

# ANNUAL

Report

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### **CD-ROM ECDPM 2008**

Attached with this Annual Report, you will find the ECDPM CD-ROM, featuring our publications from 2003 until 2008, as well as information about our programmes and strategy. This CD-ROM is produced on an annual basis.

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# The European Centre for Development Policy Management (ECDPM)

*For the past 21 years, the European Centre for Development Policy Management, ECDPM, has served as an independent, honest broker, working to ensure a more level playing field between the European Union and its member states, and its Southern partners from Africa, the Caribbean and the Pacific in the area of development policy and development policy implementation.*



The Centre recognises that its successes stem from a vital combination of building and maintaining strong network relationships, adherence to facilitating process and a commitment to monitoring outcomes. In short, a combination of partnerships, process and progress.

### Partnerships

A critical function of ECDPM is to serve as a multiplier. Our mandate is to improve ACP-EU relations by partnering with governments, civil society organisations, intergovernmental bodies, NGOs, private-sector entities and independent organisations from the South and the North.

### Process

Our independent status affords us an ability to facilitate policy process, to document, analyse and present relevant data to each and all of our partners, respecting their various perspectives. We do so through multiple channels:

- hosting informal discussions, seminars and workshops;
- initiating, publishing and presenting studies and papers, in print and electronic versions;
- convening eminent authorities on topics of interest;
- offering advice and counsel from a deeply informed perspective, serving as an honest, independent broker.

All of these roles are accomplished with active cooperation from various Southern and Northern partners.

### Progress

Our efforts are geared toward making a positive difference in the quality of policy processes, that is, the policy dialogue and the implementation of the resultant policies that guide ACP-EU relations. Our Board of Governors, donors, institutional and strategic partners and the entire Centre management and staff are involved in this endeavour.

In 2007 we began working with a process assessment framework (PAF) to more systematically assess our outputs, outcomes and impact. Implementation of this assessment framework is supported by our reporting system (see section 4 in this report), which ensures accountability and transparency of our actions.

This *ECDPM Annual Report 2007* also illustrates our approach through a more journalistic reportage. Interviews with partners, stories, reports, visuals and essential statistics paint a picture of our work and our organisation. It is our hope that readers will come to better understand the essence and potential of our work through this publication, and our multiple other publications and services. We invite you to visit our website at [www.ecdpm.org](http://www.ecdpm.org) for a more comprehensive overview of our partnerships, processes, progress and people.

# ECDPM Overview

In a world where countries and regions must cooperate to address urgent problems – poverty, climate change, conflict, food security, health and education – we aim to assist development actors and institutions from Africa, the Caribbean and the Pacific (ACP) to build effective partnerships with Europe.

North-South relations are usually biased. Our aim is to reduce ‘asymmetries’ in policymaking between the European Union and the ACP countries. A more balanced and effective EU-ACP partnership can help developing countries to unleash their full potential. We provide support with a long-term perspective to key development processes in developing regions and countries. When required, we also assist the ACP in strengthening its institutions and capacities to develop policies and strategies that can shape its futures and provide pathways out of poverty.

## **Our head office**

Onze Lieve Vrouweplein 21  
NL-6211 Maastricht, the Netherlands  
Tel +31 (0)43 350 29 00

## **Our Brussels office**

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

## **Our efforts are focused on three thematic programmes**

### **Development Policy and International Relations**

This programme works on the EU external policy issues affecting relations with the ACP, and Africa in particular. It concentrates on the new joint EU-Africa strategic partnership and its implementation and on EU aid effectiveness. The aim is to make information on EU-Africa relations more accessible, broadening support for the EU-Africa partnership on both continents and reinforcing African institutions, including the African Union. With regard to EU aid effectiveness, it contributes to EU member states’ harmonisation efforts, reinforcing the concept of ownership by developing countries.

