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# Involving Non State Actors and Local Governments in ACP-EU Dialogue

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*The new ACP-EU Partnership Agreement embraces the concept of participatory development. A wide range of actors are invited to participate in the formulation and implementation of future ACP-EU cooperation. The moment of truth will come when these laudable principles have to be put into practice. This brief, based on pilot experiences in several ACP countries, considers key elements in organising dialogue with non-state actors and local governments.*

## Participatory Development on the Rise

Involving non-state actors in the formulation and implementation of public policies has become a major feature of political life, both in Europe as well as in the developing countries. This reflects the emergence of new forms of 'participatory democracy', which emphasize the need for a more consensual way of making policy through dialogue with all key stakeholders. The expected benefits of such a deliberative process of policy formulation are manifold: increased ownership, new public-private partnerships, consolidation of democratisation, and improved sustainability.

This approach to policy formulation has also been introduced in the Partnership Agreement between the EU and the ACP, signed in Cotonou in June 2000. The new Agreement creates promising legal opportunities to 'mainstream' the participation of civil society and local governments in the political dialogue and in the formulation and implementation of future ACP-EU cooperation policies and programmes. The new Partnership Agreement defines 'non-state actors' as the private sector, the social and economic partners, including trade union organisations, and civil society in all its diversity. Local governments are also considered to be "actors" of cooperation, albeit included under the heading "State (local, national, regional)." These "non-state actors" are likely to influence future trade negotiations (as the WTO meeting in Seattle illustrated) and follow-up sessions of major international conferences (on social or environmental issues). Other international agencies

are also searching to establish meaningful ways of dialogue with civil society. Examples are national processes to formulate a "Comprehensive Development Framework" (CDF) or a "Poverty Reduction Strategy Paper" (PRSP).

However, introducing the principles of participation and dialogue in the Cotonou Agreement is much more than just setting-up effective consultation mechanisms with civil society and local governments. This is a fairly new business for all actors involved. There is little tradition, culture and experience with dialogue in ACP-EU cooperation. In many ACP countries, "structured" dialogue mechanisms (driven by ACP actors) are missing. The role of the different actors (governments, parliaments, non-state actors, local governments, donor agency) in dialogue processes remains to be clarified. There is little operational guidance directly

### **How to Enhance the participation of non-state actors and local governments**

- Define an appropriate policy framework.
- Adopt a process approach to implementation.
- Provide adequate forms of capacity support
- Promote new roles of northern actors
- Monitor the quality of participation and dialogue

available on how best to organise a multi-actor dialogue, nor is there much capacity to manage this type of processes. It is not clear how EU dialogue efforts can be articulated with other ongoing dialogue processes. Inevitably, the “opening up” of ACP-EU cooperation to non-state actors will be a learning process, requiring time, experimentation, stock-taking of best practices, flexibility and institutional innovation.

In recent years, the European Commission (EC) has been involved in ‘meso-dialogue’ processes on cooperation strategies with European development NGOs, under the coordination of the NGDO Liaison Committee (LC). While some of these processes have yielded positive results, it is obvious that the EC now needs to recast the whole approach to meso-dialogue (currently too narrowly focussed on European civil society). The task is to extend dialogue to ACP non-state actors and local governments, to decentralise the process to the country level and to redefine the role and added-value of the meso-dialogue with European NGOs.

Against this background, ECDPM organised a ‘brainstorming seminar’ with Commission officials (including desk officers involved in meso-dialogue processes), representatives from the ACP Civil Society Forum, the ACP Business Forum, the ACP Local Government Platform, the LC, European NGOs and networks, European private sector actors, and technical experts. Three main questions were on the agenda:

- (i) what are the main lessons of experience with meso-dialogue processes between the EC and European NGOs?
- (ii) how can non-state actors and local governments participate in the dialogue process related to the new programming exercise, which will set the framework for future ACP-EU cooperation?
- (iii) what recommendations can be formulated to improve the participation of non-state actors and local governments in ACP-EU dialogue and cooperation processes?

## Lessons of Experience

Initiated in 1997, the meso-dialogue between the EC and the European NGO community has too short a history to draw major conclusions on its relevance and effectiveness. An evaluation is currently being undertaken by the EC and the LC with a view to identify strengths and weaknesses of the present system and ways to improve it. Yet some interesting lessons of experience can be drawn.

