# ECDPM Work Plan

## 2010-2011

November 2009

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

# ECDPM Work Plan for 2010-2011

**November 2009**

# Table of contents

# 1. Development policy on the move: engaging international cooperation

## Major trends are irreversibly changing the way development accomplished

Development policy is at a crossroads globally. Three major trends are working to irreversibly change the way development is done: **First**, development is being progressively drawn into a widening agenda for international cooperation on "global concerns". **Second,** the global financial crisis continues to severely affect the social, economic and ecological prospects of developing countries and has put on edge the capacity of major industrialised countries to find fresh money to support their various global commitments. **Third**, in today's multi-polar world international relations are being set within a framework of growing opportunities for regional integration.

As part of the *international cooperation agenda,* development is being asked to help address an increasing number of global challenges -- international trade, security, governance, migration, agriculture/food security, climate change, energy and, most recently, finance. Solutions to these problems, however, continue to be contested amongst the different global players. At the same time, increasing global relevance is being attached to the external dimensions of the European Union and many of its previously predominantly internal policies. This brings risks as well as opportunities for development. There is the renewed risk of subordination of development cooperation to other pressing global concerns. Another risk is a disinvestment of development expertise, as pressures mount to channel ODA through administrative structures that are not specialised in development. With regard to opportunities, the global economic and environmental awakening may trigger a more sustainable international development agenda, creating new "green" openings for development. The global challenges may also help to bring development back onto the EU voters' political horizons. More joined-up thinking and action between actors from the development field and those from other policy areas could boost development leverage, increasing development effectiveness through greater coherence among EU and member states' policies and actions that affect development objectives.

The *global crisis*, though having its origin in developed countries, has had severe consequences for developing countries, including those in Africa, the Caribbean and the Pacific (ACP). Their prospects for economic growth and development are decreasing, most notably through a decline of trade and investment flows, lower remittances, a lowering of some commodity prices and increasing price volatility. This has already led to a reduction of employment opportunities and a rise in poverty and malnutrition amongst the most vulnerable. Recurrent food crises, fluctuating commodity prices, energy crises and climate change may cause social tensions to rise and security and state fragility to deteriorate further. Besides, economic recession and falling exchange rates have forced major donors to significantly reduce their development budgets. Even if development commitments in terms of percentages of GDP might on average remain on track, in absolute terms ODA is expected to fall significantly in 2009 and even further in 2010. At the same time, *rising national debt in industrialised countries* is forcing these countries to rethink their strategies for financing global efforts, such as those on peace and security, climate change and migration, while popular demand to act is expected to continue to increase in the light of growing global awareness.

In short, the global crisis is forcing developing and developed countries alike to think innovatively and to renew international relations, development strategies and modes of cooperation. To mention one example, the mere scale of what is needed to finance climate change adaptation and mitigation measures dwarfs global ODA figures. Clearly, “business as usual” is no longer an option.
Within this scenario of crisis and opportunity, it becomes more urgent for ACP countries to unleash the potential of *(sub-)regional integration*. Pooling resources and opportunities through the creation of effective regional markets can be decisive in stimulating production capacities, trade and investment flows, i.e. when embedded in a broader development strategy that does not rely solely on rigid economic orthodoxy. At the same time, experience shows that effective regional integration may generate important steps forward in confronting peace and security, migration and other global challenges. And through fortifying (sub-)regional communities, the foundations for international cooperation among developing countries may be enhanced. The European Union and its member states are increasingly focusing on relations with regions as a block and not just bilateral interactions with individual states. One example is the Joint Africa-EU Strategy (JAES), which commits the European Union to *‘treat Africa as one’.* However, regional integration has emerged in response to competing pressures emanating from a multi-polar world that is in the process of reorganising itself. So, while development cooperation risks being instrumentalised by regional administrations not necessarily focused on making development work for the poor, genuine regional integration efforts may also create opportunities to raise development effectiveness by connecting development efforts to help tackle across-border issues, such as migration, markets and trade infrastructure, conflicts and management of natural resources.

The above presents three solid reasons for ECDPM to see development policy not in isolation, but as one element of a broader international relations agenda. In that light, some key policy questions emerge: How can development efforts be redirected to effectively address the wide range of global issues? How can we work side-by-side with non-development actors, creating synergies between different policy areas but without losing sight of overriding development objectives? What new roles do partners need to assume to improve development leverage? How can we continue to raise the effectiveness and efficiency of development efforts while moving into uncharted territories with new partners? And, last but not least, how can we ensure that given the current pressures on global public finance, agreed upon development objectives and targets can still be met? The December 2009 UN Conference on Climate Change in Copenhagen is expected to set strong precedents for the way the world will handle these global development challenges.

## Lessons learnt from ACP-EU cooperation could help to map the path forward

Connecting the development agenda to global concerns is not new. In 2000, the Cotonou Partnership Agreement between the European Union and the ACP laid the foundation for integrating development with international trade, governance and security. Its driver was the general understanding that development could be effectively pursued only if policies such as those on trade, governance and security contribute to or, at least, do not frustrate development objectives. This led to a number of early experiences with development actors cooperating with those from other policy areas to further development objectives. Some lessons have emerged that can be taken into account when engaging in development-oriented international cooperation.

The first is that development objectives should remain in the lead. No matter what other objectives international actors may define for their cooperation, development impact must remain the criterion guiding the use of ODA. The Doha World Trade Organization (WTO) talks and the Economic Partnership Agreement (EPA) negotiations are cases in point. Until developing countries can clearly see a positive impact of these processes on their development, they will be impossible to conclude. The second lesson is that it is not enough to have a policy and plan for achieving development results. Adequate mechanisms for delivery and for multi-stakeholder and political dialogue should be in place and used, with strong and decisive input from, respectively, local, national and regional stakeholders. The current emphasis on domestic accountability in governance support underlines this point. Third, donors must be accountable too and donor accountability should become part of the agreed accountability mechanisms. Fourth, development finance needs to be brought in line with development's role as one international player among many, with effective mechanisms established for cooperation and co-funding with non-development actors. Equally, development finance can no longer justify the inefficiencies inherent in multiple overlapping and competing structures. Harmonisation and alignment, division of labour and rationalisation of delivery should be the order of the day even more.

## Investment in development leverage will be a precondition for development impact

The European Union has so far taken only tentative steps towards rationalisation of its aid architecture, but it has initiated the debate and agreed to the *EU Consensus on Development* and the *Code of Conduct on Division of Labour*. The *Lisbon Treaty* is expected to provide further incentives for strengthening EU external action. Yet much remains unclear. The Lisbon Treaty is expected to encourage greater coherence in EU international relations, as it reconfirms the overall importance of poverty alleviation, sustainable development and consistency in EU policies. It further stipulates a strong role for the newly created post of High Representative for Foreign Affairs and Security Policy, who will also serve as a vice-president of the EU Commission, supported by the prospective European External Action Service. The new full-time President of the European Council is expected to represent the Union internationally. Hence, a modus vivendi will have to be found between the two positions. The European External Action Service, for its part, will be made up of officials from the Council Secretariat, the Commission and the diplomatic services of member states, though the extent to which it will incorporate development officials is unclear.

Experience suggests that for greater EU policy coherence to mean greater policy coherence *for development*, development will need the ability *to apply enough political, institutional and practical leverage* to ensure that development objectives are met, even when other pressing policy objectives need to be met as well. To increase leverage, strong attention has to be paid to defining legitimate and practical ways of "development-proofing" non-development policies, administrations and practices, ensuring that the lessons learnt over the past 60 years in development are taken on board by the new actors that will engage in implementing the widening global development agenda.

## ACP Group to take key decisions within the stable, progressive framework of Cotonou

In early 2010, the ACP Group will take important decisions regarding its leadership and appoint a new Secretary General and Assistant Secretary Generals. Meanwhile, the Cotonou Partnership Agreement continues to provide a stable, progressive cooperation framework to what is still the largest North-South partnership in the world, at least until 2020. However, due to the implementation of the Lisbon Treaty by the European Union from 2010 onwards, uncertainty still prevails as to the new EU institutional landscape and how it will affect ACP-EU relations. EPA negotiations in particular have led to mixed reactions to regionalisation efforts, provoking the organs of the ACP Group to reiterate that regional strategies should aim at strengthening the key pillars of the ACP-EU partnership as delineated in the Cotonou Agreement. They have also argued in favour of a Cotonou+, in terms of both regional coverage and content of cooperation.[1] At the same time, the global trends outlined earlier have prompted the ACP Group to initiate a reflection on the nature of its partnership and organisation and its future as a group.

During 2009, the review process of the Cotonou Partnership Agreement was initiated. It is expected to be completed in the first months of 2010 and will subsequently have to be ratified by all signatories to the agreement. Unlike the 2005 review, when fundamental clauses were added in areas such as counter-terrorism and non-proliferation, the current revision foresees more "instrumental" issues, such as the integration of the African Union, migration policy and strengthening political dialogue. There is general agreement that emphasis should be placed on implementing the agreement rather than on revising its text.

## ECDPM refines its work plan in light of the new global development agenda

### Centre programmes adjust their focus

ECDPM was among the first to recognise the rapidly evolving global development agenda. Without closing its eyes to the possible risks, as a broker it confronted the challenges head on. In July 2009 a mid-term review was done of the ECDPM Strategy 2007-11, as a result of which the Centre decided to introduce a number of changes. It will continue to build upon its long-term strategy, its niche as an independent broker in ACP-EU cooperation and its programmatic focus on economic and trade cooperation, development policy and international relations, and governance. But within that framework ECDPM has realigned its work to reflect developments in the global agenda, taking into account the changing roles of the European Union and the ACP, and their respective member states.

Each of the Centre's programmes thus presents both continuity and change. The Development Policy & International Relations (DPIR) programme will broaden its focus to EU-Africa relations, yet continue its follow-up on the JAES, as one approach to integrating development into the widening international cooperation agenda. The team will continue to follow, document and critically assess JAES implementation, focusing in particular on the areas of security, migration and climate change. The work on aid effectiveness, however, will be overhauled to focus on *development* effectiveness instead. Its point of departure is the post-Lisbon agenda for EU external relations, an agenda that is expected to frame more than before the role of EU development policy. A key issue to be addressed is the role and implications of the implementation of the Lisbon Treaty for development as a component of international cooperation and relations. Also, how can policy coherence *for development* be harnessed to strengthen development leverage and ensure development results are achieved as part of EU external action? In this respect, given the expectation that the 2009 UN Climate Conference in Copenhagen will set important initial parameters, the DPIR team will focus

[1] Source: Statement by Sir John Kaputin, Secretary-General of the ACP Group of States, at the Workshop on the Lisbon Treaty. ACP House, Brussels, Friday, 16 October 2009: www.acp.int/en/sg/sglisbontreaty_workshop.html

first and foremost on climate change, including the EU commitments for climate aid. The team will keep up with international developments regarding division of labour and aid effectiveness, through demand-led innovative projects. It will also collaborate with the Economic and Trade Cooperation (ETC) programme on the effectiveness of aid for trade.

The work of the ETC programme on EPAs will continue to shift from “pure” negotiations towards implementation, market access and aid for trade. Due to its early appearance, ETC has become a laboratory for developing new modalities for joined-up work between development, on the one hand, and trade, food security, agriculture, transport and infrastructure policy, on the other. Valuable lessons have been learnt, for example, on the complexities of introducing a development dimension to EU trade policy. Besides its contribution to the EPA implementation process as such, the programme will document lessons and share them with actors from other policy areas in which interaction across different policy areas is still rather new. Given the integration processes already under way in various ACP regions, economic integration will be another key area of attention of the team. It will collaborate on issues of the effectiveness of aid for trade with the DPIR team and on sector and cross-border governance issues with the Governance team.

The Governance team will broaden its strategic partnerships in Africa to enhance its support to African initiatives to strengthen the continental governance architecture. Thematically, it will concentrate on the emerging African agenda for promoting democratic governance, strengthening institutions and the integration of civil society actors in governance initiatives. Also, the team will explore potential synergies in the context of the JAES Partnership on Democratic Governance and Human Rights, liaising with the DPIR programme. The programme is further contributing to efforts to translate the concepts of good and democratic governance into more operational terms, developing in close cooperation with the European Commission a diagnostic tool to identify promising governance actors and approaches for progressive change in the Commission’s own sector work. Now this tool is being rolled out in particular sectors with ECDPM support. The programme will be working specifically in a few sectors, such as trade and transport, which have a strong regional integration component. The programme has also been asked to apply the methodology in the sector-wide approach in environment. The Governance team will collaborate closely with ECT on aid for trade and cross-border governance issues.

### A substantial all-Centre work stream being developed on the political economy of regional integration

Set against trends of growing (sub-)regional cooperation as well as the post-Lisbon changes expected in the European Commission and EU external action, ECDPM programmes will jointly engage in developing a substantial all-Centre work stream on (sub-)regional integration. The initiative will draw on ECDPM’s knowledge of integration processes within the European Union, the African Union and other developing regions. The main focus will be on the governance and institutional and political economy of effective integration. It will seek to identify and understand the driving forces behind, as well as the barriers to, regional integration, giving special attention to the role played by the European Union and China in this process.

With regard to the EU role, efforts to promote and foster regional integration have shown suboptimal results. Too often, political and institutional mandates, goals, policies and procedures have been taken for granted and the political economy of regional integration (i.e. the role of political power and diverging interests alongside formal and less formal institutional incentives) is ignored within support programmes. ‘A clear diagnostic framework is missing,’ observed the World Bank in the context of a study on the extremely high prices of regional transport in Africa. Moreover, as the EPA experience has indicated, there is growing doubt about the feasibility of quickly implementing heavily charged (economic) reform and complex integration agendas.

To address the difficulties of regional integration and to start formulating an all-Centre agenda and partnerships on regional integration, ECDPM, together with African partners, will engage in seven strategically chosen pilot activities:

- An exploration of Africa's relations with Southern partners (China, India, Brazil) and the implications of these relations for Africa's economic development and its relationship with Europe and China. This activity will be led by ETC in close collaboration with partner institutions, such as the South Africa Institute of International Affairs (SAIIA).
- A study of regional integration for aid for trade and aid effectiveness, building on promising links established such as with IRCC – the Inter-Regional Coordinating Committee, comprised of the Common Market for Eastern and Southern Africa (COMESA), the Southern African Development Community (SADC), the Eastern African Intergovernmental Authority on Development (IGAD), the East African Community (EAC) and the Indian Ocean Commission (IOC). ETC and DPIR will collaborate closely in this initiative and ETC will draw key lessons from the EPA process on regional integration in the ACP.
- DPIR will lead work on regional integration regarding peace and security (e.g. support to CEEAC PAPS project).[2] This project itself is based on close collaboration between the regional economic communities and the African Union, and reflects EU efforts to assist in regional integration.
- Development of new insights on the evolution of an African governance architecture will be led by the Governance programme.
- Upon invitation of the task group of partners in the Comprehensive Africa Agriculture Development Programme (CAADP), DPIR and ETC will coordinate closely with our African partners to explore the possible added value of ECDPM in facilitating the regional integration process within the context of CAADP.
- ETC and the Governance programme will collaborate on sector governance. This may contribute to exploring with ACP stakeholders more realistic and targeted integration and reform agendas as well as support strategies. The European Commission's trade and transport practitioners have developed an interest in a political economy diagnosis in order to identify main drivers or obstacles of change. One way to proceed in this area is to assist the Commission in developing diagnostic tools with a strong regional dimension for specific sectors, such as trade, infrastructure and transport.
- Caribbean integration and the role of the European Union is one area addressed under the recently established memorandum of understanding on ECDPM-Caribbean partnership led in the Caribbean by the Institute of International Relations (IIR) at the University of the West Indies.

