Source: Own calculations with data from OECD-CRS

The most frequent mentions were found in the 2015 report followed by the document from 2016 (see Table 7). At the same time, those reports accounted for the lowest percentage of keyword saliency. The largest share of salient mentions appeared in the two most recent reports from 2018 and 2019 with over 95 percent. Nevertheless, all six annual reports show a relatively high keyword saliency with around 90 percent, which again is due to the high frequency of mentions linked to the three development funding types, GBS, SBS, and PTI.

Table 7 Word frequency Indicator 9 - Years

	2014	2015	2016	2017	2018	2019
Total	612	694	635	521	562	499
Salient	569	616	582	492	539	476
% of Salinecy	93.0	88.8	91.7	94.4	95.9	95.4

Source: Own calculations with data from OECD-CRS

6.4. Indicator 10

Indicator 10 displays the untying of aid. By far the largest number of both total and salient mentions was generated by the keyword “grant“ (29.) (see Table 8). Even though, the saliency amounts to just 4.8 percent since only a few mentions could be linked directly to Country Ownership. “Conditionality“ (27.), “material“ (34.), and “equipment“ (35.) are related to the issue of development aid being tied to conditions set by the donor entity and therefore show a significant number of salient mentions in the analysed documents. There were only a few salient mentions in the reports directly about “tied“ (25.) and “untied“ (26.) aid. Nevertheless, the keyword “untied" was used twice as much as “tied“ as all of its total mentions can be linked to indicator 10 and are therefore salient. Another keyword with a 100 percent saliency is “development priorities“ (32.). Only a few salient mentions were counted for the keywords “external tenders“ (36.), “debt relief“ (39.), “interest repayment“ (40.), and “refugee costs“ (42.), that all come with a negative effect on Country Ownership. No salient mentions at all were linked to “Unconditionality“ (28.), “concessional“ (30.), “genuine, in-kind or inflated aid“ (31., 33., 38.), “grants in-nature“ (37.), and "student costs“ (41.). In total, 276 salient mentions regarding indicator 10 were counted in the documents, which is the lowest for all 3 indicators as the average saliency only amounts to 6.8%.

Table 8 Word frequency Indicator 10 - Key words

	25.	26.	27.	28.	29.	30.	31.	32.	33.	34.
Total	13	12	93	12	3079	0	0	8	0	244
Salient	6	12	24	0	148	0	0	8	0	27
% of Saliency	46.2	100	25.8	0	4.8	—	—	100	—	11.1

	35.	36.	37.	38.	39.	40.	41.	42.	T
Total	243	14	72	0	271	7	0	8	4076
Salient	33	6	0	0	4	6	0	2	276
% of Saliency	13.6	42.9	0	—	1.5	85.7	—	25.0	6.8

Source: Own calculations with data from OECD-CRS

Most keywords related to indicator 10 were counted in the 2016 report, while in 2018 and 2019 the least key words appeared (see Table 9). Overall, the first half of the documented time frame recorded significantly more keyword mentions than the second half.

Table 9 Word frequency Indicator 10 - Years

	2014	2015	2016	2017	2018	2019
Total	781	768	815	605	605	502
Salient	53	45	55	48	36	39
% of Saliency	6.8	5.9	6.7	7.9	6.0	7.8

Source: Own calculations with data from OECD-CRS

6.5. Summary of Results

The results of the content analysis have been presented in the above section according to each of the three indicators of Country Ownership. “Implantation“ and “distribution“ were the most frequently used keywords for indicator 5, while “Predictability“ and “Disparity“ had the highest saliency. For this indicator, both total, as well as salient mentions, were the most for the three project type characteristics „GBS“, “SBS“ and “PTI“. The most frequently used keyword regarding indicator 10 was “grant“, whereas untied accounted for the highest saliency. For all the indicators, there is no significant coherence between the keyword frequency and the year of the document as the differences between the years are irregular. Overall, 46.2 percent of the total mentions in all six documents were salient.

6.6. Discussion

To begin the discussion, I would like to highlight once again the lack of available in-depth reports about the development projects funded by the EU in the Caribbean SIDS. Those reports would have improved my research as they provide more detailed information about the EU development aid policy and the implementation of the principles for Effective Development Cooperation than the metadata provided by the OECD CRS. In other words, in-depth information coming from the ground could have helped to decipher the real implementation of this important principle. Nevertheless, the conducted content analysis allows me to draw some inferences about the effectiveness of EU development aid.