### **Economic and Trade Cooperation**

This programme invests in the process of designing and developing ACP-EU trade regimes to promote sustainable development and help integrate ACP countries into the world economy on terms that benefit them. It concentrates on the negotiations for the EU-ACP Economic Partnership Agreements, as well as the development support that ACP countries will need to benefit from these agreements. The goal is to contribute to wider access to knowledge and information, more inclusive approaches to trade negotiations, and greater ACP ownership of the new trade arrangements and accompanying reform measures.

### **Governance**

This programme assists in improving the European Union’s governance support, promoting links between initiatives on governance in ACP countries and in Europe. It promotes better ways for the European Union to support Africa in its own search for domestic governance reforms by contributing to better governance-related knowledge, improved multi-stakeholder participation and ownership and management of governance support initiatives.

## **Guiding principles**

### **Priority to ACP-EU issues, while watching the big picture**

To deliver high-standard contributions to ACP-EU stakeholders, we follow trends in the broader development field, examining interesting experiences and new thinking and approaches.

### **Rolling programming**

Each ECDPM programme works to a timeline spanning a few years and implemented on a rolling basis. Within a long-term global framework, the Centre can modify its biannual work plans in response to new priorities, demands and funding opportunities.

### **Focus on the ‘how’ questions**

We take a practical approach, mixing fieldwork at the national and regional levels with policy-oriented work at the continental and international levels.

### **Strategic partnerships and networking**

We seek alliances systematically in order to pool resources and capacities, to build ownership and to ensure greater impact.

### **Inter-programme cooperation**

We ensure collaboration among ECDPM programmes to make the best possible use of the expertise and experience found throughout the Centre.

### **Internal learning**

In the knowledge and information-intensive environment of international cooperation, it is crucial for ECDPM not only to be aware of its positioning, strengths and weaknesses at all times, but also to keep improving.



# Staffing

ECDPM employs 43 full-time equivalents, with 37 staff members at the head office in Maastricht and 11 staff members at the Brussels office. Of these, 29 are women and 19 men. More than 16 nationalities are represented, including

- Austrian
- Belgian
- British
- Canadian
- Croatian
- Danish
- Dutch
- French
- German
- Italian
- Malagasy
- Mauritian
- South African
- Spanish
- Swedish
- Swiss

### Functions and roles

Twenty-eight staff members and six programme associates, who collaborate closely but are not on payroll, make up ECDPM's programme staff. These staff hold a doctorate or master of arts or science degree in a relevant discipline. Twenty members of staff occupy full-time or part-time support positions in operations, ICT, finance, administration, logistics, secretarial services, organisation, communications and human resources.

### Young professionals programme

The Centre attaches considerable importance to providing a professional work environment for young professionals. By means of internships and research and programme assistantships, ECDPM provides university graduates a highly stimulating working experience and international exposure. The Centre selects postgraduates of outstanding intellectual quality and personal strengths holding a master of arts or science degree in development, social studies, international affairs/relations/communications, law and economics, and with specialisations in areas relevant to ECDPM's work. This year, ECDPM established a pilot programme to initiate research fellowships for ACP nationals that include both practical policy work and relevant master's or doctorate-level studies.



ECDPM Board of Governors left to right:

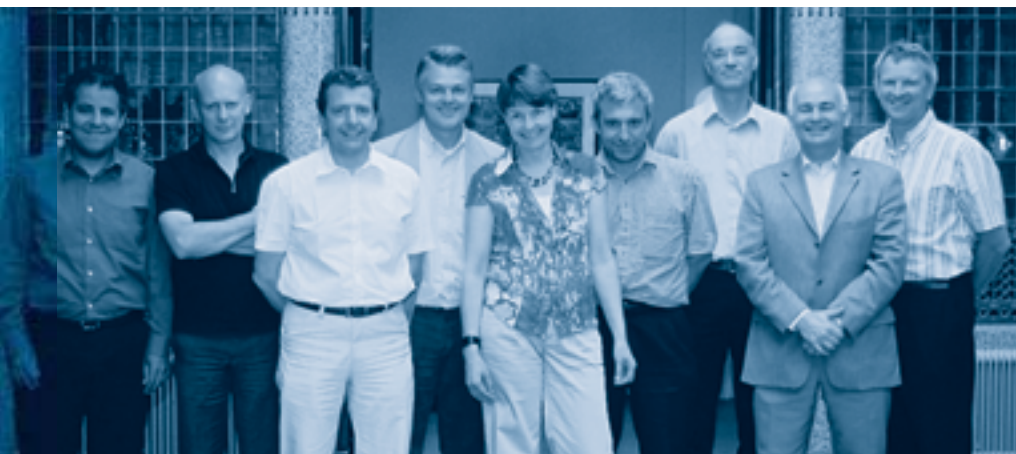
Dr P.I. Gomes, Ambassador of Guyana to the European Union  
Prof P.H. Katjavivi, Director, National Planning Commission of the Republic of Namibia  
Mr L.L. Cumberbatch, Chairman of the Board of Trade.Com Facility for ACP Countries  
Mr B.J.M. Baron van Voorst tot Voorst, Former Governor of the Province of Limburg  
Mr D. Frisch, Former Director-General of Development at the European Commission  
Prof L. Wohlgemuth, Guest Professor, Center for African Studies, University of Gothenburg  
Mr R. Makoond, Executive Director, Joint Economic Council of Mauritius

### Not pictured:

Mr J.T.A.M. Jeurissen, Director Asset Management, Pension Fund for Metalworking and Mechanical Engineering  
Mrs J.H.A. van Putten, former member of the Inspection Panel, World Bank

### Members of the Board of Governors

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



**ECDPM Management Team left to right:**

Dr Sanoussi Bilal, *Programme Coordinator Economic and Trade Cooperation*  
 Jan Vanheukelom, *Programme Coordinator Governance*  
 Volker Hauck, *Head of Knowledge Management*  
 Roland Lemmens, *Head Finance & Operations*  
 Henriëtte Hettinga, *Corporate Officer*  
 Jean Bossuyt, *Head of Strategy*  
 Dr James Mackie, *Programme Coordinator Development Policy and International Relations*  
 Dr Paul Engel, *Director*  
 Geert Laporte, *Head of Institutional Relations and Partnerships*



**ECDPM staff left to right, (6 rows) top to bottom:**

**Left to right**

Klaus Hoefsloot, *ICT Manager*  
 James Mackie, *Programme Coordinator*  
 Claudia Backes, *Executive Assistant*  
 Niels Keijzer, *Programme Assistant*  
 Jonas Frederiksen, *Programme Officer*  
 Francesco Rampa, *Programme Officer*  
 Marie-Laure de Bergh, *Programme Officer*

**Left to right**

Dave Lieveeld, *ICT Assistant*  
 Floor Hamelers, *Administration Officer*  
 Annelies Vredeveltdt, *Human Resources Assistant*  
 Timor El-Dardiry, *Programme/Research Assistant*  
 Sanoussi Bilal, *Programme Coordinator*  
 Linda Monfrance, *Office Assistant*  
 Peter van 't Wout, *Financial Officer*  
 Ghita Salvino, *Logistics Officer*  
 Bèr Wintgens, *Steward*

**Left to right**

Paul Engel, *Director*  
 Corinna Braun-Munzinger, *Research Assistant*  
 Sara Erlandsson, *Research Assistant*  
 Kathleen van Hove, *Senior Programme Officer*  
 Volker Hauck, *Head Knowledge Management*  
 Sabine Mertens, *Senior Executive Assistant*  
 Eleonora Köb, *Programme Officer*  
 Suzanne Cartigny, *Publications Officer*  
 Roland Lemmens, *Head Finance & Operations*