First, several meso-dialogue processes, focused on geographic or sectoral issues, have generated a real interest among both Commission officials and European NGOs. They helped to improve the flow of information, to facilitate a dialogue on political issues (Cuba) or an exchange on cooperation priorities in politically fragile countries (Haiti,

Congo), to put a region more forcefully on the map in terms of co-financing activities (the Pacific region), or to explore complementary actions between the EC and the European NGOs (Mozambique). Second, processes of meso-dialogue have tended to suffer from structural weaknesses, including unclear objectives, problems of selecting representative or competent participants, limited involvement of Southern actors, coordination problems (‘who does what?’) and difficulties to ensure a proper follow-up and monitoring of the process. Third, the first experiences with meso-dialogue took place in a rapidly evolving political and institutional climate at the level of the EU. This did not facilitate the gradual development of the concept, nor did it help to build ‘ownership’ among European NGOs. Fourth, it proved difficult to bridge the distance between the different actors involved (European NGOs, EU Delegations, NGO unit, desk officers) or the divide between policy debates and funding.

The case of the Pacific region also provides useful lessons as meso-dialogue processes were organised sequentially in Brussels and in the region. A first lesson is that the location of the process determines, to a large extent, the dynamics of the process. In the words of a participant: “If the meso-dialogue is organised in Brussels, it is all about co-financing of (European) NGO activities. If the dialogue takes place in the Pacific, it is about EU-Pacific relations, about civil society participation in the formulation and implementation of ACP-EU cooperation and about decentralised cooperation. Co-financing activities are hardly touched upon.” A second lesson is that it takes time to build trust, dialogue mechanisms and working relations between civil society and government officials. Agreeing on the need for policy change is a far cry from realising effective change in administrative culture and implementation modalities. A third lesson points to the need to better articulate decentralised processes of meso-dialogue and the involvement of European NGOs. It proved difficult to ensure the participation of European NGO partners in the Pacific region dialogue meeting (amongst others for funding reasons). However, the association of EU civil society is important, as ACP non state actors may need different forms of institutional support from their European counterparts in order to play new roles in ACP-EU cooperation.

Other country level experiences with different forms of meso-dialogue included some useful lessons learned for future dialogue processes:

*Time.* Setting up effective dialogue mechanisms with non state actors and local governments takes time. It makes, for instance, little sense to identify *ex ante* the ‘representative’ actors to be consulted or to define in a rigid manner the objectives, the scope and the possible follow-up of the dialogue. These things have to be sorted out as the process moves along.

*Country specific approaches.* It was widely agreed that there can be no standard approach to dialogue with non-state actors and local governments. Differentiated and flexible approaches are needed, which duly take into account varying political conditions, levels of organisation of non-state actors and existing traditions or mechanisms for dialogue. In the Democratic Republic of Congo (DRC), for instance, there is a vibrant civil society (as opposed to the neighbouring country Congo-Brazzaville). Yet the dialogue in the DRC has to take place informally, as the political regime does not allow for institutional forms of dialogue. In countries where aid is suspended, dialogue processes can be facilitated with civil society with a view to better knowing 'who is who' and how civil society can be effectively involved in decentralised cooperation programmes. Such a process is currently supported by the EC in Togo. The meso-level dialogue on Cuba has been used to clarify positions on political issues, not to discuss cooperation priorities. The Mozambique experience suggests that the role of civil society changes as countries move from conflict to rehabilitation and to long-term development. This calls for different forms of dialogue, with different agendas, according to the successive stages in the development of a country.

*Unclear policy direction.* While there is a wide agreement on the potential benefits of meso-dialogue at country level, different participants observed that dialogue processes often lack both clear objectives ('what is the purpose of dialogue?') and unambiguous political and operational support from EC headquarters ('how should such a dialogue be organised?', 'how to ensure a proper follow-up process?').

*Capacity gap.* As mentioned before, changing the political rules of the game towards participatory forms of cooperation does not amount to changing the attitudes, working methods, procedures and funding modalities of day-to-day operations. The point was forcefully made that EU Delegations, in their current composition and way of working, do not have the capacity nor the interest to take dialogue processes with non-state actors and local governments seriously. As one participant said: "Under the current incentive system, the EU Delegation's main business is to implement the NIP and to disburse funds." For this to change, a 'cultural revolution' will be needed. Major capacity constraints can also be identified among ACP governments, non-state actors and local governments.

