

ECDPM Workplan 2012-2013

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European Centre for Development
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ECDPM works to improve relations between Europe and its partners in Africa, the Caribbean and the Pacific L'ECDPM œuvre à l'amélioration des relations entre l'Europe et ses partenaires d'Afrique, des Caraïbes et du Pacifique

ECDPM's Work Plan 2012-2013

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Table of Contents

1.	Introduction: navigating a world in flux	5
	The evolving global development context	5
	ECPDM Strategy 2012–2016: a choice of themes for maximum impact.....	6
	Work plan 2012–2013	7
	Engaging in selected programmes	8
2.	Engaging in selected work streams.....	10
	2.1. Strengthening European external action.....	10
	2.2. Deepening overall responses to conflict, security and resilience.....	17
	2.3. Economic governance, domestic resource mobilisation and international drivers of governance.....	22
	2.4. Trade and regional integration for inclusive growth	28
	2.5. Africa on the move: understanding and building on dynamics of change	33
	2.6. Regional and local markets for agricultural development and food security	38
3.	Institutional Relations and Partnership Development.....	45
	3.1. Context.....	45
	3.2. Aim and objectives	45
	3.3. Activities and outputs	46
	3.4. Expected results and impact	48
4.	All-Centre management, competencies and support	49
	4.1. Political economy and governance approaches.....	49
	4.2. Knowledge management and communication	50
	4.3. Management and institutional challenges	51
	4.4. Risk assessment and learning to adapt	52

1. Introduction: navigating a world in flux

The years 2012 and 2013 will be marked by transition for ECDPM. The Centre will maintain its strong track record as an independent broker and contributor to strengthening cooperation and relations between Europe, its members states and institutions, and the countries and institutions of Africa, the Caribbean and the Pacific (ACP). In 2011, the Centre celebrated its 25th anniversary with a high-level, forward-looking seminar on the future of the relationship between Europe and the ACP Group of States. Also in 2011, the ECDPM Board, management and staff engaged in intensive internal reflection and external consultation to prepare for the next five-year strategic period. An essential input to this process was an external evaluation carried out by a team of experts from Africa and Europe. After extensive consultations with external stakeholders, the evaluation team concluded that ECDPM has become well established as a centre of excellence. It also concluded that the Centre continually delivers high value for money, achieving substantial outcomes and impact in the field of EU-ACP policy, cooperation and related capacities. The external evaluation team further pointed out ECDPM's *noblesse oblige*: to remain relevant and effective in the current complex and dynamic global policy arena. In short, ECDPM is now challenged to build on its strengths. In response, we will take a number of decisive steps in the upcoming strategic plan period to adapt and renew in the face of today's changing global development context.¹

The evolving global development context

Fundamental shifts are under way in the global development context. Emerging economies are establishing themselves as global players, including in the development arena. Due to an array of governance, security, environmental and economic challenges, the development agenda now embraces multiple global public goods, in addition to the principle objective of eradicating poverty. While international platforms such as the United Nations, the G8 and the G20 are working to accommodate the new challenges and new players, the United States and Europe are being held back by political and financial instability, fiscal and budgetary constraints, and stalling global leadership. The enduring impasse in the talks on global climate finance is a case in point. Another is the inability of donors to meet their Gleneagles commitments to developing countries. In the meantime, the private sector is stepping up its role in global development. Foreign direct investment is on the rise. Joint ventures are multiplying, and business are taking steps to assume their global responsibility. An increasing number and variety of public and private donors are getting involved in development aid – often resulting in more fragmented development efforts. Last but not least, Africa has been one of the fastest growing regions in the world since 2000. However, as Kofi Annan remarked at the World Economic Forum on Africa in 2011, its strong economic growth has not yet sufficiently translated into the creation of jobs and the reduction of poverty on the continent.

There is a sense that the end is near for the development policy landscape that characterised the start of the millennium – with donor leadership, a clear focus on eight Millennium Development Goals, and recipient countries in need of aid to make ends meet. Moreover, traditional global powers are now struggling and new powers are asserting themselves as serious contenders for global development impact. This raises a vast agenda and numerous questions regarding international cooperation post 2015: Should the focus remain on the current MDGs, or should the MDGs be amended or amplified? Which countries will really need development cooperation? How can effective development partnerships be designed with countries that show a lack of progress and resilience? Can earlier financial commitments for development assistance be met? How can we further improve results-based management, in other words, 'value for money'? How can we strengthen national ownership and local initiative? How can donor efforts be further integrated into national and regional initiatives driven by the developing countries themselves? How can

¹ See *Striking the Balance*, External Evaluation Report 2011.

efforts be coordinated with non-traditional donors? How can development cooperation and finance be integrated with global efforts in other policy domains? The list goes on.

ECDPM Strategy 2012–2016: a choice of themes for maximum impact

The Centre aligns its strategy with the evolving global development landscape. We look for the general direction of change and its deeper causes and identify major transitions that will drive the dynamics of international cooperation in the years to come. For the 2012–2016 period, these are six:²

- *Increasing scarcity, especially of raw materials and water*, leading to global competition for access to resources and a corresponding potential for conflict
- *The transition towards a “green” economy*, with the related challenge of effective global management of climate change
- *Demands for more inclusive growth and development*, characterised by increasing pressure “from below” to achieve a fairer distribution of resources, social justice, democracy and respect for human rights
- *The need to safeguard human security* by addressing conflict and improving the resilience of communities to (external) shocks, such as environmental degradation and rising food prices
- *The acknowledged global responsibility for global public goods*, alongside the question of how to address the broader development agenda via new forms of dialogue and cooperation between various policy domains
- *The restructuring of the global “multi-level governance system”* and associated shift of power to new actors and new frameworks of global governance

The ECDPM Strategy 2012–2016 recognises that while poverty reduction remains the principle objective, development cooperation will be called upon to contribute decisively to these six global transitions, in addition to the MDGs. Responding to this call requires profound changes in the policies, practices and institutions of development cooperation. These global transitions will fundamentally challenge future cooperation between Europe and the developing world. In response, ECDPM’s strategy defines four “thematic lenses” that build on the Centre’s twenty-five years of experience as an independent foundation. These are areas of focus in which the ECDPM believes that it can contribute decisively to improving relations and cooperation between the European Union, its member states and mainly the countries from Africa, the Caribbean and the Pacific over the next five years.

Theme 1: Reconciling values and interests in the external action of the European Union. This first theme recognises the European Union’s ambition to integrate development into its external action, as required by the provisions of the Treaty of Lisbon. The challenge will be to do so while the Union struggles to overcome the financial crisis and to redefine its role as a global player. The outcomes of this delicate process will bear directly on the effectiveness of Europe’s relationships with developing countries and institutions for many years to come.

Theme 2: Promoting economic governance and trade for inclusive growth. This theme expands the ACP-EU agenda on trade and economic cooperation. It addresses the need for development to move beyond merely growth towards inclusive and sustainable growth. The focus is on economic governance and the private sector as key drivers of development and on links between regional integration and global (and European) action to militate against the international drivers that constrain good (corporate) governance.

² See the ECDPM Strategy Paper 2012–2016, p. 2.

Theme 3: Supporting societal dynamics of change in developing countries. This theme focuses on “governance for development” initiatives from within developing countries. It identifies opportunities for renewed development-oriented state-society relations and cooperation, and looks for ways to replicate innovative policies and practices that emerge from the bottom up. It places the locus of societal resilience and development with home-grown initiatives by stakeholders in developing countries.

Theme 4: Addressing food security as a global public good. This last theme zooms in on food insecurity and the drivers behind it. It recognises the linkages between (different types of) agriculture, trade, private sector development and investment. It also acknowledges the impact of regional integration and international and European policies on developing countries’ capability to ensure food security. Work on this theme builds on several areas of ECDPM expertise: facilitating effective political dialogue, highlighting key issues and alternative policy options through practical policy-oriented research, and bridging gaps between adjacent policy areas (in this case, gaps between policy areas that affect food security). It will directly support various regional initiatives in Africa and the Caribbean.

Work plan 2012–2013

ECDPM’s key strengths stem from the way the Centre works.³ As an honest broker,⁴ we take a process-oriented approach. We commit to long-term engagement with key actors in selected programmes. Acting in a diversity of roles,⁵ we combine four distinct capacity strategies⁶ to advance and improve the quality of interaction between EU and the developing world, to move forward the selected programmes, and to bridge gaps between policy and practice. We offer an extensive range of services that by now is familiar to many EU-ACP policymakers and practitioners:

- prospective analyses “framing” major challenges
- preparatory work with stakeholders to identify viable policy scenarios
- development of approaches and instruments to bridge gaps between development cooperation and other (internal and external) policy domains
- practical research and insights on how new policy agendas can be implemented
- adapted frameworks and methods for conducting inclusive policy dialogues
- comprehensive knowledge management and information services for policymakers and practitioners in Europe and in the developing world
- advice to development partners on the management of institutional innovation

The types of outcomes that emerge from our work are basically four: (i) more inclusive and better-informed policy dialogues; (ii) more effective participation of key public and private sector actors in programmes that are strategically chosen to have a strong impact on relations with the developing world; (iii) reduction of gaps between policy and practice; and (iv) contributions to widening the range of policy options available to developing countries and EU actors at critical junctions in policymaking and implementation processes. This is all to generate maximum impact to improve cooperation and relations between Europe and developing countries and regions.

³ See *Strategy Paper 2012–2016*, p. 7 and the 2011 External Evaluation.

⁴ Lessons learned: We maintain operational autonomy, steer a non-partisan course, maintain inclusive stakeholder participation, respect for diversity and creativity, open communication and full transparency of roles.

⁵ Lessons learned: we act alternately as researcher, knowledge broker, facilitator and policy advisor on policy management and institutional change.

⁶ Lessons learned: we effectively combine four capacity strategies: (1) The facilitation of dialogue, networking and joint initiatives; (2) the generation and integration of relevant knowledge and information; (3) functional result-oriented S-N partnerships and (4) demand-driven support to institutional development.

Engaging in selected programmes

The key strategic decision that ECDPM makes each new planning period is our choice of programmes. These determine the main work streams within the Centre. While flexible, they are based on a thorough and continually updated analysis of relevant actors and partnerships, main issues at stake, potential for achieving pertinent outcomes, and opportunities for impact on cooperation and relations between Europe and the developing countries, mainly from Africa, the Caribbean and the Pacific, as well as possible risks involved. The six programmes identified as ECDPM's principle work streams for the coming two-year period are the following:

1. **Strengthening European external action.** This programme focuses on improving overall EU coherence and the effectiveness of delivery towards development objectives. It contributes to inclusive and informed policy dialogues, effective and responsible integration of development dimensions into EU external action, and participation of relevant EU and developing countries' public and private actors in modernising EU development policies. To reduce the "implementation gap", it seeks ways to advance the effective functioning of the new EU architecture for external action, while contributing to a more coherent EU that speaks with one voice on external action.
2. **Deepening overall responses to conflict, security and resilience.** This programme supports and stimulates integrated, coherent and development-friendly EU responses to conflict, security and resilience. Its activities aim to build upon and reinforce the efforts and dynamics of African continental and regional organisations. Among its targeted outcomes are inclusive and informed Africa-EU dialogues on conflict and security; effective participation of key public and private actors, supporting African actors in particular to assume lead responsibilities; strengthened development-oriented interaction between state and society to foster the resilience of local communities and reduce the "implementation gap"; and integrated EU external action that reconciles values and interests and furthers EU development objectives.
3. **Economic governance, domestic resource mobilisation, and international drivers of governance.** This programme seeks to facilitate and inform the transformation process under way in the ACP, Europe, the emerging economies and relevant international institutions, as endorsed by the G20 Seoul Development Consensus for Shared Growth. A key aim is thus to achieve more inclusive, better informed policy dialogue between the public and private sector on economic governance at the national, regional, continental and international levels. Major topics of this dialogue are the sustainable use of natural resources, business facilitation and improved regulatory capacity. The programme works towards improving understanding of the drivers of change in economic governance, including the role of the BRIC countries. It seeks enhanced opportunities for political and economic participation of vulnerable groups, in particular small and medium-sized enterprises (SMEs), women and youths. Finally, it seeks ways for strengthened partnerships to foster equitable and sustainable governance of global development challenges.
4. **Trade and regional integration for inclusive growth.** This programme facilitates and informs implementation of ACP-EU and international trade arrangements and stimulates new coalitions for the economic and trade reforms necessary to promote inclusive growth. A central aim is thus to support better informed trade negotiators who are able to conclude trade agreements in line with their national and regional development objectives. Other key outcomes are improved coherence between trade and development policies; better approaches and methods for conducting public-private sector dialogue; more effective participation of public and private sector actors seeking broad impact; and greater understanding of what drives genuine regional integration and participation in

international markets (and the bottlenecks in these processes). Finally, it brings out trade agreements' potential effects on vulnerable groups such as SMEs, women and youths.

5. **Africa on the move: understanding and building dynamics for change.** This programme accompanies and provides demand-driven support to African actors and institutions. It thus supports them to “weave their own mat”, regaining policy space to implement home-grown socio-political and institutional reforms for effective governance for development. On the European side, it supports improved EU responses to Africa’s changing socio-political dynamics and governance. A key aim in this regard is to enhance policy dialogues and facilitate fertile encounters between “demands” from societies and the “supply” of EU cooperation. The programme is also concerned with how national and international policies impact resilience and institutional adaptation in Africa. Improving African stakeholders’ articulation of demands is a key element, as well as seeking a better understanding of the societal dynamics that drive change in Africa and the impact of EU external action. This relates directly to the need for improved policy coherence for development in EU internal and external policies with regard to governance.
6. **Regional and local markets for agriculture and food security.** This programme seeks to support ACP regional organisations in strengthening their contribution to food security. It assists development partners, in particular the European Union and its member states, to adopt more coherent and effective approaches to foster agricultural markets for food security. More inclusive and better informed policy dialogue could play a key role in enhancing regional integration and the business and investment climate for food security. They also raise awareness of the impact of European policies, in particular the CAP, on food security in the ACP. The programme seeks synergies for food security through strengthened linkages between trade and agricultural actors, policies and programmes. Its activities examine the design and implementation of the regional dimensions of the CAADP and African and Caribbean agricultural policies and programmes. They also emphasise policy coherence for development and food security in Europe and the ACP, and ways to improve public-private partnerships for trade, agricultural development and business facilitation.