**Left to right**

Franziska Jerosch, *Research Assistant*  
 Noëlle Laudy, *Executive Assistant*  
 Frederic Ceuppens, *Programme Assistant*  
 Birgit Vleugels, *Research Assistant*  
 Tilly de Coninck, *Executive Assistant*  
 Léonne Willems, *Human Resources Officer*  
 Pia Brand, *Publications Officer*

**Left to right**

Ivan Kulis, *Programme Officer*  
 Andrea Petitt, *Research Assistant*  
 Gwénäelle Corre, *Programme Officer*  
 Jan Vanheukelom, *Programme Coordinator*  
 Veronika Tywuschik, *Research Assistant*  
 Judith den Hollander, *Intranet Coordinator*

**Left to right**

Davina Makhani, *Junior Programme Officer*  
 Melissa Julian, *Programme Associate*  
 Alisa Herrero-Cangas, *Programme Officer*  
 Jacque Dias, *Information Assistant*

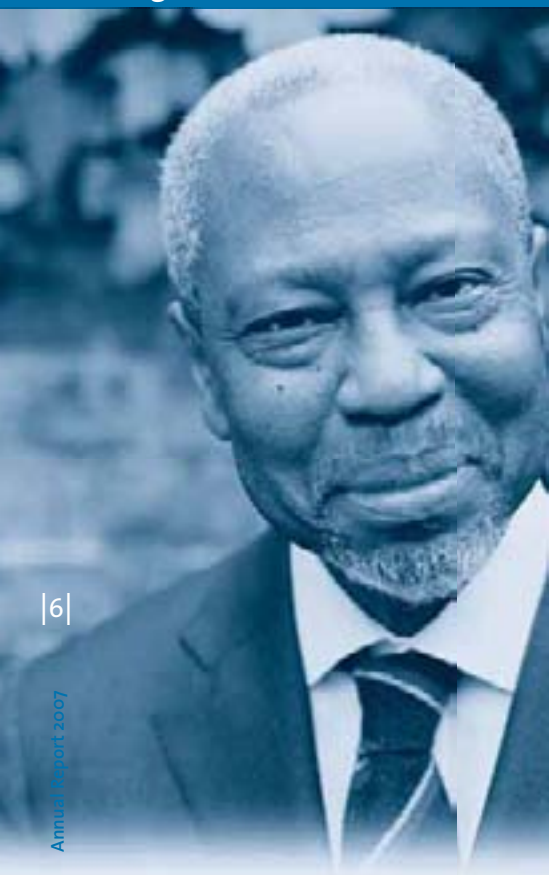
**Not pictured:**

Alexandra Beijers, *Executive Assistant*  
 Annika Dossow, *Junior Information Assistant*  
 Anje Jooya-Kruiter, *Programme Officer*  
 Christiane Loquai, *Programme Officer*



# Message from the Board Chairperson

Lingston L. Cumberbatch



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On the ACP side, the support that has been given the African Union has been much appreciated. The African Union is going through a difficult stage in its development, requiring assistance at several levels. The ACP has tried to help, but increasingly one of the best sources of support is from ECDPM. For the ACP itself there are many challenges, such as its need to reconcile the ACP-EU relationship – particularly its development orientation – with the requirements of integration into the world economy. In addition, there is a growing need to assist ACP countries in the development of governance at all levels – the legislature, the executive and judiciary and civil society. The work of encouraging EU states – a special challenge with regard to the newer EU members – to be more open to the opportunities offered by the diversity of ACP countries, not only with respect to resources and market, but also their immense cultural and human wealth,

*In the 21 years since its establishment, ECDPM has shown how a commitment to excellence combined with penetrating research and sheer hard work can enable a small organisation to punch above its size. These attributes have allowed the Centre to perform its avowed role of honest broker with confidence and assurance. Its partners in the ACP and in the European Union know that its impartiality is backed by a thorough knowledge of the issues that confront the partnership. This past year, ECDPM passed its 21st anniversary as a mature and stable organisation whose stature is now established well beyond its ACP-EU constituencies.*

is of critical importance. In all of these areas, and others, ECDPM has renewed and sharpened its focus to serve as a valued steward and guide to inform and shape optimal ACP-EU development policy.