## Opening up the Programming

Both the Cotonou agreement and the ongoing reform of EC aid management proposes to radically overhaul the 'programming' of EU-ACP cooperation (i.e. the process by which EU aid to ACP countries or regions is allocated). In the past, programming was done in a rather bureaucratic way,

between central administrations, without detailed analysis of country development strategies, without a clear effort to concentrate resources on strategic cooperation priorities (where the EC could add value) and without a proper linkage with effective implementation of work plans.

The new system aims to improve the 'upstream' work of defining cooperation strategies and priorities so as to facilitate the 'downstream' management of fewer and more targeted (sectoral) programmes. The programming of the 9th European Development Fund (EDF), will be based on the following principles:

- the country's own development agenda will be the starting point;

- programming will be integrated (combining aid, trade and political cooperation) and global (bringing together the different instruments and resources in a coherent package);

- complementarity with the efforts of EU Member States, the International Financial Institutions (IFIs) and other agencies will be actively sought;

- resources will be concentrated on a limited number of sectors;

- programming becomes an iterative process with constant checking on progress in implementation ('rolling programming');

- the centre of gravity in managing the programming exercise will shift to the EU Delegations;

- finally, non-state actors and local governments will be associated with the programming of cooperation strategies as well as in the evaluation of progress achieved.

In the new programming process, non-state actors will be involved in the process leading to the definition of ACP-EU country strategies and sectoral priorities, according to each country's individual circumstances. The Country Support Strategy is required to identify 'eligible non-state actors' and the resources to be allocated to them. There is, in principle, no ceiling to the NIP and RIP resources, that can be accessed by non-state actors. The final amount depends on the outcome of the programming process, the number and quality of the actors, and the extent to which they meet the eligibility criteria. Non-state actors will also be allowed to participate in reviewing the country's performance. There are no specific procedures attached to the process of launching the dialogue with non-state actors. The EU Delegations are invited to be critical observers (checking whether the spirit of the new Convention's provisions with regard to non-state actors are respected) and facilitators (ensuring the involvement of an appropriate range of non-state actors).

The timing for the programming exercise is very tight. In principle, draft Country Support Strategies for the 9th EDF, including the indicative work programme, should be submitted for approval in early 2001. All this means that ensuring a genuine involvement of non-state actors and local governments in the upcoming programming will face several obstacles:

In most ACP countries, non-state actors and local governments are unaware that a new Partnership Agreement has been signed between the ACP and the EU, let alone that they are invited to participate, at very short notice, in the programming of resources allocated to this agreement. For participation to be genuine, the ground has to be prepared from the 'bottom-up' through targeted information activities, sensitization seminars, dialogue events, etc.;

There is a fundamental difference between the culture and time horizon of donor agencies such as the EC (mainly driven by the requirements of bureaucratic performance) and the culture of civil society (mainly driven by the values of democracy and participation). Civil society actors in particular, need time and space to organise their participation, to define their own strategies, to agree on priorities, and to propose concrete programmes.

The world of non-state actors and local governments is not a homogenous group that can be lumped together in quickly organised dialogue processes. There may be struggles and conflicts among civil society, private sector and local government actors. Separate dialogue processes with each of these actors may be required.

EU Delegations may lack the necessary attitudes and capacities to play the roles foreseen for them (critical observer and facilitator). This cannot be changed overnight.

Therefore, high expectations with regard to the involvement of non-state actors in the upcoming programming exercise should be downscaled. In some ACP countries where a tradition of dialogue exists (e.g. Mauritius), progress may be substantial. In most ACP countries, time will be required before non-state actors can meaningfully participate in the formulation of ACP-EU cooperation priorities. It is probably better to start slowly by laying the foundation for a truly structured and institutionalised dialogue, taking into account prevailing country conditions. The 'rolling' nature of the new programming system may facilitate the gradual integration of non-state actors in the process.