Chapter 2 of this work plan takes a closer look at the Centre’s programmes for the upcoming plan period of 2012–2012. Chapter 3 outlines activities of the **Institutional Relations and Partnership Development** team, which fosters strategic alliances with key stakeholders and supporters: the ACP Group, the African Union and African regional organisations, networks of partner institutions in Europe, and the ACP. Chapter 4 outlines all-Centre support services, such as strengthening staff competencies in political economy analysis and governance work, knowledge management and communication, and responses to the various institutional challenges that ECDPM faces to further improve its quality in today’s changing development policy landscape.

2. Engaging in selected work streams

2.1. Strengthening European external action

Context

The Treaty of Lisbon expresses the European Union's ambition to play a **coherent and effective global role**, bringing together all of its potential assets. Part V of the Treaty defines EU external action as comprising the common commercial policy, cooperation with third countries, humanitarian aid, relations with international organisations and the EU Delegations.

Article 3 of the Treaty sets out the Union's values as 'peace, security, the sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty and the protection of human rights'. These **values** are to be reconciled with the EU's own economic, governance, and security **interests** in developing countries. With its 27 member states the EU carries considerable weight in global affairs. Collectively it is the world's largest donor and trading block. Yet it does not always act coherently or speak with one voice. This, along with the difficulties involved in reconciling European values and interests, significantly impacts the Union's capacity to deliver on its development commitments and its development-related partnerships.

Since December 2010 the Union has had in place its new **European External Action Service (EEAS)** and **High Representative for Foreign and Security Policy**. Their establishment required organisational adjustments in the European Commission, including the merger of the former Directorate General for Development (policy) and EuropeAid (implementation) into the new **DG Development and Cooperation – EuropeAid (DEVCO)**, which began operating in June 2011.

In addition to the creation of the EEAS and DEVCO, the Lisbon Treaty has prompted additional reforms that have changed some of the "rules of the game" for external action and development cooperation. The former Commission Delegations have been upgraded to "EU Delegations", and the European Parliament has been given increased powers to shape and validate policies that strongly affect EU external action. The Treaty thus brings multiple changes to EU institutions. Nonetheless, the support of the member states is required for these institutions to exist and operate effectively. **Member states' relations with the EEAS and DEVCO as well as the European Parliament's execution of its growing role will be crucial.** All of these elements will affect how priorities are set for EU external action in terms of policy commitments and how these commitments will then be implemented.

Key policy debates in 2012–2013 include negotiation of the next **EU multi-annual financial framework (MFF)** and regulations on the financial instruments for EU external action. Following the **reorientation of EU development policy**, a new generation of country and regional strategies will be drawn up and implemented. The EEAS with DEVCO and other partners will seek to implement increasingly "integrated" EU strategies that bring together a range of policy issues. The High Representative is slated to publish a report on the functioning of the EEAS by the end of 2011 and to conduct a review of the Service by mid-2013.

How the European Union organises itself is thus a key issue for the coming years. But equally important are the **priorities that the EU pursues** and the **nature of EU dialogue with development partners** at the national, regional, continental and global levels. No "ACP unit" has been designated in either the EEAS or DEVCO – a telling indicator of the changing EU perspective on this traditional group of states. At the same time, the Joint Africa-EU Strategy (JAES) process has failed to deliver the renewal in EU relations

with Africa it seemed to promise. The “Arab Spring” has challenged the EU in its own neighbourhood, leading to a reassessment of past approaches with this region. The phrases “deep democracy” and “inclusive growth” seem to be gaining traction as new concepts for framing EU external action in the political and development spheres. The current political and economic context puts pressure on official development assistance (ODA) and could alter the focus of international development cooperation (despite the poverty focus required by the Treaty of Lisbon, Art. 208). Questions are also being raised on the assumptions that underlie the development consensus promoted by the MDGs and the Paris Declaration’s “aid effectiveness” agenda. This, coupled with the growing power of emerging players, particularly the BRIC countries, in Africa and beyond, suggests a need for new approaches. EU external action, including development policy and practice, thus stands at a point of major change over the two years of this work plan.

Through its work, this programme seeks to address many of these challenges facing EU external action. These are also reflected in the six transitions identified in the new ECDPM strategy.

Aim of this programme

The programme seeks to cover the future of EU external action in a range of domains relevant to the work of ECDPM. The **core aim** is to **contribute to the strengthening of EU external action**, with a focus on **improving overall coherence and delivery** for development objectives.

To narrow the scope from this broad aim, it will **focus on overall policy discussions, position-setting and strategy formulation in EU external action** rather than enter into detailed country- or sector-based operationalisation and implementation processes. These are tackled in other parts of ECDPM’s work plan for those sectors or issues where the ECDPM favours more implementation-oriented engagement. Work done under this programme provides a good basis for collaboration with other more sector-focused teams in the Centre. This programme will maintain a knowledge base on the implementation of EU policies and on general developments in countries and institutions in primarily Africa to ensure that the work is sufficiently informed by what happens in the field. This knowledge (e.g. on the implementation of EU support to governance, democracy and human rights) is not an end in itself. Rather, it will serve to strengthen other programme work and to help ensure the uptake of its outputs.

This programme is relevant to all four major themes of the new ECDPM Strategy 2012–2016. Its principal focus is analysing and influencing the dynamics between official EU actors and development partners, as these dynamics will determine how the EU reconciles its values and interests (theme 1). The European Union’s own strategy to promote inclusive and sustainable growth (Europe 2020) must permeate its external action, even though the EEAS has no competence on economic policy (theme 2). Through development cooperation and political dialogue with partner countries, the EU aims to strengthen the governance of development (theme 3). Finally, EU external action must relate to how the Union’s own internal policies on agriculture impact global food security (theme 4).

The programme promotes change in four domains that are instrumental for advancing EU external action:

- **EU institutional, Brussels-based, systems and processes** for policy formulation, programming and coordination (European Parliament committees, relevant units within DEVCO and EEAS)
- **Europe-wide processes in member states** (involving the same actors as above and the permanent representations, including the EU presidencies)
- **Interaction with the politics of global governance** (same actors as above)

- **EU interventions on continental, regional and country-level dynamics, primarily in Africa** (involving the EU Delegations and member state representations abroad, institutions of the ACP and African Union, and civil society)

ECDPM's added value in this programme consists of four elements that together provide a solid and credible basis for supporting the strengthening of EU external action:

- Our **knowledge** of how EU external action systems and processes do and do not work
- Our wide **network** (now being extended beyond “aid” actors) amongst the various policy communities in Europe but also in Africa and the ACP (e.g. on Africa, development, conflict, trade, human rights and governance; relevant EU actors are member states, the EEAS, the Commission, civil society and parliaments)
- Our **thematic and regional expertise** in areas key to EU external action (trade, governance, development, conflict) and to the ACP, particularly Africa
- Our research **methodology**, engaging primarily with policymakers and practitioners, gives ECDPM a keen sense of the “realms of the possible” and differentiates our approach from others driven by commentary, academic analysis or partisan “advocacy”

Activities and outputs

Promoting the modernisation of EU external action is both an information- and relationship-intensive endeavour. With respect to our thematic engagement in the next two years, results are expected in the following areas:

- **Global agenda.** Monitoring and engaging in how the *changing global development agenda* both *impacts and is impacted* by **EU external action**. This includes the Rio+ 20 agenda and discussions on the future of the MDGs post 2015. It will also look at how global economic and political trends influence the agenda, and monitor the EU's engagement in strengthening the governance and representativeness of global platforms such as the International Finance Institutions (IFIs) and the United Nations.
- **Thematic policy.** The team will closely follow the preparation and adoption of specific policy reforms, as a means to a gain deeper understanding of overall EU external action and its development cooperation component. While the evolution of the political agenda will inform our ongoing choices, the focus is expected to be on *thematic development policy proposals and political commitments* related to specific implementation challenges such as budget support and policy initiatives such as EU support to governance, human rights and democracy in third countries. The programme team will follow wider EU external action policy discussions (e.g. on security, conflict and economic governance) under the leadership of the other ECDPM programmes. In addition, the team will provide Centre-wide expertise and support on policy coherence for development (PCD) in areas other than EU external action (e.g. on small arms, economic and trade policy, agricultural policies and intellectual property rights).
- **Strategic/geographic policy.** The team will analyse the European Union's plans for aligning its different external action levers by *developing strategies for particular regions and countries*. This is both in the foreign policy sphere (e.g. in relation to political dialogue, human rights and democratisation support) and in the development sphere (e.g. regarding policy dialogue, budget support and other aid modalities). The aim is to facilitate a consistent approach. *What strategic trade-offs and compromises* will be made? What has been learnt from past experience, and what

are the challenges to consistency and alignment? We will monitor the extent to which **Europe's dialogue with its partners** is consistent with EU external action and **coherent with development objectives**, particularly in the evolution of **key partnership frameworks for ACP-EU, EU-Africa, and European Neighbourhood Policy (ENP)-South relations**.

- **Institutional change.** The focus here is on evolution of the relationships between the different actors in EU external action. We will monitor progress and where possible support approaches for prioritising **development outcomes** and taking them on board in **the EEAS and the Commission**. The team seeks to do this at the **level of the institutions in Brussels and in the EU Delegations**. We will make timely inputs to help frame **the 2013 review of the EEAS**. The team will also follow and contribute to discussions on the external instruments in the preparation of the **multi-annual financial framework** occurring throughout 2011 up to its adoption in 2013.

The depth and level of any engagement on the above topics will be contingent on the funding available.

In terms of programme methodology, the above engagements require application of the full range of **ECDPM's capacity strategies**: (i) dialogue and facilitation; (ii) research, knowledge management and networking; and (iii) capacity development through strategic partnerships.

Research, communication and knowledge management will be key activities, particularly on the link between policy and practice in the domain of EU external action and EU development policy. This will take the form of ECDPM papers and studies, briefs, blogs and Centre-wide media such as the *Weekly Compass* and website. Use of social media will be increased, while recognising that some stakeholders still prefer printed copies. External requests for strategic studies, evaluations, expertise and support in drafting policy and operational guidance will also be considered in line with the goals of the programme.

Dialogue and facilitation will emphasise interactions amongst European stakeholders on EU external action issues related to coherence and delivery. But it will also include exchanges between EU actors and those from ACP and AU institutions and countries. The future of the relationship between the EU and the ACP will be under review during this time. Special efforts will therefore be made to brief and inform African and ACP actors about how the evolution of EU external action is likely to impact them.

In terms of **ECDPM partnerships** the programme will engage with institutional and non-institutional partners. We expect to interact with the African Union and the regional economic communities and with the ACP Secretariat, as well as work with other partners in Africa (such as ISS and SAIIA). In Brazil and China we will interact with actors with an interest in how aspects of EU external action play out in their region as a basis for comparative analysis. The Centre's partnership with FRIDE, ODI and DIE/GDI will be continued through the European Think Tank Group. We will also collaborate with ODI and DIE/GDI through the European Report on Development (ERD) on issues that have an EU external action dimension in relation to delivery and coherence. Our work on the ERD will involve one or more of ECDPM's other programmes as well.

EU external action is conducted through a complex interconnected web of primarily European stakeholders with a varied group of partners (global, regional and national). The programme will hence apply political economy analysis at various levels and within various sectors of EU external action with the goal of improving knowledge on the drivers of and obstacles to positive change.

Expected outcomes and impacts

In view of the aim of this programme, the key task is to monitor and contribute to improve the consistency of European external action, in line with EU development objectives. Efforts will focus particularly on engaging with the EU's overarching policy frameworks on development and Africa and how these are modified or evolve in relation to the changing context. This engagement will contribute to all four themes of the ECDPM Strategy 2012–2016 (Table 1).

Table 1: Operationalising the four key themes of the ECDPM strategy

Strategy themes	Programme contribution
Reconciling values and interests in the external action of the European Union	EU external action better reconciles values and interests for pro-development outcomes
Promoting economic governance and trade for inclusive growth	Integrated EU external action actively engages in discussions on trade and economic governance with the aim of promoting inclusive and sustainable growth
Responding to societal dynamics in the developing world	EU external action is better attuned to societal dynamics in the developing world, with responses taking account of past lessons and current political dynamics
Promoting food security as a global development challenge	Integrated EU external action promotes rather than undermines food security

To realise these contributions to the ECDPM strategy, this programme seeks to contribute to the following outcomes:

- ECDPM information, facilitation and advice used by actors in both Africa and Europe to promote effective and consistent EU external action contributing to development objectives
- Strategic African partners better equipped to pursue their interests through enhanced understanding of EU processes in the post-Lisbon institutional architecture
- EU policymakers in all areas of external action increasingly see it as established good practice to consider the effect of their decisions on developing countries
- ACP and EU actors understand the development consequences and implications of the negotiation of the new EU financial framework for development
- In its external action, the EU better reconciles its values and interests to promote development outcomes

Summary table for programme 1

Programme: Strengthening European Action	
Overall issue	Strengthening European external action
Programme aim	To strengthen EU external action, with a focus on improving overall delivery and coherence
Key actors	EU Delegations; European Parliament Committees; DEVCO and EEAS units engaged in programming, policy formulation and coordination of positions; permanent representations; EU presidencies; ACP institutions; AU institutions; ACP/African regional and national representations in Brussels
Plan of action	
Activities and outputs	<p><i>Dialogue and facilitation</i></p> <ul style="list-style-type: none"> Events (co-)organised by ECDPM and support to third party events <p><i>Research, knowledge management and networking</i></p> <ul style="list-style-type: none"> Policy research on EU policy formulation in EU external action and its application Briefings of stakeholders Research papers and technical briefs covering critical issues Feedback and commentary on internal reports and papers by policymakers Operational guidance on policy issues and the development of tools Reports and studies commissioned by third parties Feature articles in the <i>Weekly Compass</i> and <i>Talking Points</i> and strategic use of ECDPM website
Partnerships	<p><i>Programme specific</i></p> <ul style="list-style-type: none"> European Think Tanks Group (ODI, GDI, FRIDE) European Report on Development team (ODI, GDI) Think tanks with an interest in EU external action in Africa and the BRICs (ISS, SAIIA) Europe-Africa Policy Research Network (EARN) and its members <p><i>Institutional partnerships</i></p> <ul style="list-style-type: none"> African Union and ACP Secretariat.
Risks	<ul style="list-style-type: none"> Limited access to external funding on some issues described, hence a possible loss of balance due to a primary focus on fundable areas Managing the balance between critical analysis and facilitation Extending our network of EU actors beyond the traditional "aid" sector will be a challenge, since our reputation will perhaps be less well known Co-optation of development cooperation policies and budget by other policy areas A continuing economic recession could erode public support for development cooperation and reduce the political weight of development vis-à-vis other policies An economic recession might increase pressure on the EU to prioritise security and political and economic concerns over development leading to poor reconciliation of values and interests EU member states may be increasingly hostile towards effective EU external action as they pursue their own interests Slow consolidation or systematic underperformance of DEVCO and/or EEAS
Results	
Expected outcomes	<ul style="list-style-type: none"> ECDPM information, facilitation and advice used by actors on both continents to promote effective and consistent EU external action that contributes to development objectives Strategic African partners better equipped to pursue their development interests through enhanced understanding of EU processes in the post-Lisbon institutional architecture EU policymakers in all areas of external action increasingly see it as established good practice to consider the effect of their decisions on developing countries

	<ul style="list-style-type: none"> • ACP and EU actors understand the consequences and implications for development arising from the negotiation of the new EU multi-annual financial framework • The EU better reconciles its values and interests in external action to promote development outcomes
Impact	Integrated EU external action that furthers EU development objectives by reconciling values and interests

2.2. Deepening overall responses to conflict, security and resilience

Context

In recognition of the *linkages between conflict, security and development*, the last decade has witnessed major evolution in responses to (violent) conflict and security at various levels. Recently, the *concept of resilience* has gained momentum, as developing societies and local communities become increasingly exposed and vulnerable to external threats which, if not managed, can be seeds of new conflicts in the future. The prominence of conflict, security and resilience is reflected in the priority given to these issues by the African Union and African regional organisations, for example, through the African Peace and Security Architecture (APSA). They are also high in priority within the European Union and EU member states (such as the Netherlands, the UK and Sweden). Rising levels of ODA funding are being dedicated to conflict prevention and peace building. Even the public in Europe is acutely aware of the importance of peace and security, rating it second only to poverty reduction in terms of what should be a priority for EU-Africa cooperation.