On the European side, the Centre has advanced its quiet diplomacy. ECDPM's profile has been significantly enhanced largely because of the quality of its work. Demand for its services has grown among EU institutions, in particular, among the member states. The Centre has provided support for the rotating EU Presidencies, preparing for which has become a significant activity for small and larger member states alike. The breadth and scope of the Centre's work is also increasing. During the last years when the Belgian Administration for Development needed to deepen its understanding of issues such as the role of parliaments in the Cotonou Partnership Agreement, or sought independent perspectives on EU approaches to fragile states, it turned to ECDPM. Irish Aid also teamed with the Centre to keep other Irish development actors informed of relevant EU international and ACP-EU cooperation developments. Together with the Centre's founding funder, the Netherlands, partner countries such as Finland, Luxemburg, Portugal, Sweden and Switzerland systematically call upon ECDPM expertise for practical analysis, informal advice and facilitation of contacts with ACP and AU partners.

The Board is particularly appreciative of the high quality of the Centre's management. The inclusiveness in the style of management is impressive – involvement is not only by the high levels of staff, but by all staff members. This engagement of staff is certainly worthy of emulation.

The Centre has faced financial challenges in seeking to respond to demand for its services, but support from the Dutch government has put its finances on a sounder footing. Nonetheless, the Centre needs to secure additional and ongoing financial support, particularly from EU member states. This issue is being addressed in part by the Institutional Relations Unit. Increasing support from organisations in the South is a good sign.

In looking to the future, the Board and staff are aware that success itself brings new challenges. There are so many needs and complexities in development policy and capacity building that the greatest challenge facing the Centre is perhaps refraining from over-reaching itself. We consider this a healthy problem and will keep it in mind.

Lingston L. Cumberbatch  
Chairperson of the Board of Governors



# Director's Report

*'However beautiful the strategy, one should occasionally look at the results'* - Winston Churchill

## The European development policy context

*2007 was a year of significant change in the global development context. Various earlier trends continued. Emerging economies contributed to a more explicitly multi-polar world. The donor community further diversified – to include emerging economies as well as private foundations and global funds.*

*Also, donors, international institutions, partner countries and, increasingly, civil society organisations intensified their quest for a practical response to the Paris Declaration on Aid Effectiveness adopted in 2005. Emerging donors and in particular China defined and strengthened their role as partners for development in Africa, in a way that has raised doubts about the directions in which donor practices are evolving.*

The ACP group initiated a process of self-reflection to reassess its role and future in view of rapidly changing global geo-political relations. The African Union strengthened its position on African governance, underlining its own accountability with an external audit of the AU Commission. For its part, the AU Commission took the lead in developing a joint African position towards its partnership with Europe. In December 2007, a year of intensive consultations between EU and AU institutions, member states and non-state actors culminated in the Joint EU-Africa Strategy for Development being adopted at the second EU-Africa Summit, held in Lisbon under the Portuguese EU Presidency.

On the European side, the European Heads of Government adopted the Lisbon Reform Treaty that promised, among other things, to simplify internal decision-making procedures and to strengthen European leadership in international affairs.

## Economic partnership in practice

At the end of 2007 a full Economic Partnership Agreement (EPA) was concluded between the Caribbean and the European Union, but elsewhere only a limited number of interim agreements could be reached. This was one more sign of the counter-productiveness of focusing the EPA negotiations mostly on trade without effectively addressing the development dimension. It obstructs joint progress and reduces Europe's credibility in partner countries. In fact, ACP representatives reported feeling 'pushed around' by their European 'partners'. If anything, the EPA negotiations teach us that Europe must urgently review its way of applying 'partnership in practice'.