The results have shown a significant disparity of totally mentioned keywords and salient keywords in the documents, which indicates that the EU only dedicates partial attention towards the principle of Country Ownership in their development aid policy and the conducted projects in the Caribbean. Only one of the three indicators display a high degree of saliency with 92.9 percent of the totally mentioned keywords. This is due to the three development funding types “GBS“, "SBS“ and “PTI“ that are determined for each individual project and thus appear in a large number in the documents. Those funding types are inextricably linked to Country Ownership, which explains their saliency of 100 percent. As described in section 3.3., the distinct funding characteristics allow me to draw conclusions about the use of recipient county systems. GBS fully applies the country systems, SBS does so to a lesser extent and PTI only uses donor country systems. The results of the content analysis reveal that PTI appears in the documents by far the most. This allows us to conclude that instead of developing country systems, donor systems have been applied for the majority of the EU-funded development projects in the Caribbean SIDS. This conclusion is further supported by the fact that the keyword “country systems“ was not been mentioned at all in the reports. Also, the findings of the GPEDC are in line with this inference. As noted in section 3.3. even though the use of PFM systems has slightly increased between 2011 and 2018, development partners are less focused on country-defined results and objectives in recent years. Since 2016, the alignment of development projects to the recipient countries’ priorities and objectives has declined, while aid contributors are using national statistics and monitoring systems to a lesser extent (OECD/UNDP, 2019). Ignoring the existing country systems and applying donor country systems is a serious obstacle to effective development cooperation. Whether this is intentional or due to the lack of quality of the existing recipient country systems cannot be sufficiently answered in this dissertation and should be subject to further research on this issue. However, as mentioned in section 4.5., Montoute et al. have described in their research the national financial systems of Caribbean SIDS as relatively thin and underdeveloped (Montoute et al., 2017). This indicates that the low quality of country systems contributes to the fact that donor entities do not use them satisfactorily.

Nevertheless, the results also indicate that the use of country systems is relevant for the EU development policy. Public Financial Management and procurement systems together have been mentioned frequently in all six reports. This shows that the EU acknowledges the importance of this indicator for its development cooperation. Furthermore, correct accounting, auditing, and reporting of development projects gain attention in the documents. Overall, even though EU development aid is not conducted ideally in respect to indicator 9, the use of country systems seems to be relevant for the EU development policy as keywords for this indicator feature frequently in the project reports.

Whether EU development aid is predictable can be analysed using indicator 5. The results of the content analysis show that most of the attention of EU development policy regarding the predictability of ODA is paid to the disbursement of funds and the implementation of development projects. Developing country governments compile implementation plans based on committed and scheduled aid inflows by donors. For effective implementation of development projects, it is therefore essential that the disbursed development aid match the funds committed by donors. Also, the stability and comprehensiveness of aid contributions gain some relevance in the documents. Even though predictability is not in the centre of attention in the project reports with relatively few salient mentions compared to other keywords, awareness has been raised for the importance of this indicator. The GPEDC even reported overall improvements regarding the predictability of development aid, as mentioned in section 3.3., which supports my assumption. Accordingly, the share of the annually disbursed ODA in relation to the commitments has increased in recent years. At the same time, the GPEDC report shows a rise in unplanned over-disbursements, which negatively affect ODA predictability (OECD/UNDP, 2019). Disparities, deficiency, and possible over-disbursements on the other hand were barely highlighted in the reports, which suggests that there is still ignorance towards these issues in the EU development policy. This inference is consistent with the GPEDC findings, which also show an overall increase in unplanned over-disbursements in recent years (OECD/UNDP, 2019).

Predictability of development cooperation is important for developing country governments as it improves their ability of planning and managing development policies and programs. Shortcomings can thus have serious adverse impacts on the implementation of development strategies as well as on Country Ownership. The OECD CRS data also shows that especially from 2017 to 2019 there has been a significant and worrying gap of 28.9 percent between committed and disbursed ODA (OECD A., 2021). The last EU multi-annual financial framework and the 11th EDF program expired in 2020 and replacements are yet to be implemented. This can have further negative effects on the predictability of EU development cooperation. Hence, it is very important that the EU pays more attention and makes improvements regarding this indicator.