There is also broad agreement that the international, continental, regional and indigenous *responses to date have not been sufficient*. The EU has made significant strides in its policy frameworks, available instruments and strategic partnerships over the last decade. However, it could further improve its engagement, coherence and joint action with member states in this crucial field. Europe seeks to enhance its profile as a global actor and move towards more “differentiation” in its partnerships and cooperation strategies. To do so, however, it needs to further specify how it will work in situations of fragility and reach out to the “bottom billion”. On the African side, the APSA faces major challenges of ownership, effective delivery and sustainability (particularly in the substantial support from the EU’s African Peace Facility). Financing for conflict, human security and resilience is a shared concern. Furthermore, Europe’s relations with Africa are likely to become more “geo-strategic” in the coming years, with peace and security an increasing part of the equation. Globalisation and the rise of new powers will only raise the pressure for innovation in terms of delivering security and development as global public goods.

The challenge in the next few years is to *deepen the collective (EU) response to issues related to conflict, security and resilience*. This should help to stimulate the *transition* towards increased (human) security for societies and communities. It could also give rise to new governance models and modalities of international cooperation that make it possible to deal with security as a global public good. Several *processes* are under way in this direction. These provide *windows of opportunities* for targeted action by an independent foundation like ECDPM. At least five of these opportunities warrant mention: (i) the new post-Lisbon configuration for EU external action, with several units in both the EEAS and DEVCO dealing with the broader conflict prevention and security agenda; (ii) ongoing dynamics at the level of the African Union and the regions to develop the APSA and increase its effectiveness; (iv) steps towards more integrated EU strategies for security and development (e.g. towards strategies for the Sahel and the Horn of Africa); (v) the potential re-emergence of an EU plan for fragility, security and development and state building.

Considering all of these opportunities, ECDPM will *upgrade the status and profile of its past and ongoing work* on conflict, security, fragile states and the APSA *by launching a new programme* on integrated (EU and partner) approaches to conflict, security and resilience. The Centre seeks to work on these questions in a more structured and long-term way. “Integration” is the key word, not only for more coherent EU external action but also to ensure that future EU actions are compatible with the development values, approaches and capacities of partner organisations and countries as well as with indigenous responses to resilience.

Aim of the programme

The overall **aim of this programme** is to support and positively influence the consolidation of more integrated, development-friendly and coherent EU responses to conflict, security and resilience that build upon and reinforce African continental and regional organisations and dynamics.

This programme is relevant to each of the four major themes of the new ECDPM Strategy 2012–2016. A more coherent EU approach towards conflict, security and resilience is a major challenge in terms of both enhancing the profile of the EU as global actor and ensuring development-friendly EU external action that reconciles values and interests (theme 1). Improved economic governance, including better management of natural resources (theme 2) is key to ensuring inclusive growth and social justice. EU responses, even those of a more integrated nature, are likely to yield sub-optimal benefits if they are not underpinned by stronger responses from developing countries themselves, both at the institutional and at the societal and community level (theme 3). The linkages between food security as a public good (theme 4) and conflict, security and resilience are evident as well.

ECDPM is aware that it needs to clearly define its “**niche**” in the complex, multi-dimensional arena linked to conflict, security and resilience. It does not seek to compete with existing specialist institutions, knowledge centres and crisis management types of civil society organisations. Our “**niche**” rather is found in what constitutes the essential mandate of ECDPM, that is, facilitating multi-actor dialogue processes, bridging different policy domains and levels (continental, regional, national), focusing on instruments and channels for delivering coherent EU responses and accompanying institutional change processes (e.g. of the African Union and EEAS). As a knowledge institution and broker we seek to deliver an added value on “political and technical” issues and on dialogue at the interface between Europe and Africa. Crucially, ECDPM seeks to bring African and developing country actors into the dialogue on evolving EU policy and practice in the area of conflict, human security and resilience.

These areas are precisely where **ECDPM offers solid expertise, proven methods and practical experience.** The Centre has a proven track record in a number of relevant fields: (i) EU external action, including linkages with EU presidencies and specialised units within EU member states; (ii) the “development” lens on EU peace and security programming, especially for fragile states; (iii) policy coherence for development in general (of which security is one of the five priority areas); (iv) implications of EU institutional reform, in particular on integrated approaches to peace, security and development;⁷ (v) carrying out complex evaluations such as the recent assessment of EU conflict prevention and peace-building policies and the mid-term evaluation of first African Peace Facility; (vi) political economy analysis, which is a close cousin of conflict analysis and assessment; (vii) facilitating EU-Africa dialogue; (viii) institutional dynamics within the African Union and in regions confronted with conflict and security.

Activities and outputs

While pursuing a holistic implementation approach this programme identifies three closely related areas of work. They constitute the building blocks of a triangle of processes that must be simultaneously promoted in order to move towards a more integrated, coherent partnership approach to address global issues of conflict, security and resilience:

⁷ See Koeb, E. 2010. ‘*The EU Treaty of Lisbon: Implications for EU-Africa Relations on Peace and Security*’, in Peace and Security Council Report, No. 12 (11). Addis Ababa: Institute for Security Studies. Available at: www.issafrica.org.

- *Enhancing the EU's overall political and institutional capacity to be an effective global player in dealing with conflict, security and resilience.* This represents the “European” leg of the triangle. It relates to the “homework” required for EU institutions and member states to enhance the EU’s collective capacity for integrated external action. In order to contribute to this change, the Centre will focus its activities on (i) improving the quality of both EU policy frameworks and the overall institutional set-up for dealing with these issues; (ii) “connecting” the various diplomatic and development actors involved (e.g. EEAS, DEVCO, EU Delegations, experts in member state capitals and in the field); (iii) supporting the effective delivery of meaningful EU support with a focus on the “how” questions⁸ related to conflict prevention, fragility and state building; (iv) documenting innovative practices; and (v) monitoring EU policy coherence including how the EU reconciles values and interests in the security-development nexus and in other policy areas.⁹ This work stream is strongly linked to the Centre programme aimed at strengthening EU external action.¹⁰
- *Supporting consolidation of African institutions and processes to deal with conflict, security and resilience.* This second work area focuses on the African institutions in charge of peace and security. It recognises the need for continued Centre investments in a number of areas: (i) the institutional development and responsive capacity of key actors at the continental and regional levels (such as the African Union and regional bodies); (ii) support to consolidation of the APSA, through for instance, stronger linkages with the African Governance Architecture (AGA) and improved delivery;¹¹ (iii) facilitation of constructive dialogue between Africa and Europe on conflict and security matters, amongst others in the framework of the Joint Africa-EU Strategy. This relates closely to the Centre programmes dealing, respectively, with EU external action (programme 1), economic governance, domestic resource mobilisation and drivers of international governance¹² (programme 3), “Africa on the move” (programme 5) and food security (programme 6).
- *Building societal resilience to deal with threats and preventing conflict.* Addressing conflict, security and resilience is not a task for institutional actors alone – be they African, European or global). Societies and communities in partner countries have a key role to play as well. In most fragile states, communities have been remarkably resilient in the face of the odds, developing their own markets, community services and governance structures. The international community and formal institutions in Africa have not always understood these dynamics or sought to connect with them. Hence this third area of work

⁸ This involves working on instruments, procedures, aid modalities and channels, role of non-state actors, etc.

⁹ Other EU policies may affect the EU’s response to conflict, security and resilience such as EU policies in the area of small arms trade (DG Trade leading in the EC), policies on biofuels and energy more generally (DG Energy leading in the EC), and policies dealing with human mobility as a component of human security (DG Justice and Home Affairs leading).

¹⁰ Both policy processes could benefit from working together on how conflict and security considerations are taken on board when new Country and Regional Strategies are developed

¹¹ Delivery of concrete products and services that help to attack the ‘root causes’ of conflict and fragility such as improved management and equitable distribution of natural resources; fight against corruption; respect of human rights; promotion of social justice

¹² It is increasingly recognized that the EU could strengthen its global engagement to tackle some of the drivers of conflict and state fragility. This is also related to the notion of “state building” that far too often still is an empty concept stuffed with over optimistic notions of institutional fixing and engineering in situations that are structurally fragile and continue to be so since there are extreme forms of “rent seeking” and elite capture that prevent a *political settlement* to emerge that is somewhat more inclusive, and has to potential to create some conditions for state security, safety, and ultimately development.

focuses on the overall resilience of societies. What is it? What endogenous factors drive it? What is the role of leadership, and is there a role for external support? This will allow the Centre to monitor what is actually there in the field, rather than merely focusing on policies and institutions. However, “resilience” is a complex, often vaguely defined concept that itself presents a huge agenda. Over the 2012–2013 period, we will further clarify the implications of working on resilience as well as our niche and added value in this critical area. This work is intimately connected to other Centre programmes such as ‘Africa on the move’ and food security.

Regarding **partnerships**, all activities will be oriented towards key players in this concrete policy arena. At the European level this implies systematic interaction with EEAS and DEVCO units concerned with conflict, human security and resilience; member states’ permanent representations to the EU, European foreign and development ministry units engaged in conflict issues; institutional funders and the EU presidencies. In addition, specific partnerships will be key to the success of our work. For this programme, the following partners are envisaged:

- Institutional partnership with the African Union and regional economic communities
- Continuation of existing strategic partnerships with *L’Observatoire de Afrique*, the Europe-Africa Policy Research Network (EARN), the Institute for Security Studies (South Africa) and the Africa Governance Institute (Dakar)
- New strategic partnerships will be sought in line with the ambitions of the three areas of work under this programme. These could include, for instance, the Levy Mwanawasa Regional Centre for Democracy and Good Governance, which was established in the framework of the International Conference of the Great Lakes Region (ICGLR) with a clear focus on conflict prevention and security.

Expected outcomes and impacts

The overall expected outcome of this programme is an enhanced ability of the European Union, African institutions and societal actors to leverage their respective capacities to prevent and respond to conflict in an integrative manner while promoting resilience.

Through this programme’s activities, ECDPM seeks to contribute to the achievement of four specific outcomes:

- Inclusive and informed Africa-EU policy dialogues on conflict and security as a key global development challenge (with improved frameworks and methods to resolve policy trade-offs in a development-friendly manner)
- Reduction of the “policy implementation gap” through improved approaches and methods for providing strategic support to conflict prevention, fragility, state building and societal resilience
- African institutional and societal actors that are better able to assume lead responsibilities for addressing conflict, security and resilience
- EU external action that better reconciles values and interests in relation to security and fragility with pro-development outcomes

Summary table for programme 2

Programme: Conflict, security and resilience	
Overall issue	Conflict, security and resilience
Programme aim	To support and positively influence the consolidation of more integrated, development-friendly and coherent EU responses to conflict, security and resilience, building upon and reinforcing African continental and regional organisations and dynamics in this field.
Key actors	EEAS and DEVCO units concerned with conflict, human security and resilience; member states' permanent representations to the EU; relevant units of foreign and development ministries; institutional funders and EU presidencies; ACP institutions; the African Union; the European Peacebuilding Liaison Office (EPLO) and its members; the Institute for Security Studies
Plan of action	
Activities and outputs	<p><i>Dialogue and facilitation</i></p> <ul style="list-style-type: none"> • Dialogue events (co-)organised by the programme • Facilitation support to events organised by third parties <p><i>Research, knowledge management and networking</i></p> <ul style="list-style-type: none"> • Policy research • Briefings for stakeholders • Research papers and technical briefs on critical issues (published and informal) • Feedback and commentary on internal reports and papers by policymakers • Reports and studies commissioned by third parties • Feature articles in <i>Weekly Compass</i> and <i>Talking Points</i> and social media • Institutional development • Provision of demand-driven forms of technical assistance to key African organisations
Partnerships	<p><i>Programme specific</i></p> <ul style="list-style-type: none"> • <i>L'Observatoire de Afrique</i> • Europe-Africa Policy Research Network (EARN) • Institute for Security Studies (Pretoria) • Africa Governance Institute (Dakar) <p><i>Institutional partnerships</i></p> <ul style="list-style-type: none"> • African Union (including the AU Commission and regional economic communities) • ACP Secretariat
Risks	Limited access to external funding on some issues described, hence a possible loss of balance due to focusing mostly on fundable areas
Results	
Expected outcome	The EU working with its partners is better able to leverage its capacities to prevent and respond to violent conflict in an integrative manner, promoting resilience, primarily but not exclusively in Africa
Impact	More effective contribution of EU policies and partnerships to ending conflict and achieving human security and resilience

2.3. Economic governance, domestic resource mobilisation and international drivers of governance

Context

Development requires economic growth that is balanced and shared. This is now widely recognised in various forums, perhaps most explicitly in the G20's adoption of the *Seoul Development Consensus on Shared Growth* in November 2010. Yet to achieve balanced and shared growth a favourable economic environment is needed that promotes private sector investment and employment. Equally important are institutional settings at the domestic and international levels that explicitly foster social equity, poverty alleviation and sustainable development objectives. This is the basis of improving economic governance.