## Mainstreaming the development agenda in international cooperation

Evolving international cooperation continued to incorporate new critical areas such as migration and climate change. At the same time, official development assistance (ODA) shows a mixed picture at best in terms of reaching the agreed investment levels, in Africa in particular (see box). Besides, for Africa's leading economies, ODA from Europe is being gradually overshadowed by foreign direct investment,



Paul Engel

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bilateral agreements with the BRIC countries (Brazil, Russia, India and China) and remittances. As a result, during 2007 decisive steps were taken to mainstream development into a wider international cooperation agenda, making development one among many global challenges that bind international partners together.

This was most clearly demonstrated in the Joint EU-Africa Strategy adopted at the AU-EU Summit in Lisbon in December 2007. The Joint Strategy describes its purpose as 'to take the Africa-EU relationship to a new, strategic level with a strengthened political partnership and enhanced cooperation at all levels. The partnership will be based on a Euro-African consensus on values, common interests and common strategic objectives.'<sup>1</sup>

While development partnerships used to focus exclusively on development objectives, the new generation of *international* partnerships instead increasingly focus on global challenges and common concerns. This does not mean

<sup>1</sup> The Joint Africa-EU Strategy can be accessed at <http://europafira.org/2007/01/01/key-documents-for-the-eu-africa-consultation>. The part quoted here can be found in paragraph 4 under section I (Context, Shared Vision and Principles).

that development objectives are any less important to international donors, or to the European Union. Actually, the Lisbon Reform Treaty mentions fostering 'the sustainable economic, social and environmental development of developing countries, with the primary aim of eradicating poverty' as an overarching objective of the European Union's external action; and poverty reduction is reconfirmed as the heart of the Union's development policy. If ratified, the treaty would also apply stronger consistency and coherence requirements to international relations and hopefully, help position development policy on equal footing with other areas of EU international affairs.

However, the new global focus does mean that international partners recognise that ODA alone cannot bring about development. They also concede that a range of global challenges have to be effectively dealt with, such as peace and security, democracy and human rights, economic development, improved terms of trade and regional integration, migration and employment, global environmental and climate change, and access to food, energy, water, health and education, and that each of these 'areas of common concern' contains strong developmental challenges in addition to other concerns.

Hence, the need for cooperation is growing between foreign, security, development, interior and trade policy actors, to name just a few. Similarly, policy dialogue, *policy coherence for development* and coordination of actions between global partners over prolonged periods of time are becoming key to the success of external actions across these sectors. As a result, development efforts are becoming more central in international partnerships that formulate a wide range of strategic objectives much beyond development objectives '*pur sang*'. In the process, development cooperation is rendered more political and more in tune with the issues that dominate the global geo-political agenda.

## Trends in ODA

In 2006 ODA was exceptionally high due to high debt relief. Consequently, in 2007 ODA fell by 8.4%, to US \$103.7 billion.<sup>2</sup> Excluding debt relief, however, net ODA rose slightly, by 2.4%. Bilateral aid to sub-Saharan Africa, again excluding debt relief, increased by 10%. This is an improvement but it also underlines the steep challenge it will be to make good on the commitment of leaders at the Gleneagles G-8 Summit to double aid to Africa by 2010.

The combined ODA of the fifteen DAC members that are also part of the European Union – representing 60% of all DAC-registered ODA – fell by 5.8% in real terms to US \$62.1 billion in 2007, representing 0.40% of their combined gross national income. The fall was again mainly due to a decrease in debt relief grants. Excluding these, net ODA from these fifteen DAC EU members rose by 8.8%, according to 2008 DAC figures.

