

Annual Report 2010



Linking
policy
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European Centre for Development
Policy Management

ecdpm

ECDPM works to improve relations between Europe and its partners in Africa, the Caribbean and the Pacific



Table of Contents

Message from the ECDPM Board Chairperson, Lingston L. Cumberbatch	1
1. ECDPM at a glance	2
Introducing the annual report	2
Message from ECDPM Director, Paul Engel	5
Partnership and insitutional relations	8
Interview with Ambassador Shirley Skeritt Andrew: <i>Reflections on regional integration in a multi-polar world. A discussion with the Ambassador of the Eastern Caribbean States</i>	12
Interview with Ambassador Brave R. Ndisale <i>Africa can develop Africa . Enhancing national and regional capacities for more effective development</i>	14
ECDPM's work in pictures	16
ECDPM interactions in ACP countries	18
2. ECDPM programmes	20
An introduction to ECDPM's programme reporting over 2010	20
Development Policy and International Relations (DPIR)	21
Economic and Trade Cooperation (ETC)	29
Governance	35
Knowledge and innovation	41
Knowledge management and communication	41
Capacity and innovation	46
4. ECDPM Finances	48
The Centre's funding base	48
Balance sheet after allocation of result 2010, as per December 31, 2010	50
Income and expenditure account from January 1 until December 31, 2010	51
Auditor's report	52

Colophon and acronyms

see inside



Message from the ECDPM Board Chairperson

Lingston L. Cumberbatch

The first decade of the 21st century has brought far-reaching changes to the world. At the global level, the rise of new economic and political spheres of influence marks the dawn of a more multi-polar era in international relations – with the attendant opportunities and threats. Perhaps even more significant in the long term is the emergence of what appears to be a new wave of civil society-led democratic movements, which might lead to a broadening of the political space and leadership in countries that have previously known only authoritarian regimes. Within developing countries there is a growing confidence that this is the moment to shape a different future. Yet EU-ACP relations are in flux. The European Union is simultaneously facing a number of difficult issues and is undergoing a period of intense soul-searching about how to address these problems and enhance its global role.

The increasing confidence and role of the new economic powers has been recognised in the evolution of the G8 and G20 towards broader consultation with the emerging countries of Asia, Latin America, Eastern Europe and Africa. Greater awareness of the threats and opportunities posed by shifting geopolitical dynamics is adding momentum to the developing countries' bid to strengthen regional collaboration and improve their bargaining position with external players.

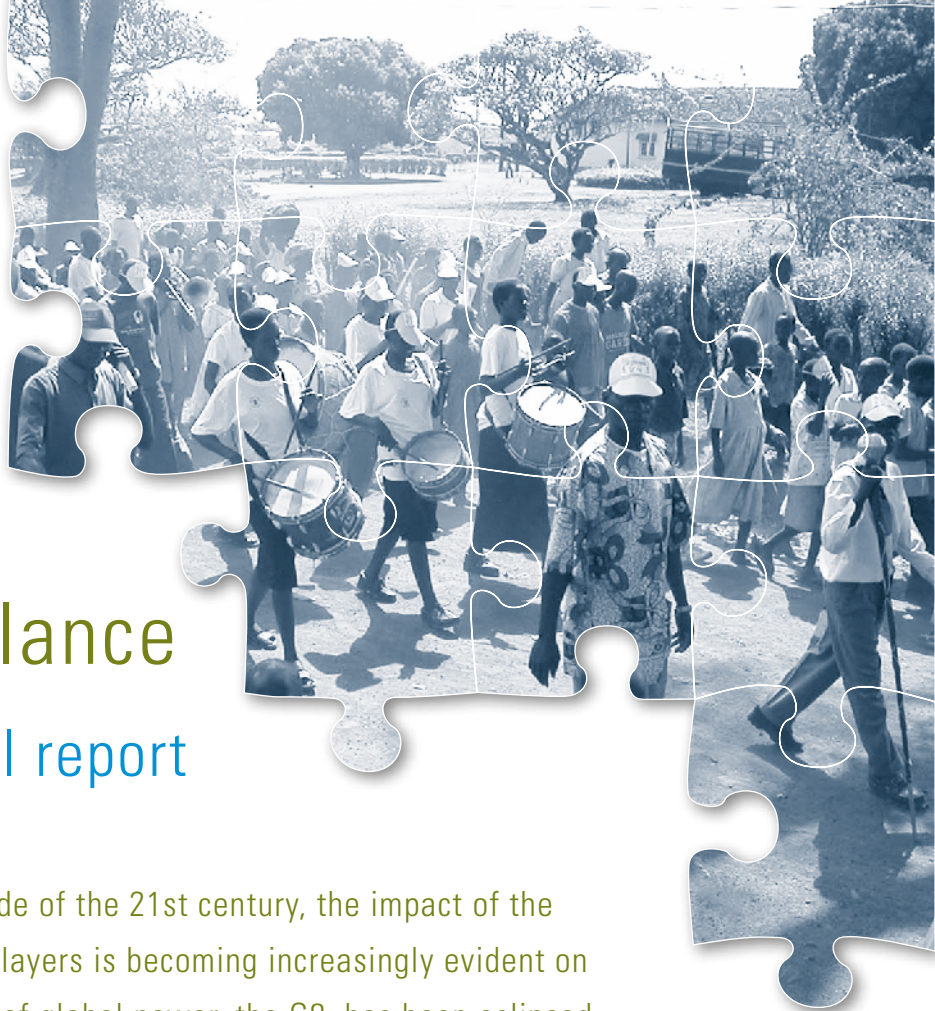
How can the ACP, as the long-term representative of many of the world's most vulnerable economies to the European Union, continue to voice its aspirations? The ACP Group of States has a more than thirty-year history of fostering international trade relations and the successful integration of ACP countries in the world economy. Its efforts have accelerated poverty reduction by promoting sustainable development, mobilised new resources for development, and deepened political dialogue within the framework of international platforms like the United Nations. The ACP has also promoted South-South cooperation in a range of areas, including culture, education, science and technology. Can the ACP Group put this experience to effective use within today's 21st century context? Its new leadership faces an enormous challenge in this respect.

As an independent broker in ACP-EU relations, ECDPM takes these challenges to heart. It will continue to support both the ACP and EU partners as they redefine their roles. ECDPM will continue to play a constructive part in the implementation and monitoring of the Joint Africa-EU Strategy, which has been closely watched by Caribbean and Pacific actors. It will also extend its collaboration with regional institutions and peer organisations on all three continents and intensify its grounded approach and analysis. ECDPM will thus continue to be a

key launching pad for deeper and broader partnerships between the ACP and European Union and other emerging powers.

Clearly, as it prepares to celebrate its 25th anniversary in 2011, ECDPM cannot afford to rest on its laurels.

Lingston L. Cumberbatch



1. ECDPM at a glance

Introducing the annual report

As we prepare to enter the second decade of the 21st century, the impact of the steady rise of new global and regional players is becoming increasingly evident on the world stage. The traditional bastion of global power, the G8, has been eclipsed by assertive new actors from Eastern Europe, Asia, Africa and Latin America. This has opened up new opportunities for international cooperation, and also brought new threats. Already there are indications that faced with stringent budget cuts at home, traditional donors are unlikely to meet their international aid commitments in the coming years.

The EU and ACP: A changing development partnership

As an independent broker and facilitator of ACP-EU relations, ECDPM continued to experience first-hand the challenges of adapting its policy advice, dialogue and capacity-building services to the changing global landscape and the real-life challenges faced by its partners.

With the European Union's new political leadership and restructured administration being put in place, the start of 2011 marked the beginning of the gradual implementation of the Lisbon Treaty. This European accord sets out a framework for achieving greater coherence in EU international relations. ECDPM Director Paul Engel observes on page 5, that for the first time in EU history, sustainable development and poverty eradication are explicitly mentioned

as general objectives of EU External Action, and not just as objectives of EU development policy. However, the new architecture of the European Union does not appear to recognise the 20-year Cotonou Partnership Agreement, which reached its half-way point in 2010. Paul Engel concludes that we are probably seeing the start of a 'normalisation' of ACP-EU relations.

This view is echoed by Ambassador Shirley Skerit-Andrew, Head of the East Caribbean States Mission in Brussels, in an interview on page 12. She notes that countries within the ACP Group are becoming aware that their privileged relationship with the European Union cannot be sustained in the current global environment. They are increasingly looking closer to home to build more pragmatic alliances to help them remain economically competitive.

ECDPM's close involvement with the successive EU presidencies and the European Commission has provided a unique vantage point to observe

About ECDPM

ECDPM was established as an independent foundation in 1986, to facilitate international cooperation between developed and developing countries, with a particular focus on relations between the European Union and its partner countries in Africa, the Caribbean and Pacific (ACP). At the heart of ECDPM's work is the goal of reducing asymmetries in knowledge, power and resources between developed and developing countries by reinforcing the capacities of public, private and non-profit organisations to better manage their own development and international cooperation.

this changing policy context. In 2010, Centre staff continued to receive numerous requests for targeted analysis and facilitation from both the European and the ACP sides. A major output during the year was publication of the scoping paper 'What next for the Joint Africa-EU Strategy? Perspectives on revitalising an innovative framework' (Discussion Paper 94). ECDPM also reviewed a new Green Paper published by the EU Directorate General for Development in late 2010 intended to launch a debate on how the European Union can improve the impact of its development policy by promoting inclusive growth and sustainable development.

Fostering regional capacities

For many developing countries, one of the most promising strategies for boosting their global competitiveness is to pool resources and align their comparative advantages. As yet, however, EU efforts to foster regional integration have not had the desired results, partly due to a downplay of the complexity of political dynamics. Recognising this dilemma, ECDPM's three programmes continued to invest in their joint work stream on the governance and institutional and political economy of regional and subregional cooperation.

A key defining moment in 2010 was completion of an initial set of documents detailing the structure of the proposed African Governance Platform. Set for endorsement by African Heads of State in 2011, the platform should strengthen African institutional capacity to tackle a broad range of development challenges. Malawi's ambassador to Belgium and the European Union, Brave Ndisale, underscores on page 14 that Africa has demonstrated its readiness to take greater responsibility for its own development. African regional institutions are leading mediation efforts in several conflict hot spots, and in multilateral decision-making processes they are articulating African interests in increasingly effective ways.

Trade continues to be a subject of widespread concern across the ACP. The most downloaded ECDPM publication in 2010 was a comparative study of the Economic Partnership Agreements in East Africa and the Caribbean. That paper looks specifically at the potential benefits of the EPAs for the private sector. Another paper – jointly published with the British Overseas NGOs for Development Network (BOND) – investigates the rising influence of emerging powers in Africa. This was the first major study to provide a comprehensive overview of all current policy frameworks for EU-Africa cooperation, offering practical information for engagement.

Centre staff also continued to expand and deepen their existing partnerships with knowledge centres and networks around the world. This not only enhances the empirical basis of the Centre's analyses, it also ensures two-way traffic in discourse, bringing local and regional voices into higher level processes. In 2010, for instance, ECDPM actively contributed to several initiatives by the Europe-Africa Policy Research Network (EARN) – of which it is a founding member – enabling African scholars and analysts to contribute to discussions around the Joint Africa-EU Strategy. The partnerships development section (page 8) provides a detailed overview of the variety and scope of such initiatives.

As ECDPM prepares to celebrate its 25th anniversary and draft a new five-year strategic plan in 2011, it can look back on a momentous quarter century of facilitating ACP-EU relations. While we cannot know exactly what the future will hold, the Centre looks forward to continuing its active role in international relations.

What we do

ECDPM's work is organised around three policy themes: development policy and international relations; trade and economic development; and governance. In each of these areas, we pay specific attention to policy processes that are critical for strengthening regional integration as a crucial step towards improved international cooperation. Providing overall support to the three programmes are units geared towards knowledge management and communications, institutional relations and policy innovation.

How we work

ECDPM adopts a process- and results-oriented approach aimed at strengthening policy processes at the broad institutional level. Priority is given to ACP-EU relations, while we also track wider trends in international cooperation to highlight useful experiences and to identify new thinking and approaches.

A main thrust of our work is strengthening the capacities of public, private and civil society organisations in ACP countries to better manage their development policies and international cooperation. We also invest in long-term relationships with EU member states, the European Commission and the European Parliament, providing timely analysis to enhance their international cooperation efforts.

Key principles that guide our work

Non-partisanship: ECDPM acts as an independent broker to facilitate the non-partisan development of knowledge, viable ideas, options and solutions by policymakers.

Long-term engagement: The timeline of each ECDPM programme spans several years, in sync with the policy processes we closely follow. Our long-term global framework provides us space to modify biannual work plans in response to new priorities, demands and funding opportunities.

Emphasis on the 'how' questions: ECDPM takes a practical approach, combining experiences at the national and regional levels with policy-oriented analysis to enhance their relevance and accessibility to policymakers.

Strategic partnerships, networking and institutional development: ECDPM systematically seeks out new alliances in order to pool resources and capacities, to build ownership and to achieve greater impact. We facilitate flexible, strategic partnerships and institutional development and encourage networking among institutions.

Inclusiveness and bridge-building: Our approach to stakeholder participation and bridge-building is inclusive. We incorporate different communities in our dialogue and knowledge sharing, with a view to promoting open communication, democratic principles and full transparency of roles.

Internal learning: In the knowledge-infused and information-intensive environment of international cooperation, it is crucial for ECDPM not only to be aware of its positioning, strengths and weaknesses, but also to keep improving

The Board of Governors

Our Board of Governors is composed of highly respected policymakers, practitioners and specialists from ACP countries as well as from EU member states. The full Board convenes twice a year. From its midst it chooses the Board Executive Committee and Board Programme Committee. The Executive Committee meets at least three additional times each year, amongst other things, to review mid-year and annual balance sheets and the income and expenditure accounts. The Programme Committee meets for two days twice a year to review the ECDPM annual work plan and annual report.

Staffing

ECDPM has a core staff of almost forty-six FTEs on average, eighty per cent of our employees are based at the head office in Maastricht and twenty per cent of staff operate from ECDPM's Brussels office. The Centre employs twenty-eight FTE programme staff members. Six programme associates and three research fellows collaborate(d) closely with the Centre but are not on payroll. The almost eighteen FTE support staff members work in administration, technical and communications support and human resources management.

Two-thirds of Centre staff are women. ECDPM's staff comprises fifteen different nationalities. Those include ten European nationalities, the USA and Canada. Five staff members are African: two Algerians, two Mauritians and one Nigerian.



ECDPM Board of Governors, left to right

Mr J.T.A.M. Jeurissen, *Director Asset Management, Pension Fund for Metalworking and Mechanical Engineering*,
Mr D. Frisch, *former Director-General of Development at the European Commission*,
H.E. Mrs N. Bema Kumi, *Ambassador of Ghana to Belgium and the European Union*,
H.E. Dr P.I. Gomes, *Ambassador of Guyana to the European Union*,
Mr R. Makoond, *Executive Director, Joint Economic Council of Mauritius*,
Mr L.L. Cumberbatch, *Chairman of the Board of Trade.Com Facility for ACP Countries*,
Mr B.J.M. Baron van Voorst tot Voorst, *former Queen's Commissioner for the Province of Limburg*,
Dr M.J.A. van Putten, *former member of the Inspection Panel, World Bank*,

Not pictured:

Prof L. Wohlgemuth, *Guest Professor, Centre for African Studies, University of Gothenburg*,
Mr. P. Engel, *Director ECDPM, secretary to the Board of Governors*,
Prof P.H. Katjavivi, *Director, National Planning Commission of the Republic of Namibia*,

Young professionals

The Centre attaches considerable importance to providing opportunities for young professionals, especially those from the ACP. In 2010 four internships, four research assistantships and three programme assistantships were offered to university graduates to work in a highly stimulating environment with international exposure. Also, three research fellows from Ethiopia, Uganda and Kenya worked in several ECDPM programmes, combining their doctorate studies with practical policy work.

The Centre selects postgraduates of outstanding intellectual quality and personal strength holding a master's degree in development, social studies, international affairs/relations, communications, law or economics, and with specialisations relevant to ECDPM's work.



ECDPM Management Team, left to right, top to bottom

Roland Lemmens, *Head of Finance & Operations*, Volker Hauck, *Head of Knowledge Management & Communication*, Geert Laporte, *Deputy Director*, Henriette Hettinga, *Executive Corporate & Human Resources management*, Paul Engel, *Director*, Jan Vanheukelom, *Head of Programme*, James Mackie, *Head of Programme*

Not pictured:

Jean Bossuyt, *Head of Strategy*
San Bilal, *Head of Programme*

Message from ECDPM Director Paul Engel



The global development policy context

Two thousand and ten was a year in which new global players underscored their ascendance in the world order with a strong economic recovery and rapid expansion of trade and finance, including to developing countries. The global South now increasingly looks to China, India and Brazil for inspiration, and to other emerging players such as Republic of Korea, Turkey, Indonesia and Mexico. Global platforms such as the United Nations, the G8 and the G20 are also moving to accommodate the rise of these new regional and global powers. In the meantime, the United States and Europe continue to be held back by fiscal and budgetary constraints. The enduring impasse in the talks on financing to counter the effects of global climate change is one case in point. Another is the inability of donors to meet their Gleneagles commitments to developing countries. In short, at a time when most traditional global powers are struggling to make ends meet, new powers have asserted themselves as serious contenders for global impact.

What does this mean for development policy? Certainly there is no lack of global challenges requiring urgent action. In response, traditional donors are integrating development cooperation more and more into their overall response to global concerns. Moreover, they expect developing countries to be their partners in these efforts. Internal political pressures too have moved the industrialised countries to fortify the link between their global development agenda and domestic policies. This has produced increasing support for private-sector-driven growth and for addressing international issues like immigration and labour mobility, piracy, raw materials, sustainable energy and financial stability. Meanwhile, emerging economies have increased their share in global development finance, emphasising economic growth, infrastructure and South-South cooperation.

Shifting priorities

In today's policy landscape, the need for greater emphasis on the transformation of agriculture and other productive sectors, alongside international trade and economic growth, seems self-evident. There is also a call for more attention to global public goods, like food security, health, climate, and peace and security. This is just as well, given the threat of global poverty that these entail.

The same applies to the current resurgence of interest in Millennium Development Goal 8: Develop a Global Partnership for Development. MDG8 involves an emphasis on global trade, development finance and effectiveness – so far, so good. But it is also associated with several major development policy challenges. The first is making the most of the ascendance of emerging development players. These up-and-coming powers add additional thrust, new qualities and a recalibrated global balance to the dynamics of international development and finance. South-South cooperation is emerging as a laboratory for building new international relationships, for developing new modes of cooperation and for forging innovative coalitions. Nor is this limited to the few largest emerging players: many smaller countries too are engaging in mutually beneficial cooperation with their fellows from the developing world. How will the traditional global players reposition to adapt to these obvious changes in global development partnerships?

A second challenge is development effectiveness. We have learned to look beyond aid, at the effectiveness of national development processes in partner countries, to measure our success. Will donor countries continue to do so in this new climate, or will they narrow their focus to the impact of their own assistance? Also, will governments of developing countries provide the leadership and conditions necessary for an inclusive development-oriented approach? A promising trend in this respect is the move toward greater specificity of aid, to achieve a more precise match between the volume and types of aid given and the specific situation in a particular developing country. Several development banks and financial agencies are creating instruments

to blend grants and loans. Furthermore, schemes offering payment for 'ecological services' provide inspiring examples of innovative finance for development 'from within'.

A third challenge is for global donors to live up to their commitments, in particular, with regard to the most vulnerable countries – the fragile, least developed, landlocked and small-island developing states.¹ Can ways be found to align development efforts with domestic donor interests without falling back into the well-known and decidedly ineffective trap of 'tied aid'? Finally, will development finance prove able to leverage private-sector investment in least-developed countries while ensuring that such resources are implemented in a development-friendly way?

Deceleration of aid to hit low-income countries most - OECD economies scaling up their aid programme include Korea and Turkey. However, DAC preliminary analysis of future spending seems to indicate that over the next years, programmable aid is expected to grow at an average of just 2% per year, a steep decline from the 8% it has known over the past 3 years. It also suggests that this deceleration is likely to hit low-income countries and Africa most; here aid is expected to grow by just 1% per annum, from 13% in the past three years; as a consequence, in these countries population increases can be expected to outpace additional aid (Source: OECD/DAC, Development: Aid increases, but with worrying trends, 2011).

The relationship between Africa and the European Union has changed

Africa has been among the world's fastest growing regions since 2000. Many African governments have improved political and macroeconomic stability and undertaken economic and social reforms. This has contributed to their better business climate today. The importance of the private sector in Africa's development is rising as well. Though growth is still strongest in primary resources, Africa's economies are rapidly diversifying. If current trends continue in African trade with countries like China, India, Brazil, Saudi Arabia and Turkey, Europe will soon relinquish its position as Africa's largest trading partner. Emerging market investments now comprise 38 per cent of the total to Africa, according to a recent estimate by Ernst & Young.² However, too much optimism may be misplaced. Kofi Annan warned the recent *World Economic Forum on Africa*, 'The strong economic growth of the continent has not translated into the creation of jobs or the reduction of poverty.'

Africa is strengthening its institutions, not least the African Union and its executive branches. Regional integration efforts are poised to accelerate as well, fortifying the continent's regional bodies and markets. Africa's growing urban population, expanding labour force and emerging middle class could offer a strong foundation for increased demand for consumer goods and services. Yet employment is needed as well. Lack of jobs could fuel social tensions if not adequately addressed. Finally, African countries have become more vocal in international negotiations, building new alliances with Southern partners. This has altered the balance of power between developed and developing nations.

On the European side, the conduct of EU international affairs has been significantly modified by the Lisbon Treaty (the Treaty on European Union and the Treaty on the Functioning of the European Union). With regard to relations with Africa, the enlarged objectives associated with EU external action under the Lisbon Treaty implies a widening of the EU foreign policy agenda. The new European External Action Service (EEAS), established in early 2011, aims to make the European Union a stronger and more coherent actor on the international stage. In addition, new EU competences, decision-making procedures and an increasingly important role for the European Parliament will affect policy areas as diverse as crisis management, development, migration and trade.

The result is that Africa-EU relations will be further 'normalised', reducing the traditional prominence of the aid agenda. The Joint Africa-EU Strategy, intended as a first step in that direction, has shown that progress can be made on issues like peace and security – if both sides clearly align their perspectives and interests. By the same token, for issues on which differences in viewpoints remain, such as migration and mobility, the Strategy has laid bare the 'Achilles heel' of EU-African relations: the complexity of achieving firm alignment of positions on both sides, despite the many areas of 'common concern' between Africa and the countries of Europe.

ACP-EU relations to be reconsidered

The larger shifts in global relations oblige the African, Caribbean and Pacific (ACP) Group and the European Union to reconsider their relationship. It is time to develop a vision for beyond 2020, when the current Cotonou Partnership Agreement expires. One portent of upcoming change is the Lisbon Treaty's inclusion, for the first time in EU history, of sustainable development and poverty eradication among the general objectives of EU external action (and not just as an objective of development policy). Another is the new Treaty's lack of any specific reference to the ACP Group. Both are indications of the 'normalisation' of relations between Europe and the countries of the ACP.

The second revision of the Cotonou Partnership Agreement in 2010 recognised the growing importance of regional integration, of peace and security and of promoting growth and tackling cross-border

¹ A 2011 DAC analysis of future spending suggests that low-income countries and Africa would be hardest hit by a decline of programmable aid (*Development: Aid Increases, but with Worrying Trends*).

² In Ernst & Young's first *Africa Attractiveness Survey* <http://appablog.wordpress.com/2011/05/03/africa-increasingly-attractive-to-emerging-market-investors-fdi-into-africa-on-the-up-ernst-young%E2%80%99s-first-africa-attractiveness-survey/>

challenges. The African Union has now formally become a partner of the EU-ACP relationship. Joint cooperation has begun to address global challenges such as food security, HIV/AIDS and sustainability of fisheries in order to achieve the MDGs. The revision of Article 13 of the Cotonou Agreement on migration remains outstanding, mostly due to different views on the consequences of the readmission clause proposed by the European Union.

Against the policy backdrop sketched above, the ACP Council of Ministers in November 2010 set up a working group to seek ways to maintain and strengthen unity and solidarity within the ACP Group. Various future scenarios will be explored, including continuation of the status quo, the ACP Group as an autonomous international organisation, and diversification of relations to encompass additional countries and organisations. The ACP agenda is a challenging one. Among the key items are regional priorities for intra-ACP cooperation, South-South cooperation, possibilities for extending ACP membership and diversifying its partnerships, guidelines for ensuring EU coherence on ACP issues, and EDF financial programming.

ECDPM's focus in the coming period

Today's policy context entails multiple challenges. Foremost among them is to make the most of new opportunities for a fresh and invigorated role of development in global affairs. ECDPM has a long and respected track record as an independent partner and expert on international trade relations, governance and accountability, policy coherence for development, and development effectiveness. We will continue in this tradition, contributing to responsible integration of development finance, cooperation and partnerships into the wider global development agenda. We will work with our partners from Africa, the Caribbean, the Pacific and Europe to make good use of

opportunities to improve cooperation and to accelerate development, particularly in the most vulnerable parts of the world. Our efforts to this end will encompass regional, national and subregional actors, networks and governments, as well as public, private and non-governmental organisations not traditionally aiming at development objectives.

ECDPM will continue to work closely with partners from Africa, the Caribbean, the Pacific and Europe to renew relationships among them. We will pay particular attention to supporting the ACP Group's search for transformation and to processes of regional and subregional integration and institutional change. To this end, the Centre will intensify its partnerships with peer organisations in Africa, the Caribbean and the Pacific, its work on governance, regional markets and food security, and its participation in networks in the global South. In Europe, ECDPM will focus on External Action, Development and Neighbourhood policies, as these are the EU instruments most relevant to the transitions necessary. In line with the recommendations of the recent external evaluation, the Centre will further develop its niche as an independent broker, a catalyst of innovation and a facilitator of change in South-North relations and cooperation. Finally, ECDPM will present a new five-year strategy 2012–16 in 2011, the year of the Centre's 25th anniversary.

Paul Engel
Director ECDPM



African Union officials discussing future collaboration with African media representatives, Addis Ababa

Partnership development and institutional relations



**ECDPM Institutional Relations Team,
left to right**

Sabine Mertens, *Corporate Officer Institutional Relations & Partnerships*,
Henriëtte Hettinga, *Executive Corporate & Human Resources management*,
Paul Engel, *Director*, Geert Laporte, *Deputy Director*, Annita Montoute, *staff
secondment from the Institute of International Relations, Trinidad and Tobago*.

Not pictured:

Dolly Afun-Ogidan, *Junior Policy Officer*

Partnerships with ACP and Southern institutions

Overview

The year 2010 was one in which several of our partnerships and networks were deepened. We further invested in our long-term institutional partnership with the African Union (AU), mainly at the level of the AU Commission in Addis Ababa (see box page 9), and with the ACP Secretariat and ACP Committee of Ambassadors and its new management (see box on this page).