Europe has been Africa's major trade, investment and aid partner for many years. However, the African landscape is rapidly changing. While Europe struggles with the financial, economic and euro crises, "Afropessimism" is giving way to more optimistic views of Africa, not only among Africans, but also among international actors, particularly emerging economies such as China, India and Brazil.

Of course Africa still confronts major challenges, ranging from endemic poverty to institutional and economic weaknesses. Huge disparities remain within domestic economies and between African countries. Some of the main factors constraining Africa's economic development include unstable political environments, poor access to financing, weak governance, widespread corruption, inadequate infrastructure, limited markets, an internationally uncompetitive private sector, inefficient public administrations and regulatory environments, and partly as a consequence of these, insufficient tax revenues to cover public expenditure. If Africa is to unleash its development potential through balanced, equitable and sustainable investment and employment creation, a shift in focus will be required. Greater attention will have to be paid to improving economic governance, at the domestic and international levels, to free the private sector to engage with national, regional and international markets. Greater emphasis will also have to be placed on identifying drivers of change, at the national, regional, continental and global levels, and on engaging with change agents at multiple levels to ensure more effective policy design and implementation.

Aim and objectives

Combining ECDPM's past work on ACP-EU economic and trade cooperation with its governance agenda, the **overall aim** of this programme is to facilitate and inform a process of change in Africa, the Caribbean, the Pacific Europe, emerging powers and international actors. As such, it seeks to contribute to the development objectives and transformation process for shared growth endorsed by the G20.

The primary focus is thus to promote better economic governance at the national, regional, continental and international levels. The **underlying objective** is to accompany processes related to the key transitions identified in the ECDPM strategy: increasing scarcity of raw materials, the transition towards a "green" economy, demands for more inclusive growth and development, the need to safeguard human security by increasing societal resilience and adaptability, acknowledgement of global responsibility for global public goods, and the restructuring of the global system of governance. Beyond the promotion of economic governance for inclusive growth, this requires that values and interests be reconciled in EU external action and that responses be better geared to societal dynamics in Africa. These are all important themes on which ECDPM is actively working.

The programme's approach rests on two pillars. One is value added in terms of the experience and knowledge that ECDPM has developed through its close involvement and cooperation with key European and ACP stakeholders and private sector associations and organisations. ECDPM will build on this pillar by extending its partnerships with institutions in emerging countries, especially China, India and Brazil. In our non-partisan and facilitating role, the Centre is well placed to foster new synergies for informal dialogue and cooperation on issues of economic governance. The second pillar of our approach is systematic integration of knowledge on how regional and international drivers interact with national political economies. We will combine this knowledge with a sharper focus in four areas: (i) how development oriented state-business relations come about, (ii) dimensions of leadership and coalition building, (iii) how key governance dimensions such as transparency and demands for accountability can influence reform coalitions, and (iv) formal and informal institutions and incentives at work.

Activities and outputs

The work of the programme will be articulated around four key themes.

Domestic resource mobilisation

In the current context of global financial and economic crisis, the issue of domestic resource mobilisation is high on the agenda of developing countries and the international community. ECDPM will look at the political economy of reforms ranging from fiscal adjustments to domestic resource mobilisation. We will examine what drives and hinders these processes, in terms of tax policy design and implementation. ECDPM's analyses will look at both the revenue and the expenditure side of public finance, and focus particularly on the interaction between the two. Another area of specific attention is processes for increasing "fiscal legitimacy" and reconciling expenditure efficiency with revenue mobilisation. Building on our expertise in the area of local governance and domestic accountability, the programme will work on approaches to improve budget support and to improve incentives for effective economic governance, facilitating a more effective role of the EU in these processes.

We will look specifically at the governance of the extractive industry. Here, we will contribute to the development of modalities for transparent and effective revenue generation and management with Specific attention will be paid to the critical role of the private sector. In this context, the work will look for synergies and complementarities with other programmes where relevant.

To realise these activities, ECDPM will build on its network, including participation in the Development Finance Network (DEFINE) of the OECD. Further, we will seek to expand into new spheres and partnerships, particularly in African and Caribbean countries and including the private sector.

Extractive resources

The demand for extractive resources is on the rise, due to the effect of increased demand from developing countries as their populations and economies grow. Developed countries too need an ever-expanding supply of mineral-dependent products to satisfy consumer demand. This growth is accompanied by greater emphasis on technological innovation and the need to "green" economies. Not surprisingly, in Africa the extractive sector is the main target of foreign (and domestic) investment. It generates strong economic interest from Europe, emerging economies and other countries and could make a substantial contribution to creation of employment, economic growth and wealth. However, experience shows that Africa's rich

resource endowment may fail to deliver sustainable and equitable development or even adequate investment to offset the depletion of national resources. The reality of mineral resource extraction is often an absence of adequate governance and corporate social responsibility, accompanied by a lack of accountability among investor countries and the extractive industry itself. This “resource curse” makes effective governance and regulation all the more important. If natural resources in Africa are to contribute to inclusive, sustainable growth and generate linkages with the broader economy and employment, emerging coalitions are called for in support of an incremental strengthening of economic governance (through enhanced transparency, effective state-business relations, multi-stakeholder cooperation and links with conducive global drivers).

With this programme, ECDPM aims to stimulate analysis and dialogue among key stakeholders: policymakers (from the ACP, Europe and emerging countries), international institutions, civil society organisations and the private sector, the latter being generally excluded from constructive engagement. For this purpose, we will set up, in partnership with the Canada-EU Mining Council (a private sector organisation), the Extractive Industry Development Forum, so as to stimulate constructive engagement amongst this set of key stakeholders.

Business facilitation

In spite of their growth potential, most African economies operate within weak regulatory, institutional and governance frameworks that hinder private sector development. In this regard, the programme will explore the potential for facilitating more conducive state-business relations as part of “business facilitation”. It will look closer at the role of business indicators as a conduit for highlighting areas of possible improvement in economic governance and as a starting point for fostering (policy) dialogue and interaction between state and businesses.

Business indicators often serve as benchmarks for economic performance. While they provide a first snapshot of the current business climate, they do not provide guidance on how the business environment can be improved in a country. In this context, ECDPM proposes using assessments by institutions such as the World Bank as an instrument for stimulating the engagement of private sector actors, in particular, SMEs (particularly those in the agricultural sector) with government policymakers. The programme will organise a series of multi-stakeholder dialogue events based on the experiences of countries that have used these indicators as a vehicle for discussing business facilitation reforms with government. The aim is to build capacity and exchange experiences and to discuss the functioning of current mechanisms for public-private dialogue and how these might be made more effective.

Emerging players in Africa: the impact of China, India, Brazil on the relations between Africa and its traditional partners

International drivers play an important role in the economic advancement of developing countries and regions. Europe has long been a privileged and dominant partner of the ACP and Africa in particular. Today, however, emerging players such as China, India and Brazil are rising in importance through their bilateral relations and via international forums such as the G20.

Research and analysis on African relations with China and other emerging partners and on Europe-Africa relations has mushroomed in the past years. However, little work has examined how Africa’s burgeoning ties with new partners has impacted relations with its traditional partners. This programme aims to help fill this gap, joining forces with leading partners in South Africa, China, India and Brazil and the United States.

The work will take the form of joint research, networking and targeted policy dialogue that includes government, intergovernmental and civil society actors (including private sector and policy-oriented research institutes in Europe, the United States, Africa, and emerging economies).

Analysis and dialogue will feed into relevant programmes, such as the Joint Africa-EU Strategy and the Forum on China-Africa Cooperation (FOCAC) at the continental level. ECDPM activities will further seek to foster a constructive triangular exchange between traditional partners, such as Europe and Africa, and emerging players. The focus will be five-fold:

- Natural resource management (especially the extractive sector), foreign direct investment (FDI) and corporate governance
- Regional integration and the establishment of trade corridors
- Food security and the Comprehensive Africa Agriculture Development Programme (CAADP)
- International trade preferences for Africa and the World Trade Organization (WTO)
- The global governance architecture and the voice of Africa

Expected outcomes and impacts

As an independent and non-partisan broker, ECDPM through this programme seeks to contribute to achievement of the following outcomes and impact:

- **Outcome:** Well-informed informal dialogue effectively fed into formal policy and reform processes at the local, national, regional, continental and international levels, especially within the European Union, the African Union, all levels of the ACP, and in some regional economic communities, as well as the G20
- **Impact:** Better informed engagement by domestic and international actors of change in the improvement and reform of economic governance within ACP countries and the European Union
- **Outcome:** Better understanding of the incentives facing drivers of change for promoting improved economic governance in the ACP and Africa (“drivers of change” refers here to domestic elites, government institutions and the middle classes in the ACP, Africa, Europe, and the emerging economies; as well as the international community)
- **Impact:** Balanced and shared growth and sustainable development

Summary table for programme 3

Programme: Economic governance, domestic resource mobilisation and international drivers of governance	
Overall issue	Development demands economic growth that is balanced and shared. This requires a favourable economic environment conducive to private sector development, as well as suitable structural and governance institutional settings, at the domestic and international levels. These should explicitly foster greater social equity, poverty alleviation and sustainable development objectives. We define this as "economic governance". It depends on domestic as well as international forces
Programme aim	To facilitate and inform a process of change in the ACP, Europe and emerging powers and amongst international actors to bring about the development aims and transformation objectives endorsed by the G20 Seoul <i>Development Consensus for Shared Growth</i>
Key actors	Institutions of the ACP, the African Union and the European Union (DGs DEVCO, ENTR, TRADE, MARKT and EEAS, the European Parliament), officials from ACP and EU ministries of foreign affairs, trade and industry, economic affairs and finance, ACP and EU member states, the private sector (notably SMEs and the extractive industry), international organisations (the OECD Development Centre, DEFINE, the World Bank, the African Development Bank, the United Nations Economic Commission for Africa), civil society organisations, think tanks and independent experts
Plan of action	
Activities and outputs	<p><i>Dialogue and facilitation</i></p> <ul style="list-style-type: none"> Targeted policy dialogues on domestic resource mobilisation to stimulate the formation of coalitions of domestic and international drivers of change Setting up the <i>Extractive Industry Development Forum</i> to stimulate policy exchange for better governance of activities to develop natural resources Business facilitation platform to foster public-private policy dialogue and share experience on engagement strategies, especially through the use of indicators, to stimulate economic reforms Promotion of triangular dialogue and exchanges on development in Africa between the EU and other traditional development partners and emerging players (in particular China, India and Brazil) <p><i>Research, knowledge management and networking</i></p> <ul style="list-style-type: none"> Analysis of the political and economic dynamics underlying adoption of fiscal reforms and budgetary transparency, and research on financing and tax coordination of the regional economic communities Networking with key stakeholders for enhanced governance of extractive resources for shared growth, relevant policy analysis and studies on management and implementation issues Case studies and toolkit design on lessons from successful engagement in public-private partnership, focused on incentives and governance constraints Analysis of implications for traditional partners, the EU in particular, of the new role of emerging players in Africa along with options for coherent African strategies in the new context
Partnerships <ul style="list-style-type: none"> Specific Institutional partnerships 	<ul style="list-style-type: none"> Africa Institute of South Africa (AISA); the African Capacity Building Foundation (ACBF); African Center for Economic Transformation (ACET); OECD Development Finance Network (DEFINE); Canada-EU Mining Council (CEUMC); International Centre for Taxes and Development (ICTD); German Marshal Fund; Chinese Institute of International Studies (CIIS); Chinese Academy of Social Sciences (CASS); Indian Research and Information Systems for Developing Countries (RIS); Brazilian Center for International Relations (CEBRI) Centre for the Development of Enterprise (CDE); World Bank Institute; United Nations Economic Commission for Africa (UNECA); African Development Bank; OECD Development Centre Europe-Africa Research Network (EARN); the South Africa Institute of International Affairs ACP Secretariat; ACP Group; AU Commission; ACP regional economic communities
Risks	<ul style="list-style-type: none"> Lack of reform dynamics and little engagement by policymakers and relevant stakeholders Insufficient focus, activities too dispersed Insufficient synergy with possible lack of coherence with other ECDPM programmes (our political economy approach to context analysis will help in risk assessment and improve our understanding of dynamics of change. It will also play a critical role in informing future courses of action regarding domestic and international drivers of change.)
Results	
Expected outcome	<ul style="list-style-type: none"> Well-informed informal dialogue that effectively feeds into formal policy and reform processes at the local, national, regional, continental and international levels, especially in the EU, the African Union and at all levels of the ACP and some regional economic communities, as well as the G20

	<ul style="list-style-type: none"> • Better understanding of incentives facing drivers of change, especially domestic elites, to promote improved economic governance in the ACP and Africa (“drivers of change” refers primarily to government institutions and the middle classes in the ACP/Africa, the EU and emerging economies, as well as the international community) • A more coherent, better informed approach to designing domestic tax policy measures based on understanding of the reality and impact of tax reform implementation in ACP countries • The Extractive Industry Development Forum is set up, stimulating constructive engagement among key stakeholders to generate knowledge and understanding of the key issues involved in managing extractive resources • Greater awareness and shared experience among public and private sector stakeholders across and within ACP countries on successful mechanisms for public-private dialogue for policy reform, especially through the use of tools such as business indicators • Creation of a dialogue platform to examine motives, methods, institutions and policies of the emerging players, and to analyse the socio-economic impact of actors’ engagement with Africa
Impact	<ul style="list-style-type: none"> • Informed engagement by domestic and international actors of change in the reform and improvement of economic governance in developing countries as well as in the European Union • More balanced and shared growth and sustainable development • More efficient and equitable mobilisation of domestic resources and strengthened fiscal contract in ACP countries and regions. • Greater transparency at all levels of government relating to the extractive sectors, increases in their fiscal contributions, and greater policy engagement with emerging players and the private sector on use of resources for sustainable and equitable development • Emergence of policies conducive to private sector development and creation of employment • Mutual understanding and some agreement on policy options for a more effective partnership between Africa and its traditional partners, given the various dimensions of the impact of China, India and Brazil on the continent

2.4. Trade and regional integration for inclusive growth

Context

The writing on the wall does not bode well for the multilateral trading system. WTO Director General Pascal Lamy has spared no effort in trying to revitalise the Doha Round, with little success. The Economic Partnership Agreement (EPA) negotiations between the EU and various ACP regional groupings remain stymied, though they were due for completion by 31 December 2007. The global financial crisis and subsequent economic downturn has meant that parliaments in both developed and developing countries have lost their appetite for approving free trade agreements. On the contrary, calls for more protectionism sound louder every day.