ECDPM will seek to carry out these activities in close cooperation with the regional economic communities and partners such as SAIIA, the African Development Bank, the Institute for African Governance (IAG), ISS, the United Nations University Centre for Comparative Regional Integration Studies (UNU-CRIS), the Europe-Africa Policy Research Network (EARN), the South-North Network (SN2) and the Network for Regional Integration Studies (NETRIS). We will involve relevant institutions such as the AU Commission, the New Partnership for Africa's Development (NEPAD),

[2] CEEAC is the Communauté Économique des États de l'Afrique Centrale. PAPS is the Projet d'Appui au Paix et Sécurité. ECDPM is a member of the consortium led by Transtec that manages this project, funded from the 9th European Development Fund.

the United Nations Economic Commission for Africa (UNECA) and the African Trade Policy Centre (ATPC). Other new relevant partners are to be identified.

## Centre management remains committed to overall objectives and strategic focus

### Assessments reorient and reinforce corporate capacity

ECDPM management sticks to its overall objectives and its commitment to improve strategic focus, effectiveness and impact; to guarantee operational independence as a foundation and to strengthen and intensify partnerships with policy actors in Europe, Africa, the Caribbean and the Pacific.

In order to adequately and systematically address the thematic issues of climate change and the political economy of regional integration, the Centre will seek to reorient and reinforce itself. At the beginning of 2010, the Centre will evaluate its Centre-wide efforts on *capacity and institutional development* and *knowledge for development*. Continuation will depend upon outcomes during the first year(s) of implementation.

### Measures enhance resource allocation, flexibility and core competencies

As a result of the mid-term review and in response to the rapidly changing global policy context in which ECDPM operates, centre management has taken three additional measures to enhance the strategic allocation of resources, programmatic flexibility and core competencies:

1) Strengthening the relationship between budgetary and programmatic planning by more explicitly prioritising and differentiating budgetary allocations to Centre-wide and programme activities in line with strategic priorities;
2) Increasing the flexibility of our planning, programming and budgeting to respond to emerging challenges, freeing up budgetary space both at the Centre-wide and programmatic levels so as to implement – if, when and where required – strategic changes and innovative projects;
3) Further strengthening of our core competencies and knowledge base through a combination of budgeting and enhanced competency-based human resources management.

# 2. Development Policy and International Relations programme (DPIR)

## 2.1 Policy context

The shifting nature of power dynamics between the West and emerging economies in the fallout from the financial crisis will continue to be one of the most powerful drivers of change in international relations. From an institutional and purely Euro-centric point of view the expected ratification of the Lisbon Treaty will dominate the policy context during 2010, as the EU institutions and member states gradually adapt their practices to the new provisions. As EU external action is one of the key areas in which the Treaty brings change, most notably with the creation of the new post of High Representative for Foreign and Security Policy doubling as a Commission vice-president and the creation of the new External Action Service, EU development cooperation will need to adapt and adjust its ways of working. In the longer term, these institutional changes may or may not also prompt changes in development policy and practice.

However, from a more global perspective it is already clear that 2010 will be, above all, a year in which development policy and indeed international relations will have to adapt to the agreements reached at the Copenhagen Conference on Climate Change. In terms of formal ACP-EU relations, the second revision of the Cotonou Partnership Agreement will be concluded early in the year, opening the way to implementation of any new provisions agreed. In reality however, African relations with the European Union are likely to be dominated by discussion of the JAES and the third Africa-EU Summit at the end of the year. For the JAES, 2010 will be very much a crunch year. The strategy has been slow in taking off and stakeholders are keen to see whether enough progress has been made to infuse the process with renewed dynamism and momentum or whether EU-Africa relations will be conducted primarily outside of this framework.

The debate on the more practical aspects of managing development cooperation focusing mainly around the Accra Agenda for Action will also continue during 2010 as donors in general and the European Union in particular prepare themselves for the next conference on development effectiveness in Seoul in 2011.

## 2.2 Aim and objectives of the programme

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 particularly African actors to derive maximum benefit from their relations with the European Union. Based on the view that development cooperation is most effective when it adopts an integrated approach, the programme chooses to situate its work in the broader context of international relations. DPIR thus seeks to promote policy coherence for development across EU external action and to push forward thinking on how development cooperation can remain relevant in international affairs and contribute proactively towards solving global challenges and tackling poverty.

## 2.3 Results of the mid-term review for the programme: lessons learnt

At the level of the DPIR programme the mid-term review of the ECDPM 2007-11 Strategy first and foremost confirmed the validity of working on development cooperation in the broader context of international relations. This will continue to be pursued in the remaining strategic plan period. At the same time, the review prompted a re-evaluation of the programme's two work streams and led to a first conclusion that while that on the JAES works well, its prime focus should be more on the relationship between Africa and the European Union and less on the JAES instrument itself. On the other hand, the second process, focusing on the effectiveness of EU external assistance, has not crystallised into a single stream, but rather continues to consist of a number of minor processes, which while valid in themselves do not really add up to one overall policy process. It was concluded that for 2010 it will be vital to situate this work in the specific context which will dominate the year for the European Union, that is, the Lisbon Treaty. The programme will therefore retain only a couple of the strongest elements of this stream. The work on policy coherence for development (PCD) will become the core of a broader new policy process on EU international cooperation and PCD post-Lisbon, while the still rather nascent policy process on EU division of labour will continue to be followed, as it remains one of the most important strands of the EU's preparations for the next High-Level Forum on Aid Effectiveness (Seoul, 2011).

## 2.4 Policy processes: zooming in on EU-Africa relations and post-Lisbon international cooperation

In 2010 the DPIR programme will concentrate its work on two policy processes: **Africa-EU relations/JAES** and **EU international cooperation & PCD post-Lisbon**. Both processes bring together aspects of development cooperation and broader EU international relations. While the first follows the specificities of EU relations with one group of partner countries and a critical region for development, the second is more focused on current internal EU processes and the priority of ensuring maintenance of the quality and effectiveness of EU development cooperation within the new EU external action architecture.

### 2.4.1 Africa-EU relations/JAES

a) *Justification.* Seven years after the first EU-Africa Summit, the 2007 Lisbon Summit brought the EU-Africa dialogue back to the highest political level and marked a turning point in EU-Africa relations. The implementation of the JAES began in earnest in 2009, after the institutional structures and processes were developed in 2008. As a jointly agreed policy framework, based on common values and shared principles, the JAES has a great potential to improve dialogue and cooperation between Africa and Europe in the long term. It is also a policy framework that goes beyond development, beyond fragmentation, beyond institutions and beyond Africa and thus represents a clear test case of the new "international cooperation" agenda. 2010 will be an important year for the future of EU-Africa relations as the 3rd Heads of State Summit will take place in Africa at the end of the year. Further, the next JAES action plan will be prepared during the course of the year. Another issue will be the growing role of Africa's other strategic partners, such as China, the United States, India and Latin America. Our analyses led us to choose to focus on inclusiveness, information sharing and a balanced relationship, in the hope of achieve the following outcomes:
   - A more open-ended, inclusive JAES process based on a multi-actor dialogue and effective contributions from stakeholders, including African and European institutions and civil society organisations;

- Wide availability of information and analyses on JAES implementation, and these products being used and appreciated by key policy actors such as the African Union and regional economic communities;
- More realism on the implementation challenges facing the JAES and the application of lessons learnt in any adaptation and use of the strategy in a future framework for EU-Africa relations;
- Reduced imbalances between African and European actors achieved by strengthening the capacity to engage of AU institutions and other African stakeholders.

b) *The role and value added of ECDPM.* In the run-up to the Summit in 2010, we will maintain close links with the overall process as well as engage in facilitation work on implementation aspects in two specific JAES Partnerships: the Partnership on Peace and Security and that on Migration, Mobility and Employment. These activities will keep us in touch with the realities of implementation and progress in terms of content and substance. The capacity of the AU Commission and other African stakeholders to follow a complex bureaucratic process such as the JAES is often a determining factor for the speed of implementation. Through our close working relationship with the AU Commission, in particular, its Economic Affairs Department, we are well positioned to address some of the imbalances in the working relationship between the European Commission and the AU Commission. Our special niche is the combination of capacity development and institutional reform support to the AU Commission with strategic advice, background notes, information provision and facilitation regarding ongoing work on the JAES. In pursuing the overall process we will pay particular attention to the following cross-cutting concerns on which we have added value and experience:

- The resourcing of the JAES and overall EU funding of pan-African work;
- Stimulating coherence and complementarity with other EU instruments and processes;
- Monitoring development of the JAES action plan 2008-10 and providing insights for its preparation;
- Facilitating ownership and broad participation in the JAES as a “people-centred partnership”;
- Making sense of the EU institutional reforms post-Lisbon and their impacts on the JAES;
- Monitoring progress on the Accra Aid Effectiveness Agenda and its application to the JAES, in particular, in terms of EU support to capacity development.

Follow-up work in specific areas of the JAES will be conducted not just with the African Union and its Commission, but also with selected regional economic communities, which are to play key roles, and with the EU bodies monitoring the JAES. While retaining some flexibility for strategic initiatives, the specific areas where more detailed work is envisaged include the following:

- In the Partnership on Peace & Security, analysing EU support for African Union and regional economic community capacity building for the African peace and security architecture;
- In the Partnership on Migration, Mobility and Employment, examining EU policies in relation to migration and other support to migration and development;
- On climate change, a potentially very limited and specific follow-up related to the JAES and climate change following an analytical paper in 2009;
- Work related to the African governance agenda, particularly the tentative development of an African governance architecture (led by the Governance programme);

- On Africa-EU trade relations, support to the AU Commission, UNECA and EARN (led by the ETC programme).

c) *Actors and partners.* Our support to the African Union will be very much dictated by the requests we receive from the AU Commission leadership in the framework of our mutual memorandum of understanding. Consideration will also be given to opportunities that may arise for working with other institutions beyond the AU Commission in support of the overall JAES process. Whilst the regional economic communities are particularly relevant in this respect, national governments, the Pan-African Parliament, the AU Economic, Social and Cultural Council (ECOSOCC) and the African Development Bank may all offer openings for collaboration. Similarly, on the European side it will be important to work with different parts of the European Commission, the European Parliament and the EU NGO Steering Group, along with the EU member states, especially the Africa departments of their foreign affairs ministries and the Africa Working Party (COAFR).

In terms of strategic partnership development it will be vital to build on our network of interested parties in Africa. In addition to our established partnerships, ECDPM will be working with Southern NGOs and think tanks to achieve wider ownership of and engagement with the JAES. The main focus, however, will be in four areas:

- Strategic partnership with the AU Commission. ECDPM already has a good working relationship with the AU Commission. We will continue to support AU capacity development for strengthening AU institutions, rationalisation of the role of the regional economic communities and advancing the debate on AU governance.

- Strategic partnership with EU presidencies of Sweden, Spain and Belgium. In the run-up to the Summit in December 2010 the presidencies of Sweden, then Spain and particularly Belgium will be important.

- Strategic partnership with SAIIA. The all-Centre partnership with SAIIA will be further exploited on the JAES. Interactions with SAIIA will serve to define joint areas of work, especially regarding the monitoring JAES implementation and sharing lessons on the implementation of the JAES Partnerships on which SAIIA focuses (e.g. the Partnership on Climate Change).

- Strategic partnership with the ISS, Addis office. The ISS is uniquely positioned in terms of strong relationships with AU member states and the AU Peace and Security Council. Partnership with ISS will allow ECDPM to disseminate information and analysis about EU affairs and the JAES at events with African stakeholders and partners, thus creating a whole that is more than the sum of the parts.

d) *Approach & methodology.* The JAES has been an important focus for the DPIR programme since 2006-07, with ECDPM doing facilitation work for the negotiations and for the public consultation. A website for the JAES public consultation (www.europafrica.net) launched in early 2007 was managed by the Centre. Following the Lisbon Summit in December 2007 DPIR's work on this process moved to the debate around the involved institutions and implementation of the JAES action plan, with the website continuing as a platform for public information, communication and interactive dialogue. Since the start of the implementation phase, we have supported the overall process by encouraging EU debate on various critical

JAES implementation issues, through research, analytical and informative publications and continuous facilitation work. The overall monitoring of the strategy will remain in the DPIR programme, which will also be the focal point for work on the JAES across ECDPM.

### 2.4.2 EU international cooperation post-Lisbon

The overall challenge that the expected introduction of the Lisbon Treaty in January 2010 poses for development cooperation is whether or not the Treaty will be effectively used to increase policy coherence in EU external action. The 1992 Maastricht Treaty introduced a legal requirement to improve the coherence of European policies towards promoting development. The aim of introducing this requirement was to ensure that the other policy areas of the Union would not undermine the achievement of its international development objectives. The issue of coherence has since featured prominently in ACP-EU policy discussions, and has been the subject of several EU statements at the political level, such as the 2005 *European Consensus on Development* which "reinvented" the concept as policy coherence for development (PCD). With Lisbon, promoting development internationally becomes an EU goal. Consistency of EU external action is an explicit aim, and a number of measures, such as the "double-hatted" post of High Representative for Foreign Affairs and Security Policy and Commission Vice-President responsible for external relations, have been put in place which should promote policy coherence. The question remains, however, whether this will also mean coherence *for* development. The debate is not just an EU institutional one, but reflects a wider trend towards seeing development as best achieved through an integrated international cooperation effort that includes policy inputs from different sectors, including development cooperation, working together in a coherent manner to promote development.

*a)* *Justification.* The central focus of this process is efforts by both the European Union and the ACP to ensure that policymaking in sectors other than development cooperation takes account of EU development objectives and, where possible, contributes to their achievement. The Lisbon Treaty will also have an important impact on this policy process, given that the process of institutional reform linked to the Treaty will greatly determine the future place, role and weight of EU development policy and with it possibilities for improving coherence. A Commission Communication of 15 September 2009 notes that the European Union has substantially strengthened its approach towards PCD in recent years and since 2005 has gone through two specific phases, namely (1) adopting specific commitments in relation to PCD in 12 sectoral policy areas and (2) sharpening mechanisms to promote PCD. It is also recognised that due to closer interactions and ever intensifying globalisation, the side effects of other EU policies on developing countries have become increasingly prominent. This growing trend is gradually reducing the relative influence of ODA on promoting development and reorienting ACP-EU cooperation and policy dialogue towards a wider focus on international cooperation. In 2009, the reorientation of development cooperation was marked by the debates around the use of ODA to reduce climate change and to support refugee camps in developing countries in support of EU migration policies. But discussions the other way around are also in evidence: using leftover funds from the Common Agricultural Policy to support food security in developing countries.

b) *Role and value added of ECDPM.* The Centre's added value lies in its considerable staff expertise on EU institutions and the changes that the Lisbon Treaty will introduce and on conceptual and general knowledge of the European Union's promotion of PCD. In 2009 our experience was further enhanced by work to evaluate progress made on PCD in both the European Union and in six ACP countries. The Centre has hence developed valuable capacity in policy-relevant research, which among other outcomes resulted in contributions to the 2007 and 2009 EU reports on PCD. While our expertise in this area lies mostly at the "horizontal" level, the more thematic focus of this work in 2009 has helped the Centre to engage new specialist audiences by exploring coherence in areas including food security, biofuels, intellectual property rights and research. In 2010 ECDPM intends to further such thematic explorations by focusing on the area of climate change, as well as continuing with migration. These two policy areas appear most pertinent, given the high level of attention devoted to them in ACP-EU policy dialogue. In view of the changing nature of the PCD policy process, with ACP stakeholders taking an increasingly active interest in promoting PCD, there seems value in reorienting our role to focus on facilitating EU-ACP dialogue in this area. In addition, the Centre's recent research experience in ACP countries confirms the relevance of further research in developing countries. Facilitation could also be targeted at sharing experiences in PCD evaluation to enable other like-minded organisations in the European Union and ACP to start investing more in PCD-relevant research. ECDPM has already established a niche as a leader in policy-relevant research on PCD. The Centre's activity on this topic dates from its first conference on PCD organised in 1996 to mark ECDPM's 10th anniversary. Equally the Centre has developed expertise on the Lisbon Treaty and the likely impact of that treaty on development cooperation.

c) *Actors and partners.* In this policy process DPIR plans to work with the following actors:

- DG DEV units (A1 forward-looking studies, in charge of European Commission policy proposals on PCD; A2 – aid effectiveness, in charge of mainstreaming PCD in European Development Fund (EDF) processes such as the mid-term review of EDF10);
- PCD Advisor, Office of the Secretary-General, OECD;
- EU member states (ministries, permanent representatives in Brussels, the Informal Network on PCD);
- ACP ambassadors in Brussels in relevant ACP-EU sub-committees;
- regional economic communities taking an interest in working on the topic (e.g. IRCC).