Both the AU Commission and the ACP Secretariat and Committee of Ambassadors developed a more proactive approach to involving the Centre in their reflections, acknowledging ECDPM's expertise and independent facilitation skills.

Cooperation in our knowledge partnerships and networks intensified as well. In Africa, we continued solid and structured partnership with the South African Institute of International Affairs (SAIIA) in Johannesburg, for example, with joint programmes on Southern African integration and on the emerging development activities of China, India and Brazil and their implications for EU-Africa relations. Our partnership with the Africa Governance Institute (AGI), headquartered in Dakar, also became more prominent over the year. Joint programmes, facilitation of policy processes, events and publications with both these institutes have proven to be successful formula for building capacity, strengthening mutual exchange and dialogue, and building stronger strategic partnerships. With the Institute for Security Studies (ISS) in Pretoria, the Institute of International Relations (IIR) in Trinidad and the Shridath Ramphal Centre for International Trade Law, Policy and Services in the Caribbean, we consolidated cooperation through joint events and internships.

COOPERATION WITH THE ACP GROUP

ECDPM contributed to building ACP Group capacities to anticipate and understand the changing EU landscape for development post-Lisbon. As a follow-up to a first seminar in 2009, we facilitated a seminar for the ACP Committee of Ambassadors and ACP Secretariat staff on the implications of the Lisbon Treaty for the ACP Group (May 2010).

We provided insights on the European Commission's 'green papers' on development and budget support. ECDPM staff maintained a regular dialogue with the ACP Secretary General, who paid a visit to the Centre in Maastricht in October, and with the new assistant secretaries general responsible for development finance and trade.

The Centre provided support to the ACP Group and to the regional economic communities on the state of play of the EPA negotiations, contentious issues and possible ways forward.

On migration, particularly in relation to Article 13 of the Cotonou Partnership Agreement, we produced a paper that was widely read within the ACP.

In addition, the Centre set up various types of collaborative arrangements with a multitude of Southern and international organisations, networks and partners:

- Regional economic communities of West, Central, East and Southern Africa and the Caribbean (ECOWAS, CEMAC, COMESA, EAC, SADC, CARIFORUM) and the Inter-regional Coordinating Committee (IRCC) of COMESA
- Forum for Agricultural Research in Africa (FARA)
- Technical Centre for Rural and Agricultural Cooperation ACP-EU (CTA)
- International Centre for Trade and Sustainable Development (ICTSD)
- Trade Policy Training Centre in Africa (TRAPCA)
- International Lawyers and Economists against Poverty (ILEAP)
- African civil society organisations involved in the Joint Africa-EU Strategy (JAES)



The public session organised by EARN on Africa-EU relationship in Praia, Cape Verde

A highlight in this respect was the concrete outputs that began to emerge from the Europe-Africa Research Policy Network (EARN) in 2010. In the run-up to the Third Africa-EU Summit in Tripoli, we helped to ensure that multiple policy research institutes in Africa had a chance to share their insights with European and African policymakers. This led to two events, one in Africa and one in Europe, as well as publication of the *EARN EU-Africa Political Dialogue Report* and *EARN Agenda for Action*.

COOPERATION WITH THE AFRICAN UNION

ECDPM remains the only independent institute providing continued coverage of the JAES and regular support and briefings to African stakeholders on it. Much of this work in 2010 took the form of critical analysis and information provision.

Written reports and a seminar raised awareness within the AU Commission of the impacts of the EU post-Lisbon architecture on Africa. The seminar was a session of the “Fridays of the Commission” series, in Addis Ababa, attended by the ambassadors to the African Union and the international community (October 2010). The Centre facilitated participation at the 2010 European Development Days of the Deputy Chairperson of the AU Commission, providing the African Union a valuable opportunity to address all key EU stakeholders at a high-level panel session on the implications of the Lisbon Treaty for development and for Africa. The session was organised by the Belgian EU Presidency and ECDPM as part of the European Development Days in December.

We provided a long-term non-resident advisor to the office of the AU Commission Deputy Chairperson to support AU relations with the European Union and general resource management within the Commission. The Centre supported the AU Commission Department of Political Affairs in the consultations on consolidation of the African Governance Architecture. This work included provision of background notes on the possible architecture to be adopted and on the type of actors to be involved and contributed indirectly to the preparations of the January 2011 AU Summit.

ECDPM facilitated talks between the European Union and the African Union on modalities for the launch of an EU-AU platform for dialogue on governance. This was a cooperative effort with our partner the African Governance Institute and involved both the EU and AU commissions and member states. Our collaboration extended to several other AU Commission departments dealing with trade and economic affairs, mainly on EPAs, regional integration and the EU Raw Materials Initiative. Support to other AU organs included cooperation with the Pan-African Parliament on the JAES and on the implications of the Lisbon Treaty for Africa.

The AU Commission has intensively used ECDPM news sources such as *europafrica.net* and the *Weekly Compass*, disseminating topical information further as public and official bulletins within both Africa and Europe. This brings our contributions to a much wider audience on both continents.

ECDPM participated in the AU-EU joint informal expert meeting on media and development. This event, held in Addis Ababa and involving the commissions of both unions, sought ways to improve exchanges and dialogue within Africa.

COOPERATION WITH WITH EARN

ECDPM's active involvement in the Europe-Africa Research Policy Network (EARN) in 2010 contributed to enhance cooperation between African and European policy research institutions and to strengthen African policy research on Africa-EU relations.

In close cooperation with the other members of the steering committee (IEEI, SAIIA) we facilitated production of a political dialogue report to feed into the Third EU-Africa Summit in Tripoli, which focused on issues of global governance, climate change, regional integration and trade, as well as peace and security.

The *Agenda for Action*-- an EARN proposal on the JAES and future Africa-EU relations -- complemented the more analytical and in-depth political dialogue report.

EARN meetings in Lisbon and Cape Verde and two high-level panels of diplomats and government officials in Brussels served to raise awareness of JAES developments and fed practical research and perspectives from African and European institutes into the JAES process. EARN actively engaged policymakers throughout.

ECDPM invested in other new and existing networks as well:

- the Development Finance Network (DEFINE), which was established as an initiative of the OECD Development Centre involving think tanks from all over the world
- the Network of Regional Integration Studies (NETRIS)
- the South-North Network (SN2)

Outcomes

Among the outcomes of our partnership activities are the following:

- Through partnerships and networking, ECDPM has strengthened capacities in the developing world (especially in the ACP and Africa) to speak for themselves and defend their own interests. This has created space and opportunities for developing country actors to effectively take part in key policy processes of concern and relevance to them.
- ECDPM's provision of tailored information, independent and practical analysis and systematic exchange contributed to awareness-raising, sensitisation and empowerment of AU and ACP institutions in the area of EU-ACP and EU-Africa relations post-Lisbon.
- Systematic exchanges with governmental and non-governmental partners in the South increased ECDPM's understanding of the concerns and expectations of key ACP and African players in their relationship with the European Union.
- Increased exposure through our partners to the complexities and political sensibilities in the field helped ECDPM to bring Southern perspectives to the attention of EU institutions and member states.
- Partnership networking in Africa and the Caribbean contributed to raise awareness, stimulate debate and advance research on EU-Africa and EU-Caribbean relations.
- Partnerships served to increase mutual learning and capacity building on organisational and managerial issues.

Institutional relations with EU member states and Switzerland

The Centre has been able to withstand many of the effects of the financial and economic crisis. Overall institutional funding increased in 2010, mainly thanks to Spain joining our group of institutional partners and a substantial increase of Belgian institutional funding. In 2010, the Centre received institutional funding from the Netherlands, Belgium, Finland, Ireland, Luxembourg, Portugal, Spain, Sweden and Switzerland. The United Kingdom provided substantial flexible programme funding to the Centre.

With the Spanish EU Presidency (first semester of 2010) the Centre organised and facilitated preparations for two major events. The first was a preliminary multi-stakeholder meeting in Barbados on a joint Caribbean-EU strategy (March 2010). Some 120 key players from the region and representatives from the European Union discussed challenges and shared interests and priorities for such a strategy. The second event was a high-level EU-West Africa conference in Brussels to discuss global issues of common concern, such as food security, migration, and peace and stability. That gathering also led to an EU political response in the form of funding an ambitious programme of aid for trade and economic integration in West Africa (PAPED). ECDPM supported for the third time in its history the Belgian EU Presidency (1993, 2001, 2010). There was an excellent working relation that produced several initiatives (see box on this page).

The Centre began discussions with the 2011 EU presidencies of Hungary and Poland. With Poland, we provided substantial inputs to the major publication *EU Development Cooperation Policy in the Period of the Polish Presidency of the EU Council: Guidelines for Members of Parliament*.

The Centre provided various services to the Netherlands, its core institutional funder, and to several other partners. These included major public events such as key sessions at the European Development Days (Belgium) and in-house training seminars for ministry staff on a variety of topics (for Finland, Switzerland, Belgium and the UK). The Centre facilitated "meetings of the like-minded" on the fiscal adjustments associated with the EPAs, on aid for trade and the EPAs, and on private sector development (for Ireland), and a meeting on domestic accountability (for Ireland, the UK and Belgium). Staff at ECDPM conducted analytical studies on the link between capacity

COOPERATION WITH THE BELGIAN EU PRESIDENCY

ECDPM organised a key session of the European Development Days in Brussels on the future of EU development post-Lisbon. Participants at the December event numbered more than 1,000 and included the ACP Secretary General, the AU Commission Vice Chairperson, the Swedish Minister for Development Cooperation, the UK Secretary of State, the Co-President of the Joint ACP-EU Parliamentary Assembly and the Secretary General of the newly established European External Action Service (EEAS).

Another well attended session during the European Development Days organised and facilitated by ECDPM concerned domestic accountability. Representatives were on hand from the core accountability institutions in the South including parliaments, the research community and civil society, as well as the donor community.

As a follow-up ECDPM organised meetings with a group of "like-minded" EU donors on domestic accountability in the run-up to Fourth High-Level Summit on Aid Effectiveness to be held in Busan, South Korea in December 2011.

ECDPM organised regular briefings for the staff of the Belgian Ministry of Foreign Affairs, including the Directorate General for International Cooperation (DGOS) on issues such as trade and the EPAs and the upcoming review of the EU Consensus on Development.

On behalf of the Belgian EU Presidency, ECDPM facilitated a meeting on the implications of the Lisbon Treaty for the heads of the Belgian Development Agency (BTC) and Ministry staff.

The Centre held regular discussions and briefings with the Head of the Africa Department and the Chairperson of the Africa Group of the EU Council on the Joint Africa-EU Strategy (JAES) and the Africa-EU Summit in Tripoli.

development and democratic ownership and the role of policy research institutes in strengthening democratic ownership (Switzerland), on the activities of the emerging economies in Africa and their implications for development effectiveness (UK), and on the African Governance Architecture and the JAES Governance Partnership (Portugal). Furthermore, we produced a number of briefing notes and disseminated policy-relevant information through the *Weekly Compass*.

The Centre is increasingly appreciated for its role as an independent broker and provider of non-partisan analysis on EU-ACP, EU-Africa and EU development issues. Institutional funding from EU member states and other partners helps the Centre to maintain its independence. It also allows ECDPM to invest in long-term capacity building of ACP and African institutes and in strengthening its partners.

Outcomes

Among the key outcomes of our institutional relations activities in 2010 are the following:

- Flexible funding arrangements have significantly contributed to enhance trust among key ACP and African actors in ECDPM as a non-partisan facilitator of dialogue and provider of practical information and analysis.
- ECDPM studies and the Centre's roles as an independent "go-between" and informal mediator have contributed to make member states' thinking and positioning more sensitive and open to issues of ACP-EU cooperation (e.g. the EPAs, policy coherence for development, the JAES).
- Systematic work with successive EU presidencies has contributed to refining presidency priorities and to ensuring that ACP and African perspectives are better reflected in more balanced policies.
- The practical focus of the Centre has contributed to finding solutions that have helped to operationalise policies in the field and ensure better impact on the ground.
- Longstanding relations and flexible multi-annual funding arrangements with EU member states have contributed to maintaining the independent character of ECDPM. This has allowed the Centre to contribute to an agenda of reform in EU development and to improve the relevance and impact of EU relations with the developing world.

COOPERATION WITH THE NETHERLANDS

The Centre produced a support study to help the Evaluation Unit of the Netherlands Ministry of Foreign Affairs to prepare for an evaluation of EU development cooperation. ECDPM drafted background papers on budget support, including a comparative review of the fragile states that receive such support from the Netherlands and from other donors. We also contributed to production of operational guidelines for Dutch embassies abroad on budget support and domestic accountability.

The Centre provided several inputs on domestic accountability, governance and budget support in West Africa (Dakar) and The Hague.

ECDPM continued to take part in a wide evaluation initiative focusing on capacity development, initiated by the Dutch Ministry of Foreign Affairs' Policy and Operations Evaluation Department and involving several NGOs.

We continued our contributions to the International Reference Group on Security Sector Development in Burundi, co-facilitating a working session with the geographic and thematic experts of the Ministry of Foreign Affairs (DGIS) and other Dutch ministries involved. Our inputs focused on strategic linkages between the security sector development programme and a €5 million support package for the Burundi national police.

ECDPM responded to a Ministry of Foreign Affairs request to facilitate the process of formulating regional-level guidelines for donor support to a major African home-grown initiative: the Comprehensive Africa Agriculture Development Programme (CAADP). We provided opportunity for in-depth dialogue between donors, regional organisations and continental actors involved in the CAADP. This was made possible by a stocktaking exercise we carried out on behalf the Dutch Ministry and the CAADP development partners task team. The exercise catalogued the diverse views of donors and regional economic community stakeholders on what they perceive to be the main challenges of donor coordination and regional implementation of CAADP. The results were presented during the Seventh CAADP Partnership Platform in April 2010, in South Africa. CAADP is an ongoing process, and the stocktaking exercise shed light on how donor support could be harmonised to improve regional and continental processes of CAADP implementation.

At the request of the Ministry of Foreign Affairs, ECDPM staff participated in and contributed to various meetings and brainstorming sessions, including a mini-conference on a report by the Scientific Council on Government Policy on Dutch foreign policy. ECDPM also shared information with various departments on a less formal basis, for example, with EU Department in relation to the future European External Action Service (EEAS).

'We are very grateful for your response to our invitation and indeed, for your very valuable input in the draft outline of the joint strategy. For our part as the CARIFORUM Group, and I speak on the behalf of myself and the Group, we are a very grateful for your input and collaboration thus far ... and assure you that we will be calling upon you soon to assist us in specific discussions and to provide independent views on the strategy and other such issues ... in our relations with the EU as we develop the strategy, both in the pre-Madrid and post-Madrid phases of the discussions.'

Caribbean Ambassador to the EU in Brussels on ECDPM's facilitation and inputs in the preparations of the Joint Caribbean-EU Strategy.

Interview with Ambassador Shirley Skerrett Andrew



Reflections on regional integration in a multi-polar world

A discussion with the Ambassador of the Eastern Caribbean States

Regional integration is increasingly viewed as a key strategy for dealing with the uncertainties that individual countries face in their struggle to survive and compete in a difficult global environment. But as the European Union project has clearly shown, having a common vision and substantial resources is not sufficient in itself to guarantee success. One sub-regional initiative that stands out as a unique model of 'functional integration' and resource sharing is the Organisation of Eastern Caribbean States (OECS). In order to distil some useful lessons learnt by the OECS, both in the context of broader Caribbean regionalism, as well as further afield, we spoke with Ambassador Shirley Skerrett-Andrew, who represents four of the six independent OECS States to the Kingdom of Belgium and the European Union. We started by asking her to explain what her role entails as head of a joint mission.



The OECS comprises an archipelago of nine Small Island Developing States located in the Eastern Caribbean. Member Countries are the six independent States of Antigua and Barbuda, St Kitts and Nevis, Dominica, St Lucia, St Vincent and the Grenadines, and Grenada; and the three non-independent Territories of the British Virgin Islands, Anguilla and Montserrat.

I represent four of the six independent States in the OECS group¹ (excluding Grenada and Antigua). My role is to advance their political, economic and diplomatic interests with a view to strengthening their relationship with the EU and its constituent institutions and States, and to maximise the development benefits that could come from that partnership – for the group as well as the individual states.

It is also important to note that I represent the four countries **individually**. This is because the Vienna Convention does not allow for the formal diplomatic representation of states through regional organisations.

How does this work in practice, in terms of distinguishing between the interests of individual countries and those of the broader group?

Basically it is very easy. In terms of foreign policy there is very little if any divergence in the approaches of the individual countries. We are smaller, more vulnerable and more liable to being ignored within the broader [CARICOM] group, so it was in our interest to come together. Joint missions are one example of the functional cooperation that is at the heart of the OECS as an organisation, to reduce our vulnerabilities and increase our resilience.

The OECS celebrates its 30-year anniversary in 2011. What do you consider to be some of its most important achievements so far?

The latest milestone is the Economic Union Treaty that was signed in late 2010 and which will be implemented from 2011 onwards. We in the OECS feel, probably a bit arrogantly, that the wider Caribbean integration movement has a lot to learn from us. We have a common currency, central bank, judicial system, pharmaceutical procurement system, telecommunications and aviation regulatory authorities, and so on. So we're acting together on a range of things that we would probably have done even if the formal OECS did not exist because it makes economic sense.

The recently completed mid-term review of the Cotonou Partnership Agreement revealed a general dissatisfaction among ACP stakeholders with the way that the partnership with Europe is evolving. What are your views on this from a Caribbean perspective?

Our position is that the preferential relationship helped us achieve a level of social development that we might not have reached otherwise. We might not have been able to transform our economies to the extent that we would have liked, but I think that is because we have other obstacles, particularly the issue of small size, which limits diversification and creates problems around economies of scale. But in terms of our current relationship with Europe, we have to face up to the fact that we're living in a changing world. We can't dictate to Europe how it should advance its own interests, which is what these changes are about: Europe's place in the world. What we're looking to do is to advance our partnership even as these changes are going on and maybe to have a more mature and grown up relationship with Europe.

The Caribbean region is currently working on a regional partnership with Europe, similar to the Joint Africa-EU Strategy. What can you learn from the African process?

Ultimately we have to be aware that this is an asymmetrical relationship, so we have to look at how we can operate within those confines. As a region, we have to accept that we're small and vulnerable, but we also punch way above our weight because we have ways of making up for our disadvantages. That is the OECS approach. We believe that small size is not always a disadvantage, it also enables us to do things that would be so much more difficult to achieve in a bigger landscape.

Do you think there is still a future for the ACP as a group?

We are going to have to face up to the fact that the ACP will have to look to its survival as an independent entity and re-examine why it was set up. I firmly believe that it's an important meeting place, especially for us coming from the Caribbean, being mostly of African descent. I'm one of those people who believe that Africa is a superpower of the future. In that context, one of the things we have to understand is that old and new superpowers have used their diasporas very strategically to help them gain power and legitimacy and to come to their aid in times of need. Europe spawned the USA and Canada, and they remain close allies to this day. This is something we have to always keep in mind -- whenever there is a global interest we need to look at where our true interests lie. Over the years that the ACP has existed we could have made more of being closer to each other. I'm hoping that the opportunity has not totally passed.

Why do you think this was the case and what lessons might have been learnt?

We had a responsibility to develop our own networks and our own processes outside of the ACP-EU relationship. But it was probably difficult to do so before now. I would not presume to underestimate the difficulty when you're put in a position where you're competing for resources -- then it takes a lot to see beyond that and to have a vision of a better future and a more inclusive relationship. We need to make up our minds pretty sharpish about whether we are going to allow this opportunity to pass us by. In that context, the possibilities that are offered to us by South-South cooperation will contribute to bringing us much closer than before.

"We have to accept that we're small and vulnerable, but we also punch way above our weight"

As Small Island Developing States, the countries you represent are particularly vulnerable to climate change. The OECS has a good record in developing robust environmental guidelines. What lessons might this experience offer for multilateral environmental processes at the global level?

Environmental protection is a global issue first of all because the impacts of environmental destruction go beyond national and regional borders. It is also fair to say that environmental concerns are better dealt with at an international level than we've seen with economic or financial issues. However, as the adage goes, we need to 'think globally and act locally'. Most OECS countries have already made a start by establishing ministries of sustainable development at the very centre of the government system. This is one way of ensuring that we are tackling the issues that matter at our level, as the first step towards making a global impact.

But smaller countries need to be given much more of a voice and be taken seriously, as some are the countries that are most affected by these issues. The idea that powerful countries like the USA and China can go off into a huddle at an international conference [like the climate negotiations in Copenhagen in December 2009] and come up with the solution is not good enough. Right now as Small Island Developing States we are part of the discourse, but we must also be part of the decision making and outcomes.

"Stability has been the outcome of our union"

Ambassador Shirley Skerritt-Andrew heads the Joint Mission of four independent Eastern Caribbean States (St Kitts and Nevis, Dominica, St Lucia and St Vincent and the Grenadines) to the Kingdom of Belgium and the European Union. The Brussels Mission forms part of the OECS programme of joint overseas representation, along with Missions in Ottawa and Geneva.

¹ The OECS comprises an archipelago of nine Small Island Developing States located in the Eastern Caribbean. Member Countries are the six independent States of Antigua and Barbuda, St Kitts and Nevis, Dominica, St Lucia, St Vincent and the Grenadines, and Grenada; and the three non-independent Territories of the British Virgin Islands, Anguilla and Montserrat.

Interview with Ambassador Brave R. Ndisale



Africa can develop Africa

Enhancing national and regional capacities for more effective development

Ambassador Brave Ndisale played a key role in the second revision of the Cotonou Partnership Agreement, especially during the final stages in early 2010, which coincided with Malawi's presidency of the ACP Group. In this wide-ranging interview, Ndisale discusses African perspectives on a number of ongoing policy processes. She also provides valuable insights on how to move international cooperation beyond 'political dialogue' to a more action-oriented agenda that contributes to real development on the ground.

Reflecting on your recent close involvement in the ACP-EU dialogue, how would you describe the achievements so far? In particular, have the efforts of African stakeholders helped to increase appreciation of ACP countries as dynamic and equal partners in tackling global issues, rather than just as recipients of aid?

In this light, I would say that negotiations were successfully concluded, for a number of reasons. First, the revision [of the Cotonou Agreement] was quite symbolic of the spirit of our partnership: that is, we still have the ability to relate to each other and reach agreement on a number of contested issues. Second, it reaffirmed the principles that were agreed upon earlier, such as that we are equal partners and that we need active participation of state and non-state actors in the ACP-EU process. The review process also reinforced the principle of differentiation and regionalisation, meaning that each country should be taken according to its level of development and that the roles of

regional institutions and sub-regional economic communities should be recognised. Finally, the partnership took into account the realities of globalisation that have emerged in the recent past, including regional integration, food security, economic partnership agreements, and climate change.

But there are a number of outstanding issues that put the future of the relationship into question. So what happens next?

I am hopeful that the final revision in 2015 will provide an opportunity to iron out any remaining issues and define what the partnership will become. So if we in the ACP do our homework now we should be able to strengthen our position as partners, which in turn will define what happens next. Unfortunately, there are indications that a different scenario might be playing out. One of these signs is that the EU's Lisbon Treaty, which is the basis for its external relations in future, does not mention the ACP as an entity, and only one of the three ACP regions, Africa, falls under the docket of the new External Action Service of the European Commission.

All this tells us that we need to work harder to maintain and strengthen our solidarity with our ACP partners and other developing-country groupings, such as the G77 [active in UN multilateral processes], to give us a stronger voice in arguing for our common interests. This is very clear in the area of trade. Together with other developing countries, we have been working hard to ensure that issues related to the agricultural subsidies of our development partners in the EU and elsewhere are addressed to give smallholder exporters in Africa a chance to be competitive on the global market.

"In five years' time, no child in Africa should wake up hungry because 'we can't do it'"

During the ACP Summit in Ghana in 2008, a proposal was made to create a greater ACP Free Trade Agreement. Although not much has happened since, this idea could provide an entry point for us to approach issues of the future of the ACP. But to really move forward, the discussion would need to involve more stakeholders than just the ACP Ambassadors. It is especially important for the different regional and sub-regional secretariats across the three regions to become more directly engaged.

Are there concrete examples of such targeted collaboration from recent policy processes?

At the regional level, we are seeing efforts to better align the work of the eight sub-regional economic communities and regional institutions. The recent Africa-led mediation effort in Ivory Coast where ECOWAS took the lead, with support from the African Union's Peace and Security Council, is a case in point. In the same way, IGAD has been proactive on piracy issues in the Horn of Africa region.

Another example is our contribution to the Joint Africa-EU Strategy (JAES) dialogue during Malawi's presidency of the African Union in 2010. President Mutharika came in with a vision that in five years' time, no child in Africa should wake up hungry because 'we can't do it'. Without a doubt, peace and security [a cornerstone of the JAES] is important. But let's also feed ourselves. For this to happen, we emphasised that Africa needs to go back to the basics: food security and agriculture, infrastructure, and energy to fuel development. The African Food Basket Initiative is the concrete outcome of these ideas, and it was endorsed by Heads of State during the AU Summit in Kampala in July. So Malawi's legacy is demonstrating that we can focus on development, because Africa can develop Africa.

These examples underline the need for a critical mass of visionary leaders to utilise the limited capacities at national and regional level as strategically as possible. What should be the starting point in this?

It is true that many countries have weak capacity, but they can be strengthened. It is particularly important to focus on the kinds of institutional reforms needed to improve capacities for resource absorption and mobilisation. In Malawi, it has helped to have a few government ministries charged not only with coordinating development partners, but also to oversee national development planning. This ensures that we have an investment strategy in place so that when donors come in we can match our capacity needs to the areas in which they have a comparative advantage. But we still face challenges in implementing this approach because sometimes the sectors are not moving as fast as one would want.



Ultimately though, achieving real progress requires stability on the domestic front. The events in Tunisia at the close of 2010 signalled a new wave of civil-led movements calling for greater democratisation. Are governments in sub-Saharan Africa concerned about the possible knock-on effects? What should they do now to address the concerns of their citizens?

It is imperative that we be aware of what is happening in North Africa. In this, I think three issues are paramount. First is the economic impact that instability in the North is likely to have, for instance, on fuel prices, which in turn could have knock-on effects on our countries. The second is the political lesson: it is not enough to focus on economic development, we should not be complacent but should work to sustain the political reforms that many sub-

Saharan African countries have already managed to put in place [in the 1990s]. Thirdly, we must work towards greater cohesion at national level by making sure that no section of the population is disenfranchised. In this sense, we may have perhaps over-emphasised gender programmes at the expense of empowering the youth. In addition to continuing to scale up youth training and development programmes and improving access to quality education at all levels, we must also be aware that without political reform, we risk the higher numbers of educated youths becoming frustrated. So we need to consolidate our democratic gains and ensure that we create an atmosphere in which our young people can also learn to take responsibility for development.

Ambassador Brave Ndisale heads the Malawi mission to the Kingdom of Belgium and the European Union, with additional responsibility for bilateral relations with five other countries: the Netherlands, Luxembourg, Switzerland, Italy and France. She also serves as Malawi's permanent representative to a host of European-based multilateral institutions, including the World Trade Organization (Geneva) and the UN Food and Agriculture Organization (Rome).