Despite this unfavourable context, trade policy remains an essential tool in the set of development instruments at the disposal of developing countries. Most of the countries that are on a positive economic growth path have included an active trade policy in their development strategy. This has enabled their enterprises to become more more fully integrated in regional and international value chains. Along these same lines, active investments in regional integration processes could unleash a vast economic development potential in ACP countries. The creation of effective regional markets, encompassing not only institutional arrangements but also physical integration, policy coordination and the pooling of resources, could be decisive in stimulating production capacities, trade flows and investment. To fulfil this promise, trade and regional integration policy must be embedded in a broader development strategy (rather than copying an imported economic orthodoxy).

EU Trade Commissioner Karel de Gucht is a major advocate of trade policy as a tool for inclusive growth that can foster economic recovery and create jobs, both in Europe and in developing countries. In October 2011, the European Commission presented its new communication on development,¹³ entitled *An Agenda for Change*. This document cites the importance of good governance and inclusive and sustainable growth for human development. The European Union identifies, amongst others, support for a stronger business environment and deeper regional integration as key vectors to stimulate inclusive growth.

For regional integration and EPAs to be aligned with national and regional development objectives – and to ensure that they are conducive to inclusive growth – special attention needs to be given to each country and region's own development approaches. ECPDM will continue to build its understanding of how these international and regional trading arrangements in practice influence national economic governance and the domestic political economy. These insights will contribute to improved economic governance and better EU support initiatives.

Aim and objectives

This programme has several aims:

- Informing policymakers, the private sector and civil society in the ACP countries and regions, with an emphasis on Africa and the Caribbean, on trade policy matters of relevance to them
- Initiating and promoting better informed dialogue amongst these actors and with their EU counterparts to ensure that opportunities and challenges associated with trading arrangements positively impact the broadest possible group of stakeholders

¹³ COM 500, Increasing the Impact of EU Development Policy: An Agenda for Change.

- Using action-oriented research on trade policy, regional integration and aid for trade, to identify approaches to stimulate new coalitions around the economic and trade reforms required for increased trade, genuine regional integration and inclusive growth across Africa and the whole ACP

To realise these objectives, ECDPM will build on its recognised expertise and networks, its capacity to provide non-partisan reflection and debate and its direct access to key policy actors and private sector stakeholders in both the ACP and the European Union.

The programme will apply the ECDPM methodology of combining policy-oriented research with facilitation of dialogue and partnerships with ACP/African institutions. These efforts will in large part respond to demands from ACP institutions and actors, as well as from interested donors.

Activities and outputs

This programme's activities build on the past work of the Economic and Trade Cooperation team. They are also intrinsically linked to the Centre's programmes on economic governance and regional markets for agricultural development and food security as well as the "Africa on the move" programme, which looks at the dynamics of change in Africa. Trade is a key element of EU external action as well. Furthermore, aid for trade and support to regional integration processes are strategic components of EU development policy. The activities of this programme therefore will be conducted in close cooperation with the ECDPM programme on strengthening EU external action.

We will focus on three main areas of work, namely, trade policy, regional integration and aid for trade. These are closely connected. Our approach takes into account both the diminishing appetite for multilateral trade liberalisation, and the increasing impact of other global drivers on domestic political economies.

Trade policy

Given the European Commission's recent attempt to reinvigorate the EPA negotiation process, ECDPM might be called upon to play its traditional role of providing non-partisan analysis to the trade negotiations in the 2012–2013 period. While most of the technical issues related to the EPAs have been assessed and diagnosed, the various negotiations will require more political will and savvy to reach conclusion. If the negotiation dynamics pick up, the Centre might be in a unique position to provide independent facilitation services, given our longstanding expertise, our good reputation among key ACP and EU stakeholders and our strong network of experts.

However, we intend to go beyond negotiation of the trade agreements, which will be meaningless if they are not implemented or if the private sector is unable to use the opportunities that the EPAs create. The work undertaken in 2011 on implementation of the CARIFORUM EPA14 has triggered requests from various stakeholders in the Caribbean and the EU to take this initiative forward. In addition, we will ensure that lessons from this experience are documented for other ACP regions that will conclude EPAs in the coming years.

Regional integration

¹⁴ DP 117: Implementing the Economic Partnership Agreement: Challenges and Bottlenecks in the CARIFORUM Region and DP 118: Implementing the Cultural Provisions of the CARIFORUM-EU EPA

Sound rationale and explicit political priority has been articulated for regional integration in Africa and the Caribbean. ECDPM intends to take a political economy approach to look beyond the rhetoric at underlying dynamics and drivers. We will seek to identify winners and losers, to examine the role that the big economies can play, and to learn where there is real traction to move the process forward.

ECDPM will facilitate informal dialogue on the role of South Africa as a catalyst for regional integration in the Southern Africa region, and identify how the EU can best provide support. With input from a stakeholders consultation in 2011 an agenda for analysis and dialogue has been identified, which could include the Tripartite Free Trade Agreement, the nature of the SADC integration process, sector governance of trade facilitation and implementation of the SADC-EU EPA. This area of work ties in with that of the programme on economic governance and on regional markets for food security.

A second strand of work on regional integration focuses on the dynamics and challenges of translating what countries agree and commit to at the regional level to their respective national strategies, policies and budget frameworks. The Centre intends to accompany the ongoing process in East and Southern Africa, under the auspices of the Inter-Regional Coordinating Committee (IRCC) of the African regional economic communities. This work will be done in consultation with the Centre's programme on African drivers of change.

The sustainability and ownership of regional integration initiatives in the ACP is closely linked to the financing of the regional economic communities and their capacity to mobilise resources. This issue is part of the ECDPM programme on economic governance and domestic resource mobilisation.

Aid for trade

Given ECDPM's position as a small, independent broker with strong links to both donors and private sector stakeholders in the ACP, the programme can play an important role in providing frank assessments of tools and instruments to address the private sector's specific needs. Where these tools and instruments fall short, we will explore what is required to make them more effective. Such thorough analyses based on wide consultation can provide starting points for open dialogue amongst the various donors and stakeholders. The understanding that this fosters will improve the aid-for-trade toolbox, ultimately resulting in greater impact.

Building on work with COMESA and ECOWAS, the programme will continue its facilitation work and stimulate further debate on regional aid-for-trade strategies and their operationalisation. This has strong links with the programme on regional and local markets for agricultural development and food security. Special emphasis will be on regional dimensions of the Comprehensive African Agriculture Development Programme (CAADP) and ensuring coherence across regional support strategies.

Finally, support to trade facilitation is generally seen as an important vehicle to reduce the costs of trade in Africa and thus to create room for economic growth and ultimately poverty alleviation. While this is a very technical arena, there is no quick fix in trade facilitation programmes. A political economy approach to the sector can help to identify the dynamics, drivers and "spoilers". We will apply political economy tools to examine the regional transport corridors in East and Southern Africa. This ties in with work elsewhere within the Centre on agricultural trade corridors as well as with activities on economic governance, given the growing role of emerging players in trade facilitation and infrastructure.

All of our activities in this process will respond to specific demands and needs of stakeholders and partners. These include ACP and EU national and regional trade negotiators, the various regional

economic communities, the dynamic private sector in the ACP, the ACP Secretariat, the AU Commission, DEVCO and donor agencies of the EU member states, as well as aid-for-trade practitioners.

To implement this ambitious work plan we will build on and reinforce the partnerships established by the previous Economic and Trade Cooperation programme. These include amongst others SAIIA, TRAPCA, the African Development Bank, the World Bank, the United Nations Economic Commission for Africa (UNECA), the United Nations University Institute, Comparative Regional Integration Studies (UNU-CRIS), ILEAP, SAANA and the members of the South-North Network and NETRIS. We will also be looking to establish stronger relationships with players such as the Regional Multidisciplinary Centre of Excellence of COMESA (RMCE in Mauritius), the Africa Centre for Economic Transformation (ACET in Ghana) and the African Integration House in Kenya.

Expected outcomes and impacts

Through these activities, the programme seeks to contribute to several outcomes and impacts.

- **Outcome:** Better informed trade negotiators able to conclude trade agreements in alignment with national and regional development objectives
- **Impact:** Increased integration of ACP firms into regional and international markets, ultimately leading to inclusive growth
- **Outcome:** Appropriate aid-for-trade tools and instruments which stimulate ACP stakeholders to use them and benefit from them
- **Impact:** ACP private sector better able to take advantage of opportunities created through trade policy
- **Outcome:** Better understanding of drivers of genuine regional integration and participation in international markets, as well as bottlenecks that prevent this, and knowledge of how internal and external actors can stimulate the process
- **Impact:** More realistic and implementable regional integration and trade agendas that balance ambitions and external pressures with political and economic realities

Summary table for programme 4

Programme: Trade and regional integration for inclusive growth	
Overall issue	Trade and regional integration is needed in order to facilitate inclusive growth
Programme aim	<ul style="list-style-type: none"> • Inform ACP and EU policymakers on trade policy, regional integration and aid for trade • Facilitate better informed dialogue on trade matters of relevance to them • Focus on the implementation of trade arrangements to foster greater impact • Stimulate new coalitions around economic and trade reforms that can foster inclusive growth
Key actors	Regional economic communities, ACP and EU trade negotiators, aid-for-trade practitioners, private sector actors, regional centres of excellence, ACP and AU institutions, EU institutions, EU member states, other development partners
Plan of action	
Activities and outputs	<p><i>Dialogue and facilitation</i></p> <ul style="list-style-type: none"> • Dialogue among ACP-EU policy makers on EPAs or alternative trading arrangements • Dialogue between ACP small business actors and donors on improving the existing tools and instruments in aid for trade • Dialogue among national and regional actors on how fostering transposition of regional commitments and with partners on how to support the process <p><i>Research, knowledge management and networking</i></p> <ul style="list-style-type: none"> • Discussion papers and background notes on trade policy, regional integration and aid for trade • Informal input and analytical briefs for trade negotiators • Briefing papers for stakeholders • Talking points on topical issues
Partnerships	<p><i>Programme specific</i></p> <ul style="list-style-type: none"> • Regional economic communities (e.g. CARICOM, COMESA, EAC, ECCAS, ECOWAS, SADC) • UNECA, UNUCRIS, OECD Development Centre, International Trade Centre • ACP private sector actors • Think tanks and universities in the ACP • EU institutions and member states • Development banks (World Bank, African Development Bank, Inter-American Development Bank)
Risks	<ul style="list-style-type: none"> • Donors reduce the financing for facilitation and policy research on trade and regional integration given the global context • Political stalemate in EPA negotiations • Weak political leadership to drive the regional integration agenda • Difficulty in identifying relevant ACP private sector actors and their limited availability to invest in the aid for trade process • Agenda is too heavy, with insufficient human and financial resources • Dependence on traction of certain external processes on which we have no influence; yet the work must be engrained in existing dynamics and requests if it is to have impact
Results	
Expected outcomes	<ul style="list-style-type: none"> • Better informed negotiators able to align trade agreements to the development priorities of their country and region • Appropriate tools and instruments within aid for trade that allow the ACP private sector to take advantage of opportunities created through trade policy • More effective regional integration, combining broad regional policy frameworks and business-driven initiatives • Improved understanding of the internal dynamics of regional integration and the impact of external actors (EU and others)
Impact	<ul style="list-style-type: none"> • Increased integration of firms from developing countries into regional and international markets, ultimately leading to inclusive growth • ACP private sector better able to take advantage of the opportunities created through trade policy • Realistic and implementable regional integration and trade agendas which balance ambitions and external pressures with political and economic realities

2.5. Africa on the move: understanding and building on dynamics of change

Context

The context in which the EU provides support in Africa is changing fast. The dynamics of this change (domestic, regional and continental) have significantly reshaped the face of Africa. **Two key trends** are most notable. The first is **positive change**. Despite the continuous challenges, many observers agree that the continent has progressed well in the past decade. Economically there have been significant improvements with a steady increase in the overall gross domestic product (GDP) and positive trade figures. Politically there are now several African initiatives geared towards the promotion of better governance (e.g. the African Peer Review Mechanism and the African Charter of Democracy, Elections and Governance). The gradual reconfiguration of the international balance of power and the emergence of new actors has provided space for Africa to reshape its international relations. The second trend is **increased demand for change** from social actors. Recent figures indicate that 72% of Africans value democracy as opposed to 61% in 2005.¹⁵

It is true that Africa continues to face significant obstacles, but it is also important to assess how the **progress achieved can be harnessed** to address the remaining difficulties. This undertaking is of foremost relevance for African stakeholders whose internal demands require continuous progress to promote **governance for development**. This implies a multi-sectoral approach driven by a multiplicity of actors (institutional and non-institutional) and at different levels (from continental to local) with a view to contributing to development outcomes in different forms (e.g. political, economic and social). However, external partners could improve the manner in which they accompany these African initiatives. Recent research and lessons from development cooperation practice indicate a need to set aside traditional top-down approaches, harness progress and accompany positive local dynamics. Such support would help **consolidate ownership**¹⁶ of developmental agendas. In turn this should contribute to the EU's key objective of promoting sustainable development.

ECDPM recognises the difficulties of identifying the most promising changes and engaging with African actors. Two factors in particular are at play. The first is an unclear articulation of expectations from the African side as a result of evolving institutional frameworks and dynamics and concern about ownership being compromised by early involvement of donors (i.e. wariness of having an open dialogue with Europe). The second is limited knowledge of the realities of change dynamics in Africa and of the actors driving change (political economy analysis). This programme is specifically geared towards addressing these two factors.

Aim of the programme

The programme's general aim is to accompany Africa in "weaving its own mat" in governance terms. The key issue raised is how can the evolving dynamics in Africa best be supported and how can donors better connect with them?

The programme is conceived to focus largely on initiatives undertaken in Africa by Africans in an attempt to "**regain policy space**" and come up with **home-grown agendas** for reform in both socio-political and institutional terms. Secondly, it will consider how this enhanced policy space will influence **EU interaction**

¹⁵ Afrobarometer survey "Democracy making a headway in Africa", 2 June 2009

¹⁶ ECDPM recognizes that ownership is a **process** and not an action. Therefore it is important to ensure continuous support to the process of **consolidating ownership**

with the continent. More specifically, it seeks to support African actors' efforts to consolidate their institutional frameworks to promote governance for development (the supply side of change dynamics) and to deepen the understanding of societal dynamics of change in order to better assess how they influence governance reforms (the demand side of change).