In addition, DPIR intends to invest in networking with ACP and EU civil society organisations with an interest in working on PCD (e.g. Enda, Concord and Oxfam), with research institutions (particularly those specialised in climate change or migration) as well as with Members of Parliament who are active on the issue. Currently no specific strategic partnerships with ACP or EU organisations have been identified on this topic. ECDPM, nonetheless, aims to cooperate with other organisations on PCD where relevant and feasible (e.g. in organising workshops) and in so doing to explore the scope for longer term partnerships.

*d) Approach & methodology.* The following approach is envisaged:

- Workshops to facilitate dialogue among European actors and between ACP and EU actors;
- Research in ACP countries on the effects of EU policies on their progress towards realising national development plans and the Millennium Development Goals;
- Publications in the area of monitoring and evaluating PCD, taking account of ECDPM's own research experiences and OECD efforts;

Additional publications and meetings will be considered related to the consequences of the Lisbon Treaty and the accompanying institutional changes on the role of development policy in the European Union, as well as on opportunities and challenges for improving the coherence of climate change and migration policies with development objectives.

### 2.4.3 Other programme activities

#### Core knowledge development

DPIR identifies a number of topics which, although they cannot really be termed "policy processes" are important to follow in that they include knowledge on areas that the team needs to understand if it is going to effectively work on its chosen policy processes. In practice these are also areas for which there is regular service delivery demand from ECDPM's institutional partners. They thus constitute a core knowledge base which the Centre needs to maintain in order to fulfil its mandate. In DPIR's areas of work in 2010 this list is expected to include the following:

a) Changes in EDF management. This is a subject of continuing interest for many of ECDPM's closest stakeholders who, from time to time, turn to ECDPM for analyses and reflection on a variety of related issues. During 2009, for instance, one piece of work was an analysis requested by the ACP of the EDF 2007 joint annual reports.

b) ACP-EU Challenges Paper. This paper has now established itself as an ECDPM annual contribution which is widely used by stakeholders in both ACP countries and in Europe.

#### Continuity and innovation

During the past couple of years DPIR has worked on the effectiveness of EU external assistance theme. While some components of this are better dealt with under new headings (e.g. PCD in the post-Lisbon context) continuity is required in one part of this work which is showing signs of evolving into a serious, albeit slow moving, policy process on its own account and for which 2010 could be a crucial year. This is the debate on "division of labour" which is a core element of the EU response to the Paris/Accra aid effectiveness debate.

#### Division of labour for effectiveness

The development cooperation sector today shows an ever expanding and diversifying range of donors and approaches. Evidence suggests that multiple and uncoordinated approaches undermine the effectiveness and ultimate impact of aid in terms of poverty reduction as well as economic development in partner countries. Since the adoption of the Paris Declaration on Aid Effectiveness in 2005, the debate on division of labour (DoL) among donors has intensified and been supported by a number of initiatives at the EU level, including adoption in 2007 of the *European Code of Conduct on Complementarity and Division of Labour*. Clearly presented as a voluntary and "self-policed" document, it recommends limiting intervention to three to five sectors per country. It also prominently underlines the need for primary leadership to be taken by the partner country. A "tool kit" for the code of conduct's implementation was developed (January 2009) and a fast-track initiative established (in 2008) to speed the implementation and increase efforts in 30 partner countries. However, various factors have made implementation difficult to track:

- Absence of clear guidelines and a roadmap;
- Lack of consensus on the relevance of developing a common European approach that would take EU coordination beyond information sharing;
- Weight of contractual, legal and bureaucratic issues;
- Limited ownership by partner country officials.

The process of improving on DoL is essentially a political undertaking, for both donors and partner countries, and current challenges underscore the need to better document and communicate on existing practice.

ECDPM can contribute to filling the vacuum in the current dialogue on what DoL implies in practice. The period 2009-11 offers a number of opportunities to actively engage in the debate: a coordinated approach of the Spanish, Swedish and Belgian trio EU presidencies to address the issue, a report to the EU Council on progress in this area planned for May 2010, some progress in implementing the fast-track initiative and increased use of delegated management. All of these elements will contribute to preparing a common European position for the next High-Level Forum on Aid Effectiveness (Seoul, 2011).

Over the past decades, ECDPM has made important contributions to the debate on improving the EU division of labour in development cooperation:

- A number of studies on complementarity since the early 1990s;
- Facilitation of the assessment of the "3Cs" in EU development cooperation (coordination, complementarity and coherence);
- Moderation of informal dialogue on the effectiveness of EC aid with ActionAid in the run-up to Accra (in the *Whither EC Aid?* project).

To further inform the debate and contribute to enhancing DoL, ECDPM proposes to further explore both perceptions and the real state of implementation of the *Code of Conduct on Complementarity and Division of Labour* in several African countries. Such an approach would help to inform partner country leadership, improve communication flows between developing country officials and the European Union, and reaffirm the importance of paying attention to the interesting mix of ambition and realism that DoL implies.

### Support to other Centre policy processes

a) *Aid for trade.* Since the launch of the WTO-led aid-for-trade initiative in 2005, the European Union has addressed this issue in a concerted fashion, including devising an EU aid-for-trade strategy and related national (member state) strategies. Policy dialogue on aid for trade between ACP and EU representatives is currently taking place in most ACP regions. Now that the initiative has gained momentum and general policy statements have been made, the time has come to strengthen actual programming, delivery and monitoring and to do so in an effective manner. Therefore, DPIR will strengthen its collaboration on aid for trade with the ETC programme. More information on the approach in the coming two years is presented in the ETC work plan.

*b)* *Development effectiveness* is a cross-cutting, or underlying, theme that will bring all three ECDPM programmes together. DPIR will contribute its specialist knowledge to this debate, particularly in the areas in which it will be working most intensively: DoL, PCD and post-Lisbon consistency.

## 2.5 Expected results: outputs, outcomes and impacts

With this mix of two main policy processes and another operating at a lower level of intensity, as well as contributions to the all-Centre process on regional integration and a couple of topics on which it maintains a watching brief, DPIR hopes to focus its resources to bring results. In particular, the JAES as a policy process allows the team to cover the full range of its policy interests (EU external action), but limited to one geographic area that is of prime concern for EU development cooperation (i.e. Africa). Equally the work on EU cooperation in the post-Lisbon context will place the team squarely in the main arena of EU institutional debate, putting it in position to articulate views on how development cooperation can best operate in this new institutional environment. Both processes, and indeed also the work in the areas of continuity, innovation and core knowledge, are complementary and mutually reinforcing with specialist knowledge. Furthermore, the DPIR programme will remain well connected to other themes such as aid for trade and development effectiveness as well as the JAES, on which the programme will act as the focal point for this all-Centre concern.

This combination of themes will enable DPIR to stay abreast of the key current debates in EU development cooperation and show how the influence of EU external relations works in practice with one key EU external partner region: Africa. The overall expected outcome is that ECDPM's work will be both topical and relevant for its stakeholders and provide them with the materials they need to move their own concerns forward. It is hoped African stakeholders in particular will be able to use ECDPM's contributions in terms of hard products, facilitation and partnership work to good effect in enhancing the benefits they draw from cooperation with the European Union.

# Programme summary: policy process tables

## Africa-EU relations/JAES

| **Policy process: Africa-EU relations/JAES** | |
|---|---|
| Overall issue | Africa-EU relations represent an uneven partnership that is often conducted not in the best interests of development and citizens on the continent. |
| Specific issue | In the run-up to the next Africa-EU Summit, the JAES should become an effective vehicle for EU-Africa relations to deliver on the principles it has set for itself. |
| Key actors | • AU Commission, in particular the Economic Affairs Department, the Peace and Security Department, the Social Affairs Department, the Trade Department and the Political Affairs Department; AU field offices, potentially the AU liaison office in Liberia;<br>• regional economic community liaison officers in Addis and selected AU member states in Addis and in Brussels (e.g. AU Peace and Security Council members);<br>• Pan-African Parliament, African Development Bank;<br>• Civil society organisations, in particular ECOSOCC and the EU NGO Steering Group;<br>• EU member states in Brussels and the EU presidencies of Sweden, Spain and Belgium;<br>• European Commission, DG DEV/Pan-African Unit and AidCo/Pan-African Unit;<br>• EU working groups (COAFR) and new External Action Service (if instituted);<br>• European Parliament committees and parliamentarians concerned with Africa. |
| **Plan of action** | |
| *A. Direct facilitation support* | ECDPM will continue to act as an independent information broker to all parties on issues related to the strategic context of EU-Africa relations and the implementation of the JAES. We will facilitate dialogue among stakeholders to ensure that the institutional structures are fully utilised to improve implementation and strengthen representation of the African perspective. We will also assist with the operationalisation of the Africa Peace & Security Architecture. |
| *B. Research, knowledge management* | DPIR will produce papers, utilise the website and monthly e-Bulletin, the *Whither EC Aid?* initiative and other tools for fostering debate about the JAES and its effective implementation. It will make some of these analytical and allow others to contribute to the debate. Field research in Africa – either direct or through partners -- is likely to become more important. This is in order to stay in touch and acquire direct insight in terms of the reality of EU-Africa relations. |
| *C. Strategic partnerships* | In terms of strategic partnership development it will be vital to build on our network of interested parties in Africa, particularly the AU Commission. We will continue to support AU capacity development: strengthening of AU institutions, rationalisation of the regional economic communities, and advancement of the debate on AU governance. We will build on this as well as on our relationships with SAIIA, ISS and where appropriate EARN. |
| Expected outputs | ▪ Dialogue events;<br>▪ Europafrica e-bulletin/www.europafrica.net;<br>▪ Briefings of stakeholders in run-up to the Summit;<br>▪ Research papers on JAES and the future of the JAES;<br>▪ “Technical notes” covering critical issues (e.g. next work plan). |
| Desired outcome | ECDPM information, facilitation and partnerships promote and are utilised to promote a more effective Europe-Africa dialogue that addresses issues tangibly. |
| Impact | African stakeholders better able to promote their interests through the JAES and EU stakeholders aligning activities to the principles of the JAES. |
| Risks | ▪ Limited access to external funding;<br>▪ May be “shut out” of the political process;<br>▪ Managing the balance between analysis and facilitation;<br>▪ The JAES losing momentum as a policy process as key stakeholders look elsewhere. |
| Overall impact | Africa-EU relations come to offer tangible and positive outcomes for African stakeholders, benefiting the citizens of Africa. |

## EU international cooperation and policy coherence for development post-Lisbon

| **Policy process: EU international cooperation and PCD post-Lisbon** | |
|---|---|
| Overall issue | This process refers to the efforts made by both the European Union and the ACP to ensure that policymaking in sectors other than development cooperation takes account of EU development objectives and where possible aims to contribute to their achievement. It is presently unclear whether the expected ratification of the Lisbon Treaty can be effectively used to increase PCD in EU external action. The importance of promoting PCD is also recognised in the Cotonou Partnership Agreement, which establishes a consultation mechanism to promote the coherence of EU policies towards ACP development. |
| Specific issue | It has been noted that the EU has gone through two specific phases since 2005 in the promotion of PCD, namely (1) adopting specific commitments in relation to PCD in 12 sectoral policy areas and (2) sharpening mechanisms to promote PCD. Closer interactions and intensifying globalisation processes have made the “side effects” of other EU policies on developing countries increasingly prominent. This growing trend gradually reduces the relative influence of ODA on promoting development and reorients ACP-EU cooperation and policy dialogue towards a wider focus on international cooperation. This reorientation of development cooperation is already visible in EU policies in areas such as climate change, migration and agriculture. |
| Key actors | ▪ DG Development A1 (forward-looking studies, policy on PCD) as well as unit A2 (aid effectiveness, mainstreaming PCD in EDF processes);<br>▪ PCD Advisor, Office of the Secretary-General, OECD;<br>▪ EU Informal Network on PCD (e.g. Department for Effectiveness and Coherence, the Netherlands Ministry for Development Cooperation);<br>▪ ACP ambassadors in Brussels in relevant ACP-EU sub-committees;<br>▪ regional economic communities with an interest in working on the topic (e.g. IRCC);<br>▪ ACP and EU civil society organisations with an interest in PCD (e.g. Enda, Concord, Oxfam), as well as parliamentarians who are active on the issue. Further cooperation will be sought with research organisations specialising in the areas of climate change and migration. |
| **Plan of action** | |
| *A. Direct facilitation support* | ▪ Workshops to facilitate ACP-EU dialogue on PCD that can be held in Brussels, at the headquarters of African regional economic communities and/or at the AU Commission. |
| *B. Research, knowledge management* | ▪ Research in ACP countries on the effects of EU policies on their progress towards realising national development plans and the Millennium Development Goals;<br>▪ Publications in the area of monitoring and evaluating PCD, taking account of ECDPM’s own research experiences and OECD efforts in this area;<br>▪ Additional publications and meetings to be considered on the Lisbon Treaty and on improving PCD in climate change and migration policies. |
| *C. Strategic partnerships* | ▪ No immediate strategic partnership, but ECDPM aims to cooperate with other organisations on PCD where relevant and feasible (e.g. in organising workshops) and in so doing explore the scope for longer term partnerships. |
| Expected outputs | ▪ Up-to-date ECDPM expertise on the issue;<br>▪ Dialogue events;<br>▪ ECDPM publications and external studies. |

| | |
|---|---|
| Desired outcome | ▪ EU policymakers in other policy areas consider it part of established practice to consider the effect of their decisions on developing countries;<br>▪ ACP policymakers increase the frequency and improve the effectiveness of their use of Article 12 of the Cotonou Partnership Agreement;<br>▪ Increased two-directional ACP-EU dialogue on evidence-based policymaking;<br>▪ Non-state actors and academic thinking increasingly active in the area of promoting PCD, also contributing to more attention at the political level. |
| Impact | ▪ More inclusive, evidence-based policymaking and policy evaluation processes that take account of development objectives and increasingly promote these. |
| Risks | ▪ Defensive actions on the part of development policymakers (e.g. desire to keep development cooperation "pure", insistence on budget autonomy);<br>▪ High degrees of co-optation of development cooperation policies and budget by other policy areas;<br>▪ Promoting PCD becomes a technical, administrative discipline rather than a political act;<br>▪ Development policy becomes marginalised due to EU institutional change during 2009-10 (e.g. the External Action Service);<br>▪ Continuing economic recession erodes public support for development cooperation and reduces its political weight vis-à-vis other policies. |
| Overall impact | Progress towards the realisation of general development objectives as outlined in the 2000 Cotonou Partnership Agreement. |