ECDPM's work in pictures

Fostering dialogue on African Governance

ECDPM strengthened its links with the Dakar-based African Governance Institute when they co-facilitated a preparatory process towards establishing an Africa-EU dialogue platform on governance. The workshop took place on 13-14 September in Addis Ababa and was attended by 60 participants, including government officials from both sides, staff of the European and African Union Commissions, and representatives of the Pan-African Parliament, regional organisations, civil society and the private sector. The meeting reached agreement on a number of issues relating to the nature, composition, positioning of the Platform as well as a tentative list of topics that it will address. ECDPM and AGI were asked to continue playing a facilitation role in order to assist the parties to prepare for the official launch of the Platform in late 2010.



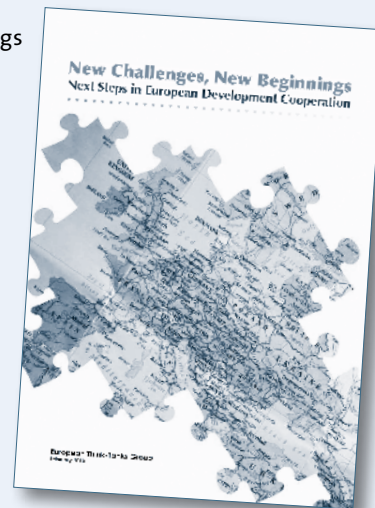
Regional trade regimes: sharing lessons learned

With the Caribbean Forum (CARIFORUM) being the only ACP region to have successfully concluded and embarked on implementation of a "comprehensive EPA" [the East African Community has concluded a Framework EPA, but has not signed and implemented it] this ECDPM paper examines what benefits there have been for the private sector so far and how these can be enhanced. The paper underscores the need to develop strong private sector intermediaries to help move beyond traditional exports and improve the opportunities of medium and small enterprises aiming to do business with the EU.



Pressing the 'reset button' on development cooperation

Four European-based think tanks: UK's Overseas Development Institute, Spain's Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE) the German Development Institute (DIE) and ECDPM published a major report in February, *New Challenges, New Beginnings: on the future of development cooperation in the wake of the Lisbon Treaty*. They subsequently convened several briefings and informal consultations to present the findings to EU officials and external partners.



World Bank/ECDPM seminar on 'Africa's Trade in Services'

In October 2010, ECDPM co-organised with the World Bank a joint event on Africa's trade in services. Chaired by ECDPM, this meeting examined the role of services negotiations in a revitalized round of Economic Partnership Agreements talks between the EU and ACP countries as well as the relation between trade policy, regional integration and domestic regulatory reforms. Trade Specialists from the World Bank presented the results of their recent studies on this topic, stimulating lively panel discussions with representatives of the European Commission, the European Services Forum, as well as ACP ambassadors.

Evaluating decentralisation processes



ECDPM was invited to carry out the mid-term review of a GTZ project in support of the All African Ministerial Conference on Decentralisation and Local Development (AMCOD), and the United Cities and Local Governments of Africa (UCLGA) in July 2010.



European Development Days, Brussels, December 2010

ECDPM co-organised three sessions with the Belgian EU Presidency and the European Think Tanks Group, among other partners. The sessions explored diverse issues, including how external donor support can strengthen domestic accountability; the future of European Development Cooperation post-Lisbon Treaty; and the role of civil society and other stakeholders in the Africa-EU partnership.



Africa-EU relations post Lisbon

In October, ECDPM co-organised a seminar in Addis Ababa with the Joint EU-AU Task Force. Close to 200 persons attended, including senior AUC Ambassadors and staff, representatives of EU delegations, UN organs and local policymakers and researchers. The ECDPM presentations generated animated discussions on a range of subjects, including the JAES, EPAs, Peace and Security Challenges.



Knowledge exchange and networking

Now in its second year, the Weekly Compass (WECO) newsletter is the centrepiece of ECDPM's goal to inform and nurture policy processes by utilising a range of communication tools – from traditional publications to the latest social networking technologies. The electronic bulletin is sent out to close to 6000 subscribers across government, research institutions, international development agencies, NGOs and the private sector. Underpinning the newsletter is ECDPM's vast online database that allows readers to set up personalised topic-based email alerts or RSS feeds that can also be accessed via a range of social media, including Twitter and Linked In.

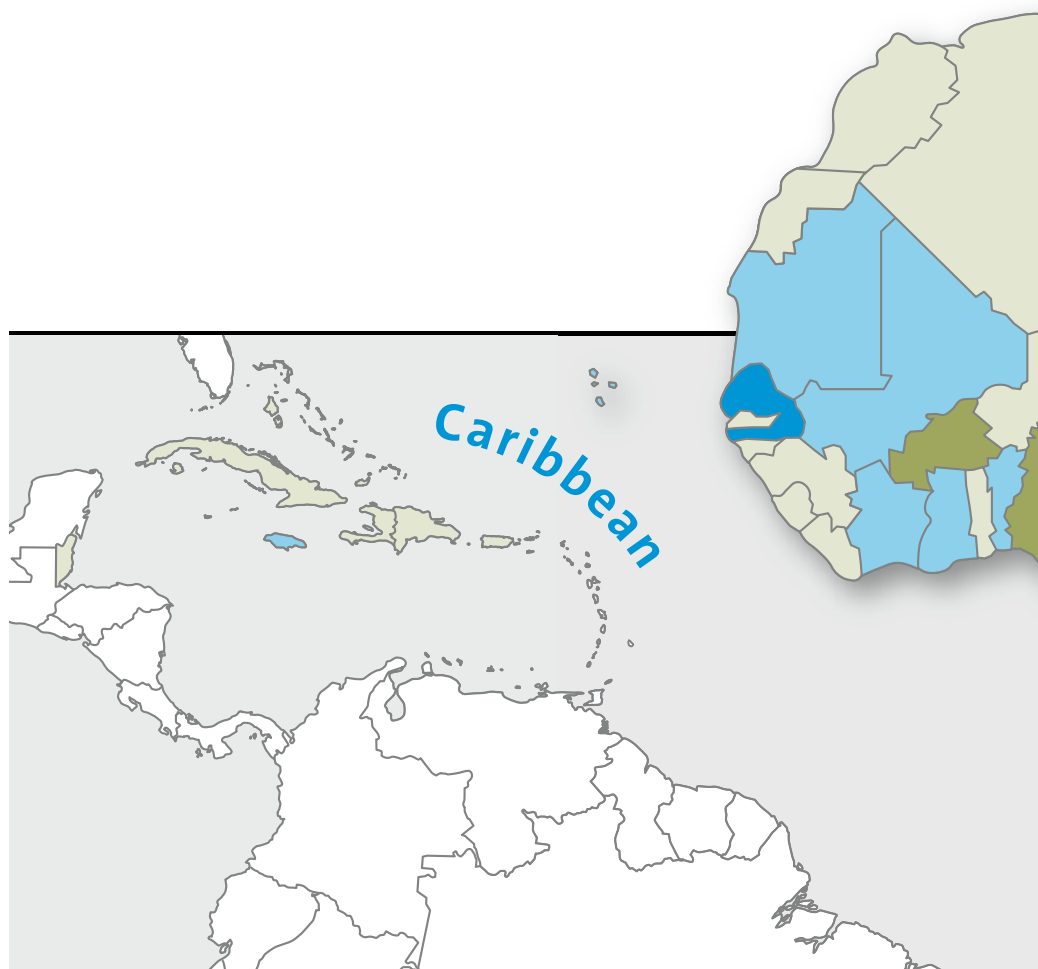


ECDPM interactions in ACP countries

The Centre interacts with numerous partners in the 79 countries of the ACP. To monitor the geographic distribution of these interactions, we keep track of the number of in-country visits, consultants used, publications distributed and visits registered to the ECDPM website from each of these countries. Using a composite indicator, we create a map to reflect the intensity of ECDPM interactions with the countries during the year.

The map provides a quantitative indication, not a measure of the quality of the interactions. It illustrates the choices that we make as we focus our efforts among many thousands of development actors.

This year's map shows ECDPM's continued intensive engagement with the African continent, in accordance with its strategy for 2007–11 and indicate that the Centre was particularly active in 2008 in the eastern, southern and western parts of Africa. The list is topped by Ethiopia, and is due to ECDPM intensive collaboration with the AU Commission through various means including contributions to public events such as the 'Fridays at the Commission', targeted distribution of hardcopies and long-term capacity development support. Secondly, South Africa remained a prominent partner, as the Centre continued its collaboration with the South African Institute of International Affairs (SAIIA) in several areas including the organisation of workshops on topics including the political economy of regional integration and the implications of new emerging players such as China and India on Africa-EU relations. Senegal subsequently appears in third position as a country where ECDPM's publications and websites are frequently consulted, and where ECDPM staff members paid several visits in the context of the cooperation with the African Governance Institute and studies in the areas of domestic accountability and the Comprehensive African Agricultural Development Programme (CAADP).



Group 1

Ethiopia
South Africa
Senegal

Group 2

Kenya
Burkina Faso
Nigeria
Tanzania

Uganda
Cameroon
Zambia

Group 3

Mali
Mauritius
Mozambique
Barbados
Ghana

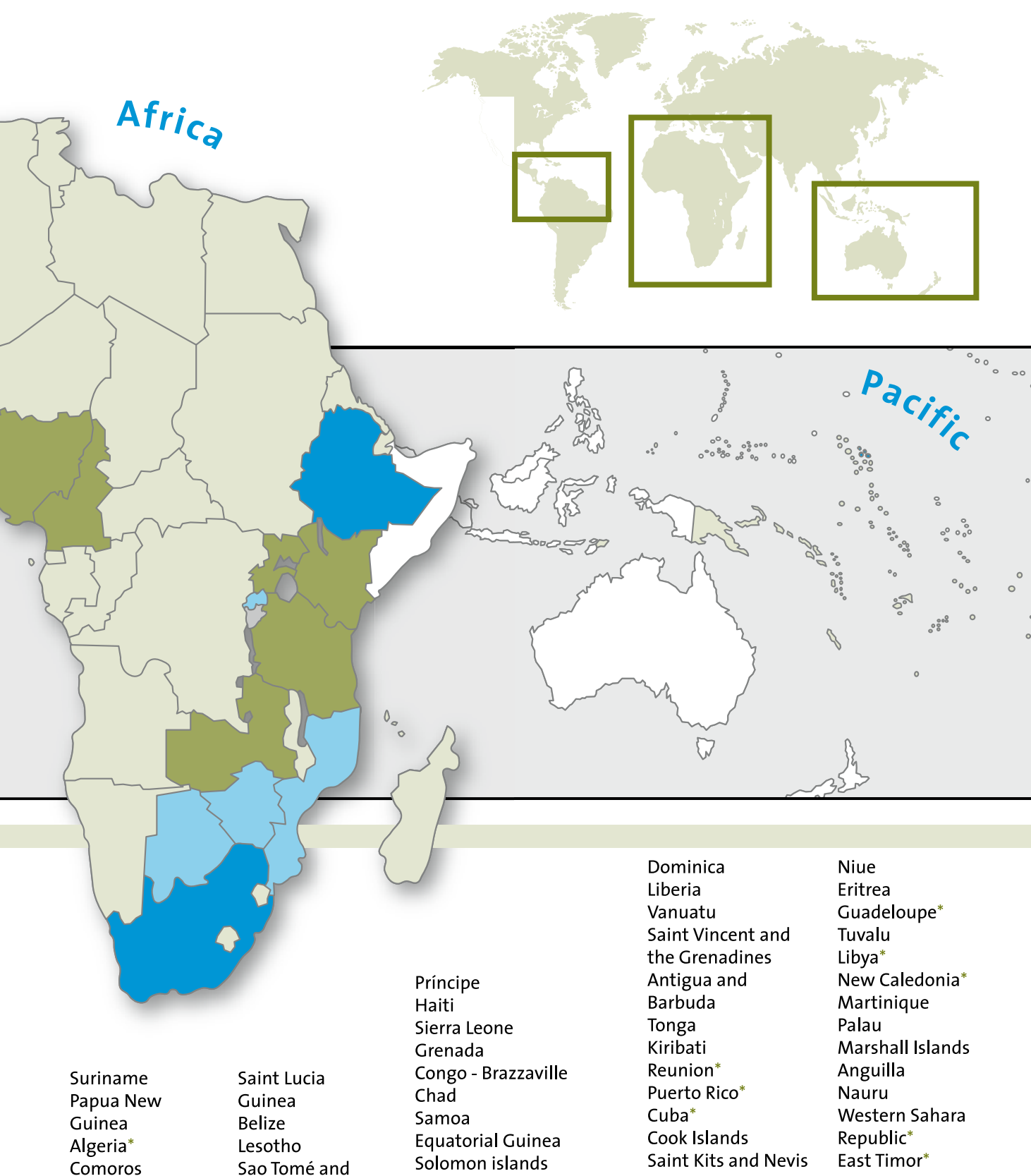
Trinidad and
Tobago
Rwanda
Zimbabwe
Benin

Côte d'Ivoire
Cape Verde
Botswana

Group 4

Fiji
Jamaica
Morocco*
Burundi
Namibia
Congo
(Kinshasa)
Niger
Madagascar
Tunisia*
Angola
Egypt*
Guyana
Malawi
Gambia
Dominican
Republic
Sudan
Guinea-Bissau
Mauritania
Gabon
Togo
Bahamas
Djibouti
Central African
Republic
Swaziland
Seychelles

* Countries marked with an asterisk are not signatories of the Cotonou Agreement



The indicator is a composite, weighted total of the number of days of in-country work visits, the number of publications distributed divided by 10 and the number of traceable website visitors divided by 100. With emphasis on personal contacts, the outcome represents a measure of the intensity of interactions with development actors in a specific country. Countries are then grouped into four categories (quartiles), each totaling about one-quarter of the total points allocated.

2. ECDPM Programmes

An introduction to ECDPM's programme reporting over 2010

This section reports on ECDPM's three core programmes as well as the ECDPM units dealing with knowledge, communication and innovation. We start with the work of the Development Policy and International Relations (DPIR) programme, followed by the Economic and Trade Cooperation (ETC) programme and the Governance programme. For each, we describe and explore our contributions to one or two major policy processes and highlight outcomes of our engagement. These policy processes relate to (1) EU-Africa relations and the Joint Africa-EU Strategy (JAES), (2) EU international cooperation and policy coherence, including the post-Lisbon policy process, (3) the Economic Partnership Agreements (EPAs) and aid for trade, (4) Africa's search for home-grown governance agendas and (5) sector governance including the role of political economy analysis. Finally, we review our support to these five policy processes through knowledge networking and information provision, external communication and internal knowledge sharing. This part also describes the internal assessment process through which we prepared for our 2010-11 external evaluation.

To achieve coherence in monitoring across our programmes, the Centre has developed a reporting approach that follows the expected 'route of impact' of each policy process. The programme sections are reporting along the following structure: Departing from the programme objectives, the sections describe per policy process the broader context as it evolved over the reporting period, the thematic priorities that the programme took into account and the key actors with which the programme engaged. Then 'process highlights' set out

our activities in 2010 and the inputs we provided in terms of facilitation, research, and engagement in strategic partnerships (see box). Major outcomes and key challenges and accomplishments round off these reports, which also point out where plausible relationships can be observed between progress and the contributions of ECDPM and its partners. In a complementary section, the programmes describe the strategic partnerships that underpin and support their work. Partnerships take different forms, ranging from cooperation

with regional intergovernmental bodies to work executed with established research and policy organisations or NGO networks. Each programme report ends with a list of key publications and events which it (co-) organised or contributed to over the year. A total of 61 publications were produced in 2010 which is significantly above the average of 50 that we have produced during the previous four years. Statistics about the visits to our web-sites, newsletter subscriptions and hard copy dissemination are included in the knowledge management section.

Facilitation

Direct facilitation support includes strengthening multi-actor dialogue, consultation and strategic networking, as well as providing advisory services in support of our institutional partners.

Research

Research and targeted knowledge management activities encompass strategic, policy-oriented investigations and analyses and benchmarking; promotion of use and sharing of pertinent knowledge and information by policy actors; and independent monitoring and evaluation.

Strategic Partnerships

Strategic partnerships involve supporting the institutional development of developing country policy actors and networks; participating in and, where necessary, helping to create strategic networks, platforms and alliances of Northern and Southern policy actors; and collaborative monitoring and evaluation of the outcomes and impact of such programmes.

Good day! Thank you for forwarding to me copies of the Weekly Compass which I have found most useful. Foreign Affairs Ministry, Nigeria

Many thanks. The contents of the Weekly Compass are always very rich. Most appreciated. Centre for Institutional Development, Zimbabwe

Thanks for my copy. Municipal Development Partnership for Eastern and Southern Africa (MDP-ESA), Zimbabwe

Can you please assist me in forwarding the very interesting slides on governance that you announced in the Weekly Compass. EuropeAid, Belgium

Thank you for the wonderful update. Swaziland Water and Agriculture Development Enterprise, Swaziland

I just had a look at a printed version of the ECDPM bulletin and it was so informative that I would appreciate receiving them. Government of Mauritius

Could you please send me the Weekly Compass from now on? Financial Times Deutschland, Germany

Je suis très content de tonne d'informations que vous nous servez et je vous encourage vivement. CEAF MINCOMMERCE, Cameroun

Thanks so much for sharing with me the current EU thinking on development policy. Trade Policy Department, African Union

Thanks for the ECDPM publications, which are great to have and will enhance the library. I have also found the electronic newsletter very helpful – it really is a useful source of current information and web-links.

Department of Politics and History, Liverpool Hope University, UK

If you are OK with it, we would like to post the Weekly Compass on our blog.

It will go to about 1,000 subscribers. European Association of Development Research and Training Institutes (EADI), Germany

Now there is even a weekly version of the ECDPM bulletin! Thanks a lot, and as you know, I appreciate the variety and richness of the contents. International Trade Centre

Thank you for the updates on the news. Pacific Agricultural and Forestry Policy Network
Thanks for this and previous editions. African Citizens Directorate, African Union Commission, Ethiopia

I would like to convey to you my appreciation for the dedicated service you have rendered me through your timely information you've continued sending me on a "sustainable basis". I would like to inform you that I have found it useful for my intellectual growth and for utilization in my professional work, please keep up the spirit. Ministry of Tourism, Trade and Industry, Uganda

Development Policy and International Relations



**ECDPM DPIR Team,
left to right, top to bottom**

Faten Aggad, *Policy Officer*, Andrew Sherriff, *Senior Executive International Relations*, Simone Görtz, *Research Assistant*, Eleonora Koeb, *Policy Officer*, Tilly Bogataj-De Coninck, *Executive Assistant*, Niels Keijzer, *Policy Officer*

Not pictured:

Gwen Corre, *Policy Officer*, Nathalie Dansdotter, *Intern*, Volker Hauck, *Head of Knowledge Management & Communication*, Anje Jooya-Kruiter, *Policy Officer*, Henrike Klavert, *Junior Policy Officer*, James Mackie, *Head of Programme*, Julien Mehdi Mehamha, *Research Assistant*, Julia Müller, *Intern*, Margaret Rugudaya, *Research Fellow*, Jeske van Seters, *Policy Officer*, Marie-Caroline Spallart, *volunteer*, Eunike Spierings, *Policy Officer*

Programme overview and objectives

The overall aim of the Development Policy and International Relations (DPIR) programme is to foster debate on EU external action policy issues that affect ACP-EU relations. Ultimately the objective is to support the ACP, and African actors in particular, to derive maximum development benefit from their relations with the European Union. As development cooperation is not an isolated policy area, the DPIR programme has chosen to situate its work in the broader context of international relations.

The year 2010 was an exciting one for DPIR, in terms of global developments, institutional changes and some important new actors. This produced a busy programme, with our analysis, synthesising abilities and facilitation skills being much in demand among both ACP and EU stakeholders.

The programme continued to focus on two policy processes: *EU-Africa relations and the Joint Africa-EU Strategy* and the newly reframed *EU international cooperation and policy coherence for development (PCD) post-Lisbon*. While the first follows the specificities of EU relations with one group of partner countries and a critical region for development, the second is geared more towards current internal EU processes and the priority of ensuring the quality and effectiveness of EU development cooperation. This is particularly crucial in view of the new and evolving EU external

action architecture, which is designed to make the European Union a more coherent and stronger player in international affairs.

Policy process: The Joint Africa-EU Strategy

Recent evolution of the context and key thematic priorities

EU-Africa relations are somewhat in flux, both in Europe and in Africa. At a geostrategic level, the increasing presence in Africa of the BRICs (Brazil, Russia, India and China), the new EU institutional structures plus pressure on spending in Europe have overshadowed the Joint Africa-EU Strategy (JAES) process. Yet positive notes were heard too, in African nations' celebrations of the 50th anniversary of their independence and in the growing evidence of Africa's higher growth rates and apparent resilience in the face of the worldwide financial crisis.

The key event of the year was the Third EU-Africa Summit, which took place in Libya in November. Preparations for the Summit were not easy. Both Africa and, to a lesser extent, Europe, had some difficulty in agreeing and mediating common positions. Again the question of real African ownership of the current JAES action plan was a major issue, and European and African participants raised the dialogue on contentious issues to a

new level. Here too, short-term political considerations dominated the debate rather than the longer term issues.

The absence of the "big three" from Europe, meaning the Chancellor of Germany, the President of France and the Prime Minister of the United Kingdom, was not a good sign. On the African side only 24 heads of state or government attended, less than the number attending the France-Africa Summit held in 2008. Undoubtedly the venue in Libya played some role in the lack of attendance, but there were also wider systemic reasons. The European Union no longer has a privileged role in Africa. The JAES is widely seen as delivering significantly less than was promised, and the new action plan has galvanised little interest at the political level, nor has it narrowed the focus enough to more manageable essentials. Despite consistent warnings from ECDPM about the dilution of the political content of the JAES and the parties' lack of progress in living up to its principles, political actors on both sides have not invested the necessary energy to achieve change. Finding any coverage of the Summit took some searching, even in the specialist media concerned with EU foreign relations or Africa, although ECDPM was contacted and did offer some commentary that was published in articles by *European Voice* and the Associated Press. The Summit did not succeed in promoting a dynamic discussion on critical issues such as the EPAs, migration and governance challenges, nor did it make an effort to genuinely transform the JAES itself. All these issues were touched upon, but with no notable progress. There were some achievements however. EU-Africa collaboration on

peace and security is more tangible and comprehensive than ever before; dialogue on energy has been raised to a new level; and the coming into being of the African Governance Architecture and the AU-EU Governance Platform has provided much needed fora for dialogue.

The other institutional backdrop was the changes under way within the European Union to establish the new post-Lisbon structures intended to give Europe a more coherent and stronger international voice. Present at the Tripoli Summit (as with all Summits from now on) was the President of the EU Council as well as the President of the EU Commission and the Development Commissioner. Yet the absence of the new High Representative for Foreign and Security Policy and the Trade Commissioner was hard to explain to African stakeholders. Indeed, the major contentious issues between the European Union and Africa are trade related, and the aspect of the JAES often cited as most productive is its Partnership on Peace and Security, which is logically addressed by the High Representative.

At a lower level it became increasingly unclear where the “motor” of the JAES will be located as the EU external relations architecture evolves. Crucial for the JAES’ continued relevance will be the position taken on it by the new managing director for Africa of the European External Action Service (EEAS). This appointment was made in late 2010. ECDPM is already forging contacts with the new EU actors to ensure the continued relevance of its facilitation work on EU-Africa relations.

Once again our thematic priorities for this process continued to be “peace and security”, on one hand, and “migration, mobility and employment”, on the other. Though the trade and governance partnerships of the JAES are covered by other programmes within ECDPM, the stalemate on the EPAs remains a clear factor undermining wider EU-Africa dialogue. Regarding the JAES Partnership on Migration, Mobility and Employment, we provided informal input for the next action plan, pointing out issues that could help move the agenda forward. Regarding the Partnership on Peace and Security we fed our insights into civil society proposals for the next action plan. We were also invited to give one of the key speeches in the opening sessions of the conference “Ensuring Peace in Africa” at Chatham House. This raised awareness of what has already been done in the EU-Africa partnership and by the African Union and helped to recalibrate the discussions on critical issues. In addition, we briefed visiting African policymakers and

researchers on the EU-Africa partnership during their trips to Brussels.

Key actors

- AU Commission, particularly the Department of Economic Affairs, the Department of Public Communication and the Office of the Deputy Chairperson
- European Commission, particularly DG DEV’s Unit A1 Forward-Looking Studies and Unit C2 Pan-African Issues and Institutions, and the Joint Evaluation Unit
- European Parliament and Pan-African Parliament
- ACP-EU Committee of the European Economic and Social Committee
- EU presidencies of Spain and Belgium
- Member-state representatives at the African Working Party (COAFR)
- Institute for Security Studies (ISS), Addis Ababa and Pretoria offices
- EU CSO Steering Committee of the JAES
- AU Economic, Social and Cultural Council (ECOSOCC)
- Europe-Africa Research Policy Network (EARN)
- European Peace building Liaison Office (umbrella group of NGOs)
- Bond (UK membership body for NGOs)
- Council Secretariat of the European Union
- AU Permanent Delegation to the European Union

Process highlights

The year’s major analytical endeavour, which involved the mobilisation of the entire Centre, was production of the scoping paper *What Next for the Joint Africa-EU Strategy? Perspectives on Revitalising an Innovative Framework* (ECDPM DP 94). The rationale behind this effort was that the JAES process required frank reflection that the official parties would find difficult to do themselves. ECDPM, as an independent broker with contacts on both sides, was uniquely placed to analyse why the JAES has failed to live up to its potential and what positive scenarios might be possible for the future.

At the same time, we continued to offer ideas and facilitate policy dialogue, often through invited participation at events. We thus presented our views at meetings involving African and European diplomats,

civil society and official parties of the JAES in the United Kingdom, Cape Verde, Belgium and South Africa.

Progress towards policy process outcomes and key challenges faced

As in the past, the team followed a two-pronged impact route: first in relation to the JAES itself and second in support of capacity development of African institutions and networks. These two strands are complementary and make good use of our roots and networks in Europe and our experience working at the interface between the African Union and the European Union. DPIR’s aspiration is to contribute to a JAES that becomes a genuine and effective partnership delivering real benefits for the people of Africa and Europe. Within this framework we contributed to three major outcomes in 2010.

The first outcome is a more open-ended, inclusive process on the JAES, based on a multi-actor dialogue and effective contributions from stakeholders including African and European institutions and civil society organisations (CSOs). Activities that helped to deliver this outcome included presentations on the JAES to the European Parliament and Pan-African Parliament, to the external relations section of the EU Economic and Social Committee, and to the Joint ACP-EU Follow-up Committee. In addition, we facilitated a session on the JAES



at the ACP House, and undertook briefings in South Africa with our partners ISS and SAILA. Our facilitation of the EU-Africa CSO Inter-Continental Dialogue ensured that this fraught process could be concluded and a submission made to the Heads of State Summit (see box page 23).