The programme builds on two key **principles**:

- **Go beyond institutions.** There is a need to broaden “relations” beyond institutional actors and engage with non-institutional actors in Africa if the work is to reflect the social dynamics taking place on this continent.
- **Adopt a multi-dimensional and multi-level approach to governance.** Although this programme will focus primarily on governance, it will also seek to accommodate other initiatives with the potential to help Africa regain policy space, especially vis-à-vis external actors. In so doing, the programme will focus on different levels of governance (local, national, regional and continental).

These activities respond to the objectives of several themes of the new ECDPM Strategy 2012–2016. In particular, they support political and institutional reform in developing countries (theme 3) and contribute to a better understanding within the EU of dynamics in Africa in order to help the EU to develop more responsive external action (theme 1). Improved governance is also key to addressing the transitions identified in ECDPM's strategy.

As a non-African actor, ECDPM is conscious of the need to clearly define its added value in African-led processes. A wide range of African organisations are sufficiently active and capable of supporting African institutions at different levels. Therefore, ECDPM seeks to build on its experience of **selective engagement** in processes where there is **demand** from partner institutions and where the potential exists for such initiatives to ultimately contribute to stronger and more **balanced dialogue** between Europe and Africa. Furthermore, by integrating the socio-political dimension in its analysis ECDPM seeks to strengthen knowledge within the EU to contribute to a more sophisticated understanding of dynamics in the field. This should provide a foundation for building a better EU external action response.

Internally, this programme will also serve as an “**incubator**” of knowledge for other areas of ECDPM work. It will complement ECDPM's other programmes by helping them to understand and “take context as a starting point” when engaging in various areas of EU external action, be it democracy, trade or conflict prevention.

Activities and outputs

This programme builds on ECDOM's **existing strengths**. However, it also recognises the new emerging trends in Africa and seeks to **expand the Centre's focus** on promising processes and dynamics. Four areas have been identified that combine the supply side and the demand side for change in Africa:

- **Support** to African institutional actors in implementing their policy agendas
- **Improving understanding** of the local dynamics of governance for development, particularly in sub-Saharan Africa and North Africa
- **Facilitation of dialogue** between African and the EU on their respective agendas in relation to governance for development

Support to African institutional actors in implementing their policy agendas

This work stream will be provided through demand-driven technical support. It will focus on institutional innovations with the potential to enable Africa to “regain policy space”. Particular emphasis will be on governance dynamics at the continental level. This choice is based on the range of promising initiatives, especially from the AU Commission, to implement an ambitious, multi-actor shared values agenda in order to strengthen accountability and create an enabling framework for stronger African member state commitment to governance. The programme will therefore focus its activities first on supporting the AU Commission in implementing this **shared values agenda**. In the medium term this support could also be provided to the regional economic communities, which will be responsible for developing governance standards at the regional level. A second element is to accompany the **integration of local/decentralised dynamics** into the continental processes (e.g. the role of local authorities). This is crucial to ensure greater complementarity between top-down and bottom-up initiatives. It will also be key in building the **capacity of the AU Commission** to promote a conducive environment for developmental governance. One of the main challenges facing the institution in the coming years is its ability to sustain itself without reliance on external support. Thus, the third focus here is to contribute to the debate on alternative sources of finance for the AU Commission. This aspect will be largely **demand-driven**. It will emphasise provision of technical support, conducting studies and promoting linkages between these initiatives and European support.

Improving understanding of the local dynamics of governance for development

This area of work focuses on learning. Recognising the growing role of societal dynamics in change processes, ECDPM seeks to develop a stronger “knowledge base” in this area. Positive dynamics are under way on governance, accountability, transparency and development at the local level in Africa. ECDPM’s work will emphasise both institutional and non-institutional domestic initiatives to strengthen accountability systems and transparency. More particularly, these activities will seek to *deepen knowledge about the “drivers of change” in North Africa*. The events of early 2011 are only a first step towards sustainable governance reforms in North Africa. As the governance dynamics in this region change further (or stagnate), donors will be reviewing their support. But there is first a need to monitor and understand the change dynamics in order to inform policy and the EU’s engagement. ECDPM thus seeks to develop its knowledge of the new socio-political dynamics in North African countries and their implications for EU policy: What types of reforms are being introduced? What is the social response? What are the implications for governance dynamics in the country? ECDPM will conduct independent research and engage in discussion with the EU on its support to the Southern Neighbourhood. We will share the knowledge acquired through various means including facilitation of events, policy briefs and other communication tools.

Facilitation of dialogue between African and EU actors on their governance for development agendas

Facilitating dialogue between the EU and Africa is another focus area of this programme. ECDPM has a strong track record in facilitating dialogue, especially in the area of cooperation on governance (e.g. we facilitated the creation of the Europe-Africa Platform for Dialogue on Governance and Rights). This is expected to continue in the coming years.

An ambitious partnership approach

The programme will increasingly rely on networks and partnerships to adequately incorporate African perspectives in analysis and facilitation efforts. Specifically, ECDPM seeks to initiate or strengthen partnership with the following actors:

- Institutional African actors including the AU Commission (e.g. the Political Affairs Department, the Economic Affairs Department, the Office of the Deputy Chairperson), the African Peer Review Mechanism Secretariat, the regional economic communities and the African Development Bank
- African think tanks such as the Africa Governance Institute, Open Society Initiatives, the Institute for Security Studies (ISS), the Centre for Democratic Development in Ghana, and the Al Ahram Center for Strategic Studies

Expected outcomes and impacts

The programme seeks to contribute to three specific outcomes:

- Africa actors better articulate their demands to international partners, as they are more resilient and enabled to develop their own agendas
- Societal dynamics driving change in Africa are better understood in the European Union and as a result are better reflected in EU external action and policies
- Understanding is improved of the impact of national and international policies on improving resilience and institutional adaptation in Africa

Summary table for programme 5

Africa on the move: understanding and building on dynamics of change	
Overall issue	How can we best accompany Africa in “weaving its own mat”? Multiple change dynamics are under way in Africa, both social and institutional. The key issue raised in this programme is how these processes can best be supported to ensure more inclusive and better informed donor support
Programme aim	<ul style="list-style-type: none"> Supporting African actors in regaining policy space to develop in line with home-grown agendas for reform, both socio-political and institutional Connecting EU responses to Africa’s changing dynamics
Key actors	African institutional players (AU Commission, African Development Bank, AU member states, regional economic communities), non-institutional actors (AGI, OSI, ISS, Al Ahram Center for Strategic Studies and other potential partners) and EU actors (European Commission, EU member states, EEAS)
Plan of action	
Activities and outputs	<p><i>Dialogue and facilitation</i></p> <ul style="list-style-type: none"> Dialogue on EU-Africa relations Events for external actors provided or facilitated on request <p><i>Research, knowledge management and networking</i></p> <ul style="list-style-type: none"> Technical notes for African stakeholders on request Policy research on building a resilient AU Commission and on the evolution of social dynamics in Africa Briefings for stakeholders Reports and studies commissioned by third parties Brief commentaries using ECDPM’s communication tools (e.g. <i>Talking Points</i>)
Partnerships	<p>Programme specific</p> <ul style="list-style-type: none"> Institutional African actors including the AU Commission (e.g. the Political Affairs Department, Economic Affairs Department and Office of the Deputy Chairperson), the African Peer Review Mechanism Secretariat, regional economic communities, the African Development Bank African think tanks such as the Africa Governance Institute (AGI), Open Society Initiatives (OSI), the Institute for Security Studies (ISS), the Centre for Democratic Development (CDD) in Ghana and the Al Ahram Center for Strategic Studies
Risks	<ul style="list-style-type: none"> Reliance of two areas of work on demand-driven approaches, meaning that ECDPM may have limited interventions if there is limited demand Fast evolving realities, especially in North Africa
Results	
Expected outcome	<ul style="list-style-type: none"> African actors are resilient, enabled to develop their own agendas, and better able to articulate their demands to international partners Societal dynamics driving change in Africa are better understood in Europe and as a result are better reflected in EU external action and policies
Impact	Africa “weaves its own mat” for development by building more resilient political institutions and societies

2.6. Regional and local markets for agricultural development and food security

Context

Food security relies on linking agricultural producers with local and regional markets. Sustainable and inclusive growth, political stability, and effective international cooperation are all at risk in a world where food insecurity affects more than one billion people. The global financial crisis and rising food prices have worsened the vulnerability of developing and African and Caribbean countries in particular, and made food security an urgent concern for governments and development partners. Sustainable agricultural development is crucial to achieve food security, especially where a large majority of the population depends on small-scale agriculture. Many ACP countries are net importers of agricultural products. Their few agricultural exports tend to be dominated by traditional commodities and dependence on preferential access to a few markets in developed countries. Major challenges also remain for sustainable water and land management, which play an essential role in agricultural development and food security.

Trade enables farmers to capitalise on the economic potential of their produce, helping them to turn agriculture into a motor for income generation and pro-poor growth. However, in many cases, local and national markets and institutions are too small to bring about the required transformation in the agriculture sector. Markets within national boundaries are often isolated and too limited to justify investments, due to inadequate input supplies and an insufficient client base (demand). Creating synergies between regional integration and agricultural market development thus offers great potential.

Coherence and coordination of trade and agriculture policies and programmes face great challenges in different ACP regions. Cross-sector communication between agriculture and trade is often weak, and parallel and often competing policy frameworks hamper the necessary synergies. Better coherence, coordination and complementarity are needed amongst regional integration, trade and agriculture initiatives, as well as with donors and external supporters. Ultimately the goal is to create policy frameworks that facilitate the development of agricultural markets and stimulate public and private investment. Equally essential is to strengthen the capacity of regional institutions to develop and implement regional agricultural strategies.

Various independent processes are under way to promote food security and agricultural development and to encourage regional trade in ACP regions. There is increasing traction for the Comprehensive Africa Agriculture Development Programme (CAADP) and for the development of trade corridors in Africa, as well as for the Caribbean Agriculture and Food Security Strategy and the Framework for Action on Food Security in the Pacific. ECDPM has therefore set up a new programme on regional and local markets for agricultural development and food security, focusing on regionally owned initiatives in the ACP and Africa. The programme seeks to address some of the key transitions identified in the ECDPM Strategy 2012–2016, in particular, the need to deliver on global public goods such as food security, as well to advance towards a “green” global economy, more inclusive growth and development, and increased societal resilience and adaptability.

Aim of the programme

The overall aim of the programme is to support ACP regional organisations and processes to strengthen their contribution to food security and to assist development partners, in particular the EU, to adopt coherent and effective approaches that foster thriving agriculture markets and promote food security.

The programme is relevant to other aspects of the Centre's work as well. It links with each of the four themes at the core of ECDPM's Strategy 2012–2016. It is most firmly anchored in theme 4 on promoting food security as a major worldwide development challenge. But sustainable agriculture development is also essential to foster economic governance and trade for inclusive growth (theme 2). For agriculture development and food security to thrive, African and Caribbean institutional and societal actors need to be in the driver's seat (at the continental, regional, national and local levels) (theme 3), and EU external action needs to promote policy coherence for development (theme 1) with EU internal policies such as the Common Agricultural Policy (CAP). The programme brings together various strands of expertise within ECDPM on trade, regional integration, governance, decentralisation and local economic development; on African institutions and non-state actors; and on EU coherence issues in relation to agriculture and food security.

Expertise and knowledge on agriculture and food security are abundant. What is still widely lacking in the sector is *broad political dialogue, process facilitation and bridges between different policy domains and levels* (continental, regional and national). These are precisely the areas where ECDPM offers solid expertise, proven methods and practical experience. The Centre has facilitated numerous important multi-stakeholder processes in Europe and in Africa. Our research, expertise in dialogue facilitation, strategic networking activities, and our track record of partnership with southern actors, place the Centre in a good position to step up work on regional integration and agricultural markets in the ACP and to respond to existing demand in these areas, particularly around the CAADP.

ECDPM has a particularly strong added value in three areas: (i) anchoring food security at the regional level by strengthening policy formulation on, and African organisations working for, regional trade and agricultural development (in conjunction with national and continental policies); (ii) enhancement of the business and investment climate through improved policy dialogue between national governments and the private sector (business facilitation); and (iii) addressing various governance dimensions of food security – such as economic governance (including the management of natural resources, land, water and energy), participation of stakeholder organisations and consumers, the right to food, and EU policy coherence.

Activities and outputs

The programme will employ policy-oriented research, facilitation of dialogue and partnership building with ACP/African institutions. Activities will build on existing initiatives to support regional integration and be undertaken in collaboration with relevant partners, at the different levels involved in regional agricultural market development (continental, regional, national). Consistent with the programme aim, priority will be given to the regional level. The ultimate beneficiaries of stronger regional markets will be local farmers and consumers. Thus, our work also addresses the effectiveness of regional initiatives in integrating local markets with national and regional ones.

ECDPM will implement this work gradually in **three phases**:

- Phase 1. Establishing a track-record and achieving early-deliverables with interested partners
- Phase 2. Expanding activities into other regions and developing new partnerships
- Phase 3. Ensuring the methodology can be applied independently by strengthened partners, with ECDPM continuing to support the process if and when needed

In phase 1, ECDPM's focus will be on assessing the key issues involved and engaging with stakeholders in interested regions to **provide initial support and establish a track record** in this new area of work. As a first step ECDPM conducted a "light" mapping exercise in 2011 of progress made in implementing and supporting the CAADP in specific regions (COMESA, EAC, ECOWAS and SADC). This included an analysis of the linkages between the CAADP and other regional programmes. Results have been shared with the regions to stimulate feedback and discussion. In early 2012, agriculture and trade policy dialogues will be organised in collaboration with the regional economic communities and other partners to respond to the mapping results and identify operational steps. The first such dialogue will be in the COMESA region and aim to contribute to the design of a regional CAADP plan which is horizontally and vertically coherent. In other words, the plan should complement ongoing COMESA regional integration programmes in other sectors as well as the national CAADP investment plans. Additional outputs in this phase might be analysis of the horizontal and vertical coherence between national and regional CAADP compacts in other regions and initiation of a process leading to a comprehensive and flexible tripartite (COMESA, EAC and SADC) CAADP compact. In this phase, ECDPM will also support the NEPAD Planning and Coordination Agency (NPCA) and CAADP donors in promoting informal policy dialogue at the continental level to share and discuss lessons learned in each region.