## Division of Labour

| **Continuity and innovation: DoL for effectiveness** | |
|---|---|
| Overall issue | As the biggest provider of official ODA worldwide, the European Union's own performance in furthering aid effectiveness is key to the sector. Efforts to improve the complementarity of the individual member states and the European Commission was given a new impetus with the Paris Declaration. Following the adoption of the *European Code of Conduct on Complementarity and Division of Labour*, all member states and the European Commission were called on to define their comparative advantages and organise their cooperation effort accordingly. This was spearheaded by the European Union at the 3rd High-Level Forum in Ghana (Sept. 2008) and was highlighted prominently in the Accra Agenda for Action. |
| Specific issue | The debate on the division of labour intensified at the European level with the adoption of the European Code of Conduct. However, the first lessons learnt from implementation indicate that there are still serious doubts about the capacity to bring about the desired effects in terms of aid effectiveness. With most of the focus on procedures, there has been an inability to deal with possible tensions, both among the donors and with the leadership of recipient countries, and their consequences for the power relationships between North and South. |
| Key actors | ▪ EU member states;<br>▪ Spanish EU Presidency (and wider trio presidency programme);<br>▪ European Commission, including EuropeAid (Unit for Organisation Strategies, Aid Effectiveness and Relations with Bilateral Donors) and DG Dev (Unit on Aid Effectiveness and Relations with Member States and EEA States);<br>▪ Governments of the 18 African countries in which the fast-track initiative is currently being implemented;<br>▪ Selected African institutes with a specific interest on aid effectiveness, donor complementarity, and partner-country leadership;<br>▪ Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE) and DIE, which are also active on this topic. |
| **Plan of action** | |
| *A. Direct facilitation support* | ▪ Inform and facilitate debate on good practices and constraints in the implementation of the European Code of Conduct on Complementarity and Division of Labour, so as to foster EU DoL in partner countries;<br>▪ Promote debate on monitoring the implementation of the European Code of Conduct;<br>▪ Help the European Commission and member-state officials in their relations with partner-country officials in debates on division of labour. |
| *B. Research, knowledge management* | ▪ Develop a good understanding of the implementation of the European Code of Conduct on Complementarity and Division of Labour, particularly in the pilot African countries benefiting from the fast-track initiative;<br>▪ Produce well-researched, accessible and timely materials related to the implementation of DoL;<br>▪ Develop innovative communication on the implementation of the European Code of Conduct on Complementarity and Division of Labour;<br>▪ Work with European Commission officials to identify problem areas and possible solutions;<br>▪ Identify issues within the European Union which affect relations between the EU member states and Commission and encourage debate on these;<br>▪ Conduct outreach to ensure that African stakeholders gain access to our knowledge on the implementation of DoL and partner-country leadership. |
| *C. Strategic partnerships* | ▪ Explore the scope for collaboration and monitoring with ACP experts and organisations. |

| | |
|---|---|
| Expected outputs | ▪ Up-to-date ECDPM expertise on the issue;<br>▪ Case studies bringing in Southern expertise;<br>▪ Dialogue events;<br>▪ Limited number of research publications;<br>▪ Informal brokerage. |
| Desired outcome | ▪ Explore both perception and the present state of play as regards the implementation of the European Code of Conduct on Complementarity and Division of Labour;<br>▪ Inform on and contribute to address the lack of strong leadership by partner countries on the implementation of an improved division of labour;<br>▪ Inform EU stakeholders about the state of play in implementing the European Code of Conduct and the associated fast-track initiative;<br>▪ Contribute to enhancing methodology for monitoring EU practice on DoL. |
| Impact | ▪ Better informed partner-country leadership on EU division of labour;<br>▪ Better informed process supporting improved division of labour. |
| Risks | ▪ Difficulty in precisely identifying the added value of ECDPM in the debate relative to other similar actors (a short initial prospective phase is necessary);<br>▪ Process may become too focused on a non-strategic view of DoL, with a technocratic rather than political orientation (e.g. focus on procedures);<br>▪ Potential difficulties in identifying and mobilising African partners and expertise;<br>▪ Limited access to external funding. |
| Overall impact | The implementation of the European Code of Conduct on Complementarity and Division of Labour moves ahead and contributes meaningfully to more effective EU development cooperation. |

# 3. Economic and Trade Cooperation programme (ETC)

## 3.1 The policy context

Within the policy context sketched in the introduction, any Economic Partnership Agreements (EPAs) concluded between the European Union and ACP countries or regional groupings must be able to contribute to regional objectives and fit broader development strategies. Special attention should thus 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 each country and region. The current global crisis also calls for special 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 and sub-regional institutions, in the absence of which development efforts are likely to remain vain.

## 3.2 Aim and objectives of the programme

The Economic and Trade Cooperation (ETC) programme operates in the context of the global debate on strategies for effective economic development, global trade liberalisation and development, and the multilateral trading system with its WTO Doha Development Round, the ACP-EU negotiations and implementation of EPAs and regional integration processes.

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

## 3.3 Results of the mid-term review and lessons learnt

The EPA negotiations have been the cornerstone of the ETC programme activities since 2001, and the programme has proven its valuable facilitation role and input to this process. It has also developed a strong network among the policymakers and key stakeholders involved, both in the ACP and in Europe. The constant emphasis on the development dimension and capacity building in the work of the programme has been instrumental in initiating and stimulating reflections and policy orientations on EPA development support and accompanying measures, referred to since 2005 as “aid for trade”. The ETC programme has pursued its activities giving careful attention to the regional integration processes in the ACP and the parallel multilateral trade negotiations in the context of the WTO. Over recent years, the programme has further established a strong reputation for quality, usefulness and non-partisan independence to inform and facilitate the EPA negotiation process and the accompanying aid-for-trade process.

Recent developments on the international scene have contributed to highlight the interdependence of countries globally and the major challenges confronting developing countries, in particular in the ACP. The ETC programme is adjusting its approach and focus to address new challenges. While continuing to deal with the EPA negotiations, the programme will devote increasing effort to aid-for-trade accompanying measures to the EPAs and to regional integration, with a special attention to market access and aid-for-trade aspects in the agricultural sector.

In parallel, the ETC programme will address underlying trends to stimulate economic reforms and sustainable development, focusing on the regional dimension in the ACP. In so doing, the programme seeks to tackle issues related to the economic governance needed for effective development. It will also consider geopolitical dimensions, such as South-South integration and the development of South-South relations beyond continental integration (i.e. Africa's relations with China, India and Brazil), looking as well at the implications for the role of the European Union in Africa and the ACP.

Further, the programme will contribute to the wider ECDPM approach to regional integration and Africa-EU relations. Synergies will be developed with the DPIR programme on donor support to the EPAs and regions in the context of aid for trade. Cooperation will also be initiated with the Governance programme on various aspects of economic governance, including the governance of regional integration and sector governance (e.g. on trade facilitation and transport).

## 3.4 Policy process: the EPA processes and aid for trade

### 3.4.1 Significance of the policy process

Most African and Pacific countries of the ACP Group and the European Union are still in the process of negotiating EPAs, which are intended to establish reciprocal free trade agreements between the European Union and ACP subregions. Some 20 countries did conclude an interim agreement containing core elements on reciprocal market access for goods. This enabled them to comply with WTO rules and retain access to the EU market, whilst postponing other issues for resolution after 2007. Only the Caribbean managed to complete a full EPA before end 2007.

Obviously, the EPAs will create both risks and opportunities for ACP countries and regions. The EPAs should not be an end in themselves, but be first and foremost instruments for development, as provided for by the Cotonou Partnership Agreement, fostering ACP regional integration, poverty alleviation and the integration of ACP economies into the world economy. While these new free trade arrangements offer new development opportunities, they also pose considerable challenges for the ACP.

Implementation will not be an easy task. There is a serious risk that the EPAs may not always be properly implemented and may actually contribute to the further economic marginalisation of some ACP states. They may also complicate, rather than foster, regional integration processes. To ensure that the development prospects of the EPAs are fulfilled, effective implementation and close monitoring of the execution and impact of these new partnership agreements will be of prime importance. It is also crucial to ensure that ACP countries and regions are in a position to respond to challenges posed by losses of tariff revenue and increased competition from imports, which may result in increased poverty if not appropriately addressed. At the same time, it is essential to support ACP exporters in taking full advantage of new export opportunities in order to realise the potential of EPAs for growth and poverty reduction. In parallel, support should foster regional integration initiatives, a process closely intertwined with the EPA process.

The European Union has committed itself to addressing these ACP needs in the context of its aid-for-trade strategy. The EU Commission and member states are working hard to put into practice the intentions spelled out in this strategy. This effort could at the same time be seen as a concrete test of applying the principles of the Paris Declaration on Aid Effectiveness. While the regional and national indicative programmes (RIPs and NIPs) of the 10th EDF have been completed, EU member states are currently defining their contributions to regional aid-for-trade packages in order for the European Union to address ACP needs in a coherent manner.

### 3.4.2 Niche, role and value added for ECDPM

ECDPM is dedicated to contributing to inform and facilitate the process of EPA negotiation, implementation and monitoring. Over the past years, the ETC programme has met strong demand and received very positive feedback from various stakeholders (trade negotiators, policymakers, officials and non-state actors) from both the ACP and Europe on its timely information and analyses on trade-related matters and for its facilitating role in preparations for the negotiations and discussions of accompanying measures. As such, ECDPM has carved itself a unique role in the EPA process, as an insider, a focal point of information and networking, and a source of information and analysis.

There is a real need to strengthen output-focused dialogue on EPAs and in particular on accompanying measures (aid for trade) between the ACP and the EU side. ECDPM is uniquely placed to facilitate informal dialogue based on its close contacts with policymakers in both the European Union and the ACP, combined with its in-house expertise both on aid for trade and on aid effectiveness, with joint action from the ETC and DPIR programmes. The ETC programme has developed unique expertise in monitoring aspects of EPA implementation, an issue that has not yet attracted the attention of most experts and negotiators, though it is widely acknowledge as crucial to ensure the effective and development-oriented implementation of the agreements. The ETC programme will further disseminate information and facilitate dialogue on this process, in relation to regional integration processes in the ACP countries, in particular in Africa.

The programme will support the ACP regions and EU donors in developing and implementing aid-for-trade programmes for the agricultural sector. ECDPM will inform this process by drawing on relevant experience in developing countries and Europe and by facilitating dialogue among key stakeholders. The ETC programme will jointly develop its strategy and activities on market access and aid for trade in the agricultural sector with its partner the Technical Centre for Rural and Agricultural Cooperation ACP-EU (CTA). It will also develop partnerships with other institutions, such as the Forum for Agricultural Research in Africa (FARA).

The ultimate objective is a better appropriation by the various stakeholders, in particular in ACP countries, of the outcomes of the EPA and aid-for-trade processes, which should then feed into their regional integration and development agenda.

### 3.4.3 Actors and partners

The ETC programme works closely with EPA negotiators and national and regional officials in ACP countries and regions, alongside ACP regional groupings (e.g. CARICOM/CARIFORUM, COMESA, the Economic Community of West African States (ECOWAS)/the West African Economic and Monetary Union (UEMOA), EAC, IRCC and SADC), continental institutions (e.g. the African Union and its Commission, the African Development Bank, UNECA, NEPAD, ACP ambassadors in Brussels and Geneva), ACP and joint ACP-EU institutions (e.g. the ACP Secretariat, the Joint Parliamentary Assembly, CTA and Trade.Com), officials in EU member states (the group of member states known as “Friends of the EPAs”), the European Commission (DG DEV, DG Trade, AidCo), members of parliament (national level and at the European Parliament), and other institutions (e.g. the Association of World Council of Churches related Development Organisations in Europe (APRODEV), ATPC, the Botswana Institute for Development Policy Analysis (BIDPA), CTA, FARA, the International Centre for Trade and Sustainable Development (ICTSD), the International Lawyers and Economists Against Poverty (ILEAP), IIR, the Namibian Economic Policy Research Unit (NEPRU), the Overseas Development Institute (ODI, UK), SAIIA, the Trade Policy Training Centre in Africa (Trapca), UNU-CRIS) and networks (European Association of Development Research and Training Institutes (EADI), EARN, NETRIS and SN2).

#### 3.4.4 Approach and methodology

The ETC programme will continue to facilitate informal dialogue, provide targeted analysis and broadly disseminate relevant information, most notably through its monthly publication *Trade Negotiations Insights,* its electronic newsletter acp-eu-trade.org, the dedicated website www.acp-eu-trade.org and other publications.

### 3.5 Continuity and innovation

#### 3.5.1 Global crisis and economic governance

The ETC programme will continue to increase understanding of the impact of the global crisis for ACP countries on their development strategies and economic reforms. The programme will identify innovative activities in the area of economic governance ranging from tax reform (in the context of EPAs and regional integration) to capital flight (for the Spanish EU Presidency in 2010). The programme will also seek to engage in exploratory activities on African relations with Southern partners (China, India, Brazil) and the implications of these relations for African economic development and the relationship with Europe. This initiative will be developed with partner institutions such as SAIIA and fostered within a Centre-wide approach.

In pursuing these innovative projects the programme seeks to expand its network of partners and target audiences to relevant institutions and key policymakers and stakeholders.

#### 3.5.2 Supporting networks and fellowships

Beyond extending its network of individual experts, ECDPM strongly believes in the need for exchanging and linking policy and training institutes working on trade and development in ACP and EU countries. The ETC programme is therefore committed to contribute in a proactive way to building and fostering such research networks, in particular the South-North Network (SN2) and the Europe-Africa Research Network (EARN), as well as participating in other relevant networks, such as the ACP Network on Regional Integration Studies (NETRIS). The programme will further develop its fellowship programme, proposing three-to-six month positions at ECDPM, hence providing opportunities for young, bright and promising ACP (post-)graduate students and young officials to get exposure to trade and development policy research as well as to be involved in various dialogue activities with policymakers. The fellowship programme was established with partner institutions SAIIA, Trapca, SN2 and the Shridath Ramphal Centre.

## 3.6 Expected results: outputs, outcomes and impacts

As an independent broker the ETC programme seeks to contribute to the achievement of the following outcomes:

- A more open-ended, inclusive approach to multi-stakeholder participation in EPA and regional trade negotiations and economic reform agendas, including ACP public-sector and private-sector actors with a view to securing ACP ownership of new trade arrangements and a more effective use of accompanying measures, monitoring mechanisms and development support, as well as their regional integration and economic reform initiatives;
- Better access for relevant stakeholders to trade and development-oriented knowledge and information and a better understanding of the consequences and options available in relation to the EPAs, the effectiveness of aid for trade (most notably, with the delivery of EU trade-related development aid and implementation, monitoring and accompanying measures), regional integration initiatives and economic reforms and the role Europe;
- Significant progress in enhancing the capacity of key ACP and EU agencies and institutions and other stakeholders to more effectively manage trade and development policy, regional integration and economic reforms;
- Strengthened networks of ACP policy professionals in international trade and trade-related regimes.