A second outcome was to make information on implementation of the Joint Strategy widely available and used by key policy actors, such as the African Union and the regional economic communities. There continues to be a healthy appetite for information on EU-Africa relations, as evidenced by an increase in visitors to our website www.europafrica.net and the popularity of the associated newsletter.

‘The participants [African journalists, civil society and researchers] found [it] very interesting to learn about ECDPM and to gain insight into your work.’

Learning coordinator for group of African journalists, civil society and researchers visiting Brussels

Downloads of our work on the Joint Strategy remain among the most accessed on ECDPM's website. The widely quoted and used scoping paper on the JAES quickly became an analytical point of reference on the JAES process. Feedback from both African and European stakeholders indicates that the paper has been very helpful in putting difficult issues on the table. By attending and presenting information at events in Cape Verde, Ethiopia and South Africa we widened knowledge about the JAES in Africa, where there is a clear demand, particularly when the JAES is framed as a window into wider EU-Africa relations. We also prioritised dissemination in Africa of our new joint publication with Bond on EU-Africa relations. This publication focuses on the current policy context for development but also acknowledges the rising influence of new powers in Africa. It is the first publication to combine information and insights on all of the EU's policy frameworks in Africa with practical information for engagement.

A third outcome in 2010 was progress in diminishing the power and knowledge imbalance between African and European actors through strengthened capacity of AU institutions and of other African stakeholders. Most of our briefings were joint undertakings with both European and African actors. We continued to provide the AU Commission information on the JAES on an informal basis, through regular communication with its lead officials on the Joint Strategy. EARN partners

OUTCOMES

Facilitating EU-Africa civil society dialogue

In the lead-up to the Africa-EU Summit, we facilitated a dialogue between European and African civil society at the joint request of the African and European sides. Their trust was hard won but based on our non-partisan mandate and our knowledge of the substance of the JAES. The event, held in Egypt in November, involved a good deal of preparatory work, liaison between both sides and very active facilitation during the meeting, which at times was quite tense. The outcome was a joint civil society declaration to the Summit calling for greater civil society engagement in the implementation of the JAES to ensure that it has real impact and lives up to the original ideal of being a "people to people" partnership. Without our engagement the opportunity for this continent-to-continent dialogue and joint statement might have been lost, given the initial level of mistrust between the parties. As it happened, a first step was made towards more structured future collaboration between the two groups of civil society. Our facilitation work and approach helped participants to bridge the gap, while at the same time respecting the positions and interests of both sides.

too gained a better understanding of the JAES and greater insight into its potential. Overall, we informed primarily African actors on how the European Union is setting itself up to operate post-Lisbon -- and the potential impact on EU-Africa relations. To this end, we delivered seminars in Addis Ababa for the AU Commission (the first briefing they had on the topic) and for selected groups of African ambassadors. But we also ensured that African actors such as AU Commission Deputy Chairperson Erastus Mwencha and ACP Secretary General Mohammed Ibn Chambas participated in the high-level event

focusing on the post-Lisbon architecture at the European Development Days.

Serious questions were raised throughout the year about the future of the JAES, and the EU-Africa Summit amplified rather than addressed these. We therefore placed our work within the wider context of EU-Africa relations and the evolving new EU external action architecture rather than focusing narrowly on only the JAES and the Summit. This will ensure that our efforts are not lost on a process that has limited traction.

Policy process: The Joint Africa-EU Strategy

Recent evolution of the context and key thematic priorities

The advent of the Lisbon Treaty hails major changes in EU international cooperation and approaches towards policy coherence for development (PCD). The new High Representative, Catherine Ashton, started work in late 2009, and the new College of Commissioners assumed their positions in early 2010. Very quickly the institutional debate in the external affairs field focused in on the plans for establishment of the new European External Action Service (EEAS). Ashton presented her first proposal in March, after which a period of negotiation and bargaining ensued that led to agreements being reached in autumn. The first EEAS staff became operational in December 2009 and from January 2010 others started to transfer from the Commission services and Council Secretariat. By the end of the year plans were announced to create a new Directorate General "DEVCO" out of the remainders of DG Development and EuropeAid.

The main goal of the Lisbon Treaty in the area of international relations is to develop a more coherent EU external action. Nonetheless, 2010 was characterised by an internal struggle for influence on the organisation and functioning of the EEAS and on the appointments of new Heads of Delegations, rather than strategic joint thinking on how best to strengthen EU foreign policy. It is still early days and it is hoped that the full staffing of the EEAS, including a directorate devoted to Africa and a unit for development policy coordination, will increase the level of focus on development objectives. It remains to be seen what kind of working relationship will be developed between DEVCO and the EEAS, particularly as there is a potential disconnect between the policy directions from the EEAS and the development finance and expertise that will be located in DEVCO.

In late 2010, the European Commission launched various consultation processes on key issues to set the directions of future EU external action. Notable here was EU Commissioner for Development Piebalgs' green paper on inclusive growth and another on budget support. While the paper on inclusive growth still refers to the Millennium Development Goals (MDGs) as

the major framework of policy and action there is a palpable move to a "post-MDG" development narrative. The Commission also started to prepare the ground for the next EU Multi-Annual Financial Framework, which will replace the current Financial Perspectives when these expire at the end of 2012. These are processes that ECDPM will follow closely and engage in. Already there has been some demand for commentary from stakeholders in the ACP and Europe.

Key actors

- European External Action Service (EEAS)
- PCD Unit of the European Commission's DG DEV
- Joint Evaluation Unit, EuropeAid
- ACP Secretariat and Committee of Ambassadors
- UK Foreign Office and DFID on the implications of Lisbon for EU conflict prevention
- Spanish and Belgian EU presidencies
- Consortium for the 2011 European Report on Development: ODI and DIE
- Clingendael Netherlands Institute of International Relations
- Netherlands Environmental Assessment Agency (PBL)
- EU Think Tanks Group (ECDPM, ODI, DIE and FRIDE)

Process highlights

Implementation of the Lisbon Treaty and particularly the establishment of the EEAS remained an important thematic priority throughout the year. We monitored, analysed and facilitated debates on this theme at several multi-stakeholder events with the main purpose of keeping the development dimension firmly on the agenda. Our outputs, in terms of analysis and events, clearly facilitated policy discussion among some of the main actors. In addition, DPIR did background research in two key areas of EU external action: an ongoing feasibility study for the evaluation of the European Consensus on Development and a study on the financial instruments of the EU budget. Both studies, carried out on behalf of the Joint Evaluation Unit of the European Commission, served to strengthen the programme's positioning for future impact.

Studies like these have also proven their worth in providing background for other activities, such as in formulating an ECDPM response to the "green papers" on inclusive growth and development submitted by EU Commissioner for Development Piebalgs. In fact, the consultation on future priorities in EU development policy has prompted a good deal of discussion and led various actors to ask for ECDPM input (eg. Caritas, the ACP Group, Finland's Ministry of Foreign Affairs and DFID).

On policy coherence for development (PCD), ECDPM continued to provide analysis and insight at a number of events and also directly on request to the officials concerned with PCD. Specific activities included presentations to the EU PCD network and to a meeting of the OECD PCD network. With the support of Sweden and DFID, ECDPM facilitated an internal European Commission seminar on the draft work programme on policy coherence for development at which EU PCD network members took part. We then published a discussion paper analysing EU progress in making PCD more concrete and results-based. This generated interest from EU national parliaments, civil society groups and member states. We still find it difficult to get ACP/African stakeholders interested, as many of them still perceive PCD as an abstract concept promoted mainly in EU policy circles. Nonetheless, the basic premise remains of great relevance, and with the commitments to PCD in the Lisbon Treaty, it is potentially more pertinent now than ever before.

Progress towards policy process outcomes and key challenges faced

Noticeable progress has been achieved on all of the programme's priorities regarding the post-Lisbon policy process. First, EU policymakers in areas other than development increasingly consider, as part of established practice, how their decisions will impact developing countries. Much of our work towards this outcome has been aimed at "development-proofing" the EEAS, given its important future role in strategising and planning EU country approaches in the developing world. ECDPM

has been at the cutting edge of this debate, but it has taken a rather different position from many development NGOs that have been wary of the new structures. In particular, we have chosen to emphasise the potential positive effects that the EEAS could have for development, if it helps achieve greater coherence, including for development, among EU policies. It was encouraging to note that throughout the year development officials within the European Commission and in member states continued to systematically stress the importance of PCD in discussions on EU development policy. This was evident at seminars, in consultation documents and in various public fora such as the European Development Days. ECDPM was often invited to facilitate or make substantive contributions on this topic. By the end of the year, with EEAS formation under way and staff in different EU external action services finding their places in the new structures, it was still too early to judge how the priorities of the different policy areas will be balanced and how this will impact development. This will be a major issue to watch as the new service starts to function in the coming year.

Second, a clear increase was noticed in two-directional ACP-EU dialogue on evidence-based policymaking. Much of ECDPM's Lisbon Treaty-related work concentrated on conveying information on EU structures and debates going on within the European Union to partners in the ACP and Africa. The current changing framework of EU external relations is one such theme which remains crucial for ACP and African stakeholders to follow. In this regard, the positive response from the ACP and the AU Commission on our briefings has been gratifying, and they have reciprocated with requests for further support in this area. Feedback indicates that having access to ECDPM information and analysis has helped these stakeholders' build their capacity to understand the evolving landscape. Another aspect of this work was our assistance to the Spanish EU Presidency in its major West Africa initiative and to the Belgian EU Presidency in organising the European Development Days. In both cases we sought a balance of ACP and EU perspectives in terms of both panels

'Thanks for this timely contribution to the ongoing discussion

on article 13 of the Cotonou Partnership Agreement. It surely will be read with interest by both my colleagues in the Justice as well as Development Cooperation sectors.'
Foreign ministry official, EU member state

and the background papers. Overall, however, PCD continues to be a more European debate, while the ACP engages more concretely in specific EU policy areas that it perceives to be moving against ACP Group interests, such as the Common Agricultural Policy, the Common Fisheries Policy and the Economic Partnership Agreements (EPAs). Identifying and discussing these topics as "PCD issues" is just one of the means at the Group's disposal to engage politically with the European Union on these matters.

A third area in which noticeable progress has been made is in the increasing activity of non-state actors and academic thinking in promoting PCD, which has also contributed to focusing more attention on PCD at the political level. All of our work on the implementation of the Lisbon Treaty places PCD at its heart. Indeed, it is within the Lisbon Treaty work that the current debate on PCD is most relevant. However, both non-state actor activities and academic thinking on PCD continue to lack a strong evidence base which somewhat hampers the debate and makes discussions rather conceptual and theoretical in nature. This -- and the limited political drive at the higher levels -- has slowed progress in PCD and restricted the ability to find a wider political audience for the work. NGOs continue to stress the importance of PCD in their policy and advocacy work -- often drawing on or referring to ECDPM contributions. In 2010, we briefed a number of NGO groupings on the evolving EU post-Lisbon architecture, which also provided opportunities to introduce the centrality of PCD in the new Treaty. In most settings, this provided NGOs a first appreciation of the greater opportunities to promote PCD that the Lisbon Treaty brings.



EU civil society consultations with their African partners on the Joint EU-AU Strategy, Brussels.

OUTCOMES

European Think Tanks Group – evidenced-based dialogue on the future of EU development

Joining with three other institutes (ODI, DIE and FRIDE) the self-styled European Think Tanks Group picked up momentum in its work on the development aspects of the Lisbon Treaty. Publication of *New Challenges, New Beginnings for EU Development Cooperation* in February coincided with the new Development Commissioner taking office. The 70-page report brought together the expertise of the four organisations and laid out critical questions for the future. ECDPM staff wrote and contributed to several of the chapters in the report.

Two launch activities were held, one of them at the European Parliament with Development Commissioner Piebalgs and the other with the “Friends of Europe” group at the Bibliotheque Solvay in Brussels in which ECDPM speakers were prominent. The latter event levelled attention on the development impact of the Treaty of Lisbon, fostering dialogue among the wider Brussels-based diplomatic community, including representatives of developing and ACP countries.

The momentum was maintained by the special event with Commissioner Piebalgs and his senior staff, hosted by the German Development Institute (DIE) in Koenigswinter and in which ECDPM took an active part. The collaboration was then developed further with a “researchers’ boot camp” in London for the staff of the four institutes to get to know each other and develop links.

At the European Development Days the group organised a “Directors’ Breakfast”. This informal gathering, hosted by our own directors, brought directors of development departments in European member state ministries together with senior officials from the European Commission to discuss the impact of the Lisbon Treaty, as well as the new agenda for development policy being laid out by the Commission.

Collectively our activities with the European Think Tanks Group leveraged the membership’s collective intellectual weight and larger network to ensure that expert policy advice informed decision-making processes impacting EU development. A final achievement late in the year was securing the contract to produce the 2012 *European Report on Development* with two other Group members: ODI and DIE.

Support to strategic partnerships

AU Commission

Our continuing relationship with the AU Commission developed through links with the Office of the Deputy Chairperson (on financial management) and the Department of Economic Affairs (on EU-Africa relations). We also maintained close communication links with the African Union’s ambassador to the European Union, including conducting an interview with him for www.europafrica.net. This quickly became one of the most popular items ever posted on the website, clearly

showing that there is interest in what Africans think about the JAES and EU-Africa relations in general. On financial management, ECDPM provided technical inputs for strengthening internal systems and streamlining the AU Commission’s external resource mobilisation efforts, including preparing the ground for continued European Commission financing in the future. Our work with the Department of Economic Affairs essentially consisted of briefings related to our analysis of the JAES and the implications of the Lisbon Treaty.

ACP Secretariat

The change of political leadership at the ACP Secretariat early in the year soon offered renewed scope and opportunities to work closer with the ACP. New ACP Secretary General Mohamed Ibn Chambas has provided the Group a welcome boost. Reciprocating ECDPM’s interest in upgrading its relationship with the Secretariat, the new Secretary General invited us to plan and implement an event for the ACP Secretariat and ACP Ambassadors on the potential impact of the Lisbon Treaty. Other initiatives included one on migration, particularly in relation to Article 13 of the Cotonou Partnership Agreement, for which we produced a paper that was widely read within the ACP and seems to have had an influence on the process.

Institute for Security Studies

We continued to develop our relationship with the ISS in 2010, in particular by concentrating on tangible contributions and joint activities. We were invited to publish a short piece on the implications of the Treaty of Lisbon for EU-Africa interactions on peace and security in their Peace and Security Council Report, a publication that goes primarily to the African diplomatic community. ISS also invited a DPIR team member to speak on the implications of the Treaty for the JAES at a workshop in Pretoria in March. Drawing on our networks we organised a joint informal lunch seminar in Brussels on Africa-EU cooperation on peace and security in Africa. Together with the ISS, ECDPM furthermore attended and presented an event on internal African decision-making processes, organised by the Egmont Institute and the Institute for Global Dialogue in November. Besides these formal events and activities, staff in both organisations continued dialogue and regular sharing of information and insights.

Europe-Africa Research Policy Network

DPIR did extensive work with EARN in 2010 (see box in the Institutional Relations and Partnerships section of this report, page 9).

‘I would like to thank ECDPM for this very interesting and comprehensive overview of the issues and challenges in EU-ACP relations.’

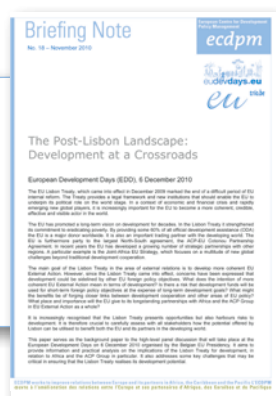
May I ask you to forward this small comment to the authors ... and to thank them for this excellent document?’

EU NGO representative, Brussels

OUTCOMES

Bringing knowledge on changes in the European Union to African and ACP stakeholders

The Treaty of Lisbon will have a profound impact on EU development cooperation and, indeed, on EU relations with regions and countries around the world. To respond adequately to this new reality, ACP and African stakeholders need to have well-informed and timely analyses of the developments. By briefing a number of high-level delegations, ECDPM has continued to address asymmetries in information between the European Union and the ACP – to enable African and ACP partners to better distinguish and defend their interests. Demand for such briefings was clearly expressed on several occasions, and the feedback received has been warm and positive. Most notable among these briefings was firstly that for the ACP Secretariat and ACP Ambassadors in Brussels in the run-up to the final negotiations for the second review of the Cotonou Partnership Agreement. Second, we briefed South Africa's Europe-based ambassadors along with their foreign minister at their annual retreat, before they met with the European Union at a ministerial troika. Third, we responded to a request by the AU Commission Department of Economic Affairs to animate a session of their "Friday's at the Commission", which brings together parties with an interest in the AU Commission, the diplomatic community and academics. This last event was timed just before the Third EU-Africa Summit. These briefings and the subsequent wide distribution of documents enabled ECDPM to multiply awareness of current debates and changes and of their potential implications for development cooperation and foreign relations.



Publications

ECDPM publications

ECDPM. 2010. *Assessing the potential impact of the Lisbon Treaty on EU-ACP relations*. (Background note for the workshop of ACP Ambassadors on the implications of the Lisbon Treaty for the ACP Group)

ECDPM. 2010. *Assessing the potential impact of the Lisbon Treaty on EU-South-Africa relations*. (Background note to brief the annual meeting of the South African Heads of Mission in the EU)

ECDPM. 2010. *Summary report on the workshop for ACP Ambassadors: the implications of the Lisbon Treaty for the ACP Group*

ECDPM. 2010. *The post-Lisbon landscape: development at a crossroads*. (Briefing Note 18)

ECDPM. 2010. *Migration and development in West Africa and Peace and security in West Africa*. (Background notes for the seminar Strengthening Regional Integration in West Africa: What Role for the European Union? organised by the Spanish EU Presidency)

Engel, P., J. Mackie and J. van Seters. 2010. *Connecting to European development cooperation: some suggestions for PBL* (Briefing Note 17)

Faria, F. and G. Laporte. 2010. 'The Joint Africa-EU Strategy: quo vadis after Tripoli?' TNI 9(10): 12-13

Koeb, E. and H. Hohmeister. 2010. *The revision of Article 13 on migration of the Cotonou Partnership Agreement: what's at stake for the ACP?* (Briefing Note 10)

Keijzer, N. 2010. *EU policy coherence for development: from moving the goalposts to result-based management?* (Discussion Paper 101)

Laporte, G. and J. Mackie. (edited by) 2010. *Building the African Union: An assessment of past progress and future prospects for the African Union's institutional architecture* (Policy and Management Report 18).

Mackie, J., H. Klavert and F. Aggad. 2010. *Bridging the credibility gap: challenges for ACP-EU relations in 2011* (Policy and Managements Insights 2)

Mackie, J., S. Bilal, I. Ramdoo, H. Hohmeister and T. Luckho. 2010. *Joining up Africa: support to regional integration*. (Discussion Paper 99)

Van Seters, J and S. Wolff. 2010. *European development cooperation: brokering environmental knowledge beyond Lisbon* (Discussion Paper 102)

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Mackie, J. 2010. *New competition in town*. In: The European External Action Service: Preparing for success, edited by E. Drieskens and L. van Schaik. The Hague: Clingendael, pp. 27-31

Keijzer, N. and J. van Seters. 2010. ECDPM maintenance of a blog on the future of EU development cooperation, *The Broker*

Sherriff, A. 2010. Aid and peace and NGO Types. In: Nigel Young (ed.) *The International Encyclopedia of Peace* (Oxford University Press)

On ECDPM DP 94
What Next for the Joint
Africa-EU Strategy?

'It's more than timely. We will quickly
start today the preparations for the
14th Ministerial Troika.'

Diplomatic representative to the
African Union, AU member state,
Addis Ababa

Joint publications with ECDPM partners

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BOND and ECDPM. 2010. *The EU and Africa: the policy context for development*. London: BOND

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Grimm, S., J. Mackie and J. van Seters. 2010. *Division of labour: making better use of the EU system*. In: New challenges, new beginnings: next steps in European development cooperation, London: European Think-Tanks Group

Gavas, M. (ODI) and E. Koeb (ECDPM). 2010. *Setting up the European External Action Service: building a comprehensive approach*. (ODI Background Note)

DIE, ECDPM, FRIDE and ODI. 2010. Open letter to EU leaders on development principles in the External Action Service

Hohmeister, H. and E. Koeb with A. Otieno Ongayo. 2010. *Prospects for a development-friendly EU migration policy*. In: New challenges, new beginnings: next steps in European Development Cooperation. London: European Think-Tanks Group

Sherriff, A with P. Magalhaes Ferreira. 2010. *Between the summits: background paper*. In: *Beyond development aid: EU-Africa political dialogue on global issues of common concern*, ECDPM, IEEI, SAIIA. Lisbon: Europe Africa Policy Research Network.

External events

Events (co-)organised by the DPIR team

Joint ECDPM/SAIIA event Taking Stock of the Joint EU-Africa Strategy and Africa's International Relations . Pretoria, 9-13 March

Workshop for ACP Ambassadors on the implications of the Lisbon Treaty for the ACP Group. Brussels, 27 May

"Friends of Europe" Development Policy Forum Lunch Debate "After Lisbon: Streamlining EU Development Cooperation". Brussels, 27 May

Tackling Global Issues Together: Climate Change and New Drivers of a European Policy for Global Development. A strategy workshop with EU-Development Commissioner Andris Piebalgs. Königswinter, 16 September

Joint ECDPM-Institute for Security Studies (Addis Ababa) informal lunch seminar on Africa-EU cooperation on peace and security in Africa. Brussels, 1 October

Post-Lisbon Landscape: Development at a Crossroads, event at the European Development Days (co-organised with the Belgium EU Presidency). Brussels, 6 December

Breakfast Meeting at the European Development Days "Is There a New Consensus on European Development Cooperation?". Brussels, 7 December

Seminar on EU development cooperation for the Finnish Ministry of Foreign Affairs. Helsinki, 14 December

Events with contributions by the DPIR team

Joining Up Africa Conference on Regional Integration and Donor Harmonisation. London, 3-4 March

Presentation of ECDPM-DIE-FRIDE-ODI report New Challenges, New Beginnings: Next Steps in European Development Cooperation to European Parliament Committee on Development and Commissioner Pielbags. Brussels, 17 March

Directors' Meeting of EU Development Practitioners Network on Aid Effectiveness. Segovia, 27-28 May

Workshop "Evidence-Based Policy Influencing: Exchange of Good Praxis and Lessons for SIDs Global Programmes". Bern, 10-11 June

AU Commission seminar "Fridays at the Commission" on the implications of the Lisbon Treaty on Africa-EU relations Addis Ababa, 20-22 October

AU Commission trade senior officials meeting in preparation of a ministerial meeting . Kigali, 28 October – 1 November

European Report on Development 2010 Consultation in Africa Dakar, 27-30 June

OECD policy coherence for development (PCD) network meeting Paris, 1 October

Events related to the Joint Africa-EU Strategy

ACP Secretariat/EU in Africa Okara Express event "Together We Stand, Together, We Fall". Brussels, 24 February

AU Commission/EU Commission Joint Informal Expert Meeting on Media and Development. Addis Ababa, 22-25 March
Presentation to the European Parliament and the Pan-African Parliament joint grouping on EU-Africa relations. Brussels, 23 March
Oxfam International Annual Meeting of Advocacy Directors of European Members on the JAES. Brussels, 14 April

Meeting of the ACP-EU Follow-up Committee of the European Economic and Social Committee on the JAES. Brussels, 18 May

External Perspectives on External Relations: Geopolitics and the European Union (organised by the European Institute of Public Administration for the European Commission). Brussels, 15-17 September

Consultation workshop of the EU CSO Steering Group and its partners in Africa on the Joint Africa-EU Strategy. Brussels, 21-22 September

Chatham House conference "Ensuring Peace in Africa" (organised by their Africa Programme with support from the European Commission). London, 27-28 October

Event on internal African decision-making processes (organised by the Egmont Institute and Institute for Global Dialogue with the Institute for Security Studies). Pretoria, 7-10 November

EU-Africa inter-continental CSO dialogue on the JAES to feed into the Third EU-Africa Heads of State Summit. Cairo, 7-11 November

Visitors' programme "Security Policy in the EU and Africa: Regional and International Co-operation" (Friedrich-Ebert-Stiftung) Brussels, 12 November

Preparatory meeting between representatives of the European Civil Society Steering Group on the JAES and representatives of the African ECOSOC. Brussels, September

Egmont Institute-EARN seminar on Africa-EU decision making after the Summit. Brussels, 14 December

Events related to EU international cooperation and PCD post-Lisbon

Policy coherence for development workshop (organised by DG Development/A1). Brussels, 24 February.

Workshop on the Lisbon Treaty organised by the Institute for Security Studies. Pretoria, 10 March

Concord "Cotonou Working Group". Brussels, 25 March

European Peace building Liaison Office (EPLO), NGO umbrella organisation meeting on the JAES. Brussels, 29 March

Annual conference of South African European-based heads of mission Brussels, 9 May

Concord Working Group discussion on budgetisation. Brussels, 30 June

European policy coherence for development network meeting. Brussels, 13 September

European Institute for Public Administration seminar "The External Relations of the EU after Lisbon: Challenges and Opportunities Ahead". Brussels, 23-24 September

OECD/DAC policy coherence for development network meeting. Paris, 1 October

Clingendael seminar for diplomats from EU member states. The Hague, 4-5 October

Annual meeting of the secretaries generals of the European national societies of the Red Cross, organised by the Red Cross EU office. Brussels, 4 November

Session on EU aid effectiveness for the Finnish Development Policy Committee. Helsinki, 15 November

Meeting of the Civilian Crisis Management Committee of the Council of the European Union in "plus format" on the EU programme of action on the prevention of violent conflict. Brussels, 29 November

'I have received and read with interest the discussion paper What Next for the Joint Africa-EU Strategy? The analysis of the achievements and shortcomings of the JAES in its current stage of development, is very useful to the work done by our Presidency'

Letter to ECDPM from Spanish Minister of Foreign Affairs, Miguel Angel Moratinos

Economic and Trade Cooperation



**ECDPM Trade Team,
left to right,**

Quentin de Roquefeuil, *Research Assistant*, Alexandra Beijers, *Executive Assistant*, Isabelle Ramdoo, *Policy Officer*, Melissa Dalleau, *Junior Policy Officer*, Takesh Luckho, *Research Assistant*

Not pictured:

San Bilal, *Head of Programme*, Stephanie Colin, *Executive Assistant*, Kathleen van Hove, *Senior Policy Officer*, Dan Lui, *Policy Officer*, Jeske van Seters, *Policy Officer*

Programme overview and objectives

The Economic and Trade Cooperation (ETC) programme operates in the context of global economic development and sustainable and equitable growth, wherein global trade liberalisation and the emerging multilateral trading system continue pose acute development challenges but also offer new opportunities. For the ACP and Africa, these processes are made even more complex by the Economic Partnership Agreements (EPAs) being negotiated with the European Union and the regional integration processes under way.