The European Commission reported in April 2008 that total European aid had decreased from 0.41% of its collective gross national income in 2006 (for its 25 member states) to 0.38% in 2007 (for its 27 member states). In response, the European General Affairs and External Relations Council meeting of 26 May strongly reaffirmed the European Union's commitment to achieve a collective ODA target of 0.56% GNI by 2010 and 0.7% GNI by 2015, as set out in the May 2005 Council Conclusions, the June 2005 European Council Conclusions and the European Consensus on Development. These commitments should see annual EU ODA double to over € 66 billion in 2010, with at least half of the collective increase allocated to Africa. The establishment of rolling multi-annual indicative timetables is expected to help monitor how the member states aim to reach these respective targets.<sup>3</sup>

## Practical challenges of mainstreaming development in international partnerships

Consequently, development cooperation will have to effectively address these global issues and develop clear development responses, defining what development can do and what it cannot do on behalf of trade and regional integration, peace and security, migration, climate change, access to natural resources, rising food prices, etc. EPA negotiations provide an

interesting example. When in late 2006 and early 2007 all partners eventually agreed on the need to incorporate the development dimension in EPAs more effectively, a diffuse and complex debate ensued amongst the partners about what 'development support to EPAs' or 'Aid for Trade' meant exactly. What existing development activities can be counted as such? Would there be any 'fresh funding'? And if so, where would it come from? As we speak, this debate continues, resulting in widespread uncertainty about what the development dimension will effectively bring to the economic partnerships.

Some foresee development cooperation as in danger of being 'instrumentalised', aligned with donor countries' foreign and economic policy objectives instead of the developmental objectives of the partner countries. At first glance, this seems to be underscored by the thrust of some of the emerging donors to align development support with their efforts to ensure supplies of raw materials and energy from developing countries. It is also visible in demands on development cooperation to deal with rising food prices in partner countries. Adding in economic uncertainty and low growth in major donor countries, worry is perhaps warranted about a cap on ODA targets (see box). One can see how policy coherence for development may indeed start to deteriorate in international partnerships, putting at risk their effectiveness in promoting development.

To avert such 'instrumentalisation', what 2007 and the EPAs have taught is that it should be development policy – not trade, security or migration – that takes the initiative in specifying the role and contribution of development to the wide range of global challenges and issues of common concern that dominate the global agenda. In Europe, development might be given the chance to become a policy area in its own right, equivalent to other (external) policies of the Union. This implies opportunities as well as obligations. One opportunity is that actors from other policy areas will have to take development seriously and consider how their actions may affect development objectives. But at the same time, development policymakers are obliged to show others how development contributions can be most effective and to share the lessons learned over the past four decades of development cooperation.

<sup>2</sup> OECD DAC data from [www.oecd.org/document/8/0,3343,en\\_2649\\_33721\\_40381960\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/8/0,3343,en_2649_33721_40381960_1_1_1_1,00.html)

<sup>3</sup> The Council Conclusions can be found at [www.consilium.europa.eu/ueDocs/cms\\_Data/docs/pressData/en/gena/100688.pdf](http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/gena/100688.pdf)

## A decisive move towards greater EU aid effectiveness

In the first half of 2007, led by the German EU Presidency and the European Commission, the European Council approved the EU Code of Conduct on Division of Labour. This move provided new momentum to European efforts towards donor harmonisation and alignment. Also, the first-ever *European Report on Policy Coherence for Development* was published highlighting achievements as well as the considerable challenges ahead to ensure progress on policy coherence in the twelve policy areas covered. Intensification of the work on aid effectiveness was all the more significant as studies indicated that the results of practical application of the Paris Agenda by EU member states and the European Commission were as yet tentative.

While some progress was reported in the partner countries included in the 2006 DAC general budget support evaluation, EU evaluations in selected partner countries had to concede that coordination between EU members and institutions was very limited and not a top priority of all EU member states. Against this background, the EU Code of Conduct sets clear objectives for improving intra-EU complementarities and division of labour, even while upholding the rather voluntary nature in practice of coordination in EU development cooperation.