## Programme summary

| Process | EPA process and aid for trade |
|---|---|
| **Overall problem** | There are challenges and opportunities created by the ongoing policy process of negotiating, concluding and implementing EPAs, or any alternative, between the European Union and the ACP subregions and countries, though ideally the EPAs should effectively promote sustainable development, foster the integration of the ACP countries into the world economy, strengthen the regional integration process and stimulate economic reforms in line with ACP development strategies. |
| **Challenges** | • Limited ACP capacity to negotiate and comprehend the implications of concluding a new trade regime with the European Union that strengthens regional integration and effectively contributes to development objectives, while facilitating the integration of the ACP countries into the world economy;<br>• To benefit from an EPA, ACP countries and regions will have to undertake significant domestic reforms, enhance their policymaking, institutional, infrastructure and productive environment, and adopt appropriate accompanying measures. As they have limited capacity and resources for this, they will need to adopt appropriate measures, prioritise their efforts, closely monitor the implementation and impact of EPAs and receive effective support. |
| **Key actors** | • Regional (and national) policymakers and key stakeholders in the ACP (in Africa in particular) and in the European Union, most notably, ACP regional groupings (CARICOM/CARIFORUM, CEMAC/CEAC, COMESA, ECOWAS/UEMOA, EAC, IRCC, Pacific ACP, SADC/SACU);<br>• Continental institutions (e.g. the African Union and its Commission, the African Development Bank, UNECA, NEPAD and ACP ambassadors in Brussels and Geneva);<br>• ACP and joint ACP-EU institutions (e.g. the ACP Secretariat, the Joint Parliamentary Assembly, CTA, Trade.Com);<br>• EU member states (the group of EU member states “Friends of the EPAs”);<br>• European Commission (DG DEV, DG Trade, AidCo);<br>• Parliamentarians (at national level and the European Parliament);<br>• Other institutions (e.g. APRODEV, ATPC, BIDPA, CTA, FARA, ICTSD, ILEAP, IIR, NEPRU, ODI, SAIIA, Trapca, UNU-CRIS) and networks (EADI, EARN, NETRIS, SN2). |
| **Aim** | • To facilitate dialogue, analysis and the dissemination of information on EPAs and other arrangements;<br>• To assist in creating an appropriate framework for monitoring the implementation and impact of EPAs;<br>• To help identify appropriate accompanying measures and effective and timely delivery mechanisms, so as to boost the effectiveness of trade as a development tool. |

| ***Plan of action*** | |
|---|---|
| **A. Direct facilitation support** | Directly facilitate dialogue on EPAs and aid for trade among ACP actors, among EU stakeholders and between ACP and EU actors. |
| **B. Strategic research, knowledge management** | Strategic analysis and information in four areas:<br>• on the substance of the EPAs, or any alternative arrangements, and their implications for development, taking into account the synergies between EPAs, regional integration and the WTO;<br>• on the effectiveness of aid for trade and EU funding for development support;<br>• on monitoring the implementation and impact of EPAs and development milestones;<br>• on the supply-side approach and accompanying measures, in particular, for effective market access and aid for trade in the agricultural sector. |
| **C. Strategic partnerships** | Strategic partnership with knowledge institutions, particularly in Africa and the Caribbean, to support and inform EPAs and aid for trade. These will encompass the following:<br>• international organisations, such as the ACP Secretariat, the Commonwealth Secretariat, UNECA, the United Nations Development Programme (UNDP) and the United Nations Conference on Trade and Development (UNCTAD);<br>• regional organisations, particularly in Africa (e.g. the AU Commission COMESA, ECOWAS, IRCC);<br>• knowledge-based institutions (e.g. CTA, FARA, ICTSD, IIR at the University of West Indies, ILEAP, ODI, SAIIA, Shridath Ramphal Centre, Trapca and UNU-CRIS)<br>• networks (EARN, NETRIS and SN2). |
| **Expected output** | • Direct facilitation of dialogue by organising informal meetings among ACP and EU stakeholders and taking part in events facilitating the exchange of information and thinking on EPA-related negotiations, conclusions, implementation, monitoring and support in the context of aid for trade and regional integration;<br>• Strategic analysis and information, including documents and published materials on EPA content, process, implementation, monitoring and support (www.ecdpm.org/trade), information published on websites (i.e. www.ecdpm.org/trade and www.acp-eu-trade.org), e-newsletters (i.e. the monthly acp-eu-trade.org newsletter and the *Weekly Compass*) and the monthly flagship magazine on EPAs, aid for trade and regional integration *Trade Negotiations Insights* (www.acp-eu-trade.org/tni) produced with ICTSD;<br>• Strategic partnerships, with joint publications and events on the EPA process, aid for trade and regional integration. |
| **Desired outcomes** | • Key stakeholders are better informed about ACP-EU trade and the outcomes and consequences of the EPA processes;<br>• Objective explanations and assessments are available of EPA negotiations and conclusions, in terms of both process and content;<br>• Improvements are made in multi-stakeholder understanding of EPAs (or alternative trading arrangements, as the case may be) and the implications of such arrangements for development and regional integration;<br>• Increased awareness and understanding of, as well as contributions to, policy discussions on accompanying measures and policies required for ACP countries to benefit from new trading opportunities and regional integration, notably in the agricultural sector;<br>• A better-informed debate on the effectiveness of aid for trade, especially on the delivery of EU development aid and the institutional mechanisms responsible for this;<br>• Assistance with the development of innovative approaches to monitoring the implementation and impact of EPAs and fostering effective regional integration and related economic reforms. |

| | |
|---|---|
| **Impact** | • ACP stakeholders are better able to use the EPAs to achieve their development objectives and to strengthen their regional integration process and are better able to design effective development measures accompanying new trading opportunities, and to manage development policy, especially in the agricultural sector;<br>• ACP and EU stakeholders are better able to assess the implementation and effects of EPAs, and thus adopt appropriate adjustment and remedial measures. |
| **Risks** | • EPA negotiations will be further delayed or stopped, at least for some, and thus the programme's efforts will be primarily on aid for trade for regional integration and EPA implementation, and only to a lesser extent on the EPA negotiations themselves;<br>• Lack of funding;<br>• Lack of response or political will to support EPAs on the part of EU actors;<br>• Lack of leadership and limited ownership on the part of ACP stakeholders;<br>• Lack of or limited involvement of civil society and the private sector;<br>• Aid for trade does not lead to any concrete outcome and is limited to an accounting exercise. |
| **Overall impact** | Enhanced ACP capacity and improved EU readiness to develop and implement a new ACP-EU trade and economic regime that coherently meets trade, regional integration and development objectives. |

# 4. Governance Programme

## 4.1 Policy context

In 2009, the African Heads of States and Governments announced their intention to transform the AU Commission into an "African Union Authority" and to 'reform and refine the existing governance structure of the African Union as a tool for accelerating political and economic integration of the continent'. This decision, the accompanying debates and the aspirations expressed by numerous institutional actors in Africa, demonstrate the need for a broader, open-ended and systematic dialogue amongst African stakeholders on the political and institutional foundations of the African Union and on how to organise a multi-level system of governance.

That year saw a number of pan-African initiatives to strengthen various dimensions of the African governance architecture. These included institutionalising the processes of African peer reviews, strengthening the African local governance agenda, and discussing the emerging governance architecture itself. It is strongly felt that such efforts at different levels within Africa are a prerequisite for the continent's improved engagement with the European Union and other global players. In that regard, African stakeholders hope that such intra-African dialogue will contribute to progress in establishing a joint AU-EU governance platform within the broader context of implementation of the JAES.

The European Commission seems to be pulled in differing directions when it tries to improve its support to governance dimensions in ACP countries. On one hand, there is a strong tendency to promote a predominantly normative agenda that accepts universal standards as benchmarks by which partner governments are judged. On the other hand, there is a tendency towards a more analytical approach, favouring a combination of historic, social and political economy analysis to inform its support strategies. EuropeAid, thus, has partly switched focus to integrate this analytical approach in its sector work. It has also drawn on this newly adopted strategy to fundamentally alter its support to technical cooperation, which with sector support constitutes the bulk of the European Commission's aid to ACP countries. Preparations for the fourth High-Level Forum on Aid Effectiveness are under way, and one particularly relevant workstream in this regard launched by the OECD Development Assistance Committee (DAC) in 2009 relates to domestic accountability.

## 4.2 Aim and objectives of the programme

Overall the Governance programme seeks to contribute to better informed and more effective dialogue and cooperation in support of governance between the ACP (primarily Africa) and the European Union and Commission. The programme intends to achieve this broad objective through developing and strengthening strategic partnerships with African institutions that are contributing to a home-grown governance architecture at different levels, including the pan-African level. The second, related objective is to assist efforts within the European Union and Commission to improve capacities to plan, implement and evaluate effective response strategies that appropriately address governance deficits in partnership with ACP actors.

## 4.3 Results of the mid-term review for the programme: lessons learnt and the way forward

Throughout its engagements with African institutional stakeholders at different levels, ECDPM has deepened understanding of the emerging dimensions of the African governance architecture and has seized facilitation opportunities. The Governance programme is set to broaden its strategic partnership base with the African Development Bank and the Dakar-based Institute for African Governance (IAG). In so doing, it will sharpen its competitive edge, i.e. its ability to interact with a broad range of African governance actors and to facilitate and broker intra-African dialogue on key governance issues.

ECDPM has engaged with the European Commission to develop a diagnostic framework to improve the Commission's effectiveness in the way it conducts its sector work. Separately, the Centre also supported the Commission in developing a new strategy on technical cooperation and technical assistance (2008) in line with the Paris and Accra principles on aid effectiveness. Consequently, EuropeAid asked ECDPM for future support to embed the diagnostic governance tool within specific sectors and to help implement core components of the newly developed technical cooperation strategy (also called 'backbone strategy'). Gradually, this should lead to improved analyses and better adapted and more effective engagement strategies with key governance actors in partner countries.

Domestic accountability is another area of work that is gradually expanding and which is strongly promoted by the DAC in the run-up to the Fourth High-Level Forum on Aid Effectiveness in Seoul (2011). ECDPM's strategic and other partnerships with African stakeholders, its past experience in working with European partners on domestic accountability (with the Netherlands in seven pilot countries), on decentralisation and civil society organisations (with various EU member states and the European Commission), as well as its work on sector governance, can be effectively combined in support of domestic accountability during the Spanish and Belgian EU presidencies.

Activities in the programme's more traditional areas, such as decentralisation and civil society organisations as development and governance actors, have been generally well received by European and other partners. For the time being, however, there is less pull from policy actors, nor is there sufficient potential for ECDPM to strategically engage through these 'entry points'. So the Governance programme does not consider either area as full policy processes. Still, it remains engaged in these topics (though at a lower intensity) to maintain a core knowledge base and to cross-fertilise more recent areas of work on sector governance and domestic accountability. As part of Centre-wide support to regional integration, the Governance programme will work together with other programmes, and it has started to explore the governance dimensions of regional integration in sectors such as trade facilitation and transport.

## 4.4 Policy process: support to the African governance architecture

Within this policy process, the Governance programme primarily focuses on supporting an emerging pan-African governance architecture. But in doing so, it is also investing in developing and strengthening strategic partnerships with African organisations and institutions at different levels. Simultaneously, the programme will keep a close eye on developments in the JAES

Partnership on Democratic Governance and Human Rights and on possible synergies with the DPIR and ETC programmes.

### 4.4.1 Significance of the policy process

This policy process consists of three interrelated components. First, there is a focus on ongoing efforts by the AU Commission to build an "African architecture on governance". The aim here is to establish effective linkages and synergies amongst the various African institutional players with a mandate to work on governance in Africa at the regional, national and local levels. Second, there is the ambition expressed in the JAES to 'enable a comprehensive continent-to-continent dialogue and cooperation' on the core values of democratic governance and human rights. This objective is part of the JAES Partnership on Democratic Governance and Human Rights. Two years after the signing of the JAES, however, no progress has been registered in implementing one of the primary activities under this partnership, that is, developing 'a platform for dialogue on all governance issues of mutual interest'.

For the AU Commission, both processes are intimately linked. Africa should *first* be able and enabled to construct its own architecture to deal with governance on the continent. The JAES partnership should help in this endeavour, by ensuring that the envisaged "platform for dialogue" is set up in a way that is consistent and complementary to ongoing African dynamics. Building on this AU Commission position, ECDPM is playing a brokerage role in terms of sensitising key European JAES stakeholders of the need to ensure that the Partnership on Democratic Governance and Human Rights (and the related platform for dialogue) supports rather than hampers the consolidation of an African architecture on governance.

Progress in "connecting" both processes has been slow. There is a clear gap between the African position and European views on how to move forward. At the core of the split lie different perceptions of what should come first. The European side is keen to push ahead with establishment of the platform in order to move the JAES agenda forward. The AU Commission feels this rush would preclude meaningful participation of the various institutional governance actors in Africa. It therefore has insisted on the need to first develop the African architecture on governance. This should help Africa to further define its own agenda, priorities and positions, and on this basis, to engage in dialogue with its European partners. Against this background and consistent with its strategy, ECDPM has made the deliberate choice to invest primarily in the African side of the partnership.

### 4.4.2 Niche, role and added value of ECDPM

ECDPM has kept up with governance agendas through, among others, its strategic partnerships in Africa (including with the AU Commission) and its work with the European Commission. It continues to be relied on as an independent facilitator and source of information on key processes and dynamics. With increased internal pressure likely within the European Commission to deliver on the various partnerships of the JAES, there may also be misguided pressure on the AU Commission to launch the platform for dialogue indiscriminately, without regard for format, thereby reducing the potential effectiveness of such a platform. This means that further demand for stronger involvement may be placed on the Governance programme by different African stakeholders, including AU Commission's Department of Political Affairs, the African Development Bank, and IAG.

The Governance programme has chosen to invest primarily in the African side of the partnership. The Centre is known as an independent knowledge broker, as well as a facilitator that can bridge divides that obstruct intra-African dialogue and cooperation to strengthen the governance architecture. It is diversifying its strategic partnerships in order to sustain and strengthen demand for dialogue and reforms from within. In this respect, ECDPM will fulfil a number of roles, including the following:

- Supporting the AU Commission's ongoing efforts to build an African architecture on governance, aimed to establish effective linkages and synergies between the various African institutional players with a mandate to work on governance in Africa at the regional, national and local level;
- Supporting strategic partners (in both the existing partnerships with SAIIA and *Laboratoire Citoyennetés* and emerging ones with the African Development Bank and IAG) to assess opportunities for effective engagement and leverage for furthering African governance agendas;
- The team may also take up the role of facilitator of African stakeholder participation in the JAES Partnership on Democratic Governance and Human Rights and in the platform for dialogue foreseen under this partnership;
- Continuing to provide key European JAES stakeholders with information on the evolving processes related to the African governance architecture so as to enable these stakeholders to design appropriate dialogue strategies and support mechanisms.

### 4.4.3 Actors and partners

The Governance team will continue to work with centre-wide partners SAIIA and the AU Commission. It will also strengthen cooperation with partners playing active roles in taking the African governance agendas further. These include, at different levels, the Commissariat au Développement Institutionnel (CDI, Mali), *Laboratoire Citoyennetés*, the African Development Bank and IAG. Other potential partners are the Pan-African Parliament, ECOSOCC, the regional economic communities and the United Cities and Local Governments of Africa (UCLGA).