The general aim of the ETC programme is to contribute, in a non-partisan manner, to create an ACP-EU trade regime and economic relations that promote sustainable development and the integration of the ACP countries into the world economy. Specifically, the programme works to improve economic governance conditions in ACP countries and in particular regions and to support effective regional integration processes.

Within this policy context, any EPAs concluded between the European Union and ACP countries and regional groupings must contribute to regional objectives and fit broader development strategies. Special attention therefore has to be given to the scope and sequencing of commitments at the regional level and, within an EPA, to reflect the specific current conditions and development approaches of the concerned

country or region. The global financial crisis and economic instabilities call for even greater dedicated efforts to address the short- and medium-term adjustment needs of ACP countries and regions, to rethink the role of the European Union in supporting development in the ACP, and to tackle broad systemic issues of economic governance and sub-regional institutions.

In 2010, the ETC team continued to work on the EPA negotiations and implementation process, as well as on "aid for trade". But beyond EPAs, the team also focused its attention on regional integration dynamics, as well as on economic governance and international relations, particularly the impact of the increasing role of emerging players in Africa.

Policy process: the EPAs and aid for trade

Recent evolution of the context and key thematic priorities

Besides the general EPA fatigue, shared by all parties, resulting from the dragging EPA process, it is quite apparent that political attention and economic focus in many ACP countries is shifting away from the EPA negotiations, or more generally from Europe. These countries are now looking towards other partners that offer greater development prospects -- often with fewer

conditions attached. In Africa, these new partners include China, Brazil, India and the Middle East; in the Caribbean, they are continental partners in the Americas; and in the Pacific ACP, Asian neighbours such as Australia and New Zealand have stepped forward.

Paradoxically, the EPAs, which were envisioned as fostering regional integration processes and as strengthening ACP-EU economic relations, may have had an opposite effect in some quarters. Yet, to stimulate development it remains key for ACP countries to unleash the development potential that regional integration most certainly holds. Mobilisation of domestic resources and innovative energies, accompanied by governance reforms, should also become a priority. Any EPAs concluded must be able to contribute to such national and regional objectives and fit broader development strategies. Special attention is therefore needed for the scope and sequencing of commitments at the regional level and within the EPA groupings, to reflect the unique conditions and development approaches of each country and region. The current global crisis calls for new efforts to adequately address the short- and medium-term adjustment needs of ACP countries and regions, to rethink the role of the European Union in supporting development in the ACP, and to tackle broader systemic issues of economic governance. In the absence of these, development efforts are likely to remain vain.

Key actors

- African EPA negotiators, especially those in Central Africa, COMESA-IRCC, ECOWAS, ESA and SADC
- AU Commission
- ACP Secretariat and the ACP Group
- Spanish and Belgium EU presidencies
- “Friends of EPAs” Group, made up of Belgium, Finland, France, Germany, Ireland, the Netherlands, Sweden, the United Kingdom
- ACP-EU Joint Parliamentary Assembly
- European Parliament
- International organisations including the African Development Bank, NPCA-NEPAD, OECD Development Centre, United Nations Economic Commission for Africa, World Bank
- Association for Strengthening Agricultural Research in Eastern and Central Africa (ASARECA)
- Centre for European Integration Studies (ZEI)
- Technical Centre for Agricultural and Rural Cooperation ACP-EU (CTA)
- Forum for Agricultural Research in Africa (FARA)
- Foundation for Democracy in Africa (FDA)
- German Marshall Fund
- International Centre for Trade and Sustainable Development (ICTSD)
- Global Mechanism
- International Lawyers and Economists Against Poverty (ILEAP)
- Shridath Ramphal Centre for International Trade Law, Policy and Services
- Institute for International Relations (IIR) at the University of the West Indies
- South African Institute of International Affairs (SAIIA)
- Southern African Development Community Directorate of Food, Agriculture and Natural Resources (SADC-FANR)
- Trade Policy Training Centre in Africa (TRAPCA)
- West and Central African Council for Agricultural Research and Development (CORAF/WECARD).

Process highlights

EPAs remained a nagging item on the agendas of ACP and AU stakeholders, and they have been a major concern of EU presidencies and individual EU member states as well. The main goal was to find a way out of the current deadlock and assess longer-term political implications. Besides the continued provision of regular information, through publications and a dedicated website (www.acp-eu-trade.org), the ETC team participated in many key events. In 2010, these included closed-door meetings with the ACP Group, the African Union and ACP regional organisations; ACP events involving EPA negotiators, high-level officials and ministers; and gatherings of EU member state representatives. Our engagement in these events enabled us to disseminate a number of papers informing stakeholders of possible technical solutions and setting out the need for strong political leadership on issues where technical discussions have so far failed to produce solutions acceptable to both sides (see ECDPM DP 100 and for a summary Briefing Note 20).

On **aid for trade**, ECDPM disseminated examples of good practice to support the development of aid-for-trade strategies and practices, while contributing to establish an EPA development programme in West Africa (PAPED/EPADP). This latter work involved providing appropriate support to the West African region, as well as informing the European Union's response to the West African overtures. ECDPM thus played a part in several regional preparatory task force meetings, co-organised a seminar on EU-West Africa cooperation in collaboration with the Spanish EU Presidency and published several notes and articles, the main one being a discussion paper on EU commitment to deliver aid for trade in West Africa (ECDPM DP 96). Finally, the ETC team contributed to

two high-level international meetings on aid for trade, one in West Africa (an ECOWAS meeting) and one at the pan-African level (a UNECA-African Development Bank meeting). In partnership with ACP and African institutions (mainly CTA and FARA), ECDPM facilitated a series of dialogue meetings in the African cities of Nairobi, Accra and Addis Ababa. These gatherings sought to better **integrate agriculture, trade, and aid policies and processes**, recognising that coordination, coherence and complementarity (the “3Cs”) can yield more effective policies and development assistance. ECDPM also worked with donor partners to uncover challenges and opportunities in agricultural trade and the effectiveness of trade-related assistance. In this vein, we facilitated an informal meeting to further the dialogue on cross-sectoral coordination between aid for trade, on one hand, and agriculture and rural development on the other. This was a collaborative effort with CTA and the Global Mechanism. ECDPM and CTA also launched the Aid for Trade and Agriculture publication series to share best practices on using aid for trade to support ACP agricultural development. The first two titles of the series look, respectively, at the experiences of SADC in agricultural trade adjustments (ECDPM DP 95) and at lessons from the Caribbean rum programme (ECDPM DP 97).

The ETC team continued its work on **implementation issues** as well. Potential benefits for the private sector of EPA implementation in East Africa and CARIFORUM was the subject of both a discussion paper (ECDPM DP 104) and a series of articles in Trade Negotiations Insights (www.acp-eu-trade.org/tni). The team is also conducting a major study of the fiscal impact of EPAs and potential adjustment processes in Africa, to be released in 2011.

In terms of knowledge sharing, the ETC team continues to provide regular analysis and news on the EPA negotiations and related issues. We produced book contributions, widely disseminated papers, the website www.acp-eu-trade.org and its associated newsletter (together with CTA), and a Web



OUTCOMES

The Caribbean dimension of ETC work

In 2010, the trade team continued its active engagement with the Caribbean region by producing topical analysis, taking part in various activities, and hosting a Caribbean graduate student. While the CARIFORUM EPA has been signed, interesting lessons can be learnt from the region, both in terms of implementation, as well as in terms of support. In that context two papers were produced and widely disseminated and two more were put in the pipeline to be produced in 2011. First, the Discussion Paper 104 looked at the potential benefits for the private sector of EPA implementation CARIFORUM and East Africa. This Discussion Paper was the most downloaded ECDPM publication in 2010. Secondly, in close cooperation with the West Indies Rum Association, Discussion paper 97 was produced providing interesting lessons from the support programme to the Caribbean rum sector for other sectors in the ACP facing similar adjustment challenges due to trade liberalisation. This DP has triggered quite some interest and requests including from the WTO secretariat and the World Bank in the framework of the Aid for Trade debate. Two more papers were commissioned on the implementation of the CARIFORUM EPA; namely on the bottlenecks and challenges encountered in the region and a second paper on the implementation of the cultural protocol. Both will be published in 2011.

In March 2010, the ETC team participated and contributed to a meeting on regional integration organised by IIR, in Trinidad and Tobago in the framework of the NETRIS activities. An internship in the ETC team was also provided to a graduate student from the Sir Shridath Ramphal Centre who focussed her work on the implementation of the CARIFORUM EPA.

search tool with a newly dedicated section on private sector (with CTA/AgriTrade and Hub Rural). Many of our outputs found a place in the *Weekly Compass*, ECDPM's widely read weekly news bulletin for stakeholders. Further, articles on EPAs and aid for trade were featured in the monthly magazine *Trade Negotiations Insights* (TNI) (www.acp-eu-trade.org/tni), which we produce together with ICTSD. Special TNI issues in 2010 focused on the global crisis and on domestic resource mobilisation and fiscal matters. Series of articles looked at the implications of the Lisbon Treaty, EPA implementation, and food security issues. Interviews with key policymakers, such as the EU Trade Commissioner, the ACP Secretary General, the Deputy Chairperson of the AU Commission, the Spanish Secretary of State for International Cooperation and other experts and officials proved popular reading in both Africa and in Europe.

Progress towards policy process outcomes and key challenges faced

Going beyond EPAs

The worldwide economic and financial crisis, together with recurrent food and energy crises, has underscored the important role of the international economic environment in enabling development strategies and economic reforms in the ACP and Africa. Today's global turbulence has also exposed the vulnerability of the latter. To address this challenge, ECDPM has continued to support and facilitate analysis on the **global crisis**, for example, with a conference with the University of Bremen and an analytical paper. We reflected more broadly on domestic resource mobilisation and financing for development, for example, with a special issue of TNI devoted to resource mobilisation and in our activities in the OECD-led Development Finance Network.

ECDPM also further strengthened its work on regional integration matters: (i) We developed a joint ECDPM-SAIIA programme on the political economy of **regional integration** in Southern Africa and on the role of the European Union herein. (ii) ECDPM supported a DFID initiative for the Joining Up Africa Event in London (3-4 March 2010), providing analysis to help set directions for improving aid effectiveness in support of regional integration (see also ECDPM DP 99). (iii) ETC programme staff prepared a document for the Inter-Regional Coordinating Committee (IRCC) of COMESA on support to regional integration under the 9th EDF. (iv) For the Spanish EU Presidency, we organised a conference on EU support to regional integration in Africa

OUTCOMES

The EPA debate continues

Perhaps the primary outcome of the ETC programme in 2010 was our highly visible contribution to the EPA debate (and the EPA-related aid-for-trade agenda). On the stalled EPA negotiation process, we provided concrete options and recommendation on the way forward for both the technical and the political level. This was highly appreciated by European and ACP and African actors, including the national and regional negotiators. It has contributed to ease tension between the parties, and helped provide concrete remedies for seemingly intractable opposition. ECDPM support was also important in assisting the ACP Group and the African Union in formulating well-articulated positions on the EPAs to provide a productive basis for further interactions with the European Union.

While ECDPM analysis and information continues to feed EU and African reflection on various EPA-related issues, most of the ETC team's efforts were behind the scenes, in informal exchanges and discussions and in preparing further inputs for key decisions. Our support to Africa has been highly appreciated, notably by the African Union and the regional economic communities, as well as the ACP Group. The value of this work has been reflected in invitations to contribute to high-level African Union and ACP meetings. The challenge for the team is to concretely identify where its contributions could have the greatest impact. The usefulness of the ETC contributions has been emphasised by stakeholders in both the ACP and in Europe. The African Union, the ACP Group, EPA negotiators, and both the Spanish and Belgium EU presidencies have contacted ECDPM and requested our input and support.

In terms of the development support to the EPA, ECDPM produced important analysis on the West African EPA Development Programme (PAPEL). This work was instrumental in helping the European Union to formulate its collective response and articulate commitments to support the PAPEL. Moreover the Centre contributed to increase transparency by advocating the publication of important technical annexes of the EU response, which exposed, in a non-partisan manner, the limits of the EU's response, and thereby helped West Africa to better understand and assess the EU position.

(Brussels, 11-12 May 2010). (v) We conducted an analysis of the political economy of trade facilitation (with a case study), in the context of a EuropeAid initiative to develop a more refined political economy approach for donor interventions. (vi) ECDPM participated in various Africa-EU networks on regional integration, including EARN, TDNet/SN2 and NETRIS. (vii) Our publications and articles on regional integration were featured in TNI and were picked up by other media. (viii) We supported a meeting of the World Bank International Advisory Committee on the development impact of preferential trade agreements.

With SAIIA, ECDPM initiated a new programme of activities on the **implications for Africa-EU relations of the increasing role of emerging players** in development. This

work started by looking at the development activities of China, India and Brazil in Africa. Preliminary outcomes of this first project, financed by DFID within a future-oriented framework to look beyond competition in aid, were presented at the fifth annual conference of our institutional partner the Trade Policy Training Centre in Africa (TRAPCA). Findings on China-Africa trade and investment ties were presented in Arusha, 25-26 November 2010.

Finally, ECDPM engaged in analysis on **natural resources** issues, presenting results on the possible implications for Africa of the EU Raw Materials Initiative to the first meeting of ACP senior officials and ministers of mining (12-15 December 2010). An associated ECDPM discussion paper will be published in early 2011.



Netris meeting on regional Intergration, Trinidad and Tobago, March 2010

Support to strategic partnerships

The ETC programme actively strengthened its cooperation with some of ECDPM's key institutional counterparts: the ACP Secretariat and its new leadership, the ACP Group and its Brussels-based ambassadors, the AU Commission, many of the regional economic organisations (e.g. ECOWAS-UEMOA, COMESA-IRCC, SADC-SACU, CEMAC-ECCAS), regional EPA negotiators, and other ACP stakeholders (e.g. experts, universities and think tanks, representatives of the private sector and civil society). We maintained close interactions with EU member states, most notably Spain and Belgium in association with their EU presidencies in 2010. Other key European partners have been the European Commission (DG Trade, DG DEV and EuropeAid), the European Parliament, and various European-based experts and civil society organisations. Among our international collaborators in 2010 were the World Bank, UNECA and the African Development Bank.

We further developed our partnership with multiple organisations and networks. Highlights of this work are described in the bullets below.

- With the **South African Institute of International Affairs (SAIIA)**, we established two new multi-annual joint projects: (i) on the political economy of regional integration in Southern Africa and the role of the European Union and (ii) on the implications for Africa-EU relations of the rising importance of emerging development players in Africa, initially focusing on China, India and Brazil.

- ECDPM continued to act as one of the lead members of the **South-North Network (SN2)**. The network fosters partnerships between Southern and Northern academic and policy-oriented organisations involved in research and training on trade and development. In the context of the Trade and Development Network (TDNet), a project financed by EDULINK and involving most of the SN2 members, ECDPM continued to provide six-month internships to students having completed a degree at a Southern SN2 member. A coordinated research agenda and strengthened cooperation is currently being implemented in the SN2 context. Progress was reviewed at a SN2-TDNet meeting in Nairobi in November 2010 (see www.acp-eu-trade.org/sn2).
- ECDPM was a founding member of the **Europe-Africa Research Policy Network (EARN)** and is co-chair of its working group on trade. In 2010, we actively participated in EARN meetings in Lisbon (June) and in Cape Verde (October). EARN partners at these gatherings began preparation of a policy development report on global issues of common interest to the European Union and Africa beyond development aid. The idea is to foster strategic and working partnerships between African and European experts and institutions and to promote dialogue between the public and the policy spheres on Europe-Africa relations. The ETC team contributed to the report with a chapter on the EPAs, regional integration and the international trade and development agenda (see publications list).
- ECDPM established a formal partnership with the **Forum for Agricultural Research in Africa (FARA)**, based in Accra, Ghana, and with the Technical Centre for Agricultural and Rural Cooperation ACP-EU (CTA) to work on the theme of market access and trade-related aspects of agriculture in Africa. Special concerns were aid for trade in

European officials in Brussels in October 2010 to bridge the gap between aid-for-trade practitioners and the agriculture and rural development community. CTA and ECDPM also launched a new joint publication series on aid for trade and agriculture (see list of publications).

- ECDPM strengthened its cooperation with Caribbean institutions, perhaps most notably through its partnership with the **Institute of International Relations (IIR)** of the University of the West Indies, as well as by establishing a three-month internship programme with the Shridath Ramphal Centre for International Trade Law, Policy and Services of the University of the West Indies in Barbados.
- ECDPM remained an active member of the **Network of Regional Integration Studies (NETRIS)** and participated and contributed to their meeting on the challenges of EU support to regional integration in Trinidad and Tobago, in March and on the transposition of regional integration commitments at the seminar in Kwa-Zulu Natal, South Africa in September.
- ETC continued its close cooperation with the **International Centre for Trade and Sustainable Development (ICTSD)** with the monthly publication of our joint magazine *Trade Negotiations Insights* (www.acp-eu-trade.org/tni), as well as regular ad hoc cooperation with the **International Lawyers and Economists Against Poverty (ILEAP)** and the **Overseas Development Institute (ODI)**, among others.
- ECDPM developed new partnerships, for example, with the **German Marshall Fund**, in work on regional integration and on the impact of emerging players, and with the China Institute of International Studies on the latter. ECDPM joined the **OECD Development Finance Network** to better address issues of economic governance and new financing approaches.

On ECDPM note which provided technical support (preparation of a confidential non-Paper) for the joint ACP-EU ministerial Trade Committee held in October 2010.

'I acknowledge receipt with many thanks the valuable documentation including your personal efforts to finalize the non-Paper.'

ACP Assistant Secretary General

agriculture and the regional dimension, including in the context of the Second Pillar of the Comprehensive Africa Agriculture Development Programme (CAADP). Two regional meetings and one pan-African gathering were jointly organised, respectively, in Nairobi, Ghana and Addis Ababa. CTA and ECDPM held an additional meeting for



Publications

ECDPM publications

Bilal, S and M. Dalleau. 2010. *Africa-EU economic relations in light of the global financial and economic crisis*. (Prepared for the similarly named conference in Bremen, 28-29 January)

Bilal, S. and I. Ramdoo. 2010. *Which way forward in EPA negotiations? Seeking political leadership to address bottlenecks*. (Discussion Paper 100, produced in cooperation with ILEAP, and in summary as Briefing Note 20)

Bilal, S. and F. Rampa. 2010. *Emerging economies in Africa and the development effectiveness debate* (prepared for the Fifth Annual TRAPCA Trade Conference, Arusha, Tanzania, 25-26 November)

Braun-Munzinger, C. and P. Goodison. 2010. *Trade and production adjustments in ACP Countries: lessons from the Caribbean rum programme*. (Discussion Paper 97)

ECDPM. 2010. *The EU commitment to deliver aid for trade in West Africa and support the EPA development programme (PAPED)*. (Discussion Paper 96)

ECDPM. 2010. *ACP-EU-Trade.org newsletter* (produced monthly)

Koeb, E. and M. Dalleau. 2010. *Trade-relevant provisions in the Treaty of Lisbon: implications for the Economic Partnership Agreements* (Discussion Paper 98)

Mackie, J., S. Bilal, I. Ramdoo, H. Hohmeister and T. Luckho. 2010. *Joining up Africa: support to regional integration*. (Discussion Paper 99)

Ramdoo, I. and A. Walker. 2010. *Implementing the Economic Partnership Agreement in the East African Community and the CARIFORUM regions: what is in it for the private sector?* (Discussion Paper 104)

Publications in journals and periodicals

Bilal, S. 2011. Asymmetric trade negotiations for development: *what does the experience from the ACP-EU Economic Partnership Agreements tell us?* In: P. de Lombard, D. Tussie and S. Bilal (eds), *Asymmetric Trade Negotiations*

Bilal, S. and I. Ramdoo. 2011. *EPA negotiations: will political leadership make a change?* The Bulletin of the Fridays at the Commission, 4 (1), AU Commission

Dalleau, M. and E. Koeb. 2011. The implications of the Lisbon Treaty for Africa-EU trade relations: *new avenues for engagement*. The Bulletin of the Fridays at the Commission, 4 (1), AU Commission

Joint publications with ECDPM partners

Bilal, S. 2010. *Regional integration, EPAs and the trade and development agenda: Africa-EU relations reconsidered*. In: *Beyond development aid, EU-Africa political dialogue on global issues of common concern*. Portugal: Europe Africa Policy Research Network, pp. 73-88.

ECDPM and ICTSD. 2010. *Trade Negotiations Insights and Eclairage sur les négociations*, 9 (1-10), www.acp-eu-trade.org/tni and www.acp-eu-trade.org/eclairage

External events

Events (co-)organised by the ETC team

Spanish EU Presidency seminar "Strengthening Regional Integration in West Africa: What Role for the European Union?". Brussels, 11-12 May

ECDPM-CTA-FARA workshop "Promoting Access to Regional and International Markets for Agricultural Commodities in West and Central Africa". Accra, 23-24 June

ECDPM-CTA-FARA workshop "Promoting Access to Regional and International Markets for Agricultural Commodities in Eastern and Southern Africa". Nairobi, 23-24 March

ECDPM-World Bank seminar "Africa's Trade in Services: Economic Partnership Agreements, Reform and Regional Integration". Brussels, 7 October

ECDPM-CTA-GM dialogue "Linking Aid for Trade and Agriculture & Rural Development: Towards a Joint Donors' Perspective". Brussels, 4 October

ECDPM-FARA-CTA third regional policy dialogue workshop "Mainstreaming the Outcomes of the Policy Dialogues on Promoting Access to Regional and International Markets for Agricultural Commodities into the CAADP Country and Regional Processes". Addis Ababa, 14-15 December

Events with contributions by the ETC team

West Africa WTO sub-regional review of aid for trade. Abuja, 26-27 January

Conference on the Impact of the Global Financial Crisis on Economic Reform Processes in Africa (University of Bremen). Bremen, 28-29 January

Meeting of the EU "Like-Minded Group" on EPAs. Limerick, 29 March

DFID Trade Academy meeting "David versus Goliath: The Imbalance of Power in Trade Negotiations". London, 26 March

Joining Up Africa regional economic integration conference. London, 3-4 March

World Bank and Carnegie Europe Panel Discussion on the Crisis, Finance and Growth. Brussels, 12 March

NETRIS meeting at IRR/UWI, "Researching and Advancing the Good Governance Dimension of Regional Integration". Trinidad, 11-13 March

Knowledge platform "Growth and Equity" third core group meeting. The Hague, 28 April

UNECA expert meeting on aid for trade and Africa's trading capacity. Addis Ababa, 31 May-2 June.

AU Commission EPA coordination meeting. Addis Ababa, 20-21 May

EARN Conference on Perspectives for Europe-Africa Relations. Lisbon, 7 June

Inter-Regional Co-ordinating Committee (IRCC) technical meeting on transposition. Lusaka, 29-30 June

Fair Politics and Evert Vermeer Foundation (EVS) presentation at the European Parliament of the impact study on Policy Coherence for Development (PCD) in practice "The Impact of European Policies on Development in Ghana". Brussels, 29 June

*'I found your own book with Chris Stevens very useful....
You are doing great work at ECDPM in keeping us all informed on what is happening re EPAs, keep it up.'*

Professor, Trinity College Dublin

German Marshal Fund meeting at the European Parliament to brief the Committee of International Trade (INTA) on the revision of the Generalised System of Preferences (GSP), Brussels, 14 July

ZEI Academy in Comparative Regional Integration. Brussels, 14 July

Jean Monnet/UNU-CRIS/College of Europe/GARNET/Notre Europe workshop "The Promotion of Regional Integration by the European Union, interacting with civil society". Brussels, 10 September

UKZN-NETRIS seminar on prospects for trade and economic integration in ACP countries, "Challenges Facing Regionalism and Regional Integration Arrangements". Durban, 21-23 September

PACP meeting of the Pacific ACP states' technical working group on legal, institutional and capacity building (TWG-LICB). Sigatoka, 18 August

World Bank-German Marshal Fund International Advisory Committee meeting on the development impact of preferential trade agreements. Brussels, 5 October

African Union EPA Negotiations Coordination Meeting. Lusaka, 7-8 October

Trade.Com workshop on best practices. Brussels, 12 October

Friedrich Ebert Stiftung meeting with journalists from Central Africa. Brussels, 14 October

OECD, Annual Assembly of the Development Finance Network. Paris, 10-12 October

AU Conference of Ministers of Trade, Sixth Ordinary Session. Kigali, 1-5 November

Fifth TRAPCA conference "The Dragon's Forays into Africa: The Surge of Sino-African Trade and Investment Ties and its Policy Implications". Arusha, 25-26 November

TDNet coordination meeting. Nairobi, 28-30 November

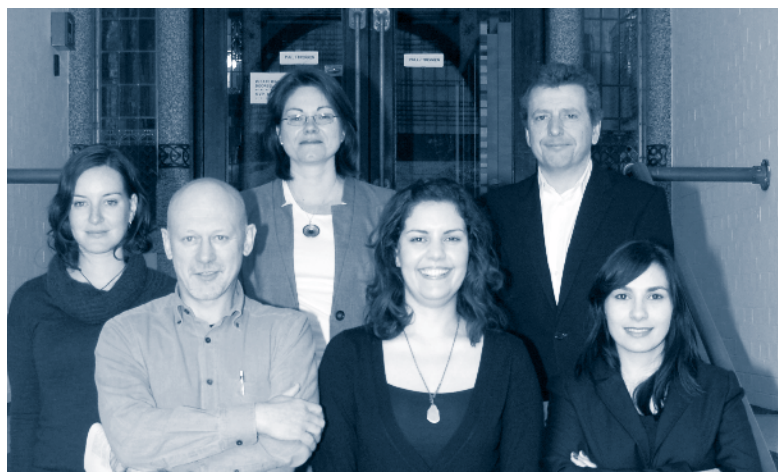
ACP Secretariat, ACP Ministerial and Technical Mining meetings. Brussels, 13-15 December

'Thank you so much for the Discussion paper No.104. It is very useful, as usual for trade practitioners like me, I get very good insights from ECDPM publications.'
Official, Trade, Industry and Tourism, IGAD Secretariat, Djibouti

*Also on DP104:
'Thank you very much! It is a very interesting paper and arrives just when we are considering the design of our next wave of trade related assistance projects for the Caribbean and Pacific.'*

Official, International Trade Centre

Governance



ECDPM Governance Team, left to right, top to bottom

Christiane Loquai, *Policy Officer*, Volker Hauck, *Head of Knowledge Management & Communication*, Elena Fanetti, *Research Assistant*, Jan Vanheukelom, *Head of Programme*, Faten Aggad, *Policy Officer*, Gemma Pinol Puig, *Junior Policy Officer*

Not pictured:

Biniam Bedasso, *Research Fellow*, Jean Bossuyt, *Head of Strategy*, Clara Breton, *intern*, Stephanie Colin, *Executive Assistant*, Alisa Herrero Cangas, *Policy Officer*, Noelle Laudy, *Senior Executive Assistant*, Marc Levy, *Senior Advisor Institutional & Capacity Development*, Eunike Spierings, *Policy Officer*

Programme overview and objectives

The Governance programme seeks to contribute to better informed dialogue and more effective cooperation in support of governance between the ACP (primarily Africa) and the European Union and Commission. The programme, first, works to assist Africa's own search for home-grown strategies to promote governance. At the same time, we help to build European capacity for improved engagement with key ACP governance actors. We promote effective linkages and synergies between policy debates and initiatives on governance in the ACP and the European Union and Commission.