In the meantime, other opportunities to mainstream the participation of non-state actors and local governments should be used. A case in point are the sectoral approaches, which will be at the centre of future ACP-EU cooperation. Mozambique, for instance, is moving from rehabilitation into a long-term development perspective. The donor community

is committed to 'go sectoral' and to jointly support strategies and programmes defined under the leadership of government. The formulation of a sectoral policy provides a useful anchor to organise a dialogue with non-state actors and local governments, as they are invited to accept greater responsibility in sector programmes. It will also be easier to identify the 'right actors' to be consulted in a sectoral approach.

If such conditions prevail, civil society should not be considered as a specific 'sector', to be supported by specific instruments and budget lines. The task is rather to ensure that non-state actors and local governments are integrated in all programmes included in the Country Support Strategy. This approach calls for a much more coherent use of other financial instruments available to non-state actors (e.g. the NGO cofinancing line).

### **Enhancing the Participation of Non State Actors and Local Governments**

Reflecting on the best ways to organise future dialogue processes, participants highlighted six main recommendations:

*Define an appropriate policy framework.* The 'mainstreaming' of participatory approaches in ACP-EU cooperation (and other cooperation agreements) will require a solid strategy and policy framework. Both the Cotonou Agreement and the emerging guidelines for programming, contain elements of such an overarching strategy. Yet there are still many 'missing links' or critical gaps which need to be filled, in both in strategic and operational terms. For instance, it will be critical to further clarify: (i) the objectives of dialogue with non-state actors and local governments; (ii) the roles of non-state actors and local governments in dialogue processes; (iii) the boundaries of their involvement, taking into account the legitimate roles to be played by other actors (governments, parliaments); (iv) the expected outputs of dialogue processes; (v) the ways and means to gradually 'institutionalise' dialogue processes at global, regional and national levels; and (vi) the implications of decentralised forms of dialogue for existing dialogue processes with European actors (e.g. the meso-dialogue between the EC and European NGOs).

*Adopt a process approach to implementation.* Realism, flexibility and pragmatism should be the guiding principles in the process of mainstreaming civil society participation in ACP-EU cooperation. This means: (i) starting from the diversity of local conditions, as they apply in the ACP or other developing regions; (ii) making use of existing structures or mechanisms for dialogue (rather than introducing standardised procedures); (iii) relating dialogue processes to concrete policy issues or programmes,

primarily at national level: (iv) accepting that adequate information flows, sensitization and capacity building are pre-requisites for a genuine involvement of non-state actors and local governments; (v) finding country-specific ways to select representative and competent dialogue partners; (vi) putting in place the human and financial resources to ensure a proper facilitation and follow-up of dialogue processes (especially in the EU Delegations); (vii) monitoring the quality of the dialogue processes over time, including whether they achieve their objectives and make a difference in terms of concrete action.

*Provide adequate forms of capacity support.* In recent years, many non-state actors and local governments in developing countries have tried to strengthen their capacity to enter into dialogue with governments and donor agencies. The creation of an ACP Business Forum, an ACP Civil Society Forum and an ACP Local Government Platform are examples of this trend. However, a huge investment in capacity building for non-state actors and local governments is still required, if their participation is to be effectively mainstreamed. This implies: (i) a timely flow of 'strategic funding' in support of non-state actors and local governments to enable them to dialogue among themselves, to set priorities, to define concrete proposals, to network, to strengthen their organisational structures, etc.; (ii) a creative use of the NIP/RIP resources under the 9th EDF for capacity building of non-state actors and local governments (as foreseen by article 4 of the Cotonou Agreement); (iii) an increase of the resources available under the decentralised cooperation budget line (as it offers a flexible tool for investments in capacity building). The latter is particularly important for local governments, as there are few budget lines open to them for this type of support.

*Promote new roles for northern actors.* Northern NGOs, private sector and local government associations can play an essential role in helping their southern partners to become credible, well-organised and effective actors in EU cooperation agreements with different regions. However, for this to happen, they may need to shift the nature of their support from a more direct 'hands-on' approach adopt a set of new roles and working methods, including capacity building, process facilitation, etc. The EC can help to accelerate this change, for instance by reviewing its co-financing priorities. The issue of 'changing roles' of northern partners could also be further discussed in future meso-dialogue processes between the EU and the European NGOs.