The last indicator highlights the issue of untying development aid. Untied aid improves the effectiveness of development cooperation by lowering transaction costs for donor countries and allowing developing country governments to better match their aid programs with their own priorities and financial management systems. First of all, looking at the word frequency reveals that more attention has been given to keywords with a direct link to untied aid than tied. Yet, at the same time, more keywords can be linked to the conditionality of aid contributions than to unconditional as well as concessional grants. Conditionality is arguably a contradiction to Country Ownership and aid effectiveness. Further keywords that can be associated with conditionality such as debt relief, interest repayments, external tenders as well as material and equipment have been mentioned frequently in the documents. In comparison, the development priorities of the recipient governments have gained significantly less attention in all six reports. This shows that although awareness has been built regarding these issues and much of the formerly tied aid contributions have been released from any legal and regulatory barriers implemented by the donor, EU development aid for Caribbean SIDS is still not fully genuine and untied. These assumptions are also supported by the numerical data of the OECD CRS, which, on the one hand, shows that the share of untied EU development aid has increased in recent years. On the other hand, about one-tenth of the globally disbursed EU ODA is still tied to conditions (OECD A.,2021). As described in section 4.5., Quaks research also highlights the concern of Caribbean SIDS losing their eligibility to concessional and untied aid, as they move from Lower Middle-Income- to Upper Middle-Income-status (Quak, 2019). Quaks findings are in line with my inferences and emphasise the need to further untie ODA. Hence, in order to improve its effectiveness, the EU needs to further increase awareness regarding these issues and untie its committed development aid.

Overall the EU development aid policy in Caribbean SIDS is guided by officially recognised principles for Effective Development Cooperation. As one of those principles, Country Ownership is a relevant component of EU development cooperation. All three indicators of Country Ownership have gained significant attention in the six annual reports of EU development assistance in the Caribbean SIDS. The analysis has uncovered significant shortcomings regarding this principle, that keep EU development aid policy in this region from being fully effective. However, it also indicates that the EU is very aware of the importance of Country Ownership and that further improvements are desirable and beneficial to all stakeholders involved.

Lastly, this study leaves space for future research about the effectiveness of EU development aid in Caribbean SIDS. There are three more principles of development aid effectiveness that need to be analysed to determine comprehensively the overall effectiveness of the EU development policy in this region. Furthermore, future research may include in-depth project reports into the analysis, as they provide more detailed information about the effectiveness of the conducted development programs. To improve the comprehensiveness of the analysed data, it might also be useful to gather data from various sources, since in this study only data provided by the OECD CRS has been analysed. With the applied research method, I was able to measure the level of attention given to Country Ownership. However, the directionality and tone of the documents could not be analysed and future research thus might be able to include those aspects as well. In addition, future studies may be dedicated to discovering the reasons why Country Ownership is not fully integrated with the EU's development and cooperation policy and how the EU can improve its development aid effectiveness. Overall, there is a serious lack of published research concerning EU aid effectiveness in the Caribbean region, which highlights the relevance of this dissertation.

Chapter 7: Conclusion

The aim of this dissertation was to examine the effectiveness of the European Union's development aid policy in Caribbean SIDS. The EU is the largest aid provider in the world and has supported developing countries ever since its creation. Its adopted Development and Cooperation Policy has progressively evolved from a purely economic orientation to prioritising human development and is based on globally recognised values. As a highly vulnerable region, the Caribbean is heavily reliant on external development support. The majority of Caribbean countries are Small Island Development States with unique characteristics and specific development challenges. For effective implementation, development policies need to be guided by four elementary principles of aid effectiveness. Country Ownership is one of these principles. It consists of three measurable indicators, namely "predictability" and "untying" of aid as well as "use of country systems. This principle is important for effective implementation of development aid projects as predictability improves the planing process of aid projects and ensures that the necessary finances are delivered as expected. Secondly, the use of country systems guarantees that the developing countries own regulations, standards, and processes are being applied for the implementation and monitoring of aid projects. It therefore prevents the introduction of additional obstacles by external development partners. Lastly, untying of aid is important for aid effectiveness as it prevents development partners from imposing unnecessary and counterproductive conditions on the disbursement of funds. Those indicators build the analytical framework for this study. Only a few research projects have been conducted on the implementation of Country Ownership in the Caribbean SIDS, which highlights the relevance of my dissertation.

In the centre of this research stands the question "*Was the EU development aid policy effective with respect to the implementation of the Busan Principle of Country Ownership in Caribbean Small Island Developing States?".* In order to answer this question, annual ODA reports from 2014 until 2019, provided by the OECD CRS, have been examined via content analysis. Unfortunately, there is a lack of available in-depth reports of EU development projects in the Caribbean, which would have been helpful for my research. The applied research approach enabled me to investigate how much attention has been given to the principle of Country Ownership and ODA effectiveness by the EU's development policy in the Caribbean region. As research method, I have used Content Analysis to examine the occurrence of key words in the documents. This allowed me to make inferences about the significance of Country Ownership to the European Union.

The results of my analysis show that Country Ownership is recognised as a relevant component of development aid for the EU. All three indicators have gained significant attention in the six annual reports. My research supports the assumption that the EU has made several improvements in terms of development aid effectiveness. Nevertheless, the EU development aid policy has not yet reached full effectiveness in the Caribbean SIDS as my analysis also uncovered several shortcomings regarding Country Ownership, which have to be addressed in the EU development aid policy and future agreements on development cooperation.