In addition, and in support of these policy processes, the programme engages in areas of work that serve programme continuity and innovation. In the second semester of 2010 these areas included domestic accountability, human rights, decentralisation and the wider aid effectiveness agenda.



Decentralisation workshop. Cameroon, July

Policy process: Supporting Africa's search for home-grown governance agendas

Recent evolution of the context and key thematic priorities

Consolidation of the *African Governance Architecture (AGA)* continued in 2010, including finalisation of the basic documents on the African Governance Platform. These were presented to the African heads of states and governments during the AU Summit of January 2011. Establishment of the *African Governance Platform* will provide space for exchanges among a range of African institutional actors on governance matters, such as the *African Peer Review Mechanism (APRM)*, the *African Charter on Democracy, Elections and Governance*, and the forthcoming human rights strategy for Africa. Clearly, African stakeholders feel the need for a broad, open-ended and systematic dialogue on the political and institutional foundations of the African Union and on alternatives for organising a multi-level system of governance on the continent.

Some view the establishment of the *African Governance Platform* as a prerequisite for the continent's improved engagement with the European Union and other global players. It could serve to structure dialogue among African institutions and exchanges between African and other stakeholders, including European institutions within the framework of the EU-Africa Platform for Dialogue on Governance, which was launched in 2010.

Key actors

- South African Institute for International Affairs (SAIIA)
- Africa Governance Institute (AGI)
- AU Commission, Department of Political Affairs
- African Peer Review Mechanism (APRM) Secretariat
- All Africa Ministerial Conference on Decentralisation and Local Development
- United Cities and Local Governments of Africa
- Publish What you Pay (Congo Brazzaville)
- Action Aid (Nigeria)
- Germany, especially the Federal Ministry for Economic Cooperation and Development (BMZ) and the former German International Cooperation Agency (GTZ)
- Netherlands Directorate General for International Cooperation (DGIS)
- UK Department for International Development (DFID)
- Spain and Belgium (DGOS)
- International Parliamentary Union
- Development Assistance Committee (DAC) Network on Governance
- Institute of Development Studies (IDS), United Kingdom

Process highlights

ECDPM has supported the *African Governance Architecture* process since 2008, and in 2010 we were part of major events that took the process further. ECDPM provided direct technical support to the AU Commission in consolidating the *African Governance Architecture* and the related African Governance Platform. The purpose of the AGA is to strengthen the African Union's ability to promote shared governance values across the continent. The African Governance Platform will provide a

venue for developing African positions on governance issues when dialoguing with international partners such as the European Union.

In the second half of the year, ECDPM facilitated a series of events related to the African Governance Platform, including an AU Commission meeting to discuss rules of procedure for the Platform (Banjul, Gambia). This fed into preparations for the Platform's official launch during the AU Summit on shared values in January 2011. Earlier ECDPM contributions – both on content and on institutional and organisational matters such as processes and actor participation – strengthened this process, helping to lay a foundation of trust and knowledge for further brokerage in other Africa-Europe dialogue. We also provided informal feedback to the AU Commission on the African human rights strategy due for formal launch in mid-2011. This human rights strategy will be incorporated into the African Governance Architecture.

To lay the groundwork for a consensus on the way forward in setting up the *Africa-EU Platform for Dialogue and Human Rights*, the programme undertook careful preparation, including four background notes and an in-depth assessment of the different agendas and joint facilitation with the Africa Governance Institute, of a workshop involving the African Union and European Union in Ethiopia (13-14 September). The Governance programme subsequently drafted the report of that meeting which was later adapted and adopted as a foundation document for the Platform at the constitutive meeting two months later in Brussels.

Content-wise, the Governance programme advanced its work on decentralisation and local governance in Africa and on European support programmes to African governance processes through, for example, the European Commission's *Governance Initiative*. At the request of GTZ,

ECDPM undertook a mid-term review of a German project in support of the All-Africa Ministerial Conference on Decentralisation and Local Development (AMCOD) and the United Cities and Local Governments of Africa (UCLGA). UCLGA aims to represent and defend the interests of African local governments at the pan-African and international level. The review mission included the facilitation of a participatory workshop on decentralisation and local governance with key stakeholders from Southern, Eastern and Western Africa and helped to sharpen the perceptions of stakeholders on such complex support programmes and change processes. For ECDPM, the review strengthened our knowledge base about the appetite and capacities of certain donors to support such highly institutional and political change processes (see box).

Together with the African Governance Institute, the Centre successfully tendered a bid to conduct a validation study of the European Commission's largest programme in support of governance in ACP countries -- the € 2.7 billion *Governance Incentive Tranche*. This work will help us develop a more nuanced understanding of the conditions under which policy dialogue, political conditionalities and incentive mechanisms can contribute to strengthening governance.

Progress towards policy process outcomes and key challenges faced

The partnership with the AU Commission's Department of Political Affairs and with the Africa Governance Institute, as well as the trust built with European partners, enabled ECDPM to contribute to the establishment – after three years of stalemate – of the joint Africa-EU Platform for Dialogue on Governance and Human Rights.

But such processes also point to new challenges, many of which are intimately associated with asymmetries in institutional strengths and information.

One challenge is to continue to build on the foundation now in place and further foster synergies among governance actors through enhanced dialogue and practical cooperation within – or outside – the framework of the JAES.

OUTCOMES

EU-Africa Platform for Dialogue on Governance and Human Rights

Africa's efforts to consolidate its governance architecture coincided with the launch of the EU-Africa Platform for Dialogue on Governance and Human Rights. Such a platform was envisaged in the framework of the Governance Partnership of the 2007 Joint Africa-EU Strategy (JAES).

Progress in consolidating the AGA in the course of 2010 allowed negotiations on the launch of the Platform to start taking shape, culminating in its formal launch in Brussels (November 2010). ECDPM and the Africa Governance Institute facilitated dialogue between the European Union and African Union on establishment of the Platform. Our facilitation role enabled the European and African sides to understand and consider the dynamics on both continents. The European Union became familiar with African processes, such as the AGA, and found ways to capitalise on these where possible. Subsequently, the EU-Africa Platform for Dialogue opted to focus on the themes 'regional integration' and 'economic governance', which will also be addressed within the framework of the AGA. Application of the principles agreed within the framework of the Platform should enable both sides to exploit greater synergies both among African processes and in EU-Africa dialogue.

Policy process: Sector governance and the role of political economy analysis

Recent evolution of the context and key thematic priorities

Against the backdrop of the institutionalisation of the European External Action Service (EEAS) and the nascence of the EuropeAid Development and Cooperation Directorate General (DEVCO), there was a gradual but marked increase in attention within Europe for the role of politics in aid. This was manifest in the deliberations on the future of budget support, in the sharper focus on domestic accountability (within EU member states as well), in the wider debate about aid effectiveness, and also in efforts to deal more seriously with political economy dimensions in aid and development.

These discussions – and the shift in focus – are part of an ongoing debate among EU institutions and member states on politics and budget support in the run-up to the Fourth High-Level Summit on Aid Effectiveness (to be held in Busan, South Korea, in December 2011). During its EU

On the European Development Days Round Table on Domestic Accountability and Aid Effectiveness, co-organised with the Belgian EU Presidency, Brussels, 6 December 2010:

'I echo my colleagues in saying how pleased I was to participate in the panel. Thank you for inviting me. I look forward to continued co-operation.'

*Senior official, Division
for the Promotion of Democracy,
Inter-Parliamentary Union*

Presidency in the latter half of 2010, Belgium invited ECDPM to assist it in outlining an approach to put domestic accountability more firmly on the aid and development agenda. This coincided with an emphasis on improving knowledge of each developing country's unique mix of social, economic, political and institutional processes and actors. Such knowledge is increasingly recognised as key for realistic and effective engagement strategies. This trend was reinforced by efforts (i) to discuss and limit the negative impact of aid on the governance and accountability systems of partner countries and (ii) to rely on domestic state and non-state drivers of change as well as to support domestic analytical and response capacities.

Key actors

- EuropeAid Development and Cooperation Directorate General (DEVCO), including the 'Governance, Security, Human Rights and Gender Unit', and the unit dealing with the 'Relations with Civil Society'
- EU member states including Belgium (DGDC, BTC), the Netherlands (DGIS), Germany (BMZ, GTZ, InWEnt, KfW, DED), the United Kingdom (DFID) and Denmark (DANIDA), Switzerland (DEZA)
- Overseas Development Institute (ODI, UK), Institute of Development Policy and Management (University of Antwerp), The Policy Practice, Portuguese Institute for Development Assistance (IPAD)
- DAC Network on Governance, Cluster A of the Working Party on Effectiveness (co-chaired by Swiss Development Cooperation), the Inter-Parliamentary Union, the Workstream on Aid and Domestic Accountability
- Africa Governance Institute, South African Institute of International Affairs (SAIIA)
- ACP Secretariat
- EU presidencies of Spain and Belgium

Process highlights

In working with the European Commission and with other donors on governance and political economy approaches, the Governance programme has developed three mutually reinforcing work streams: (i) political economy approaches in the sector operations of the European Commission, (ii) political economy and aid reform processes, and (iii) domestic accountability. The programme has contributed to promoting harmonisation and smart partnerships in the area of governance and political economy analysis, and has contributed to strengthening synergies among often-disconnected processes. ECDPM is now part of an informal network of political economy practitioners from the World Bank, DFID, UNDP and other donors.

Political economy and aid reform processes

The Governance programme has focused on a limited number of processes that are key to making aid more effective and that put emphasis on the domestic context, actors and politics.

The programme strengthened its *knowledge base* on governance and political economy approaches by focusing and applying these approaches to the sector operations of the European Commission. We also engaged in a number of ongoing processes to raise the effectiveness of EU and Commission aid. Themes of this work included budget support and other aid modalities (e.g. sector-wide approaches), domestic accountability and aid effectiveness, decentralisation, technical cooperation, and human rights. Simultaneously, we strengthened our *network base*, widening our web of contacts among aid agencies, donors, multilateral organisations, experts and partners. With the London-based firm The Policy Practice, the programme conducted the first ever political economy workshop for officials of the European Commission (*Political Economy in Action*). Together with ECDPM colleagues in the Economic and Trade Cooperation (ETC) programme, we continued to develop a joint approach to incorporate the political economy angle into policy areas other than aid relations.

Political economy in sector operations

The Governance programme contributed to the operationalisation of the European Commission's *Governance Analysis Framework*, a tool the programme helped to develop in 2008 and 2009. This analysis instrument seeks to guide sector operations practitioners to improve their understanding of the politics, players and institutional arrangements and incentives in a particular sector. It demonstrates the necessity to develop a more analytical and context-specific approach to sector work. The methodology is being piloted in sectors such as water (Kenya), trade facilitation (the Philippines), education in fragile states and transport. In

association with these pilot applications, the programme undertook or organised missions to the Philippines and Kenya. Experiences from these missions stimulated further interest among EU delegations in the field and among sector specialists in Brussels. Insights from these cases will be disseminated through the European Commission's *Capacity4Dev* platform, and through training courses and workshops that in all likelihood will be organised in 2011.

Budget support and politics

Budget support is an "aid package" that includes policy dialogue between donors and government, harmonisation, technical and other accompanying measures, and alignment with country policies. In this way, budget support touches directly and indirectly on key dimensions of state-society relations. The Governance programme promotes a stronger political angle to context analysis. Such analysis will help to calibrate aid better to the local setting. In response to the ongoing European debate about politics and budget support, the European Commission launched a consultation process on the future of this aid modality. As part of this initiative, ECDPM organised a one-day workshop on the topic with 35 experts from the Commission, NGOs, academia and specialised consultancy bureaus. We also produced two internal reports on budget support for the Dutch Ministry of Foreign Affairs, which is in the process of refining its policy in this area. Further, Centre background notes on budget support served as an input for a position paper on budget support and political dialogue by the Portuguese Institute for Development Assistance (IPAD), in the Portuguese Ministry of Foreign Affairs. The programme also contributed to a seminar for the Joint ACP-EU Parliamentary Assembly on politics and budget support.

OUTCOMES

Supporting pan-African drivers of decentralisation and local governance

ECDPM conducted a progress review of a German support programme to the *All Africa Ministerial Conference on Decentralisation and Local Development* (AMCOD) and the *Africa activities of United Cities and Local Authorities* (UCLGA). Both of these organisations were created to promote decentralisation and local governance and to provide fora for joint policymaking and exchanges of experiences among actors of decentralisation.

The ECDPM contribution, on behalf of the German Technical Cooperation Agency (GTZ), brought to life some of the key political economy aspects of both decentralisation and regional integration. The study revealed the complex set of power relations and interests at play at the level of the pan-African local government movement. It also highlighted the institutional and political challenges that this body (AMCOD) is facing in its efforts to promote an all-Africa consensus on benchmarks for decentralisation. The progress review, which was executed in close collaboration with GTZ and the AMCOD Provisional Secretariat, fed into preparations for an extraordinary assembly of AMCOD. Its findings also supported the subsequent institutionalisation of AMCOD, in the further maturation of the body. From information gathered during the process, it became clear that the pan-African and regional actors involved trusted ECDPM's position as a neutral facilitator that could assess and understand power relations and interests of key actors in an objective way and work productively with all.

Non-state actors and new aid modalities

The programme produced a new EC reference document. How can the Commission engage more strategically with non-state actors in contexts in which it provides budget support or contributes to sector-wide approaches? That was the core question around which the programme set out its work on developing guidance for different EC practitioners. This reference document integrates various components of the work the Governance programme has been doing: decentralisation, non-state actors, political economy analysis and sector governance. It develops concrete guidance on how the EC can integrate in a more coherent way its support to different state actors (including parliaments) and non-state actors by using all aid instruments in a more integrated way. The programme organised consultations with various EC practitioners at headquarter level, sampled eight cases to illustrate promising practices by EC delegations, and organised consultations with civil society organizations. This work was also shared and discussed at sessions of the EC's Structured Dialogue initiative.

Other applications of governance and political economy analysis

ECDPM integrated elements of its work on decentralisation, non-state actors, context analysis and sector governance in the preparation of new project and programme guidelines for European Commission staff (the *Project and Programme Cycle Management*, see also the outcome box on project and programme cycle management). Moreover, we contributed to a staff working paper on sector approaches in environmental and natural resources management, focusing on mainstreaming decentralisation of governance and political economy aspects.

This paper, which was a collaborative effort of EuropeAid and sector experts of EU member states, provides guidelines for development practitioners and partners in designing, implementing and monitoring sector approaches in support of environmental and natural resource policies.

Domestic accountability

The call for greater attention to domestic accountability reinforces demands for an improved understanding of the political economy dimensions of a particular environment, and vice versa. Here, the Governance programme sought to bring various agendas together, including those of bilateral donors such as Germany (BMZ) and the Netherlands (DGIS) and that of the DAC Network on Governance. On behalf of BMZ, we undertook a stock-taking exercise on German support for strengthening domestic accountability in developing countries in the context of budget support or programme-based approaches. Six country-specific stock-taking exercises were conducted (Bangladesh, Malawi, Mali, Mozambique, Peru and Tanzania). The cases looked at German support to domestic accountability systems around key policy processes in these countries and institutional support to key accountability institutions, such as Parliaments, Supreme Audit Institutions, ombuds-institutions and other drivers of accountability (media, NGOs, traditional institutions, local governments etc.). The programme worked with the Dutch Ministry of Foreign Affairs to develop in-country strategies for improved engagement with domestic accountability institutions. We undertook a mission to Senegal, and with the regional East Africa Bureau of the Netherlands Development Organisation (SNV) we organised a technical workshop

in Tanzania. The purpose of these activities was to reflect on experiences in working on domestic accountability in eight African countries. This joint stocktaking will result in a collaborative SNV-ECDPM publication in 2011.

At the invitation of the Belgian EU Presidency, ECDPM provided inputs to debates between the European Commission and EU member states on improving coordinated approaches to budget support. One solution is to better integrate the dimension of domestic accountability in this debate. On this topic, we prepared a background note and organised an informal workshop with technical experts from EU member states and the Commission. During the Belgian EU Presidency, the Governance programme organised and facilitated a well-attended and highly visible round table on domestic accountability at the European Development Days. Representatives from core accountability institutions in the South (including parliaments, the research community and civil society) as well as the donor community (represented by GOVNET) shared experiences and highlighted key concerns about the future accountability agenda. One point of attention was to highlight the need for donors to calibrate their aid in such ways that domestic accountability systems are strengthened. This means that more thought has to go into how, for example, support to parliaments is complemented with support to other domestic stakeholders that can demand accountability from parliamentarians. The event laid the groundwork for further content facilitation by ECDPM with a group of like-minded donors (including Belgium, Ireland and the UK) on domestic accountability in the run-up to the Fourth High-Level Summit on Aid Effectiveness in Busan. The event also helped to direct attention to the very relevant ongoing work of the DAC Network on Governance in this area.

OUTCOMES

Improving context analysis -- opportunities to work together

The European Commission is renewing its *Project and Programme Cycle Management Manual*, which is the principal document guiding implementation of its development cooperation interventions. This work comes at a critical time when the division of roles and functions between the EEAS and the new *EuropeAid Development and Cooperation Directorate General (DEVCO)* is being articulated and tested. Context analysis and an understanding of the role of politics are crucial in determining development outcomes. This is relevant for DEVCO, in its country and sector programming, and for the European Commission in its *Management Manual* revisions. Understanding of this basic principle can also provide a strong knowledge base on which to stimulate broad coherence among external action policy domains extending beyond aid.

In its interactions with EuropeAid/DEVCO, ECDPM has suggested inclusion of a political economy approach to context analysis. The European Commission has been receptive to this idea and to the suggestion to look for guidance and experience of donors that have already developed methodologies and field-tested such approaches, such as DFID (with its "drivers of change" analysis) and the Netherlands Ministry of Foreign Affairs (with its "strategic governance and corruption analysis"). This resulted in effective collaboration with The Policy Practice (www.thepolicypractice.com) to develop a stronger emphasis of knowledge development about the politics in development. The political economy approach helps to question certain engrained assumptions about aid objectives, instruments and how these may contribute to development. These models contribute to better integrate evidence on what works, what does not work, and why in future aid and development efforts.

Continuity and knowledge base

Decentralisation and local governance.

The programme supported a group of donors seeking more harmonised approaches to decentralisation and local governance interventions. Joint development and promotion of training courses on such subjects can be a solid stepping-stone to learning. With this in mind, ECDPM engaged in a first-ever attempt by a group of like-minded donors, the "Development Partners Working Group on Decentralisation and Local Governance", to produce a joint pilot course on harmonisation, decentralisation and local governance. The course draws on training materials from different donors and follows a modular structure. Testing the joint approach will provide opportunities for broad and structured reflections on harmonising support to decentralisation in different country settings. The syllabus will be shared through an open source platform (Train4Dev). In this work, ECDPM also emphasised political economy analysis as a way to assess decentralisation and local governance in partner countries.

Evaluation of European Commission support to human rights

Our global evaluation of the European Commission's support to human rights is already attracting attention among EU political leaders. Indeed, EU High Representative for Foreign Affairs and Security Policy and Vice President of the European Commission Catherine Ashton announced that a review of the EU policy on human rights should come out in 2011. The ECDPM evaluation – the first of its kind – has collected evidence on strengths and weaknesses and will therefore be a valuable input to inform the planned review process. In April 2011 a high-level workshop will be organised to present the initial findings of the evaluation to the key European stakeholders involved in the review process.

Aid effectiveness

At the invitation of the Swiss Development Cooperation, which co-chairs Cluster A of the DAC Working Party on Aid Effectiveness, and alongside the government of Tanzania, ECDPM contributed to a meeting based on two papers it had written to explore (i) the links between capacity development and democratic ownership and (ii) the contribution that policy research

organisations can make to strengthening democratic ownership. In addition to the activities in the context of the Working Party, ECDPM continued its support to the European Commission's revisions of its policies and procedures for technical cooperation.

Progress towards policy process outcomes and key challenges faced

The Governance programme has used a combination of capacity strategies to stimulate in a timely and credible way demand within the European Union for governance and political economy analysis of (sector) contexts. Furthermore, during 2010, the programme contributed to create synergies among ongoing processes of renewing and re-thinking aid systems, thematic work and approaches. Examples are the ongoing revision of the European Commission's Project and Programme Cycle Management Manual, work on domestic accountability and contributions to the debate on the future of budget support, as well as deliberations on decentralisation and more strategic engagement with non-state actors in contexts where the European Union is applying new aid modalities.

Support to strategic partnerships

Through its facilitation, research and knowledge management work the Governance programme has contributed to strengthen a number of the Centre's strategic partnerships, especially with the Africa Governance Institute and the AU Commission's Department of Political Affairs. The programme, moreover, has contributed to the overall objective of strengthening key ACP policy actors. This was particularly evident in ongoing efforts to "institutionalise" pan-African efforts to develop and fortify the African Governance Architecture, in our efforts to solidify dialogue on governance and human rights between Africa and the European Union, and in joint research with the Africa Governance Institute on a key EU aid instrument and policy, the *Governance Incentive Tranche* and the *Governance Initiative*.



Publications

Negatu, G., Santi, E. and K. Tench. 2010. *Improving governance and Public Financial Management through budget support: The experience of the African Development Bank* (ECDPM Discussion Paper 888)

Publications in journals and periodicals

Hauck, V. 2010. *Spain's practice in technical cooperation*. (Published on the capacity4devplatform)

Hauck, V. 2010. *An ambitious restructuring of the German Technical Cooperation landscape*. (Published on the capacity4devplatform)

Hudson, A. and J. Vanheukelom. 2010. *Domestic accountability and aid effectiveness*. (Briefing note for the European Development Days Round Table on Domestic Accountability and Aid Effectiveness)

Le Bay, S. and C. Loquai. 2010. *Renforcement des capacités d'auto-évaluation des performances des collectivités territoriales : expériences en Afrique de l'Ouest*. Canadian Journal of Programme Evaluation, 24 (1): 79-107.

Vanheukelom, J. 2010. *Putting politics in the picture*. (Published on the capacity4devplatform)

Joint publications with ECDPM partners

ECDPM-Africa Governance Institute. 2010. *Facilitation notes on the African Governance Platform*

EC-AU Commission. 2010. *Basic document for the EU-Africa Platform for Dialogue on Governance and Human Rights*

EC-AU Commission 2010. *Report of the launch meeting of the EU-Africa Platform for Dialogue on Governance and Human Rights*

Background notes and briefing materials

These documents can be made available on request via info@ecdpm.org

ECDPM. 2010. *Building the African Governance Architecture (AGA)*: African stakeholders further define the way forward during a technical meeting in Banjul, 15-17 March (ECDPM Informal Report)

ECDPM. 2010. Key challenges with regard to the Africa-EU Platform on Governance. (Background document for the September workshop on the Africa-EU Platform for Dialogue on Governance and Human Rights, Ethiopia)

ECDPM. 2010. *Comparing the positions of the EU and the AU Commission: two possible models for the platform?* (Document prepared for the September workshop on the Africa-EU Platform for Dialogue on Governance and Human Rights, Ethiopia)

ECDPM. 2010. *Operationalising the Platform*. (Document prepared for the September workshop on the Africa-EU Platform for Dialogue on Governance and Human Rights, Ethiopia)

On the consultation on the green paper on the future of EU budget support to third countries at the European Commission Development Cooperation Directorate in Brussels, 13 December: 'Thank you for yesterday's facilitation and the organisation of a successful event.'
Official, DG Development, European Commission

External events

Events (co-)organised by the Governance team

SNV-ECDPM expert seminar "Next Steps in Capacity Development: Dealing with Multi-Stakeholder Systems". The Hague, 22 February

Regional seminar for macro-economic experts of the European Commission in West Africa. Ouagadougou, 6-11 March

African Governance Institute conference "Current African Thinking on African Governance". Dakar, 10-12 March

Technical workshop of the European Commission on coordinated approaches to domestic accountability and budget support processes. Brussels, 17 May

Presentation and discussion of the inception report of the stock-taking exercise on German support for strengthening domestic accountability with stakeholders of German development cooperation. Bonn, 21 July

Mid-term review of the CADELL programme, German International Cooperation Agency (GTZ). Yaoundé, 13-23 July

AU meeting on the launch of the African Governance Platform, AU Commission. Banjul, 1-3 August

Workshop of the Platform on Democratic Governance and Human Rights, Africa Governance Institute. Addis Ababa, 12-13 September

European Commission regional seminar on budget support for macro-economic and sector experts of the Delegations of the European Commission in Asia. Jakarta, 20-24 September

Launch meeting of the Africa-EU Platform for Dialogue on Governance and Human Rights, Africa Governance Institute. Brussels, 12 November

Round Table Discussion on Domestic Accountability and Aid Effectiveness at the 2010 European Development Days. Brussels, 6 December

Special session with the European Commission and experts from academia, independent research institutions, specialised NGOs and consultants, European Commission Consultation on the Green Paper on the Future of EU Budget Support to Third Countries. Brussels, 13 December

Events with contributions by the Governance team

Launch team meeting of the European Commission thematic evaluation on decentralisation, Freiburg, 2-4 February

Development researchers' network conference on the European Commission's Evaluation on Human Rights. Brussels, 22-23 February

European Commission regional seminar on budget support and governance, Nairobi, 21-26 March

Maastricht School of Governance-University of Bremen conference "Lessons from Different Peer Reviews", Bremen, 8-10 April

OECD/DAC Working Party on Aid Effectiveness workshop on democratic ownership, Paris, 2-4 March

AU Commission conference on the African Governance Architecture. Banjul, 14-15 March

EU Delegation seminar on governance in trade facilitation. Manila, 26 April

First working group meeting on the role of civil society organisations and local authorities in external cooperation and complementarity and coherence within the Accra Agenda for Action. Brussels, 27 April

EIUC-European Commission workshop "The New European Union Architecture in the Field of Human Rights". Brussels, 6 May

Working Group of German Experts in the Field of Administrative Development (AKEV), Annual Conference "Strengthening the Organisational and Management Capacities of Regional Organisations" (InWEnt). Bonn, 6-8 May



Capacity and Institution Building Group, United Cities and Local Governments, annual meeting in the run-up to the Seoul High-Level Conference (2011). Barcelona, 28-29 June

Presentation of the concept note and proposals for the design of the joint train4dev course on harmonisation, decentralisation and local governance to members of the Informal Development Partners Working Group on Decentralisation and Local Governance. The Hague, 9 September

Maastricht Graduate School of Governance training seminar on decentralisation for civil society actors from Indonesia. Maastricht, 24 September

ACP-EU Joint Parliamentary Assembly Economic Committee meeting on budget support. Brussels, 29 September

SNV regional seminar on domestic accountability, Dar es Salaam, 29 November

Knowledge and innovation



**ECDPM Knowledge Management Team,
left to right, top to bottom**

Lee Thomas, *Corporate Officer ICT*, Klaus Hoefsloot, *Senior Corporate Officer ICT*, Claudia Backes, *Information Officer Publications*, Judith den Hollander, *Information Officer Intranet*, Volker Hauck, *Head of Knowledge Management & Communication*, Ivan Kulis, *Knowledge Management Officer*, Jacquie Dias, *Information Officer Dissemination and Information Support*, Melissa Julian, *Information Officer Editor Weekly Compass*, Sonia Niznik, *Information Assistant Weekly Compass*

Not pictured

Pia Brand, *Communication Officer*, Suzanne Cartigny, *Information Officer Publications*, Verena Ganter, *Information Assistant*, Dhzumazie Karaali, *Intern*, Irenah Klink, *Information Assistant*, Niels Keijzer, *Policy Officer*

Knowledge management and communication

Overview

The work of the Knowledge Management and Communication unit in 2010 can be separated into two broad fields. First, we continued implementation of the Centre's strategy in this area, entitled *Linking Knowledge and Communication*. The strategy, inaugurated in late 2008, was the focus of our engagement in 2009. Second, we prepared for the external evaluation of the Centre that began in late 2010. This included a self-assessment of the unit's achievements over the past four years, an extensive statistical review of the use of our products and services, and conceptualisation and execution of an elaborate survey of information and knowledge sharing among ECDPM's programmes. As in past years, the unit performed its role as a Centre-wide facility in line with its mandate and maintained intense working relationships with ECDPM's different departments and programmes as well as external partners. Concerns about cost-efficiency and effectiveness underpinned the management approach of the unit and led to a rationalisation of workflows and staff and to allocation of

precious financial and human resources to strategically important areas. Three main areas of work are reported on here: results of our monitoring and evaluation of knowledge management activities, examples of how we have translated our knowledge management and communication strategy into practice, and our activities to modernise the Centre's knowledge management and ICT infrastructure.