Beyond Africa, support may be provided to Caribbean and Pacific actors in formulating an EU-funded regional agriculture programme that aims to increase the capability of the respective regional agricultural development organisations to address the needs of smallholders through closer integration into local, national, regional and – where appropriate – global markets. Upon approval and launch of the programme, ECDPM will contribute to its implementation in 2012–2013, working in close collaboration with Technical Centre for Rural and Agricultural Cooperation ACP-EU (CTA).

In phase 2 (from mid-2012), the programme seeks to replicate the activities and outputs of the first phase in new regions and to organise follow-up activities in the regions initially covered. In the new regions (e.g. Central Africa/ECCAS and Eastern Africa/IGAD), ECDPM will conduct a mapping exercise similar to those done for the first group of regions. At the end of this phase (mid-2013), a pan-African policy dialogue will be organised by the NPCA, the AU Commission, regional economic communities and donors. Informal gatherings of like-minded donors, in Europe as well as in the developing regions, could be facilitated to share knowledge and promote task division on regional integration, aid for trade and CAADP-related support. Specific follow-up activities will be organised in regions covered by the phase 1 mapping exercise, based on the identified research and dialogue facilitation needs. It will be particularly important to look at business facilitation in the sector, to identify successful experiences in linking small and medium-sized enterprises (SMEs) and agri-businesses to regional and international markets. At a more advanced stage, the different actors may welcome assistance for an institutional assessment of the Regional Fund and the Regional Agency for Agriculture and Food Security, which stem from the upcoming implementation of the regional compact. Donors are likely to be interested in an analysis of the best funding mechanisms to effectively support agricultural development at the regional level. In addition, the role of "emerging economies" for food security in the ACP should be explored. The research and dialogue findings could be

published as case studies, together with analyses of the impacts of relevant EU and African national and regional policies on achieving food security in Africa.

In phase 3 (mid-2013 onwards), ECDPM and key partners will continue activities to build on the earlier phases, while attracting external support for the largely independent application of the approach and methodology by strengthened southern partners. Further activities, partnerships and sub-regions (including possibly North Africa) would then be developed, to build ACP/African capacities to engage effectively on trade and agriculture development issues to promote food security and ensure the long-term sustainability of the approach.

Throughout the two-year period, activities may also be undertaken on EU internal and external policies that affect food security in the ACP and Africa, in particular the CAP. This could include a study on methodological options to monitor and evaluate the effects of the CAP on developing countries, as a tool to enhance EU policy coherence for development. In terms of methodology, the team will undertake research, networking and production and dissemination of knowledge through ECDPM papers and studies commissioned by third parties, briefs, blog entries, and use of existing ECDPM tools such as the *Weekly Compass* and website. There will be more use of “social media” while recognising that some stakeholders still prefer printed publications.

The programme will conduct its work in collaboration with relevant partners: African governments and their regional/sub-regional organisations; external partners, especially (European) donors; and non-state actors with a focus on enhancing their capacities to make trade and agriculture policies and programmes a truly multi-stakeholder process. In addition to working with the secretariats of the regional economic communities, upon the NPCA’s request, and in line with the ECDPM collaboration with the AU Commission, a possible NPCA-ECDPM partnership is under discussion. This would further strengthen capacity within the NPCA and the regional economic community secretariats with regard to regional and agricultural development. The aim is to make the continental-regional-national nexus work more smoothly in the context of the CAADP. To this end, ECDPM will seek to conclude memoranda of understanding in each region with “drivers of change” that can stimulate progress at the regional level using a methodology similar to ECDPM’s. Potential partners are the African Food, Agriculture, and Natural Resources Policy Analysis Network (FANRPAN) and the Rural Hub in West and Central Africa. Partnering with regional farmers organisations (EAFF, ROPPA, SACAU, PROPAC) will also be a priority, given the key role of farmers in agricultural markets for food security. Other actors too have expressed interest in collaborating with ECDPM on this programme: CTA, the Global Mechanism (GM), the African Development Bank, the Global Donor Platform for Rural Development (GDPRD), the Investment Centre of the UN Food and Agriculture Organization (FAO), the German Marshall Fund (GMF), the Conference of Ministers of Agriculture of West and Central Africa (CMA/AOC), the Forum for Agricultural Research in Africa (FARA), and the African Capacity Building Foundation (ACBF).

The activities and their success depend on Southern partners driving the process. ECDPM therefore continuously seeks to identify and work with drivers of change in the area of agricultural development and food security (across and within organisations). Capacity issues may hinder these actors and thereby endanger realisation of ECDPM’s expected results. Weak organisations are particularly common at the regional level. For this reason, awareness of capacity constraints and strategies to address those will be at the core of ECDPM’s approach in this programme. Finally, agricultural development and food security is a vast area in which ECDPM, as a small centre with a specific approach, has a well delineated niche. The Centre will clearly communicate its “independent broker” role, its expertise and its aim, to avoid unrealistic expectations amongst partners and other stakeholders.

Expected outcomes and impacts

The programme seeks to contribute to the achievement of five specific outcomes:

- Improved design and implementation of the regional dimensions of the CAADP and of agricultural policies and programmes more broadly in the ACP and Africa in particular
- More effective regional integration, combining broad regional policy frameworks and business-driven initiatives
- Synergies for food security with stronger linkages between trade and agricultural actors, policies and programmes
- Better public-private cooperation for trade, agricultural development and business facilitation
- Improved understanding of the impact of EU policies, in particular the CAP, on food security in the ACP

Summary table for programme 6

Programme: regional and local markets for agricultural development and food security	
Overall issue	Regional and local trade and markets are needed to stimulate agricultural development in support of food security
Programme aim	To support strengthened contributions of regional organisations and processes within the ACP to food security within the regions, while assisting donors, particularly the EU, in adopting coherent and effective approaches to foster thriving agricultural markets and to promote food security
Key actors	Regional economic communities, regional farmers organisations, business organisations, regional centres of excellence, ACP institutions, CTA, AU Commission, NPCA, EU institutions and member states, and development partners
Plan of action	
Activities and outputs	<p><i>Dialogue and facilitation</i></p> <ul style="list-style-type: none"> - Trade and agriculture policy dialogue events at the regional and African continental level - Business facilitation dialogue events - Facilitation support at events organised by stakeholders such as the regional economic communities and the CAADP Development Partners Task Team <p><i>Research, knowledge management and networking</i></p> <ul style="list-style-type: none"> • Background notes and discussion papers on topics such as regional CAADP lessons, business facilitation, and coherence between national and regional CAADP compacts • Other inputs to specific regional agricultural policy frameworks and plans, e.g. input to the formation of a tripartite CAADP compact • Briefings for stakeholders
Partnerships	<p><i>Programme specific</i></p> <ul style="list-style-type: none"> • Southern institutions with a methodology similar to ECDPM (FANRPAN, Rural Hub) • Regional farmers organisations (EAFF, ROPPA, SACAU, PROPAC) • Think tanks and universities in the ACP and EU (e.g. ODI, GDI) • EU institutions and member states • Development banks (World Bank, African Development Bank) • United Nations entities (Global Mechanism for the United Nations Convention to Combat Desertification, Investment Centre of the Food and Agriculture Organization) • Global Donor Platform for Rural Development (GDPRD) • German Marshall Fund • Conference of Ministers of Agriculture of West and Central Africa (CMA/AOC) • Forum for Agricultural Research in Africa (FARA) • African Capacity Building Foundation (ACBF) <p><i>Institutional partners</i></p> <ul style="list-style-type: none"> • African Union/NPCA and regional economic communities (CARICOM, COMESA, EAC, ECCAS, ECOWAS, SADC) • ACP institutions • CTA
Risks	<ul style="list-style-type: none"> • Southern partners do not drive the process • Weak capacities of partners endangers achievement of expected results • Partner expectations don't align with the Centre's independent broker role, expertise, and overall aim

Results	
Expected outcomes	<ul style="list-style-type: none"> • Improved design and implementation of the regional dimensions of the CAADP and agricultural policies and programmes more broadly in the ACP and Africa in particular • More effective regional integration, combining policy frameworks and business-driven initiatives • Synergies for food security created by stronger linkages between trade and agricultural actors, policies and programmes • Better public-private cooperation for trade, agricultural development and business facilitation • Improved understanding of the impact of EU policies, in particular the CAP, on ACP food security
Impact	More effective regional and local markets for agriculture development and food security

3. Institutional Relations and Partnership Development

3.1. Context

The Centre celebrated its 25th Anniversary in 2011 against a backdrop of global flux, EU reforms and changes within the ACP. Obviously the rapidly evolving context may impact the future orientations of the Centre. While we continue to work closely with our key partners in the ACP and our institutional allies in Europe, we are also opening our doors to other partners worldwide, including the BRIC countries, non-EU DAC members (USA, Switzerland, Norway, Japan, etc) and development foundations. In terms of roles, the Centre will continue to play its role as a non-partisan provider of practical analysis and facilitator of dialogue and institutional development. Our extensive networks and institutional partnerships, both in Europe and in the South, remain strong assets in our work to bridge policy and practice for achieving development impact.

3.2. Aim and objectives

Aims in terms of partnerships with ACP and Southern institutions

The Centre prioritises two aims related to partnerships with ACP and Southern institutions in 2012–2013:

- Deepen the existing Centre-wide partnerships with the ACP Secretariat and the African Union
- Explore further opportunities for partnerships in various parts of Africa and the BRIC countries to improve the legitimacy, relevance, effectiveness and impact of our work

Aims in terms of institutional relations

In line with our funding strategy 2012–2016, the Centre defines the following objectives for the coming years:

- Consolidate and further strengthen relations with our European partners that have consistently supported the Centre over the years (the Netherlands, Belgium, Luxemburg, Finland, Sweden, Ireland, Portugal, Switzerland)
- Mobilise institutional funding from other EU member states and non-EU countries
- Explore funding opportunities with development and political foundations
- Increase efforts to mobilise substantial programme and project funding
- Better organise the Centre for framework contracts and tenders
- Target potential donors that could be interested in our new and broadened strategy, such as the United Nations, the World Bank, the African Development Bank, the European Investment Bank, the United Nations Economic Commission for Africa (UNECA), the African Union, the New Partnership for Africa's Development (NEPAD), ministries of economic affairs, education and defence, and research funds
- Better connect with Southern institutions and potential funders so as to tap new opportunities for funding in the South

3.3. Activities and outputs

Partnerships with ACP and Southern institutions

The Centre has invested a considerable amount of energy and resources in partnerships. In the coming years, we will deepen our partnerships with the ACP Group and the African Union.

The **ACP Group** confronts major challenges in the coming years. These relate to the implementation of the Cotonou Agreement, the EPA negotiations and the future of the partnership with the European Union. ECDPM will assist the ACP Ambassadorial Working Group on future perspectives and the ACP Secretariat in its analysis of possible options and scenarios for the ACP beyond 2020. Two issues that will be tackled are the search for complementarity between the ACP and regional and continental organisations (such as the African Union) and scenarios for opening the Group to other least developed and vulnerable economies. We will also continue to support the ACP Group in clarifying the implications of post-Lisbon EU reforms, budgetisation of the EDF, policy coherence for development, ACP-EU political dialogue, aid for trade, food security and EPAs and regional integration. In addition to the ACP interlocutors in Brussels, the Centre will reach out to ACP civil society and private sector organisations on most of these topics.

The partnership with the **African Union** and **African regional integration organisations** (regional economic communities) is a recurrent theme in all of ECDPM's programmes. Since the creation of the African Union in 2002, ECDPM has worked with various units of the **AU Commission** in Addis Ababa. Our partnership with the Commission was formalised in 2008 in a memorandum of understanding that outlines a framework for structured, long-term cooperation. The Centre's strategy is strongly articulated around the goal of strengthening pan-African and regional African organisations, amongst others, to contribute to a reinforced dialogue with the EU institutions on the Joint Africa-EU Strategy.

The African Union is increasingly prominent as the overarching institution for regional integration and cooperation in Africa. It is consolidating links with the regional economic communities. NEPAD has been transformed into an implementation agency, the NPCA, which coordinates specialised programmes such as the CAADP. The African Union can increasingly build on a well-organised peace and security architecture. Beyond the African Union, ECDPM will continue its support to the African Governance Architecture (AGA) and to various other African governance initiatives and institutions. We will continue to provide institutional development and financial management support and advice to the Office of the Vice Chairperson of the AU Commission. The prospects for further progress on AU-EU relations over the coming period were enhanced with the recent appointment of the new AU Ambassador to the European Union.

In addition to these institutional partners, ECDPM will continue its collaboration with the Institute of International Relations (IIR) of the University of the West Indies in Trinidad and Tobago, the South African Institute of International Affairs (SAIIA) in Johannesburg and the Africa Governance Institute (AGI) in Dakar.

We will further invest in strengthening the Centre's interactions in a number of networks. In the framework of the Europe-Africa Policy Research Network (EARN), of which ECDPM was a co-founder, a conference will be organised in Maputo, Mozambique in early 2012 on **emerging actors in Africa: the impact and opportunities they present for EU-Africa and global relations**.

In 2011 ECDPM became a member of the *Observatoire de l'Afrique*, a network of African and European international relations institutes specialised in peace and security and political governance issues. We also

became part of the Development Finance Network (DEFINE), a global network created by the OECD that largely specialises in economic governance issues. Both networks contribute to the relevance and impact of our work, and we will play a key role in a number of their activities.