*Monitor the quality of participation and dialogue.* In the field, many obstacles may need to be overcome in promoting greater participation of non-state actors and local governments. Genuine forms of participation may be resisted or blocked by undemocratic regimes. The lack of a dialogue 'culture', appropriate mechanisms and capacity, may lead to poorly prepared and managed processes, which turn dialogue into ad hoc events or ritual consultations, with little or no impact. While diversity in the forms of setting up dialogue processes is essential, there is a need to ensure a proper quality control of the ways in which each country promotes the integration of non-state actors and local governments in ACP-EU cooperation. One possible option is to define at the start of the new programming exercise a number of (country-specific) benchmarks of progress to be achieved in 'institutionalising' dialogue with non-state actors and local governments over a certain period of time. Another option, envisaged under the programming guidelines, is to make genuine participation an indicator to be used during the mid-term and end-term review of cooperation with a given country.

*Ensure coherence with EU Member States and other dialogue initiatives.* This is an absolute priority if the EC's dialogue is to be effective. The task for the EC is to ensure a proper articulation between the new dialogue processes (required by the Cotonou Agreement) and ongoing dialogue processes, either within its own remit (e.g. the meso-dialogue with the European NGOs) or outside (e.g. the dialogue initiatives in the context of CDF or PRSP). It was pointed out that EU Delegations could play, on paper, a very useful catalytic role in promoting coherence in dialogue processes at the country level, alongside partner country governments. There is also a need for a much stronger dialogue at the European level, between the EC and the Member States and between the EC and European NGOs, private sector and local government associations, in order to agree on common strategies to mainstream participation in EU cooperation.

### **ACP Actors seek a voice : the Experience of the ACP Fora**

The non-state actors and local governments share responsibility for making participatory development a reality in ACP-EU cooperation. In response to this challenge, three new fora have recently been created, bringing together ACP actors respectively from civil society, the private sector and local governments

#### **ACP Civil Society Forum**

In October 1997, over 30 Civil Society organisations from the ACP met in Entebbe (Uganda) and decided to create an ACP Civil Society Forum, aimed at providing a common platform to address issues relating to the ACP-EU partnership. The Forum is conceived as a democratic, transparent and inclusive coalition of civil society actors. It seeks to formulate common positions; to articulate the views and interests of marginalised social groups in the ACP; to facilitate dialogue between ACP civil society and official ACP-EU bodies; to support and strengthen the participation of ACP Civil Society organisations in the ACP-EU cooperation framework; and to ensure an efficient flow of information.

#### **ACP Business Forum**

In 1998, ACP private sector actors started an informal, bottom-up process of dialogue and networking, aimed at gradually constructing an ACP Business Forum. The idea was to set up an open and loose-knit private sector network with a clear added-value compared to existing ACP private sector organisations. As a young entity, the ACP Business Forum is establishing its own structures, both in Brussels and in the various (sub)regions of the ACP. The objectives of the Forum are to promote linkages and collaboration between ACP intermediate private sector and business associations and with their EU counterparts; to strengthen the capacity of the ACP private sector to participate in ACP-EU dialogue; to build new public-private partnerships with ACP governments and the EU, based on dialogue, a quest for complementary action and mutual accountability.

#### **ACP Local Government Platform**

In December 1999, ACP local government representatives and their EU counterparts decided to organise themselves for a full-fledged participation in ACP-EU cooperation. To this end, an ACP Local Government Platform was created. Based on existing local government structures and networks, it will act as an organ for interest-articulation and dialogue in relation to ACP-EU cooperation. The Platform is currently exploring ways and means to develop its membership; to build capacity; and to operationalise its mandate, structures and working methods.

The European Centre for Development Policy Management (ECDPM) is an independent foundation that aims to improve international cooperation between Europe and countries in Africa, the Caribbean, and the Pacific (ACP). It does this through capacity building for policy management, the promotion of policy dialogue between ACP countries and Europe, and through the provision of information and facilities for knowledge exchange.

Policy Management Briefs are intended for policy-makers in public and private organisations concerned with aspects of international development cooperation. Drawing from work of ECDPM, its partners and its associates, our aim is to provide succinct and readable summaries of current issues in the management of development policy. The brief presents the main conclusions of a Brainstorming seminar organised with the collaboration and financial support of the European Commission Directorate General for Development, as well as with assistance from PRECOD.