Future research may be conducted to further investigate the EU's implementation of Country Ownership as well as the corresponding Busan principles of aid effectiveness in the Caribbean. The use of additional data resources and in-depth reports might hereby help to decipher the real development effectiveness of the EU development aid policy. Furthermore, the Caribbean is only one of the various regions the EU is supporting. In order to be able to make general assumptions about the EU's development cooperation and aid policy, more regions will need to be the subject of studies on this topic in the future.

Appendix I

	Key word	2014		2015		2016		2017		2018		2019		TOTAL	
		T	S	T	S	T	S	T	S	T	S	T	S	T	S
1	Predictability	3	3	2	2	3	3	2	2	5	5	3	3	18	18
2	Disparity	0	0	8	6	0	0	1	0	0	0	7	7	16	13
3	Commitment	7	6	9	9	9	9	1	1	3	3	3	3	32	31
4	Disbursement	33	9	38	14	31	9	38	15	34	10	27	5	201	62
5	**spending plans**	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Implementation	30	9	66	29	52	17	42	15	57	18	41	17	288	105
7	Comprehensive	4	1	5	3	8	5	1	1	15	8	2	2	35	20
8	Stability, Established	7	1	7	2	7	3	11	5	15	5	26	6	73	22
9	over- disbursement	0	0	0	0	0	0	0	0	1	0	1	0	2	0
10	**deficiency, lacks**	0	0	0	0	1	0	0	0	1	0	2	1	4	1
11	GBS	45	45	37	37	33	33	28	28	36	36	21	21	200	200
12	SBS	18	18	12	12	11	11	16	16	20	20	27	27	104	104
13	PTI	458	458	507	507	504	504	405	405	442	442	360	360	2676	2676
14	PFM	22	18	23	19	19	13	36	26	16	16	48	46	164	138
15	**(public) Procurement**	6	1	7	2	4	1	8	4	1	1	3	0	29	9
16	country system	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	accurate accounting	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	**accounting**	3	2	3	2	4	1	2	0	3	1	14	5	29	11
19	financial reporting	2	1	2	2	0	0	0	0	0	0	0	0	4	3
20	**Reporting Procedures**	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	**Reporting regulations**	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	**Reporting**	3	3	6	4	4	2	1	1	0	0	0	0	14	10
23	**Supreme Audit Institution**	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	**Audit**	55	23	97	31	56	17	25	12	44	23	26	17	303	123

	Key word	2014		2015		2016		2017		2018		2019		TOTAL	
		T	S	T	S	T	S	T	S	T	S	T	S	T	S
25	**tied**	1	1	4	1	1	1	3	1	3	1	1	1	13	6
26	**untied**	2	2	2	2	2	2	2	2	2	2	2	2	12	12
27	Conditionality	24	6	25	4	14	4	8	3	9	3	13	4	93	24
28	Unconditionality	0	0	3	0	5	0	1	0	3	0	0	0	12	0
29	grants	540	27	589	22	554	28	463	28	511	22	422	21	3079	148
30	concessional	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	**genuine**	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	**(development) priorities**	1	1	1	1	3	3	2	2	1	1	0	0	8	8
33	in-kind aid	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	**material**	77	4	36	4	70	6	30	6	14	2	17	5	244	27
35	**equipment**	30	5	38	2	72	10	61	6	23	4	19	6	243	33
36	**(external) tenders**	10	4	2	1	2	1	0	0	0	0	0	0	14	6
37	**grants in-nature**	10	0	12	0	13	0	5	0	21	0	11	0	72	0
38	inflated aid	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39	**(debt) relief**	82	0	49	3	78	0	30	0	16	1	16	0	271	4
40	**interest repayment**	3	3	3	3	0	0	0	0	1	0	0	0	7	6
41	**student cost**	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	**refugee cost**	1	0	4	2	1	0	0	0	1	0	1	0	8	2
	TOTAL	1477	651	1597	726	1561	683	1222	579	1298	624	1113	559	8268	3822

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DECLARATION

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Code of Study-unit EST5450

Title of Study-unit Dissertation

Title of Assignment The effectiveness of EU Development Aid and the implementation of Country Ownership in Caribbean Small Island Developing States

I hereby declare that I am the legitimate author of this assignment.

I further confirm that this work is original and unpublished.

No portion of this work has been submitted in support of an application for another degree or qualification of this or any other university or institution of higher education. I hold the University of Malta harmless against any third party claims with regard to copyright violation, breach of confidentiality, defamation and any other third party right infringement.

Henning Steinbeck
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16.09.2021
Date