Partnerships and networks of the Centre

- African Union Commission, Addis Ababa and Brussels
- ACP institutions: ACP Secretariat and ACP Committee of Ambassadors, Brussels
- South African Institute of International Affairs (SAIIA), Johannesburg
- Europe-Africa Research Network (EARN), Africa and Europe
- Institute for Security Studies (ISS), Pretoria and Addis Ababa
- NEPAD Planning and Coordination Agency (NPCA), Midrand, South Africa
- Food, Agriculture, and Natural Resources Policy Analysis Network (FANRPAN), Pretoria, South Africa
- Forum for Agricultural Research in Africa (FARA), Accra
- African Governance Platform, Addis Ababa
- Africa Governance Institute (AGI), Dakar
- Trade Policy Training Centre in Africa (TRAPCA), Arusha
- United Nations Economic Commission for Africa (UNECA), Addis Ababa
- Institute of International Relations (IIR) at the University of the West Indies, Trinidad and Tobago
- Shridath Ramphal Centre at the University of the West Indies, Barbados
- Regional economic communities in Africa (COMESA, EAC, CEMAC, ECCAS, ECOWAS, UEMOA, SADC, SACU and others)
- Caribbean Community (CARICOM/CARIFORUM), Georgetown, Guyana
- Pacific Islands Forum, Suva, Fiji
- Commonwealth Secretariat, London
- International Lawyers and Economists Against Poverty (ILEAP), Toronto
- European Association of Development Institutes (EADI), Bonn
- United Nations University, Centre for Regional Integration Studies (UNU-CRIS), Bruges
- Network of Regional Integration Studies (NETRIS), Bruges
- International Centre for Trade and Sustainable Development (ICTSD), Geneva
- Technical Centre for Agricultural and Rural Cooperation ACP-EU (CTA), Wageningen
- United Nations Conference on Trade and Development (UNCTAD), Geneva
- Chinese Academy of Social Sciences (CASS)
- China Institute of International Studies (CISS)
- Brazilian Centre for International Relations (CEBRI)
- Research and Information System for Developing Countries (RIS), New Delhi
- German Marshall Fund, Washington, DC
- Egmont Royal Institute for International Relations, Brussels
- South-North Network
- OECD Development Finance Network (DEFINE)
- Consumer Unity and Trust Society (CUTS)
- BOND (UK membership body for non-governmental organisations working in international development)
- European Peacebuilding Liaison Office (EPLO)
- Netherlands Institute of International Relations Clingendael, The Hague

Institutional relations with European partners

As a policy-relevant institute operating at the interface of ACP and Europe, ECDPM maintains strong relations with EU institutions such as the EU Commission, EEAS, the European Parliament, EU presidencies and EU member states. In this tradition, ECDPM will make itself available to support the EU

presidencies of Denmark, Cyprus, Ireland and Lithuania with advice, independent analysis and facilitation work.

In a context of uncertainty, the Centre will make substantial efforts to retain the levels of flexible institutional funding provided by our longstanding institutional partners (the Netherlands, Belgium, Luxembourg, Finland, Ireland, Portugal, Sweden, Switzerland). At the same time we will invest in further diversifying our external funding base by tapping into new types of funding from new donors. A better mix of funding types will spread risks and make the Centre less vulnerable. Potential partners are the new global players, new donors within and outside of Europe, ministries beyond the traditional development departments and private foundations. It will take time to build these new relationships to finally result in long-term flexible funding.

Even in the current context of uncertainty and new challenges, it remains essential that the Centre stay loyal to its principles of independence and its strategic orientations, avoiding becoming overly demand- and market-driven.

3.4. Expected results and impact

ECDPM intends to achieve the following outcomes and impacts by strengthening its institutional relations and partnerships:

- Increased awareness within the European Union and its institutions of the concerns, expectations and views of ACP/African and Southern partners on strategic programmes
- Consolidated flexible institutional funding that allows us to continue to act as an independent, non-partisan sounding board, facilitator and supplier of analysis and capacity support
- Better informed policymakers and other stakeholders in the developing world
- For the BRIC countries, more systematic access to information and knowledge on key programmes
- Improved capacity of ACP/Southern institutional and strategic partners to manage and influence key programmes

4. All-Centre management, competencies and support

ECDPM seeks to strengthen its analytical and knowledge management capabilities in line with the recommendations of the 2011 external evaluation. Its outputs contribute to evidence-based development policies and their management. Over the current work plan period, the Centre aims to achieve a more systematic and larger impact on the modernisation of EU development policy in light of current changes in the global development landscape. For this purpose, the Centre is investing in deepening Centre-wide understanding of two areas that we consider essential for strengthening policy management impact: (i) the political economy of change and (ii) the governance of transformation for development. A systematic effort is being made to allow staff to use such understanding effectively in their daily work. While the Centre has made much progress over the past five years with regard to improving knowledge and information management, it will actively seek to further strengthen its integration in the work streams. In addition, ECDPM is aware that it operates in a rapidly changing and sometimes volatile environment. To this end it has formulated a number of management challenges for the next two years as well as a first assessment of the risks involved in implementing this work plan.

4.1. Political economy and governance approaches

Governance and politics determine the space for policy reform and ultimately influence development outcomes. ECDPM will systematically seek to identify and better understand the factors behind, and the obstacles to, successful reform¹⁷ by creating a knowledge hub on political economy and governance approaches to help develop and implement politically informed strategies and programmes.

Why? ECDPM will rely more purposefully and systematically on governance and political economy analysis to respond in more politically informed ways to the six key transitions. Such political economy approaches go beyond the traditional stakeholder analyses of winners and losers, to ask and answer more probing questions about *how development happens* and *why things are as they are*.¹⁸ A more systematic integration of knowledge about historic, institutional and stakeholder processes at different levels (global, regional, country) can contribute to more strategic targeting of results and change processes in which to engage. These how and why questions have to be broken down in a systematic way. How do various interest groups contest and bargain over rights and over access to resources? What economic dynamics generate and distribute wealth? What global and regional “drivers” create and affect opportunities for reforms and development in developing countries?

Moreover, with the stronger focus on results and value for money, a political economy approach can help identify *which results to value*. What results matter for the sustainable transformation towards development? How are such processes affected by major global transformations? Political economy approaches also help to sharpen the focus on risks associated with *business as usual* such as blueprint models for development and ill-balanced EEAS policies in a rapidly changing global context

¹⁷ See also OECD work on Making Reform Happen: lessons from OECD countries, 2010

¹⁸ “Political economy (PE) is the study of both politics and economics, and specifically the interactions between them. It focuses on power and resources, how they are distributed and contested in different country and sector contexts, and the resulting implications for development outcomes. PE analysis involves more than a review of institutional and governance arrangements: it also considers the underlying interests, incentives, rents/rent distribution, historical legacies, prior experiences with reforms, social trends, and how all of these factors effect or impede change”. How to Notes, WB, 2011

What? The *Political Economy and Governance Knowledge Hub (PEG)* will be created to assist with (i) developing a repository of relevant findings, experiences, and tools for the Centre and its partners, (ii) socialising core political economy and governance concepts, findings, analytical frameworks and approaches within the centre, (iii) “applying” political economy and governance approaches in the programmes, and (iv) networking with other political economy practitioners for knowledge development and knowledge uptake by key stakeholders, strategic partners, and coalitions of actors. The overall perspective is thus to contribute to more politically informed programmes, capacity strategies and partnerships.

How? The *Political Economy and Governance Knowledge Hub (PEG)* builds on the Centre’s knowledge base and in-house capacities. It combines these with relevant political economy and governance diagnostics and approaches. In terms of in-house services and entry-points, the Hub has three goals:

- Facilitate Centre-wide sharing and socialising of political economy and governance concepts, *teaser themes*, tools and practices
- Engage within programmes for application of political economy approaches
- Assess opportunities to contribute to capacity strategies (e.g. partnership related, targeted consultancies strengthening knowledge base)

Greater attention to the roles and functions played by elites, leaders and coalitions helps us to better identify, use and expand the scope for collective action at multiple levels in support of processes of change and development. Greater attention to the political economy drivers and factors at work within the European Union, the African Union and other regional and global actors helps us to develop more effective engagement strategies.

4.2. Knowledge management and communication

Knowledge management and communication (KM&C) is one of the Centre’s principal strategies to enhance the capacity of stakeholders for policymaking by improving access to and the use of relevant information, in particular by those who traditionally lack access. To this end, the KM&C unit will continue to support the objectives of the Centre’s new strategy to influence and inform key global policies for positive development outcomes. The KM&C unit aims to do this through the provision of strategic and practical guidance to the Centre, provision of information and publication services, use of modern tools, and support to external communication tailored to each ECDPM programme as well as to the needs of the Centre as a whole.

We will build on the foundations of the past knowledge management strategy and work according to a methodology that our partners have appreciated over the past years. Nonetheless, we recognise that further improvements are needed to share our knowledge in a more targeted, efficient and timely manner with stakeholders and our partners. To do this effectively, KM&C activities will be fully integrated into ECDPM’s programmes and partnerships and given priority to enhance capacity for policymaking. In our work in 2012–2013, the following will be addressed:

- To support the Centre’s fundraising, we will update our corporate profiling and enhance our external communication via modern communication tools as well as by reaching out more to the media. This includes production of an updated institutional brochure, support to briefing sessions with journalists, and publishing press releases and will be done in close collaboration with Institutional Relations and Centre Management.

- The KM&C unit will take a lead role in linking the content produced by programme staff to our external website by packaging relevant information and news in an adequate manner for the public.
- We will support programme staff in producing up-to-date information for blogs and ensure that this information is coherently spread through our on-line tools, including the *Weekly Compass*, RSS feeds, and Twitter. The production of such content will be subject to decisions of programme managers and Centre management.
- The six programmes and four themes around which the Centre will work over the next years require an adaptation of our work processes to meet new demands in terms of producing publications and organising our outreach.
- We will review our dissemination policy and investigate switching to full-scale digital mailing instead of hard copy distribution, while noting that the consequences for our audiences in the global South needs to be well considered.
- Close collaboration will be needed between KM&C and the ICT department and Centre operations to successfully implement the Information Management and Knowledge Exchange (IMAKE) project. IMAKE aims to revise the digital architecture of ECDPM, to make our work processes more effective and to enhance internal knowledge exchange and communication by way of modern information technology.
- In close collaboration with Centre management and the ICT department we will enhance the monitoring of our knowledge networking and outreach and how our work is used by stakeholders.
- The unit will support fund-raising efforts by the institutional relations department and seek dedicated funding for knowledge management as advised by the last corporate evaluation of ECDPM.

The approach and further information about these innovations will be available in an updated ECDPM knowledge management and communication strategy that will guide the Centre up to 2016. It will highlight how we will work with other units within the Centre and specify how we utilise digital media in the coming years.

4.3. Management and institutional challenges

During the next five years the ECDPM intends to assume a number of organisational challenges to safeguard its identity, autonomy and impact as an independent foundation:

Intensify the partnership programme. ECDPM will continue to intensify and extend its partnerships with actors and institutions in the South. In particular, it will explore the feasibility of various approaches to intensify its presence in Africa (see chapter 3).

Ensure appropriate funding (level and quality). ECDPM will strengthen its fundraising capacity, seeking to diversify its funding, strengthen its ties with EU member states and adapt to trends in the delivery of development finance. Particular attention will be paid to three areas:

- Improving internal systems to identify and share information on funding, systematically identifying funding opportunities by reviewing existing databases and creating an ECDPM database to assemble information of particular relevance to our work

- Enhancing our ability to identify, design and write fundable programmes, by providing regular training and incentives to staff to come up with proposals
- Strengthening our capacity to manage the acquisition and implementation of international tenders, calling where necessary upon specialised external expertise in a targeted and timely fashion

Enhance the competency of our management. ECDPM will sharpen its capacity to set priorities and act under conditions of uncertainty. Through its current strategy, it is now in a position of greater focus as well as flexibility. The Centre will establish a special, flexible fund for innovative programmes and projects, and modify its management structure and decentralise day-to-day management. Finally, the Centre will take further steps to strengthen its overall management for results.

Ensure staff competency and effectiveness. ECDPM has taken several steps to increase staff competency and ability to apply themselves effectively in the art of brokerage and facilitation: We have implemented competency-based management. We are strengthening staff career planning and training programmes, and we are creating “knowledge hubs” to support staff in their daily development of essential skills.

4.4. Risk assessment and learning to adapt

The scope and aim of the ECDPM strategy and work plan is, and will continue to be, ambitious. Its success will depend on (i) how subsequent work plans are further elaborated, managed and implemented, (ii) how synergies are created with formal programmes (EU, ACP, African, international) that share similar aims and (iii) how the Centre succeeds in drawing additional added value from its focus on key thematic areas.

Several categories of risk can be identified:

- Insufficient focus and too widespread activities (prioritisation and selectivity for greater impact will have to be continuous throughout the implementation of the strategy and work plans to mitigate this risk)
- Insufficient synergy and coherence between the ECDPM work streams (the ECDPM management and board will closely and continuously monitor effective coherence)
- Insufficient capacity or funding to complete the work envisaged (active fund raising will be pursued to significantly complement ECDPM institutional subsidies. To safeguard the integrity of the foundation the size and scope of activities will be adjusted to reflect actual funding available.)
- Diminished traction and engagement from policymakers and other relevant stakeholders in key programmes selected (to maximise our influence on outcomes and impact, ECDPM will constantly liaise with policymakers and other actors driving change and, when necessary, will consider disengagement.)

In the continued assessment and evaluation of risks, the political economy approach will be a major asset. Improving our own and stakeholders' understanding of why some desirable policy reforms and governance transformations do not take place is a key initial step in the process of facilitating such change. It will therefore play a critical role in informing future courses of action for domestic and international drivers of change. As such, setbacks in achieving the expected outcomes and impact of some of ECDPM's activities will be turned into opportunities for learning on how to guide future actions by domestic and international stakeholders, as well as by ECDPM.

About ECDPM

ECDPM was established in 1986 as an independent foundation to improve European cooperation with the group of African, Caribbean and Pacific countries (ACP). Its main goal today is to broker effective partnerships between the European Union and the developing world, especially Africa. ECDPM promotes inclusive forms of development and cooperates with public and private sector organisations to better manage international relations. It also supports the reform of policies and institutions in both Europe and the developing world. One of ECDPM's key strengths is its extensive network of relations in developing countries, including emerging economies. Among its partners are multilateral institutions, international centres of excellence and a broad range of state and non-state organisations.

Thematic priorities

ECDPM organises its work around four themes:

- Reconciling values and interests in the external action of the EU and other international players
- Promoting economic governance and trade for inclusive and sustainable growth
- Supporting societal dynamics of change related to democracy and governance in developing countries, particularly Africa
- Addressing food security as a global public good through information and support to regional integration, markets and agriculture

Approach

ECDPM is a "think and do tank". It links policies and practice using a mix of roles and methods. ECDPM organises and facilitates policy dialogues, provides tailor-made analysis and advice, participates in South-North networks and does policy-oriented research with partners from the South.

ECDPM also assists with the implementation of policies and has a strong track record in evaluating policy impact. ECDPM's activities are largely designed to support institutions in the developing world to define their own agendas. ECDPM brings a frank and independent perspective to its activities, entering partnerships with an open mind and a clear focus on results.

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