At opportune moments the team will ensure demand-driven and proactive information sharing with key players in Europe – whether from a specialised non-governmental background (e.g. the Open Society Institute) or some of the more proactive EU member states and process managers within the European Commission.

### 4.4.4 Approach and methodology

The Governance programme invests heavily in strengthening and connecting strategic partners within Africa at different levels. In addition to the Centre-wide partnerships with SAIIA and with the AU Commission, specifically the AU Department of Political Affairs, the programme has established partnerships at the regional level with *Laboratoire Citoyennetés*, and at the national level with CDI in Mali. Such partnerships allow the programme to remain engaged in the field and better able to assess opportunities for engagement in the ongoing effort to develop an African architecture on governance. To impact on this policy process, the Governance programme will combine the following approaches:

- *Partnership with African governance actors.* The Governance team will work with African partners to complement its own facilitation efforts. ECDPM will work more closely with IAG, which is rapidly developing skills, legitimacy and connectedness that allow it to play important roles as facilitator and knowledge broker. IAG has the backing of a few of Africa's key institutions, including the African Development Bank and ECA (both are on the IAG Board) that have stepped up their commitment to promoting the African governance architecture. The African Development Bank has indicated an interest in closer cooperation with ECDPM.
- *Information sharing and advice to the AU Commission*. The Governance team will continue to feed the AU Commission (Political Affairs Department) with background and discussion notes, updating it on relevant processes and facilitating on demand.

- *Engaging with the European Union and Commission.* As the mid-term review of the JAES approaches, there will be increased pressure to launch the platform for dialogue. Within the complex setting of Africa-EU relations, this may add to the push for speed over quality of dialogue, and for visibility over ownership and sustainability. To enhance the potential for meaningful dialogue and appropriate response strategies to African efforts to establish the governance architecture, the Governance team will interact with concerned EU member states as well as the European Commission through regular briefings and meetings. The programme will also work in tandem with the DPIR programme to optimise synergies.
- *Knowledge management.* The Governance team has accumulated knowledge on key governance processes and actors. This knowledge can be mobilised to benefit the development of a home-grown African governance architecture.

## 4.5 Policy Process: Sector Governance

### 4.5.1. Significance of the policy process

Donors, on the one hand, are reluctant to analyse and address domestic politics and governance dimensions. There is a tendency to overestimate donor influence on local policies, and to underestimate the time it takes to build more effective, accountable public institutions. Especially at a time that donors have committed to ambitious global objectives (MDGs) and prepare to tackle climate change – these proven flaws may stand in the way of more feasible and effective approaches with domestic actors and stakeholders in partner countries. On the other hand, there is also a growing trend noticeable among a few important donors to pay more attention to the domestic sources and pressures for change; to improve their understanding of the country specific mix of social, economic, political and institutional processes and what drives and obstructs progressive change[3]. This trend is reinforced by efforts (i) to discuss and limit the negative impact of aid on governance and accountability systems in partner countries, and (ii) to support and rely on these domestic state and non-state drivers of change as well as to support domestic analytical and response capacities.

Within the EC, EuropeAid has already undertaken efforts in this direction. With the assistance of ECDPM and the independent consultant Nils Boesen, the EC (EuropeAid's *Governance, Security, Human Rights and Gender Unit*) has developed a framework for assessing and analysing the governance dimensions, the actors and processes that matter for reforms. These efforts responded to the concerns that the lack of knowledge of domestic governance and accountability mechanisms is hampering the impact of its aid. This work was also an answer to growing doubts about the effectiveness of merely exporting change models that are even hard to implement in OECD countries. Subsequently, EC practitioners and experts in sectors have in one way or another expressed an interest in making the governance and accountability dimensions in their sector work more visible. These sectors or sub-sectors range from transport, trade, water, environment, education as well as the experts working on aid modalities such as budget support together represent the bulk of the EC's aid. There is now EC demand to adapt the generic analysis framework and apply it in particular sectors, sub-sectors, countries and probably regions.

This stronger analytical focus on governance processes and political economy in particular country settings within EuropeAid is not an isolated trend. The World Bank has recently compiled its experiences and findings on a study on *problem-driven governance and political economy analysis*. DFID is working with *ODI* and with *Policy Practice* on power and politics analyses, and is exploring and applying similar approaches. The Netherlands has introduced an assessment model in its partner countries that

[3] The short-cut reference to this type of diagnostics used here is to refer to political economy analyses.

integrates similar dimensions. Workshops are being organised to pool these experiences and to explore possibilities for assessing and addressing governance in sectors, in countries, or in particular areas of interest. Furthermore, the focus on domestic actors coincides with the processes spearheaded by developing and development partners emphasise within DAC on domestic accountability (Accra Agenda for Action and preparations for the Fourth High Level Forum in Seoul).

It is hoped that an improved understanding of context, domestic governance processes and actors will contribute to more effective sector programme design and better targeted engagement strategies centred around domestic actors and their efforts to drive progressive change. But donors and multilateral agencies also expect that by improving their collective efforts in sectors, they can reduce negative impacts of their interventions on domestic governance and accountability and enhance the positive results. This innovative work in sectors echoes ongoing European Commission reforms to deliver its technical cooperation more effectively.

### 4.5.2. Niche, role and added value of ECDPM

ECDPM has combined three strands of work that strengthen its position to engage in this policy process. Firstly, the contribution of the Governance Programme to the generic analysis framework on sector governance has been generally well received and has laid the foundation for questions for deeper involvement on sector specific work and budget support. Secondly, the work on behalf of the DAC Network on Governance has strengthened the knowledge base on the range of donor approaches to governance (ranging from the highly analytical to the highly normative). ECDPM helped pioneer the DAC guiding principles, which form the basic reference points for putting the emphasis in further knowledge development on domestic actors of change. Thirdly, the recent work with the Dutch Government on domestic accountability gives it hands on experience of the short and longer-term challenges facing donors who try to translate the principles of ownership and accountability into practice.

In its approach, ECDPM has brought in its own expertise on the subject, as well as partner countries sources and areas of expertise through its partnership strategy. Its facilitation skills are now also solicited to ensure synergies, to sharpen the cutting edge where it matters (in the field), and to partner up with domestic stakeholders.

### 4.5.3. Actors and partners

Demands for further cooperation have been expressed by various units within EuropeAid (sectors relating to transport, trade, environment, water and sanitation, as well as the unit working on budget support) and from delegations in the field. Synergies will be sought with other donors, aid agencies and development partners such as DFID, the Netherlands, Denmark, the World Bank, Belgium, ODI and Policy Practice. Belgium has expressed an interest to work on dimensions of governance and domestic accountability within the budget support aid modality. Our strategic partnerships and relations with SAIIA, IAG, LC, CDI, AUC and the African Development Bank should help strengthen and inform this new approach where domestic actors are put at the centre of development and change strategies. Within this policy process, there will be active engagement with the ETC programme, because of the potential for cooperation on the political economy of regional integration in sectors such as trade and transport.

### 4.5.4. Approach and methodology

ECDPM has a working relationship with EuropeAid in which it will (i) further develop sector specific tools for better assessing and addressing governance and accountability aspects, (ii) promote collaborative practices and learning with core (accountability) actors in partner countries, and (iii) will facilitate synergies with other donors and aid agencies. In particular, the emphasis on political economy analysis can help:

- inform improved donor coordination and division of labour within sector-wide approaches;
- design more coherent and realistic engagement strategies focused on both the demand and supply sides within particular sectors;
- balance concerns of domestic and mutual accountability in support strategies.

Through its strategic partnerships and networking with African actors and institutions, ECDPM is well placed to secure linkages and create synergies with the European Commission and other development partners that are looking for ways to innovate in governance diagnostics. Through targeted workshops, sector-specific working documents and background notes, the Governance programme will further contribute to generating relevant knowledge for unpacking key governance related issues and prioritizing domestic stakeholder ownership over change processes. The programme will seek to ensure cross-fertilisation between the EC, like minded donors, international and regional institutions and African stakeholders and research institutions. The Governance Programme will draw on the expertise of the ETC Programme, and will tap into its core knowledge base of decentralisation/local governance, civil society organisations, and domestic accountability.

## 4.6. Continuity and innovation

### 4.6.1. Reform of EU technical cooperation

A substantial proportion of ODA has been and is still invested in technical cooperation. Over many years, however, support to technical cooperation has been criticised for lack of effectiveness and of efficiency. Too often, this support has been detached from a thorough understanding of the political, socio-cultural, sectoral and institutional context, leading to fragmented and blueprint approaches to capacity development and technical cooperation. Lack of ownership, poor coordination, lack of information and inadequate transparency of the nature of technical cooperation and its mobilisation raise serious concerns. Improving the way technical cooperation is delivered is an enormous challenge for donors and partners alike. Several EU member states have formulated policy notes and operational guidance on technical cooperation, reflecting the commitments and recommendations contained in the Paris Declaration and the Accra Agenda for Action.

In 2008, the European Commission accepted a “backbone strategy” and guidelines to fundamentally alter its technical cooperation and the way it organises its project implementation units.[4] ECDPM was a key resource for EuropeAid in development of this strategy, which enjoys strong political backing and is now in the process of implementation. One aspect of this work is to enhance EuropeAid staff capacity through knowledge management. Another is to widen acceptance of the strategy within Europe and to broker an approach that can guide EU provision of technical cooperation to partner countries and regional organisations. During the Swedish EU Presidency, ECDPM supported EuropeAid and DG Dev in the formulation of EU commitments on technical cooperation for enhanced capacity development.[5] These commitments will be followed up during subsequent EU presidencies, in preparation for the next High-Level Forum on Aid Effectiveness. EuropeAid has requested that ECDPM be further associated with this policy process and assist with expert inputs on implementation and monitoring of the commitments. The Governance programme further provides content on good governance practices for the interactive web-based platform

[4] *'Backbone Strategy on Reforming Technical Cooperation and Project Implementation Units for External Aid Provided by the European Commission'* and related guidelines http://ec.europa.eu/europeaid/what/delivering-aid/aid-effectiveness/index_en.htm

[5] This is part of *“Operational Framework for the EU to Promote Aid Effectiveness”* submitted to CODEV for approval in November 2009.

www.capacity4dev.eu. This site is a key communication and knowledge management tool in support of the implementation of the backbone strategy.

This work has been integrated into the Governance programme for two reasons. First, there are relevant linkages with the work on sector governance. For example, an emphasis on deepening knowledge about the contextual and political dimensions of a particular organisation or institution (power, incentives and obstacles) is required to develop appropriate technical cooperation mechanisms. Second, a stronger emphasis on governance dimensions in sector operations will have to go hand in hand with new forms of technical cooperation and will require reformed project implementation units.

### 4.6.2. Domestic accountability

One key governance dimension that permeates all sector work relates to accountability relations between the state and the society/citizens on whose behalf a state is expected to rule.[6] Domestic accountability gained prominence in the Accra Agenda for Action, and the OECD DAC has taken a strong interest in domestic accountability in the preparations for the Fourth High-Level Forum on Aid Effectiveness. Concerns about domestic accountability are not new, but its status within the aid effectiveness debate has been enhanced. This is partly due to emerging questions about the negative impact of various aid modalities on domestic change processes, institutions and systems of accountability. The 2008 Accra Agenda for Action on aid effectiveness made it clear that 'achieving development results – and openly accounting for them – must be at the heart of all we do' and added the commitment that 'all development actors will work in more inclusive partnerships so that all our efforts have greater impact on reducing poverty'.

Major work in support of strengthening domestic accountability has been launched by the DAC's Network on Governance (GOVNET). Within the DAC, developing and development partners coalesce on this highly relevant development theme. The Governance programme is positioned to further facilitate participation of African stakeholders at both supply and demand sides of the accountability equation. It has links with strategic partners and governance actors in Africa. It has also built up field experience in strengthening domestic accountability in eight pilot countries on behalf of the Dutch government. ECDPM considers it opportune to follow the evolution of this process in the run-up to the 2011 Seoul Summit, the more so since the Belgian Ministry of Foreign Affairs has indicated an interest in contributing to this DAC workstream during its EU presidency.

## 4.7. Core knowledge development

ECDPM is known for its expertise and previous work on decentralisation and civil society organisations. In both of these areas, ACP partners, donors and specialised organisations regularly ask for information, advice, training services, facilitation and policy services. Still, the Centre has decided to reduce emphasis on these issues and to deal with them cross-cutting themes that nourish our work on domestic accountability, sector governance and the African governance architecture policy processes. The programme may – on a selective basis – choose to document trends and initiatives in support of decentralisation, local governance and civil society organisations as development and governance actors that are deemed to contribute to more effective ACP-EU cooperation or to other policy processes of the Centre. Priority will be given to joint stock-taking and capitalising on these trends and innovations with African actors and partners.

---

6 Definition adapted from OECD 2009: www.odi.org.uk/resources/download/3269.pdf

### 4.7.1. Decentralisation and local governance

While progress in implementing reforms has been mixed, decentralisation and local governance will continue to score high on the agendas of many ACP countries. The present efforts of local governments to network at the regional and pan-African level show that these new actors are keen to stimulate policy dialogue and become drivers of development and change. “What role for local government?” will probably become an even more topical question in future debates on the African governance architecture and on issues such as service delivery, regional integration, domestic accountability, resource mobilisation and sector governance. The European Union is presently launching a major thematic evaluation of its activities in support of decentralisation, which will provide policy and operational guidance for the next years. The Governance programme will participate in this evaluation and continue to monitor the implementation of these reforms, focusing on the debates regionally and at the Pan-African level (PP1).

The programme will also address local governance aspects in its future work on sector governance in collaboration with the European Commission and other interested donors. Moreover, the Centre plans to contribute in a pragmatic way to the present efforts of different local government actors, such as UCLGA, the European Platform of Local and Regional Authorities and the newly emerging regional local government association in West Africa, to strengthen their roles as actors in ACP-EU cooperation and in policy dialogue on issues such as the African governance architecture, development effectiveness, domestic accountability and capacity development.

### 4.7.2. Civil society organisations as development and governance actors

Optimism about the roles and development potential of civil society organisations in many developing countries has given way to a more sober realisation that progressive change will be messier and harder to come by than initially envisaged. The Centre has built up a solid knowledge base on the diversity of civil society organisations as development actors in various contexts in the South and North, and we are well connected through our strategic and other partnerships. ECDPM also keeps a finger on the pulse of the evolving aid and development landscape, with the changing roles, capacities and functions of civil society organisations. A recent evaluation undertaken with Particip on behalf of EuropeAid on EC aid delivered through civil society organisations provided further insight into key development challenges related to how, why and with what results the European Commission engages with these organisations. Despite a stated commitment to act on the recommendations of this well received study, it remains uncertain whether the Commission is committed to substantially overhaul its way of doing business with these important development and governance actors.

The Governance programme has been regularly called upon by a variety of stakeholders in its capacity as facilitator and knowledge broker. Depending on the political will of the European Commission to move beyond merely restyling its aid modalities, the Centre may consider providing further support to multi-stakeholder consultations and dialogue (such as that between parliaments, civil society organisations from North and South, EU member states and the European Commission). Similarly, demands for capitalising on the Centre’s expertise on civil society organisations as development and governance actors (e.g. on the implications of new aid modalities for these organisation) will be assessed on the basis of their merits.

