



# Cotonou Infokit

## Participating in Programming

*The Cotonou Agreement gives non-state actors a voice in determining how the funds made available to each ACP country and region should be used. This means that non-state actors will be associated to the 'programming' dialogue. In this fiche, we explain what roles non-state actors can play in the programming exercise, how this process will be organised and what implementation challenges are likely to arise.*

The programming exercise is the national (or regional) process of consultation between the EU and ACP governments (or regional bodies) in which the initial allocation of resources to a country (or region) is planned. It determines the priority sectors for support, the type of assistance to be provided and the most appropriate agencies for implementation. In keeping with the desire of the Commission to decentralise, the primary responsibility for the programming process falls on delegations, working closely with the partner government (the National Authorising Officer) and in consultation with non-state actors.

The first step in the national programming exercise is the drawing up of a *Country Support Strategy* (CSS). This document has three main components:

- an outline and assessment of the country's own development strategies;
- an analysis of the country situation;
- the EU response, which should concentrate on a limited number of sectors and take into account the role and activities of other donors.

The second step is to produce, on the basis of this Country Support Strategy, an 'indicative programme'. This is a basic work plan that identifies the focal areas where the resources will be spent over the next five years and concrete proposals that are sufficiently prepared to warrant funding in the first two years. The idea is to make this indicative programme a much more comprehensive, transparent and coherent piece of work than in the past, including a realistic timetable for implementation. This indicative programme will be annually reviewed and subjected to a 'performance test' after 2.5 years (the so-called 'mid-term review') and at the end of the five-year period (the so-called 'end review').

The timing for this programming exercise is tight. A draft version of the Country Support Strategy including its related indicative programme, should be ready by March-April 2001, to be approved by June-July 2001.

## The Importance of Programming

There are three main reasons for non-state actors to take a major interest in the programming exercise:

*Influencing policies and cooperation strategies.* During the past decades, the limitations of top-down, centralised approaches to development have become evident. Bringing non-state actors into programming may help to define policies and cooperation strategies that are better embedded in the social and economic reality of the countries. It may also help to remove artificial barriers between state and non-state actors, and to promote new forms of public-private dialogue and partnership. Non-state actors may furthermore be in a strong position to defend the inclusion of their own proposals in the National and Regional Indicative Programmes (NIPs and RIPs). All this is expected to increase the ownership, accountability and sustainability of policies and programmes supported by EU aid.

*Strategic approach.* Both the Cotonou Agreement and the ongoing reform of the EC's external aid (see Infokit 22) propose to radically overhaul the way in which programming is done. In the past, programming was little more than drafting a general strategy document, organising a limited dialogue with government, and identifying a loosely connected set of priority areas and projects to be included in the NIP. The idea now is to use programming as a strategic tool to make a clear analysis of the country's situation and priorities, as well as to identify a truly coherent package of EU support measures. This will be done through extensive dialogue with different actors. The starting point is the country's own development agenda and policies. Programming will try to combine aid, trade and political cooperation. It will seek coherence between different instruments (EDF funds and projects funded through EU budget lines) and with the efforts of other

donors (World Bank, IMF, EU Member States). Programming thus becomes a key moment in the life of ACP-EU cooperation, not to be missed by non-state actors.

*Rolling programming.* The Cotonou Agreement introduces a system of 'rolling' programming in which progress in the implementation of the NIP is systematically reviewed. In cases of poor performance, programmes can be adjusted or dropped altogether, with the risk for the government of losing the resources involved. These savings may then be redirected to better performing ACP countries. It is foreseen that non-state actors can participate in these performance reviews. This gives them a major opportunity to monitor the use of Cotonou funds.

## Roles for Non-State Actors

To help EU delegations organise the new programming exercise with the NAO, the Commission has prepared a set of programming guidelines. One chapter deals with the involvement of non-state actors in programming. According to these guidelines, non-state actors will be involved in five moments of the programming exercise:

*Consultation on national development strategies.* This is the first task for the EU Delegations - getting an updated and comprehensive overview on the partner country's own development agenda and strategies, as well as making an 'objective analysis' of the political, economic and social situation of the country. To do this job, the delegations can rely on work by other agencies (such as the 'Poverty Reduction Strategy Papers' supported by the IMF or the 'Comprehensive Development Framework' initiatives supported by the World Bank). In this phase, non-state actors should be informed and consulted. They could also be invited to provide information on the state of affairs in the country (with regard to human rights, social issues, etc.).