Reviewing our knowledge management interventions

ECDPM regularly conducts knowledge management surveys, either all-Centre or for specific products and services. The 2010 survey of information and knowledge sharing among the Centre's programme's complements earlier reviews undertaken in 2003, 2005 and 2008. The specific aim of the 2010 survey was to learn the extent to which ECDPM's information products and knowledge sharing activities are (i) effective in informing and contributing to policy processes and (ii) relevant to stakeholders. The box on page 42 highlights in a nutshell key findings of the survey.

Such reviews, as well as complementary information that we receive from stakeholders working in a range of policymaking contexts, tell us that the underlying rationale of our knowledge management interventions makes sense. ECDPM functions as a facilitator and broker between different actors to enhance the quality of policy processes. To effectively

engage in such processes at various levels, there is a need to build and maintain sound *knowledge and understanding* of the issues at stake and to effectively feed our information into the communities where policy issues are discussed and dealt with. Effective engagement in policy work requires a solid understanding of *how knowledge should be managed* and how it needs to be communicated in order to score results. That means we have to recognise what knowledge is relevant to what audience at a particular point in time and when, in what form and how it should be made available.

Policy processes differ substantially in nature. Some are concrete and tangible, or have particular climaxes, such as negotiations, policy seminars or conferences. Others are built from a number of policy fragments, are more emergent in nature and therefore less tangible. Moreover, policy processes are often "moving targets" with their own rhythm, timing, pathway and external influences and with constantly changing configurations of stakeholders.

This calls for targeted engagement on a tailored basis, building on a good knowledge of the audiences we serve and the context in which the processes operate. In some cases, particular audiences engaged at specific points in a policy process can be targeted through well-defined communication (e.g. a publication for a particular type of audience needing information at a specific point in time). In other cases, emerging policy

processes must be nurtured by providing information to audiences to enable them to build relationships, get to know each other, foster networking and peer exchange and create opportunities to interact on content.

As such, we combine knowledge creation, such as research and systematisation, with the management of knowledge sharing and communication processes to make the knowledge we have gained available to different stakeholder groups: policymakers in government and international organisations, researchers, specialised media, and staff of NGOs, including advocacy groups as well as development organisations. Such knowledge and information helps all sides to enhance policymaking capacity and to engage in policy work better informed.

Translating strategy into practice

Sharing and learning across policy boundaries

Policy processes encounter institutional bottlenecks, capacity problems and process-related challenges that are common to all policy work. The Knowledge Management and Communication unit facilitated exchange on such issues between the Centre and external partners as well as within the Centre so as to bridge the different policy areas and communities.

Knowledge networking with external partners took place in various forms. The “Pelican Initiative”, an electronic discussion platform for evidence-based learning and communication for social change, continued to function as an electronic platform for an audience of practitioners in monitoring, evaluation and change management. Themes discussed during the

Key findings of our knowledge management surveys

Overall response rates to the internet-based reviews we have undertaken in recent years are between 3.5% and 8%, which is close to the percentages measured in private sector mail surveys³. The statistical results complement information from other sources, such as personal comments and feedback provided during policy events. Other forms of evidence about our performance are website hits, subscriber numbers, and quotations in policy documents and the media. All of this information paints a broad picture of ECDPM's outputs and services being highly valued and used, with gradual differences in emphasis between the various areas in which we work.

ECDPM targets specific audiences, and not the broad public:

- Our work is of key importance to decision makers and to those who are preparing decisions as well as to practitioners who are monitoring decision-making processes. This requires a targeted approach in terms of knowledge management and information provision.
- The principal stakeholder groups with an interest in our products and services are government, NGOs and academia (with each making up between 22% and 25% of our audience). This indicates the relevance of our contributions to those working in the triangle between policy, practice and research.
- In terms of geographical coverage, our European audience is at around 55% against some 42% from the ACP, which shows our value to both sides.

Our careful investments in communication, information and knowledge sharing and our strategic actions in the application of knowledge management have continued to provide value for resources:

- Use of a well-dosed mix of instruments (e.g. the website, publications, presentations, workshops, e-newsletters and a regular magazine) to feed into policy processes depending on the need of the audiences appears to be a successful formula.
- Knowledge management and information provision has proven particularly effective when research and systematisation has been combined with dialogue, exposure to the institutional realities in which we work and knowledge-sharing activities.

year were the question of how complexity thinking can be applied to evaluation and how results-based management in development cooperation can be improved. In addition, members extensively used the platform to announce new publications and job positions, especially positions related to evaluation. In 2010, membership rose to 800 (from 489 in 2008) and now spans 89 countries. Since its launch in 2005, the Pelican Initiative has had 983 contributions from 40 countries.

We continued our partnership with the Netherlands Development Organisation (SNV), UNDP and the Dutch Inter-church Organisation for Development Cooperation (ICCO) to produce a capacity development magazine and the “capacity.org” website. Three of the themes selected in 2010 were as follows: *behaviour and facilitating change*, with a focus on how stakeholders relate to one another in a change process and what community development practitioners can do about it; *local government for gender equality*, with a focus on local government and governance as an arena for promoting gender equality and respect for women's human rights; and *facilitating multi-actor change*, focusing on how to engage in multi-stakeholder change processes.

Further knowledge networking and joint work took place with a number of European actors: the European Association of Development Research and Training Institutes (EADI) and the Information and Management Working Group set up by EADI; PSO (an association of Dutch development organisations); the AU Commission's Communication Department; and the *Knowledge Management for Development Journal* published by Routledge (www.km4dev.org). We shared our approach to policy facilitation with young journalists gathered by the Friedrich-Ebert Stiftung in Brussels, and with students at the University

Centre seminars in 2010

- Post-Copenhagen Summit on Climate Change: optimising the EU-ACP relationship
- EU coordination in fragile contexts: the case of Burundi
- How does comitology in the EU function?
- Enhancing policy processes using blogs strategically
- An introduction to the institutional side of capacity development
- Budget support: a political instrument?
- Effectiveness of regional aid for trade: the case of the West Africa EPA Development Programme
- Policy trends and messages 2011: preparing the ECDPM Challenges Paper
- CARICOM's experience of regional governance: the sovereignty paradox and modes of institution-building
- Kenyan experiences with the African Peer Review Mechanism
- Public-sector evaluation in China
- Supporting decentralisation processes at the continental level in Africa

³ Harzing A-W. 2000. Cross-national industrial mail surveys. Why do response rates differ between countries? *Industrial Marketing Management* 29: 243-254. The document reports a response of between 6% and 16%. Various reasons are given for such comparatively low percentages: the overuse of such surveys resulting in response fatigue among recipients, connectivity problems and lack of access to internet in developing countries.

of Maastricht. Finally, we contributed to the “Maastricht Debates” organised by a partnership of Maastricht-based knowledge institutes with a session entitled A Future for Aid Money? Development Cooperation from a European Perspective. Finally, we attended the AU Commission Regional Economic Communities’ EPA Coordination Meeting in Lusaka (7-8 Oct. 2010). Participation at that event helped us to intensify our information networking with African stakeholders working on trade issues.

Regarding in-house knowledge management, we continued to organise lunch-time seminars at which Centre staff and external resource persons could present their work, examine future plans with colleagues and raise challenging issues for discussion and review (see Box page 42). We also made draft policy papers and other internal documents that were shared with us by different institutions systematically available to ECDPM colleagues working on related policy processes, such as aid for trade, the Lisbon Treaty and domestic accountability.

Feeding policy processes

In 2010, the *Weekly Compass* developed further into a centrepiece of our approach

to effectively inform and nurture policy processes. Published as a weekly electronic bulletin with a focus on European development policy issues, a growing number of subscribers have indicated that they appreciate this information service and view it as a trustworthy and timely input to their policy work. The feedback received (see box below) indicates that the publication is read by a range of stakeholders – government, international organisations, NGOs and the private sector – for work in trade negotiations, governance evaluations and Europe-Africa policy formulation.

Looking behind the façade of the *Weekly Compass*, we can discern some of the elements that underlie the success of this practical approach to knowledge management – or translation of our communication strategy:

- The editor of the *Weekly Compass* is knowledgeable about our policy work and continuously scans our policy environment for content, archiving it in an online social media service (“Delicious.com”).
- The front-end to our knowledge provision is the *Weekly Compass* e-newsletter, which briefly covers some

10 policy items. The “Editor’s Pick” is highlighted on ECDPM’s corporate website and on our blog TalkingPoints.

- Behind the e-newsletter is the more in-depth 20 to 30 page *Weekly Compass* bulletin that lists links to relevant policy events, documents, news and other organisations’ activities.
- The groundwork consists of the regular monitoring, mapping and consolidating policy-relevant information and knowledge into “Delicious.com”. The information is compiled in accordance with a set of key policy categories (“tags”). We have collected some 18,400 policy news entries in Delicious.
- Information entered into “Delicious.com” is automatically channelled into RSS feeds (reflecting particular policy category “tags”). These are then transported to individual subscribers’ e-mail accounts, to “digital windows” on websites, to blogs, social networks (like Facebook and LinkedIn) and mobile phones.
- “Delicious.com” permits ECDPM to provide a fast news service based on a Twitter feed, for subscribers who want to receive urgent alerts or information in policy areas that cannot wait until the next *Weekly Compass* appears.

Where the *Weekly Compass* is appreciated and how it is used

Thank you again for what is now for me a very precious and awaited news bulletin on the EU-ACP world. Very helpful. Common Market for Eastern and Southern Africa, Zambia

This is just to signal that I do appreciate receiving the *Weekly Compass*, which continues to provide very thorough updates on strategic issues around the ACP-EU Partnership. As a former diplomat in Brussels, I find your publication a very useful resource for analytical information on the relations between Europe on the one hand, and Africa, the Caribbean and the Pacific on the other. Embassy of Uganda, Paris

I have been enjoying reading the *Weekly Compass* and especially like the Editor’s Pick and the links to the work of different departments. African Capacity Building Foundation, Zimbabwe

Just writing to say I find the *Weekly Compass* very useful and interesting – keep up the good work! ACP Department, European Investment Bank, Luxembourg

Many thanks for your message conveying the interesting information about ACP-EU relations. The information you provide is very useful in the performance of my duties. Ministry of Trade, Sierra Leone

Many thanks for sending me this edition of *Weekly Compass*. I am going to share this with my colleagues who are involved in aid coordination issues. Ministry of Finance, Malawi

This issue is great and useful as I will be conducting services on trade for ECOWAS. African consultant

I am very grateful for the *Weekly Compass* you ...sent me. I have always had an interest in Development Economics, is there a way ...I can be involved? Kenya Small Farmers Forum, Kenya

Thank you very much, Melissa, for the information. This is highly appreciated. African Union, Ethiopia

Many thanks for the useful docs and keeping contact. Indian Ocean Commission, Mauritius

Many thanks for the *Weekly Compass*, I have always taken a very keen interest in ECDPM publications. They have a great deal of information and knowledge contents. Centre for Institutional Development, Zimbabwe

Thank you Melissa for frequent information! It ...enabled me and my fellow farmer activists to understand the areas which need our intervention for betterment of small-holder farmers who are members in our organisation as well as non-members. AFNET, Tanzania

Just a few words to thank you for your information and for our mails. Ministry of Foreign Affairs, France

I just wanted to give you the feedback that your newsletters are highly informative for our work here in Southern Africa. I appreciate being kept informed and abreast of the key developments around policy between Europe and Africa. Keep it up. Open Society Initiative for Southern Africa, South Africa

I would like to thank you for your continuing efforts towards providing valuable information and insight on recent issues pertaining to EU development policy. Member of European Parliament

Thanks so much for the *Weekly Compass*. The information is very useful for FARA’s Networking Support Function on Regional Policies and Markets and I will like to be receiving this information on a regular basis. Forum for Agricultural Research in Africa (FARA).

As always, many thanks for the very useful information you send. I will be leaving Brussels and I would be grateful if you could replace my name with my successor’s name. Thank you very much for the great help and extremely useful information you provided during my years working with the ACP and CODEV. Permanent Representation of Italy, Brussels



European Development Days.
December, Brussels.

- The *Weekly Compass* is produced in close cooperation with the ECDPM staff who produce the two specialist websites: www.acp-eu-trade.org (a source of non-partisan knowledge on ACP-EU trade) and www.europafira.net (with news and resources on the JAES). While the *Weekly Compass* provides broad coverage of policy issues, the complementary websites (and their monthly newsletters) are produced for the policy communities dealing in more detail with the respective policy items.
- Up to the end of 2010, the *Weekly Compass* had 8,549 subscribers (up from 6,015 in 2007). In 2010, they received 38 issues of the e-newsletter and bulletin.

Support to programmes and corporate tasks

The unit assisted in producing and disseminating some 50 Centre publications in 2010. Another 12 were produced jointly with other organisations, helping us to widen our dissemination into complementary policy audiences. Some 11,647 hard-copy publications were distributed.

Corporate services

- Produced the *Annual Report*, *Annual Report Highlights* and the ECDPM CD-ROM which captures all ECDPM publications, the Centre Work Plan and various leaflets and brochures
- Maintained and updated the all-Centre corporate website, as well as the Centre's intranet, and advised on the programme sections of the sites
- Produced 38 issues of the *Weekly Compass* in both short and extended versions and placed 88 entries on the complementary corporate blog TalkingPoints
- Produced the ACP-EU cooperation policy agenda which highlights relevant policy events throughout the year
- Assisted in identifying contacts and strategically disseminating publications to a wide audience electronically and in print
- Updated and maintained our corporate contacts database containing over 17,500 organisations, including 14,500 individual contacts and subscribers
- Supported the Institutional Relations team in maintaining contacts and provided specific information regarding publications and information products
- Assisted the Human Resources department in publication of an elaborate personnel management manual
- Established an alumni service on the social network LinkedIn, the "ECDPM Patio", to provide an opportunity for current staff, programme associates and past employees to stay up to date on one another's respective professional development and to announce vacancies at ECDPM
- Produced four in-house newsletters to update staff on the latest information posted on the intranet and on complementary social media pages ("wiki's")
- Maintained the digital and analogue photo database and stimulated staff to take photographs during missions and at policy events
- Supported the Centre in sourcing layout and graphic support, upgrading the design of programme publications and providing translation services
- Maintained the library and subscription services of the Centre and managed the Centre's stock of publications

Table 1a: Subscribers to e-newsletters

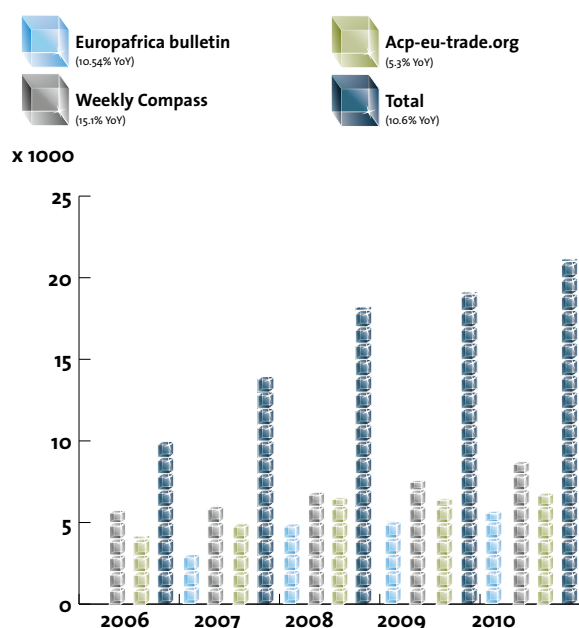


Table 1b: Website unique visits 2006-2010

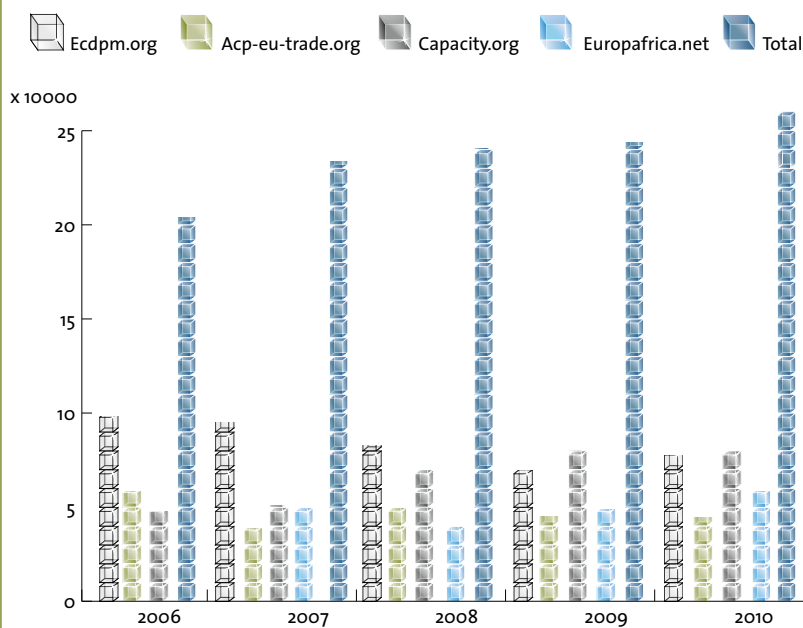
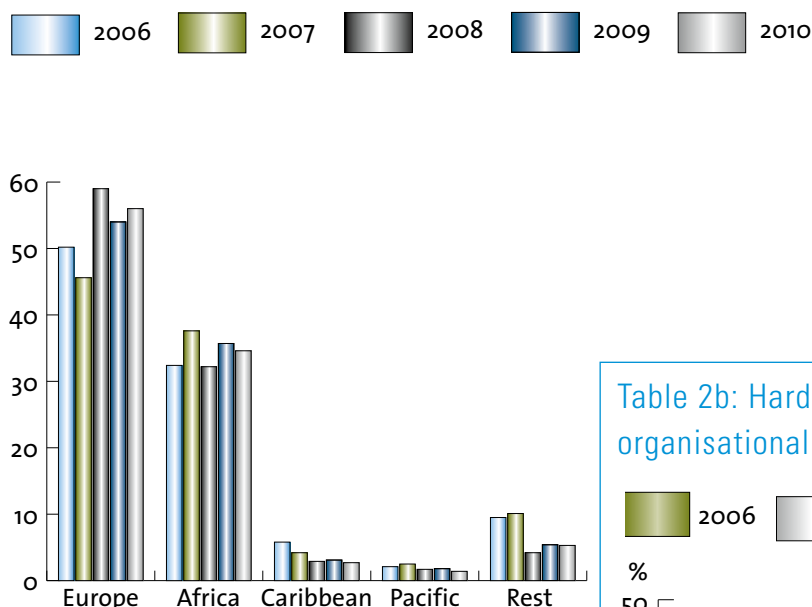


Table 2a: Hardcopy publication dissemination by region



- Created five wiki-blogs and recorded video pod-casts to enhance internal knowledge sharing; provided training on social media to staff
- Finalised the *corporate profiling* project in which we overhauled our corporate branding, introduced a new logo and restyled our templates, brochures, publications, stationary and banner

Development Policy and International Relations

- Assisted in production of 17 documents on policy coherence for development, aid relations, aid effectiveness, armed conflict, EU external action, the Cotonou Partnership Agreement, and capacity and institutional development
- Assisted in production of www.europafrica.net and produced nine europafrica e-bulletins

Economic and Trade Cooperation

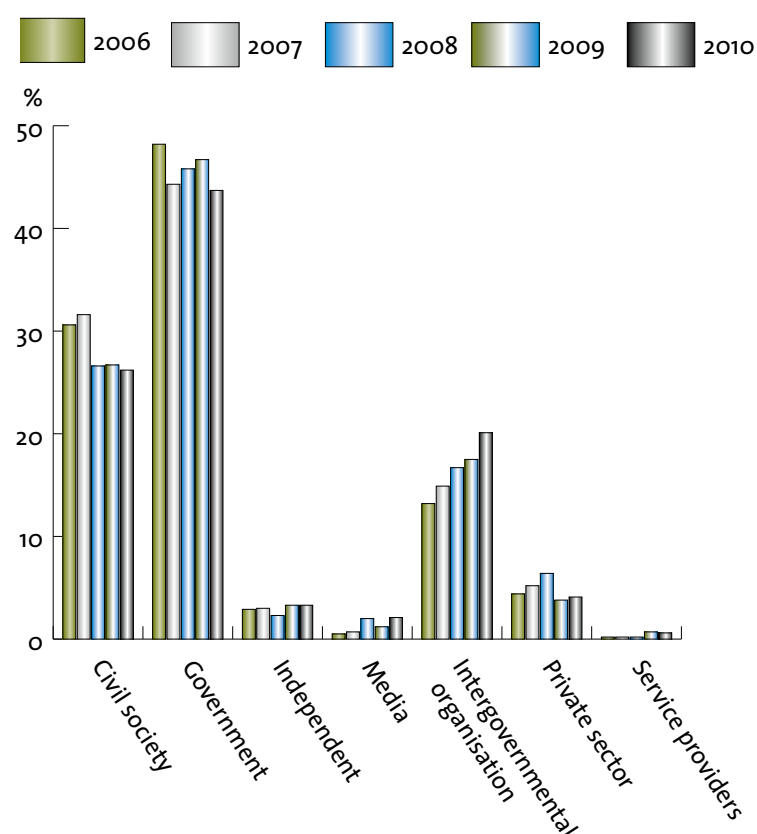
- Assisted in production of seven documents on aid for trade and the EPAs
- Supported production of the ACP-EU Trade website and newsletter
- Advised on the future website strategy of the programme
- Supported production of Trade Negotiations Insights with ICTSD

Governance

- Assisted in production of a document on democratic accountability and budget support
- Supported the programme in updating and restructuring the Governance section of the ECDPM corporate website

The three programmes contributed to the production of 18 documents for activities coordinated by institutional relations.

Table 2b: Hardcopy publication dissemination by organisational type



Modernising the Centre's Knowledge Management and ICT infrastructure

The Knowledge Management unit, the ICT department and the Head of Finance and Operations formed the Knowledge Management/ICT Platform in 2010 to address the modernisation of the Centre's knowledge management and ICT infrastructure and architecture. Approaching these elements separately would not make sense in view of the growing integration of our digital environment and the complexities that this entails. Earlier work to improve our Information Management and Knowledge Exchange (IMAKE) system led to a recommendation that we fundamentally overhaul a number of technical structures including, for example, the way we store and share information within ECDPM. This

touches upon the use of our intranet for internal learning and communication, the sharing of information internally and externally via e-mail, our planning system, how we monitor and report on our activities, as well as the compatibility of our external website with the Centre's central data management system. Solving the problems identified will likely profoundly affect our ICT infrastructure and our working methods. Having done our "homework" from an ICT and knowledge management perspective in 2010 - in terms of analysing the problems at hand and where we want to go - we are now ready to look for adequate technical solutions, which we hope to test and gradually implement by late 2011.

Capacity and innovation



ECDPM Capacity and Innovation Team, left to right, top to bottom

Eunike Spierings, *Policy Officer*, Paul Engel, *Director*, Henriette Hettinga, *Executive Corporate & Human Resources management*, Anje Jooya-Kruiter, *Policy Officer*, Bernike Pasveer, *Senior Consultant Knowledge for Development*, Dolly Afun-Ogidan, *Junior Policy Officer*

Not pictured:

Jean Bossuyt, *Head of Strategy*, Marc Levy, *Senior Advisor Institutional & Capacity Development*

Internal assessment

The Centre prepared for the external evaluation that started in October 2010 by conducting an internal assessment exercise. The idea was to reflect upon the strategic plan period from 2006 to 2010, the Centre's overall objectives and the expected outcomes formulated in the ECDPM Strategy 2007-11.

Approach

The programmes and units began by leading an in-depth analysis of the policy areas they had focused on in the previous four years. Team members elaborated on the processes, their outcomes and the challenges faced in more than 25 work streams over the review period. These reflections and internal discussions then fed into a joint self-assessment vis-à-vis the objectives formulated in the ECDPM Strategy 2007-11. Various Centre-wide reviews were also undertaken, including a survey of ECDPM's knowledge management activities, a thorough case study of one specific activity and a review of statistics on the Centre's work. The internal assessment concluded with an overall reflection on our strategic focus, process orientation, core competences and work towards outcomes and impact, as well as scrutiny of the challenges faced in these areas.

Identifying patterns of outcomes and impact

The internal review produced an assessment of ECDPM's performance over the past four years. The aim was to provide leads for further inquiry and learning in the external evaluation on how the Centre's strategy and approach have contributed to achieve outcomes and impact in line with ECDPM's overall objectives. Four 'patterns' of outcomes and impact were identified in light of the evidence presented. These reflect achievements that can be attributed to some degree to ECDPM interventions.

The first pattern (A) captures the contribution of events (co-)organised by ECDPM to active participation by key ACP actors and to enhanced dialogue, networking and coalition building among ACP and EU actors. It also indicates the utility of our evidence-based inputs in producing specific results.

Promoting more inclusive, effective and better informed policy processes: the Economic Partnership Agreements

A

ECDPM early on signalled the importance of the development dimension of the EPA negotiations. We actively supported the formal EPA review process and provided regular information on trade impact, legal implications, institutional policy options and EPA monitoring. Our facilitation, publications and follow-up have been widely used by ACP and EU actors to enhance their active participation and dialogue while broadening networking and coalition building in the overall EPA negotiation process.