The Governance programme will plough back its expertise and strategic partnerships whenever possible into its work on domestic accountability with the EU presidency and DAC, in sector governance work, and in the process of developing a governance architecture in Africa.

## 4.8. Expected results

The Governance programme has, over the years, strengthened its strategic partnerships and contributed to develop a more analytical approach to assessing and addressing governance dimensions in development. In terms of the policy process for the African governance architecture, the programme seeks to help create a more inclusive process -- involving different institutional layers. Within this process, it will also work to stimulate a more open-ended and responsive engagement by the European Commission and EU member states in support of the emerging pan-African governance architecture. This we hope will contribute to unlock the potential for meaningful dialogue and effective action within the Partnership on Democratic Governance and Human Rights. The programme's strategic partnerships, its core areas of expertise and its innovative activities focused on sector governance, technical cooperation and domestic accountability should result in more effective EU engagement strategies – be they in the utilisation of technical assistance or in the design of sector programmes – in support of governance reforms in ACP countries and regions.

Finally, the programme's contribution to the centre-wide effort on regional integration should result in a stronger knowledge base on regional integration and better informed and more effective partnerships between regional institutions and Europe.

## Programme summary

| **Policy Process 1** | **The African governance architecture** |
|---|---|
| **Overall issue** | While African institutions are gradually developing their own governance architecture, within the JAES Partnership on Democratic Governance and Human Rights the EU partners have promoted a timetable and agenda that is disconnected from the African process. Hence, opportunities for meaningful dialogue and cooperation risk being lost and the potential to establish a "platform for dialogue" on governance – one of the key innovations in the partnership – is reduced. |
| **Specific issue** | • African stakeholders insist that taking time to develop a stronger African governance architecture is a prerequisite for meaningful dialogue in the envisaged platform for dialogue;<br>• European actors are driven by different incentives and a different time schedule and have difficulty assessing the hurdles and potential for full African participation in the Partnership on Democratic Governance and Human Rights;<br>• The Governance programme facilitates pan-African multi-stakeholder dialogue in support of this stronger architecture and has a finger on the pulse of dynamics within the European Commission that may affect the pan-African process. |
| **Key actors** | - AU Commission, IAG, African Development Bank, UNECA, PAP, regional economic communities;<br>- European Commission and EU member states, including the EU presidencies;<br>- Non-governmental partnerships and structured forms of cooperation, including SAIIA and the Open Society Institute. |
| **Aim** | Through its strategic partnerships with African stakeholders at different levels, the Governance programme targets two aims:<br>• better assessment and utilisation of opportunities for pan-African dialogue and cooperation on the emerging governance architecture;<br>• assistance to the AU Commission in its efforts to link the African governance architecture and JAES Partnership on Democratic Governance and Human Rights through facilitation support, research and information dissemination.<br>It also contributes to information sharing with key European actors and stakeholders on the possibilities for ensuring that the JAES Partnership on Democratic Governance (and the related platform for dialogue) supports rather than hinders the incremental consolidation of the African architecture on governance. |
| ***Plan of action*** | |
| **A. Direct facilitation support** | • Facilitate dialogue among key African stakeholders to create a link between the governance architecture and the governance partnership "platform for dialogue";<br>• Upon request, participate in or facilitate informal discussions between the European Union and African Union and participate in EU consultations;<br>• Facilitate the transfer of knowledge on relevant issues to African stakeholders. |
| **B. Strategic research, knowledge management** | • Research and document certain key issues in the relationship between African governance processes and EU cooperation or support mechanisms in order to inform reflections both in Europe and in Africa;<br>• Document and communicate the evolution and implementation of relevant African home-grown initiatives;<br>• Document discussions within the European Union on support to the African governance agenda. |

| | |
|---|---|
| **C. Strategic partnerships** | • Continue cooperation with the AU Commission;<br>• Finalise a strategic partnership with IAG and a work plan in order to strengthen our joint facilitation efforts and information sharing on this process;<br>• Explore and develop a strategic partnership with the African Development Bank;<br>• Continue our engagement with other partners, such as SAIIA. |
| **Expected output** | • Dialogue facilitated by organising informal meetings in collaboration with relevant African partners;<br>• Meetings and knowledge sharing among African actors;<br>• Informal and formal exchanges of information with interested EU stakeholders;<br>• Depending on the demands and opportunities, production and sharing of research findings, working documents, meeting reports, discussion papers and policy briefs. |
| **Desired outcomes** | • African governance architecture strengthened;<br>• African stakeholders capacitated to promote synergies between their efforts to strengthen the home-grown governance architecture and EU efforts to implement the JAES Partnership on Democratic Governance and Human Rights (including the governance platform);<br>• Certain key drivers within the European Union better informed on appropriate response strategies in terms of priorities in supporting home-grown African governance dynamics;<br>• Better understanding of what works and what does not work in terms of the implementation of the JAES Partnership on Democratic Governance and Human Rights and of support to governance in Africa more generally. |
| **Impact** | In the process of further development of the African governance architecture, a strengthening of governance and accountability mechanisms amongst the various institutional partners;<br>The JAES Partnership on Democratic Governance and Human Rights is operationalised in a manner that supports the consolidation of the African governance architecture and effective dialogue and cooperation on the implementation of the strategy and action plan. |
| **Risks** | Long-term benefits of the process may be undermined by the short-term need to report on progress in implementation of the governance partnership in time for the 2010 mid-term review of the JAES and the Africa-EU Summit. |

| **Policy Process 2** | **Governance in sector operations** |
|---|---|
| **Overall problem** | Key governance actors from ACP countries are often overlooked by the European Commission when engaging in sector operations. Yet there is strong evidence that poor governance severely limits opportunities for sustainable sector development. The European Commission has developed a "diagnostic framework" to improve knowledge of key governance actors and dimensions in sector operations. This framework is to be applied in particular sectors and in specific settings. Together with budget support and its support to technical cooperation, sector support constitutes the bulk of the European Commission's aid flows. |
| **Specific issue** | The capacity of ACP actors to engage with the European Commission on such matters is limited. The Governance programme, through its strategic partnerships and its work with EuropeAid, is well placed to assist in "translating" the generic framework into the specificities of a few particular sectors and to help to apply it in a specific country or regional setting. |
| **Key actors** | - SAIIA (for the regional dimension and the work on trade facilitation and transport);<br>- African Development Bank, possibly also *Laboratoire Citoyenneté*;<br>- EuropeAid, various units;<br>- DFID and the World Bank. |
| **Aim** | Contributing to more effective sector operations by the European Commission and other development partners that are shifting focus, while designing support strategies geared more to the political nature of development processes. |
| ***Plan of action*** | |
| **A. Direct facilitation support** | Facilitate exchanges between communities of the European Commission and other practitioners and development partners in the further development and operationalisation of diagnostic frameworks for assessing governance in specific sectors. |
| **B. Strategic research, knowledge management** | Potentially undertake further analysis on governance processes and dimensions in particular sectors to support development of practice-oriented diagnostic frameworks. This may involve strategic partners (SAIIA), the African Development Bank and research institutes in Africa and elsewhere, as well as other development partners such as donors and multilateral development banks. |
| **C. Strategic partnerships** | Create opportunities to engage with African knowledge institutions, such as SAIIA, and with actors such as the African Development Bank, as development partners are not yet implied in the development of such diagnostic frameworks. |
| **Expected output** | In the first phase the outputs will be related to making the generic governance assessment tool more sector specific;<br><br>The focus will be on one or two sectors with particular relevance for regional integration, such as trade facilitation and transport. Meetings with practitioners in Brussels and the field, workshops, and further specific research will finally result in a practical diagnostic tool for specialists in these sectors that will help them to assess certain key governance features that may block or unlock change for effective development;<br><br>Findings, tools and experiences are shared with strategic partners and with development partners active in particular sectors in the field as part of a learning and change process. The outputs may become inputs for broader dissemination to development and developing partners within the context of sector-wide approaches. |

| | |
|---|---|
| **Desired outcomes** | Strategic partners enabled to engage in some of the processes leading up to the sector-specific outputs;<br>European Commission sector experts and practitioners in the field have improved knowledge of key governance diagnosis;<br>A community of practitioners within multilateral and bilateral development agencies integrates the diagnostic framework and applies it in sector operations such as sector-wide approaches. |
| **Impact** | Governance processes are improved and governance actors strengthened through better targeted and more effective cooperation mechanisms in particular sector settings. |
| **Risks** | The traction for this type of work comes from a particular set of reform-minded practitioners and policymakers within a number of development agencies. Their critical mass may be insufficient to gradually transform the way the European Commission, EU member states and other development partners operate in sectors or to sustain the ongoing efforts for transformation. |
| **Overall impact** | |

| **Innovation** | **Advisory work on EU reform of technical cooperation/technical assistance** |
|---|---|
| **Overall issue** | Substantial resources have been and are being invested in technical cooperation. Over many years, however, such cooperation has been criticised for lack of effectiveness and efficiency. Too often, technical cooperation is uncoordinated, with a focus on filling short-term gaps and unconnected to the desired focus of the partner country. Lack of ownership and coordination, as well as lack of information and transparency about the nature of technical cooperation and how it is mobilised are serious concerns. Changing the way technical cooperation is dealt with in international cooperation is a major challenge for donors and partners alike. Several EU member states have formulated policy notes and operational guidance on technical cooperation reflecting the commitments and recommendations contained in the Paris Declaration and the Accra Agenda for Action. |
| **Specific issue** | In 2008, the European Commission finalised the *Backbone Strategy on Reforming Technical Cooperation and Project Implementation Units for External Aid Provided by the European Commission* and related guidelines.[7] ECDPM was a key resource for EuropeAid in this process and assisted in the development of the strategy. Implementation of the strategy involves, among other things, enhancing EuropeAid staff capacity through knowledge management, widening the strategy's acceptance within Europe and brokering an approach which can guide EU provision of technical cooperation to partner countries and regional organisations. EuropeAid has requested ECDPM to provide follow-up support. |
| **Key actors** | ▪ EU member states (EU desks and aid effectiveness network members);<br>▪ Successive EU presidencies;<br>▪ European Commission, including the EuropeAid office (QSG and Section 01) and DG Dev (Unit on Aid Effectiveness, Relations with Member States and Civil Society);<br>▪ DAC Capacity Development Group and Southern actors concerned with aid effectiveness and represented in the Capacity Development Alliance. |
| **Plan of action** | |
| ***A. Direct facilitation support*** | ▪ Assist EuropeAid and DG Dev to follow up on the commitments of the *Operational Framework for the EU to Promote Aid Effectiveness/Technical Cooperation for Capacity Development* by assisting as resource person in follow-up working groups and networks, facilitating debate and exchange between the European Commission and member states and monitoring implementation of the commitments at the member-state level;<br>▪ Undertake selected missions to EC delegations to address the issue of technical cooperation/technical assistance reform, including the provision of training, coaching and advice on technical assistance issues;<br>▪ Support exchange and dialogue between the European Commission and EU member states by way of EuropeAid's knowledge management Web portal (capacity4dev.eu). |
| ***B. Research, knowledge management*** | ▪ Provide backstopping support to EuropeAid during the Spanish and Belgian presidencies through, e.g. limited research activities, provision of expert views and advice, and contributions to policy papers and work plans.<br>▪ Use the missions to selected EC delegations to enhance practical knowledge about the issues at hand and to understand how the delegations and partners can overcome ongoing constraints regarding technical cooperation/technical assistance with a view to bring this into overall advisory work;<br>▪ Contribute to EuropeAid's knowledge management Web portal (capacity4dev.eu) with a focus on the reform of technical cooperation/technical assistance in EU member states. |

[7] http://ec.europa.eu/europeaid/what/delivering-aid/aid-effectiveness/index_en.htm

| | |
|---|---|
| ***C. Strategic partnerships*** | ▪ European Commission and EU member states, since reform of technical cooperation/technical assistance is first and foremost a donor concern;<br>▪ Contacts at the policy level with Southern partners via the Capacity Development Alliance;<br>▪ Additional contacts and scope for collaboration with Southern stakeholders in the context of missions to selected partner countries. |
| **Expected outputs** | ▪ Contributions to policy papers on reform of technical cooperation/technical assistance;<br>▪ Contributions to dialogue events and assistance in agenda setting;<br>▪ Monitoring implementation of operational framework commitments;<br>▪ Contributions to EuropeAid's knowledge management Web portal (capacity4dev.eu);<br>▪ ECDPM expertise kept up to date on this issue;<br>▪ Informal brokerage. |
| **Desired outcome** | ▪ Improved practices of EuropeAid and EU member states regarding financing and provision of technical cooperation/technical assistance taking into account the commitments made in the Paris Declaration and the Accra Agenda for Action;<br>▪ Enhanced capacity of EuropeAid staff to deal with technical cooperation/technical assistance along the lines of the European Commission Backbone Strategy. |
| **Impact** | ▪ International cooperation practiced by EuropeAid and EU member states in such a way that (1) enables partners to take ownership and leadership and (2) follows a demand-led approach with which technical cooperation is not provided by default and endogenous capacity development is supported;<br>▪ International cooperation is guided by a results orientation which takes the partner's strategies and plans as its starting point. |
| **Risks** | ▪ The EU Commission and member states might fail to take action on the commitments made;<br>▪ The reform efforts might fall back from ambitious strategic goal setting to minimal management reforms which do not add up to change. |
| **Overall impact** | The implementation of the EU Operational Framework moves ahead and contributes meaningfully to more effective aid. |

# 5. Knowledge management and communication

## 5.1 Introduction

This year's work plan is a continuation of our work from 2009 in terms of strategic approach, our aims, our relationship with the programmes and units of the Centre and the structuring of our work. It thereby builds on ECDPM's *Knowledge and Communication Strategy* which was formulated and adopted in 2007. In 2009, we realised major innovations in the area of *corporate communication*, including the Centre's web-site and our profiling towards stakeholders, external knowledge exchange and sharing (creation of a corporate newsletter), the updating of our databases with strategic contacts and several improvements of existing products and services, such as the Annual Reporting and an Institutional Brochure, the photo database and publication services. In 2010 we will address a series of new working areas and further operational improvements which are listed in the box below.

## 5.2 Policy context

The ECDPM's Knowledge Management and Communication Unit supports the Centre's work in the areas of external and internal knowledge management, organisational learning and communication. It supports activities, projects and policy processes at corporate, programme and sub-programme levels. The Unit also strengthens the Centre's capacity strategies by supporting dialogue activities and enhan-cing interactivity with stakeholders, buying into Centre partnerships and helping to increase in-house core knowledge, intensify networking among colleagues and with stakeholders, and improving access to relevant information.

For a number of reasons, the ECDPM considers knowledge management and communication to be of strategic importance:

1. The Centre is an organisation which bases its legitimacy largely on knowledge generated in-house and in conjunction with stakeholders and partners. We generate this knowledge in various forms, e.g. through systematisation and policy research, learning from practice, dialogue with stakeholders, staff development and training, etc.

2. We regard communication as a two-way, dynamic and interactive process that takes place between information- and knowledge-providers and receivers and which is mediated by development communicators (i.e. *communication is participatory)*. We encourage participatory communication processes in order to motivate, involve and engage our target groups in the development process. New technologies and concepts can enhance networking, accessibility and outreach and affect communication with different target groups.