*Consultation on an EC response.* Based on the assessment, a European Community response has to be elaborated. What should be the priority areas of cooperation? What should be done to ensure that aid and trade support are combined? How can a greater poverty focus be ensured? Where can the Community have a comparative advantage in relation to what other donors are doing? An important issue at this stage is to identify 'eligible' non-state actors as well the resources to be allocated to them. Also here, it is foreseen that non-state actors will be informed and consulted.

*Consultation on sectoral strategies.* Future ACP-EU cooperation is meant to become much more concentrated on a limited set of sectors (e.g. health, education). Concerned non-state actors will be consulted on sectoral strategies once the priority focal areas have been agreed upon by the EU and the partner country.

*Accessing financial resources.* Programming is also about access to resources and non-state actors will have to be informed and consulted in this allocation process. They can access funds either because they are invited to participate in the implementation of government programmes to be financed under the NIP or because they introduce their own proposals (e.g. a decentralised cooperation programme).

*Participating in performance reviews.* The new programming system is no longer a 'one-shot' exercise at the beginning of the five-year life period of the Agreement. It is meant to become a dynamic and rolling process, with a regular monitoring of the progress in implementation as well as the overall performance of the partner country. Non-state actors will be associated with these reviews.

## **The Programming Process**

It is clear that the new programming system, including the participation of non-state actors, will be a learning process for all parties involved.

First, programming will be much more demanding than before. All the innovations of the Cotonou Agreement are likely to complicate the process. The focus now is on defining

a coherent set of strategies and priorities, ensuring concrete linkages (or 'complementarity') with what other donors are doing, making this process participatory by involving non-state actors, and organising a proper monitoring of implementation and performance (on a rolling basis). Hence, the challenge for non-state actors is to organise themselves, to improve their capacities, and to build strategic alliances among themselves and their northern partners.

Second, only basic guidelines are available as to how non-state actors should be involved in the programming dialogue. This is done on purpose, as flexibility is required in organising the programming process so that specific country conditions can be taken into account. However, it also means that non-state actors are well-advised to come up with their own proposals on how best to set up dialogue processes and to ensure participation.

Third, it will take some time before the role division between the different actors is clarified. Evidently, the main players in the programming exercise are the EU delegation and the NAO. But who should be responsible for ensuring the effective participation of non-state actors? According to the Commission, this should be a 'collective responsibility' of all parties concerned. The delegations want to avoid being the lead agency to organise participation. They see their role rather as 'critical observers' (checking whether the spirit of the Cotonou Agreement with regard to non-state actors is

respected) and 'facilitators' (promoting the participation of non-state actors). This also means that non-state actors themselves will have to take initiatives to use the opportunities offered by the Cotonou Agreement.

Fourth, the timing of the programming exercise (September 2000-April 2001) is probably too tight to ensure a smooth participation by non-state actors. In most countries, the 'new' actors (private sector, civil society, local government) are unaware of the Agreement and its opportunities. They have had no time to dialogue among themselves, let alone to prepare policy inputs or programme proposals. Capacity to act as a dialogue partner may be found wanting at different levels. This may mean that non-state actors will miss the current programming exercise, or have only a minimal input. However, the ongoing (rolling) nature of the process, subjected to systematic reviews and adjustments, may partly remedy this flaw. Non-state actors will be able to catch up as the process of programming unfolds. This, however, requires that they elaborate a concrete strategy and action plan to 'get into the system' and gradually become associated to the process.

Fifth, most EU delegations are chronically understaffed. They may miss the necessary attitudes and capacities to play the roles foreseen for them (critical observer and facilitator). This cannot be changed overnight. To overcome this, the Commission proposes to designate an official in each delegation to be responsible for relations with non-state actors. It can also make use of (local) facilitators to help organise dialogue processes with non-state actors. Here again, a proactive approach by non-state actors may prove to be the best solution. They can propose their own intermediary bodies or experts to facilitate dialogue and participation processes.

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