ECDPM inputs further drew ACP and EU attention to 'aid for trade' as a possible catalyst for development. 'Aid for trade' refers to adjustments, support and reforms to accompany the EPA process. The Centre initially focused on clarifying the debate and supporting the strategic approach of the European Union and some ACP regions, but we have since shifted our emphasis to supporting steps to translate strategic commitments to implementation actions.

The second pattern (B) captures the degree to which ECDPM's practical policy-oriented research and written contributions – in the form of print and electronic media -- are used and valued by the relevant ACP and EU actors to keep them up to date and to articulate policy issues.

Using new media to enhance availability, access and practical use of policy-oriented knowledge and information

B

ECDPM partnered with the African Union at an early stage to use new media to promote dialogue among European and African stakeholders. The EU-Africa E-Alerts were created and the 'Europafrica.net' website was launched in French and in English. The website serves more than 1,700 visitors each month, providing independent analysis and information. Institutional and non-institutional actors alike were among the regular visitors to the site during the consultation process in preparation of the Joint Africa-EU Strategy (JAES). Today it is still the 'go-to' source on the JAES and related topics.

The Europe-Africa website and the associated newsletter contribute to widen the availability of information and to boost its more effective use by policy actors on EU-Africa relations. African and European state and non-state actors have come to recognise ECDPM as a trusted, independent voice consistently following JAES implementation.

The third pattern (C) captures manifestations of ECDPM's support to institutional change processes. Our experiences over the years have led us to break down this category into two 'sub-patterns'. The first (C1) captures use and appreciation of the Centre's knowledge, advisory and facilitation support to institutional change and capacity development. An important indicator here is the follow-up to advice and other ECDPM inputs by the actors and organisations involved.

The final pattern (C2) captures ECDPM's contributions to stimulating innovative policy thinking and the formulation of alternative policy management options. An important indicator here is whether ECDPM models and approaches have found their way into mainstream ACP and EU development policy thinking and practice.

Supporting development policy management within the African Union

C

The African Union and ECDPM have made major strides in promoting institutional and capacity development within the AU Commission and other AU organs. ECDPM now supports several AU departments, including the Cabinet of the Chairperson, the Directorate for Strategic Planning, Monitoring and Evaluation and the AU Delegation in Brussels. We also support the AU Commission in organising its outreach in Europe. Regarding the European Union, the Centre has increasingly acted as a sounding board for the African Union on the functioning of EU institutional frameworks and the major changes under way in EU external action.

ECDPM support has encompassed studies, advice and facilitation of (informal) policy meetings, which have been highly valued by the AU Commission. ECDPM's inputs have helped to diminish the imbalance between African and European actors; where concerns may arise on the part of the European Commission, these are resolved jointly. As an independent foundation, the Centre's informal bridge-building role between the different categories of policy actors seems to be appreciated and trusted. Attesting to this are the invitations for ECDPM staff to assist as resource persons at the AU senior officials and experts meetings.

Contributing to alternative policy choices: governance assessments

C₂

The OECD Development Assistance Committee (DAC) commissioned ECDPM and Nils Boesen to undertake a review of the multiple ways that donors define and assess governance. The study highlighted opportunities for harmonisation and alignment and for moving from a prescriptive method towards strategic approaches to governance assessment. Among its results was publication of an OECD DAC sourcebook, a users' guide and a European Commission reference document on sector governance. Active participation by experts and practitioners from the field and from development partners contributed to multiply the impact of this initiative. ECDPM together with its partners produced a 'governance analysis framework' that EuropeAid has since mainstreamed in a European Commission reference document and a training package for governance advisors. This process has led to a consensus among donors to pay more attention to domestically driven governance assessment processes and to prioritise domestic accountability mechanisms and actors.

Contributing to alternative ways of managing development policy

C₂

Our extended 'capacity study' produced many off-shoots over the years in the form of evaluations, self-assessments, studies, value-chain analyses and learning events. After the research portion of the study was closed, ECDPM began to emphasise implementation and, in particular, monitoring and evaluation of capacity change. Drawing on the final report of the study, we proposed a methodology for monitoring and evaluating capacity change by means of a participatory, multi-stakeholder approach that fully respects the endogenous character of capacity and its evolution in practice. The suggestion was rapidly absorbed in major international efforts to strengthen M&E of capacity development. Perhaps the most comprehensive of these is the effort of the Dutch Development Policy Evaluation Department to evaluate the capacity development policy of the Netherlands with six organisations in partner countries.

3. ECDPM finances



ECDPM Corporate Services, left to right, top to bottom

Klaus Hoefsloot, *Senior Corporate Officer ICT*, Lee Thomas, *Corporate Officer ICT*, Roland Lemmens, *Head of Finance & Operations*, Laura Dominguez, *Executive Assistant Corporate Management*, Henriette Hettinga, *Executive Corporate & Human Resources management*, Ber Wintgens, *Corporate Assistant Facilities*, Karen Gielen, *Corporate Assistant Human Resources*, Linda Monfrance, *Corporate Assistant Office Support*, Peter van 't Wout, *Corporate Officer Finance*, Ghita Salvino, *Corporate Officer Travel and Events*, Floor Hamelers, *Corporate Officer Administration*

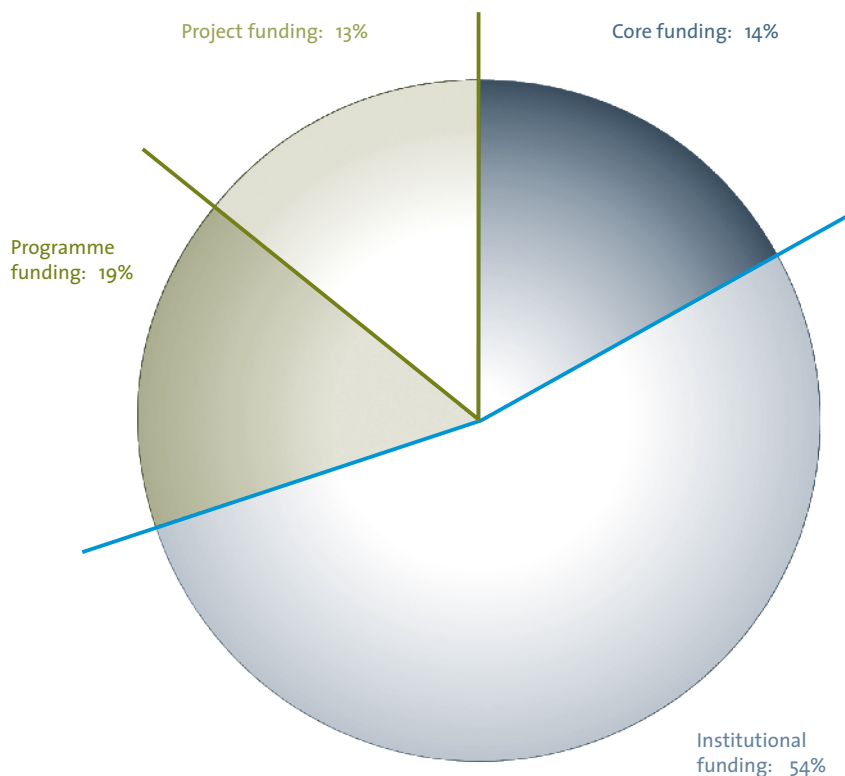
Not pictured:

Marine Martinie, *Corporate Assistant Office Support*, Léonne Willems, *Corporate Officer Human Resources*,

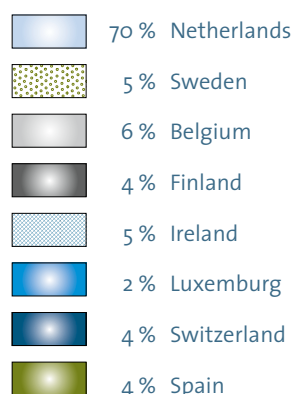
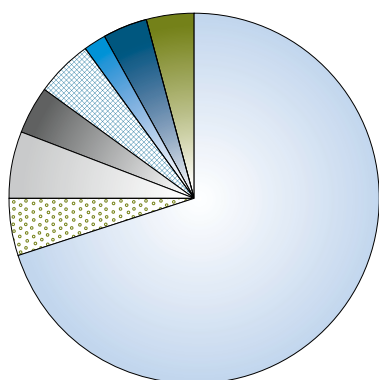
The Centre's funding base

Strategic focus and results orientation remained two key elements of ECDPM's management in 2010. Throughout the year, we continued to build on decisions taken following the recommendations of the external evaluation in 2006. Whereas before 2007, the Centre was heavily dependent on short-term project funding, ECDPM is now more firmly anchored financially. In 2010, core and institutional funding made up 68% of total income. This positive trend in institutional funding creates a solid financial basis for ECDPM to continue its work as a strategy-driven organisation.

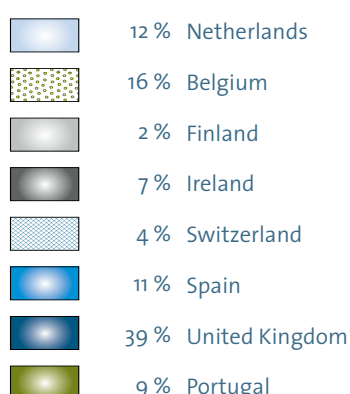
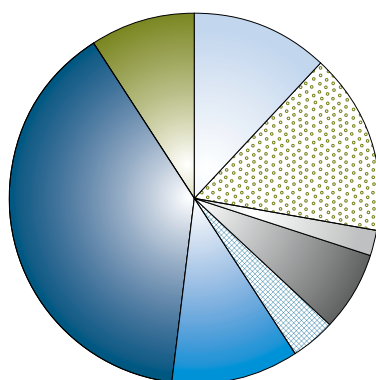
The Centre also implemented measures to sharpen its market orientation. As a result, programme and project funding have increased significantly, to 32%. Most prominent in this category is the contribution of the UK Department for International Development (DFID), which makes up 39% of programme funding.



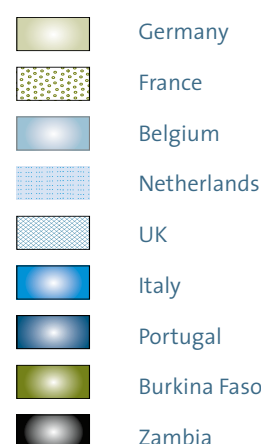
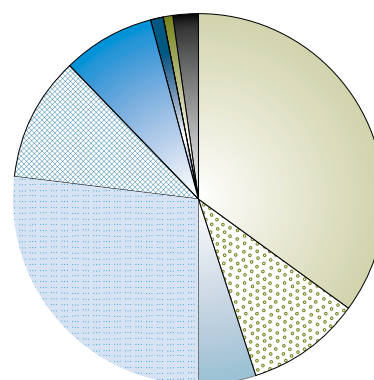
Institutional funding



Programme funding



Project funding



Core funding: Interest on the endowment from the Netherlands government

In the early years, ECDPM could finance nearly all of its activities from the interest paid on the endowment provided by the Netherlands government. Over the past decade, however, declining interest rates and increased external funding have reduced the proportion of income from the endowment to 13% of our total budget. This funding base nonetheless remains important for our operations. Because it can be budgeted in a flexible way, it helps the Centre to maintain its focus and respond to emerging demands in a dynamic way.

Institutional funding and programme funding

Over the past 13 years, we have negotiated multi-annual institutional and programme funding agreements with a number of European governments. As with the core funding mentioned above, this type of funding can normally be applied to different activities at our discretion. It therefore constitutes a strong guarantee of the Centre's ability to maintain its focus and respond flexibly to challenges as they arise.

Despite the financial and economic crisis, we again achieved an increase in institutional funding in 2010, by almost € 0.3 million over 2009. The funding was provided by the governments of the Netherlands, Sweden, Belgium, Finland, Ireland, Switzerland, Luxembourg and Spain, representing 54% of our total income. The Netherlands provides the largest share of institutional funding, totalling €10 million for the 2007–11 period.

In 2010, the UK Department for International Development (DFID) increased its support to ECDPM with a new two-year programme funding agreement. Spain too became a provider of institutional funding to the Centre. This raises the number of European countries supporting the Centre to ten.

Project funding

Project funding is our final source of funding, representing 13% of the Centre's total resources in 2010. Project funding refers to contributions of limited scope and duration. These may be spread over several years or just a few months, or they may be earmarked to enable our staff to attend some key international event.

As in previous years, project funding comes increasingly through tender processes, particularly for large initiatives. We are careful to engage in such projects in a specific and limited way, in line with our mandate, strategy and available capacity. The following organisations and institutions were among those providing project funding to the Centre in 2010: in *Germany*, Particip (a change management consultancy firm), the Federal Ministry for Economic Cooperation and Development (BMZ) and the German Technical Cooperation Agency (GTZ); in *France*, Agence Française de Développement (AFD), GRET (a solidarity and international cooperation association) and the Ministry of Foreign Affairs; in *Belgium*, ADE (Analysis for Economic Decisions) and Friends of Europe; in the *Netherlands*, MDF Training and Consultancy and the Technical Centre for Rural and Agricultural Cooperation ACP-EU (CTA); in the *United Kingdom*, DFID and the British Foreign and Commonwealth Office; in *Italy*, the Development Researchers' Network (DRN) and the University of Pavia; in *Burkina Faso*, the Dutch Embassy; and in *Zambia*, the Common Market for Eastern and Southern Africa (COMESA).

Balance sheet after allocation of result 2010, as per December 31, 2010

in thousands of Euros

	31-12-2010	31-12-2009	31-12-2008
ASSETS			
I Financial fixed assets			
1.1 Debentures	19,877	22,008	21,869
1.2 Participation in EDCS share fund	11	11	11
1.2 Participation in One World Europe BV	0	0	0
Total financial fixed assets	19,888	22,019	21,880
II Tangible fixed assets	2,506	1,422	1,310
Total tangible fixed assets	2,506	1,422	1,310
III Current assets			
3.1 Payments in advance	106	75	49
3.2 Receivables	523	589	625
3.3 Debtors	884	995	1,000
3.4 Tax contributions	94	0	26
3.5 Cash	4,729	2,836	2,084
Total current assets	6,335	4,495	3,784
TOTAL ASSETS	28,729	27,926	26,974
LIABILITIES			
IV Long-term liabilities			
4.1 Commitment to the Netherlands' Government	18,378	18,378	18,378
4.2 PNL-contribution for housing and installation	2,269	2,269	2,269
Total long-term liabilities	20,647	20,647	20,647
V Current liabilities			
5.1 Creditors	385	133	131
5.2 Tax, pension and social security contributions	167	165	108
5.3 Current debts	2,349	2,414	1,548
Total current liabilities	2,901	2,712	1,787
TOTAL LIABILITIES	23,548	23,359	22,434
EQUITY			
General reserve	4,488	3,992	3,941
Revaluation reserve	693	575	599
	5,181	4,567	4,540

Income and expenditure account from January 1 until December 31, 2010

in thousands of Euros

	Realisation 2010	Revised Budget 2010	Original Budget 2010	Realisation 2009	Realisation 2008
INCOME					
I Funding					
1.1 Core funding	835	860	860	915	968
1.2 Institutional funding	3,219	3,085	3,042	2,927	2,614
1.3 Programme and project funding	1,915	1,908	2,071	1,658	1,298
Total funding	5,969	5,853	5,973	5,500	4,880
II Result from debentures and participations					
2.1 Result on sales debentures	139	p.m.	p.m.	-52	7
2.2 Result on market value debentures	193	p.m.	p.m.	48	701
2.3 Result from profit/loss in participations	0	0	0	0	-2
Total result from debentures and participations	332	0	0	-4	
TOTAL INCOME	6,301	5,853	5,973	5,496	5,586
EXPENDITURE					
III Operational expenses	948	1,015	1,275	949	1,117
IV Other costs					
4.1 Salaries and other personnel costs	3,851	3,725	3,685	3,573	3,017
4.2 Accommodation expenses	312	309	304	276	195
4.3 General and administrative expenses	388	353	283	284	277
4.4 Investments	0	3	2	0	1
4.5 Information Technology	184	193	178	231	143
4.6 Depreciation	51	53	54	52	16
4.7 Miscellaneous	64	102	92	80	43
Total other costs	4,857	4,738	4,598	4,496	3,692
TOTAL EXPENDITURE	5,805	5,753	5,873	5,445	4,809
TOTAL RESULT	496	100	100	51	777
<i>Results from debentures and participations:</i>					
- difference realised interest income and budgetted interest	-25	p.m.	p.m.	-23	13
- result on sales and market debenture	332	p.m.	p.m.	-4	708
- result from participations	0	0	0	0	-2
Total	307	0	0	-27	719
Total result excl. results from debentures	189	100	100	78	58

Auditor's report

To the Board of Governors of European Centre for Development Policy Management.

We have audited the accompanying financial statements 2010 as set out on pages 17 to 33 of the Financial Report 2010 of the European Centre for Development Policy Management, Maastricht, which comprise the balance sheet as at 31 December 2010, the statement of income and expenditure for the year then ended and the notes comprising a summary of accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Guideline for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the foundation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness

of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of European Centre for Development Policy Management as at 31 December 2010, and of its result for the year then ended in accordance with the Guideline for annual reporting 640 "not-for-profit organisations" of the Dutch Accounting Standards Board.

Maastricht, 16 March 2011
PricewaterhouseCoopers
Accountants N.V.

Original has been signed by
R.W.J.M. Dohmen RA



A brief introduction to ECDPM

Overview of contents		
Who we are	Some vital statistics	3
What we do	Key characteristics of ECDPM	4
Where we work	Global engagement and key partners	14
How we work	A three-pronged capacity strengthening approach	15
	Targeting policy processes through knowledge activities	16
	Key knowledge products	19
Conclusion	25 years and counting!	21

Some vital statistics

- 25 years as an independent broker in international cooperation
- Located in the heart of Europe: in Maastricht and Brussels
- Core staff of 50 employees and 21 nationalities
- Engages with local partners and networks active in more than 100 countries

- ### Key characteristics of ECDPM
- A policy think tank, not an implementing organization
 - Independent facilitator and informal broker between different actors
 - Practical approach: combining conceptual approaches and lessons from the "ground"
 - A networking organization bringing together diverse partners
 - Focus on a limited number of themes and strategic policy processes
 - Long-term engagement in identified processes

- ### ECDPM's mission
- Established as an independent foundation in 1986 to facilitate international cooperation between developed and developing countries, with a focus on EU-ACP relations.
- We do this by:
1. Strengthening institutional capacities in developing countries
 2. Supporting reform of EU development cooperation policies
 3. Fostering regional integration for more effective partnerships



- ### Our thematic programmes
- ECDPM's work is organised around 3 policy areas:
- Development policy and international relations
 - Trade and economic development
 - Governance

Development Policy & International Relations Programme

Engages in:

- Facilitating processes under the Joint Africa-EU Strategy
- Monitoring the effectiveness of EU external assistance
- Tracking the implementation of the Lisbon Treaty
- Contributing to revision of the Cotonou Partnership Agreement

Development Policy & International Relations Programme (continued)

Recent examples of our work:

- Substantive input to various consultations on the Joint Africa-EU strategy
- Ongoing collaboration with the University of the West Indies to promote dialogue on the future of Caribbean-EU relations

Economic and Trade Cooperation Programme

Engages in:

- Providing timely analysis and process facilitation in support of the regional Economic partnership agreements
- Contributing fresh perspectives on development dimension of trade agreements – 'Aid for Trade'
- Supporting strategic partnerships with key regional institutions, economic organisations and trade negotiators

Economic and Trade Cooperation Programme (continued)

Recent examples of our work:

- ECDPM's analysis of contentious issues in the EPA negotiations was a key reference document during a meeting of African trade ministers in March 2010
- ECDPM is a co-founder of the South-North Network (SN2) to provide sound policy advice on trade and development matters

Governance Programme

Engages in:

- Supporting Africa's search for home-grown strategies and approaches to promote governance at local, national, regional and continental level
- Working with European institutions to identify promising approaches and improve their overall capacity to deliver relevant, effective and efficient support to governance reforms in the ACP

Governance Programme (continued)

Recent examples of our work:

- Co-organised - with the Africa Governance Institute – the first open workshop on the African Peer Review Mechanism
- Facilitated the EC's first comprehensive training seminar in support of decentralisation in third countries.

Our global engagement/ key contacts

- ACP Group
- European Commission
- Rotating EU presidencies
- European policy research networks (EARN/DPIN)
- IIR, Univ. of the West Indies
- CARICOM
- African Union Commission
- SADC
- NEPAD
- Regional Economic Commissions
- Civil society platform (CSP)

- ### Three-pronged capacity strengthening approach
1. Direct facilitation support
 - Strengthening multi-actor dialogue
 - Consultation and strategic networking
 - Advisory services to our institutional partners
 2. Evidence-based policy research and systematisation
 - Policy-relevant investigations, analyses and benchmarking
 - Disseminating targeted information to different policy actors
 - Independent monitoring and evaluation
 3. Strategic partnerships
 - Strengthening national and regional policy actors and networks
 - Helping to create strategic networks, platforms and alliances
 - Collaborative monitoring and evaluation of impacts

Via strategic partnerships

Building strategic and long-term institutional relations is an important aspect of ECDPM's approach. ECDPM works closely with leading Southern policy institutions and centres of excellence, including:

- University of the West Indies: Comparative analysis of African and Caribbean experiences in building strategic partnerships with the Europe Union, regional integration and the way forward

Via strategic partnerships (continued)

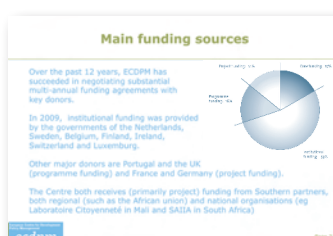
SAITA (South Africa): Collaborative policy-oriented research on emerging issues (eg. EPAs and regional integration), joint facilitation of policy processes (eg. aid for trade and domestic accountability)

ACP Group (Brussels): Organising informal seminars to advance negotiations on the Cotonou Partnership Agreement, the Joint Annual Reviews of ACP-EU collaboration

African Union: Technical backstopping to strengthen the AU Commission's leadership on JAES implementation, the African Governance Architecture, Economic Partnership Agreements and regional integration initiatives



- ### Key knowledge products
- Centre website & thematic websites (weekly compass, aep-eu-trade.org and EuropAfrica.net)
 - Pelican Network: e-discussion to deepen learning on conceptual approaches in capacity development as well as monitoring and evaluation methodologies
 - Capacity.org, now a joint initiative with 4 partner organisations that produces a quarterly journal for practitioners
 - Membership of diverse European and international knowledge networks



After an extensive, 2-year renovation process, we have moved back into our offices in March 2011. Just in time for ECDPM's 25th anniversary celebrations.

Colophon

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ACP	Africa, the Caribbean and Pacific
ADE	Analysis for Economic Decisions (Belgium)
AFD	Agence Française de Développement
AGA	African Governance Architecture
AGI	Africa Governance Institute
AMCOD	All African Ministerial Conference on Decentralisation and Local Development
AKEV	Working Group of German Experts in the Field of Administrative Development
APRM	African Peer Review Mechanism
AU	African Union
AUC	African Union Commissions
BMZ	Federal Ministry for Economic Cooperation and Development (Germany)
BTC	Belgian Development Agency
CAADP	Comprehensive Africa Agriculture Development Programme
CARICOM	Caribbean Community and Common Market
CARIFORUM	Caribbean Forum of African, Caribbean and Pacific States
CEMAC	Economic Community of Central African States
COAFR	Council Cross-Pillar Working Group on Africa
CODEV	European Council Working Party on Development
COMESA	Common Market for Eastern and Southern Africa
CONCORD	Confederation of European NGOs for Relief and Development
CORAF/WECARD	West and Central African Council for Agricultural Research and Development
CSO	civil society organisation
CTA	Technical Centre for Rural and Agricultural Cooperation ACP-EU
DAC	Development Assistance Committee (OECD)
DANIDA	Department for International Development (Denmark)
DEVCO	new Directorate General created out of the remainders of DG Development and EuropeAid.
DFID	Department for International Development (UK)
DG DEV	Directorate General for Development (EC)
DGIS	Directorate General for International Cooperation (Netherlands)
DGOS	Directorate General for International Cooperation (Belgium)
DIE	German Development Institute
DPIR	Development Policy and International Relations (ECDPM programme)
DRN	Development Researchers' Network
ECCAS	Economic Community of Central African States
EEAS	European External Action Service
EADI	European Association of Development Research and Training Institutes
EARN	Europe-Africa Research Network
EC	European Commission
ECDPM	European Centre for Development Policy Management
ECOSOCC	Economic, Social and Cultural Council (AU)
ECOWAS	Economic Community of West African States
EDF	European Development Fund
EDULINK	ACP-EU Cooperation Programme in Higher Education
EEAS	European External Action Service
EPA	Economic Partnership Agreement

EPLD	European Peace building Liaison Office
ESA	Eastern and Southern Africa
ETC	Economic and Trade Cooperation (ECDPM programme)
EU	European Union
EVS	Evert Vermeer Foundation
FARA	Forum for Agricultural Research in Africa
FDA	Foundation for Democracy in Africa
FRIDE	European think tank for global action (based in Spain)
GM	The Global Mechanism (Italy)
GOVNET	Network on Governance (OECD DAC)
GRET	Groupe de Recherche et d'Echanges Technologiques
GSP	Generalised System of Preferences
GTZ	German International Cooperation Agency
ICCO	Interchurch Organisation for Development Cooperation
ICTSD	International Centre for Trade and Sustainable Development
IDS	Institute of Development Studies
IGAD	Intergovernmental Authority on Development (East Africa)
IIR	Institute of International Relations (University of the West Indies)
ILEAP	International Lawyers and Economists against Poverty
InWent	Capacity Building International (Germany)
ICTSD	International Centre for Trade and Sustainable Development
IRCC	Inter-Regional Coordinating Committee (of African regional economic communities)
ISS	Institute for Security Studies
JAES	Joint Africa-EU Strategy
KM	Knowledge Management (ECDPM)
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
NETRIS	Network of Regional Integration Studies
NGO	non-governmental organisation
ODI	Overseas Development Institute (UK)
OECD	Organisation for Economic Co-operation and Development
OECS	Organisation of Eastern Caribbean States
PAPED	EPA development programme (ECOWAS)
PBL	Netherlands Environmental Assessment Agency
PCD	policy coherence for development
SADC	Southern African Development Community
SAIIA	South African Institute of International Affairs
SN2	South-North Network
SNV	Netherlands Development Organisation
TDNet	Trade and Development Training, Research and Policy Network
TNI	Trade Negotiations Insights
TRAPCA	Trade Policy Training Centre in Africa
TWG-LICB	Technical Working Group on Legal, Institutional and Capacity Building
UCLGA	United Cities and Local Governments of Africa
UEMOA	West African Economic and Monetary Union
UNDP	United Nations Development Programme
UNECA	United Nations Economic Commission for Africa
WTO	World Trade Organization
ZEI	Center for European Integration Studies (Germany)

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

European Centre for Development Policy Management
Centre européen de gestion des politiques de développement

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