3. Recognising knowledge management and communication as a field that cuts across all the Centre's departments, we accept the need to address it persistently but gradually, without placing an excessive workload on our staff. We also need continually to ask ourselves how to strike the right balance in terms of addressing the general public and working with the media. Finally, we are conscious of the need to bring in new working methods and techniques offered

by new technologies. Before introducing these, however, we test them thoroughly to find out whether they can add value to our work.

## 5.3 General aim

The broad knowledge management and communication objectives, as formulated in the *ECDPM Strategy 2007-2011* and refined in the *Knowledge Management and Communication Strategy*, also apply to the Knowledge Management and Communication Unit:

- to optimise and be more strategic in relation to our knowledge management and to those areas of communication for which the Centre is valued;
- to step up our efforts in those areas of communication in which we lag behind, in particular with a view to reaching audiences whom we have not reached thus far.

## 5.4 Approach

We reach out to the following three target groups;

- our *immediate stakeholders*, i.e. those directly involved in policy processes we support;
- colleagues working in international development and international relations (i.e. the *sector audience*) in areas that are of potential relevance to policies and processes we ourselves are working on (e.g. people working on human rights are potentially interested in knowing what we are doing on governance);
- *the wider audience, i.e. the general public*, and people with a general interest in the issues we raise.

Whom we precisely need to communicate with, in the sense of *participatory communication* described above, follows from an analysis of the policy processes in which we are involved and the impact we wish to achieve. In other words, we use a differentiated approach in which our knowledge-generation activities, information products and communication instruments are tailored to the requirements and momentum of the policy process in question.

We are aware that the nature of the policy processes can vary considerably. Some are relatively concrete and come with milestones such as negotiations, policy seminars and conferences. Others are of a more emergent nature, and are loose, fluid and intangible. In certain cases, they are like ‘moving targets’ with their own rhythm, timing, direction and constantly changing stakeholder configurations. In other cases, policy processes have not yet taken off; instead, momentum is gradually gathering around a selected number of policy issues which some stakeholders are taking on, eventually leading to a more structured process.

## 5.5 Areas of work

The Unit’s work is divided into five categories in which we innovate with new products and services and execute a number of regular activities on behalf of the Centre:

***(1) Knowledge generation, learning and networking***
This comprises our in-house knowledge management activities as well as cooperation with organisa-tions and communities working in the areas of information-sharing, library services and knowledge networking on topics such as capacity development and evidence-based learning.

We organise regular in-house seminars to facilitate the exchange of information on policy issues, methodologies and approa-ches across programmes and departments. We produce in-house newsletters, maintain the Centre-wide web and provide operational training for new communication instruments, like social media (Web 2.0 programmes/ tools). We *capitalise on experiences with knowledge management* in the development sector and the role of knowledge generation and its use in policy processes. To this end, we are organi-sing occasional small-scale seminars on KM and participate in meetings and workshops organised by members of existing knowledge-for-development networks in Europe.

***(2) Support for corporate communications and institutional relations***

These activities feed into all-Centre strategic and policy issues, and involve communicating with our institutional contacts and partners, facilitating media outreach and supporting corporate reporting and accountability (i.e. Annual Reports, flagship publications and external electronic newsletters).

***(3) Strategic support for programmes and other departments, including monitoring***

This involves providing strategic and conceptual advice and support in connection with knowledge management and communication planning to the thematic programmes and other departments. To this end, the manager of the Knowledge Management and Communication Unit meets regularly with the programme coordinators and the heads of other Centre departments, and we also hold annual know-ledge management meetings and communication planning sessions. We have developed an analytical tool known as a *communication audit* to help the programmes define their communication priorities. The same tool is used to decide how to tailor our corporate communications so that we communicate as effectively as possible with our institutional partners and funding agencies

***(4) Publication services and support***

This involves producing and designing printed and electronic materials, coordinating our external logistical support, including suppliers of graphics & design, printing & mailing and translation & editing services. We also maintain our contacts database (of key importance for our strategic and targeted mailing of products to stakeholders) and our photo databases which supports our profiling towards the outside.

***(5) Digital sharing and exploration***

This involves dealing with a variety of new digital sharing, networking and communication tools. We work in conjunction with the IT section of the Finance and Accounts Department. The work involved here includes new website features, e-Alerts, Web2.0 technologies, CD-ROMs and digital video.

## Priorities for 2010

- ***Adapting KM and communication to re-formulated policy processes:*** there will be an all-Centre policy process, regional integration, and four policy processes which the programmes will work on (Governance 1x, Trade 1x and DPIR 2x). This will have implications on the focus of our Weekly Compass, the structuring of our web-site and on internal KM. Existing structures and set-ups will be adapted;
- ***Intranet and IT architecture – renewing internal technical set-up and our way of working:*** The KM unit and the IT office will work together to fundamentally renew our internal information and knowledge exchange architecture. This work will touch on all areas of the organisation, it will include: a re-design of our intranet, change and/or updating of the archiving (including shared photo database and change of central storage system); simplifying and harmonising of the knowledge exchange within teams and across Centre by use of social media tools. 2010 will see a start of this long-term project and substantial investments in training to get the new technologies integrated for daily use in-house';
- ***Further enhancing our corporate communication:*** this area comprises a variety of projects aimed at an enhanced communication of our work, namely: production of a corporate publication focusing on the new challenges in international cooperation; regular pod-casting of content (through video interviews of staff and policy process stakeholders); improved outreach to relevant media; support to programmes on demand (e.g., for electronic discussions, blogs, etc.);
- ***Monitoring and evaluation:*** An M&E system will be put in place to periodically monitor and review our KM and communication activities. We will also undertake reader reviews for ongoing and recently created corporate communication products.

# 6. Institutional relations and partnership development

## 6.1 Policy context

### Institutional relations

In spite of the financial and economic crisis ECDPM remains confident that it will be able to keep up similar levels of institutional funding in 2010-11. ECDPM derives its income from four main types of sources: (i) an endowment fund in the Netherlands; (ii) multi-annual institutional funding agreements with a number of European member states (Belgium, Finland, Ireland, Luxemburg, Netherlands Portugal, Sweden and the United Kingdom) and Switzerland; (iii) programme funding, which is earmarked for specific programmes; and (iv) project funding from a wide variety of agencies in Europe (the European Commission and EU member states), Africa, the ACP, OECD member states and the United Nations. Institutional funding from EU member states and other partners is essential if the Centre is to operate effectively as an independent foundation engaged in non-partisan analysis, brokerage and capacity development.

In 2010-11 several annual and multi-annual agreements are up for renewal. Institutional relations will thus focus its efforts (i) to stimulate existing partners to renew agreements with the same levels of funding and (ii) to expand our group of institutional partners by approaching new EU member states and foundations. We will do this in concert with provision of high-quality policy-relevant products, timely delivery of services and regular meetings with our institutional partners.

### Partnerships with ACP and Southern institutions

Important progress has been made in the Centre-wide partnerships in the past year. ECDPM strengthened its cooperation with **the African Union** in line with the memorandum of understanding signed in July 2008.

We also initiated partnership with the **Institute of International Relations (IIR) of the University of the West Indies in Trinidad & Tobago.** This partnership aims to revitalise strategic reflections on the future of Caribbean-EU relations by stimulating the production, exchange and dissemination of analysis on these relations.

With the **South African Institute of International Affairs (SAIIA)** cooperation intensified in 2009. In addition to setting up joint initiatives in the areas of trade and governance, there has been regular dialogue at the levels of the directors, institutional relations, programme coordinators and the heads of finance and operations related to the organisational restructuring of SAIIA and learning lessons from each other’s management practices and fundraising strategies

In 2009, ECDPM worked closely with the **ACP Secretariat and ACP ambassadors** in Brussels, mainly in preparation of the 2010 revision of the Cotonou Agreement.

In relation to the **Europe-Africa Policy Research Network (EARN)** interest and active participation was generated among European policy research institutes. However, the African involvement in the network has been rather slow.

## 6.2 Aim and objectives

### Aims in terms of institutional relations

- Consolidate, renew and expand the relationship with longstanding European partners and funding agencies that provide institutional support to the Centre (Belgium, Finland, Ireland, Luxemburg, Netherlands, Portugal, Sweden, Switzerland and the United Kingdom);
- Further strengthen linkages and funding arrangements with EU member states with which the Centre already has some type of cooperation (e.g. Spain, France and Austria);
- Build partnerships with the “new” Eastern EU member states, including Slovenia, the Czech Republic, Hungary and Poland;
- Support successive EU presidencies of Spain, Belgium, Hungary and Poland;
- Strengthen the relationship with executive agencies for development cooperation, such as the Belgian Development Cooperation Agency (BTC), the Luxembourg Agency for Development Cooperation (LUX-DEV), Groupe Agence Française de Développement (AFD) and the Swedish International Development Cooperation Agency (SIDA);
- Expand linkages within European ministries of foreign affairs and external relations, with departments other than development;
- Explore opportunities for partnership with international foundation-type organisations.

### Aims in terms of partnerships with ACP and Southern institutions

1. Deepen the existing Centre-wide partnerships with the ACP Secretariat, the AU Commission, SAIIA, IIR (Caribbean) and EARN;
2. Explore opportunities for new Centre-wide partnerships in various parts of Africa with a view to improving the relevance, effectiveness and impact of EU-ACP and EU-Africa policies;
3. Strengthen the African component of EARN, with a view to ensuring a stronger impact of African policy research on EU-Africa relations.

## 6.3 Approach and methodology

Strengthening **institutional relationships** and funding with EU member states will be done through the following types of activities: country visits, formulation and implementation of EU presidency support programmes in which ECDPM provides assistance as an independent organisation to the priorities of successive EU presidencies (Spain, Belgium, Hungary and Poland), planning and delivery of targeted services, in-house training seminars and advice to institutional funders and systematic involvement of institutional funders in Centre activities (e.g. seminars, workshops and presentations).

In terms of **partnership development** we intend to follow a twin-track approach. Our policy work may require us to form alliances with strong partners in the South (“centres of excellence”) that can help us to raise the quality of key strategic processes. At the same time, we will invest in long-term partnerships designed to strengthen the capacities and empowerment of Southern organisations. The ultimate choice between establishing partnerships with Southern centres of excellence and alliances with emerging organisations depends on the impact we hope to make.

## 6.4 Expected results and impact

ECDPM intends to achieve the following outcomes and impacts through the strengthening of institutional relations and partnerships:

- Better understanding and awareness within the European Union of the concerns, expectations and views of ACP and Southern partners in key strategic policy processes (such as the EPAs, the JAES and governance reform);
- Consolidated flexible institutional funding, thus allowing us to continue to act as an independent, non-partisan sounding board, facilitator and supplier of analysis and capacity support;
- More ACP and EU stakeholders forming partnerships to participate in key strategic processes (such as the EPAs, the JAES and governance reform);
- ACP and Southern stakeholders having more access to information and knowledge on key policy processes;
- Improved capacity of key ACP/Southern institutional and strategic partners to manage and influence key policy processes.

# Acronyms

| | |
|---|---|
| ACP | Africa, the Caribbean and Pacific |
| AFD | Agence Française de Développement |
| AIDCO | EuropeAid Co-Operation Office |
| APRODEV | Association of World Council of Churches related Development Organisations in Europe |
| ATPC | African Trade Policy Centre |
| BIDPA | Botswana Institute for Development Policy Analysis |
| BTC | Belgian Development Cooperation Agency |
| CAADP | Comprehensive Africa Agriculture Development Programme |
| CDI | Commissariat au Développement Institutionnel (Mali) |
| CEEAC | Communauté Économique des États de l'Afrique Centrale |
| COAFR | Africa Working Party (EU) |
| COMESA | Common Market for Eastern and Southern Africa |
| CTA | Technical Centre for Rural and Agricultural Cooperation ACP-EU |
| DAC | Development Assistance Committee (OECD) |
| DFID | Department for International Development (UK) |
| DIE | German Development Institute (Deutsches Institut für Entwicklungspolitik) |
| DoL | Division of Labour |
| DPIR | Development Policy and International Relations (ECDPM programme) |
| EAC | East African Community |
| EADI | European Association of Development Research and Training Institutes |
| EARN | Europe-Africa Policy 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 |
| EPA | Economic Partnership Agreement |
| ETC | Economic and Trade Cooperation (ECDPM programme) |
| EU | European Union |
| FARA | Forum for Agricultural Research in Africa |
| FRIDE | Fundación para las Relaciones Internacionales y el Diálogo Exterior |
| GDP | Gross Domestic Product |
| GOVNET | Network on Governance (DAC) |
| IGAD | Eastern African Intergovernmental Authority on Development |
| IIR | Institute of International Relations (University of the West Indies) |
| IKM | Information and Knowledge Management |
| ILEAP | International Lawyers and Economists Against Poverty |
| IOC | Indian Ocean Commission |
| IRCC | Inter-Regional Coordinating Committee (Africa) |
| ISS | institute for security studies |
| ITCSD | International Centre for Trade and Sustainable Development |
| JAES | Joint Africa-EU Strategy |
| LUX-DEV | Luxembourg Agency for Development Cooperation |
| NEPAD | New Partnership for Africa's Development |
| NEPRU | Namibian Economic Policy Research Unit |
| NETRIS | Network on Regional Integration Studies (ACP) |

| | |
|---|---|
| NIP | National Indicative Programme |
| ODA | Official Development Assistance |
| ODI | Overseas Development Institute (UK) |
| OECD | Organisation for Economic Co-operation and Development |
| PAP | pan african parliament |
| PAPS | Projet d'Appui au Paix et Sécurité |
| PCD | Policy Coherence for Development |
| RIP | Regional Indicative Programme |
| SADC | Southern African Development Community |
| SAIIA | South African Institute of International Affairs |
| SIDA | Swedish International Development Cooperation Agency |
| SN2 | South-North Network |
| Trapca | Trade Policy Training Centre in Africa |
| UCLGA | United Cities and Local Governments of Africa |
| UEMOA | West African Economic and Monetary Union |
| UN | United Nations |
| UNCTAD | United Nations Conference on Trade and Development |
| UNDP | United Nations Development Programme |
| UNECA | United Nations Economic Commission for Africa |
| UNU-CRIS | United Nations University Centre for Comparative Regional Integration Studies |
| WTO | World Trade Organization |

**The European Centre for Development Policy Management (ECDPM) aims to improve international cooperation between Europe and countries in Africa, the Caribbean, and the Pacific.**

Created in 1986 as an independent foundation, the **Centre's objectives** are:

- to enhance the capacity of public and private actors in ACP and other low-income countries; and
- to improve cooperation between development partners in Europe and the ACP Region.

The Centre focuses on **three interconnected themes**:

- Development Policy and International Relations
- Economic and Trade Cooperation
- Governance

The Centre collaborates with other organisations and has a network of contributors in the European and the ACP countries. Knowledge, insight and experience gained from process facilitation, dialogue, networking, infield research and consultations are widely shared with targeted ACP and EU audiences through international conferences, focussed briefing sessions, electronic media and key publications.

EUROPEAN CENTRE FOR DEVELOPMENT POLICY MANAGEMENT

Onze Lieve Vrouweplein 21,
NL-6211 HE Maastricht, The Netherlands
info@ecdpm.org
Tel +31 (0)43 350 29 00,
Fax +31 (0)43 350 29 02

*Rue Archimède 5*
*B-1000 Brussels, Belgium*
*Tel +32 (0)2 237 43 10,*
*Fax +32 (0)2 237 43 19*

**More information on the Internet: www.ecdpm.org**