Effectively, 2007 saw a number of initiatives to implement the EU Code of Conduct and hence, to take decisive steps forward in the application of the Paris Agenda on aid effectiveness. One such initiative was the establishment of the EU Development Practitioners' Network as an open platform aimed at exchange, coordination and harmonisation among practitioners in the field of European Development Cooperation.<sup>4</sup>

## Navigating the waves: ECDPM in 2007

For ECDPM, 2007 was a year of transition, the first year of implementing its new Strategy 2007–11. Within the dynamic policy context described, this meant reassessing opportunities and risks of engagement in policy processes and putting more emphasis on institutional relations and building long-term

strategic partnerships. Each of the ECDPM programmes applied itself to the full, choosing policy processes of key importance to ACP-EU relations and cooperation. Centre-wide, ECDPM continued to engage with the AU Commission on institutional development and to support the initiative of the Portuguese EU Presidency to establish the Europe-Africa Policy Research Network (EARN) in Lisbon, amongst other activities to support implementation of the Joint EU-Africa Strategy. Internally, a review was conducted and a new ECDPM knowledge networking and external communication strategy was prepared.

At the invitation of both the EU and AU sides, the *Development Policy and International Relations* (DPIR) Programme facilitated the EU-AU multi-stakeholder consultation on the Joint EU-Africa Strategy, ensuring non-state actor participation, organising and moderating informal consultations, establishing and maintaining the AU-EU website and newsletters and providing high-quality inputs to multiple stakeholder events. In so doing, it contributed in a typical non-partisan ECDPM manner to the negotiation and eventual adoption of the strategy. It also continued to support the EU Heads of Evaluation 3C Task Force<sup>5</sup>, concluded an evaluation of a whole range of EU efforts to promote policy coherence for development in EU institutions and member states, and wrote a synthesis paper integrating the results of all six 3C evaluations done over the 2004–06 period. It further provided strong inputs to the international debate on aid effectiveness, through in-depth evaluations of technical assistance and a synthesis of the case studies on capacity and performance.

The *Economic Cooperation and Trade* (ETC) Programme concentrated on the EPA negotiations, which were expected to produce signed Economic Partnership Agreements between the EU and ACP towards the end of the year. With its Southern and European partners, the programme worked hard to assist the officials and negotiators in addressing various regionalisation challenges and in defining the development component of the agreements. It produced a widely used policy management report under the title *Concluding EPA Negotiations: Legal and Institutional Issues*. The eventual resistance to signing on the final results of the negotiations on the part of most

ACP countries and regions came as no surprise to observers of the negotiation process. More inclusive treatment of the development dimensions of EPAs for all ACP regions, addressing the remaining development concerns of ACP governments and their non-governmental and private-sector constituencies, has yet to be achieved. In the meantime, the programme anticipated that, under these circumstances, monitoring of the EPAs would become an even more pressing issue. Together with DIE, Germany, it produced a comprehensive study on EPA monitoring, expanding on how a monitoring mechanism might be established.

Building on experiences with African stakeholders and knowledge built up on non-state actors, decentralisation and EC governance initiatives, the Governance Programme further expanded its cooperation with key African partners and deepened its governance-related work with the European Commission. The programme facilitated intra-African dialogue on African priorities on governance within the context of the Joint EU-Africa Strategy. The African Peer Review Mechanism was prioritised as a major indigenous governance initiative in need of coherent EC and EU support. In West Africa, the programme continued to engage with the Commissariat for Institutional Development (CDI) in Mali and the West African regional 'Citizen's Laboratory'. Within the framework of the Paris agenda for aid effectiveness, the programme facilitated donor harmonisation and alignment with national development objectives in Mali. Partnership with the ACP Local Government Platform graduated to a new phase as the platform was able to secure funding directly from the European Commission. At the request of AidCo, the programme translated the European Commission's governance policy principles into practical guidelines for sector work. On behalf of the OECD DAC Network on Governance, the multiple ways donors define and assess governance and the multiple linkages between governance and development were assessed, seeking to stimulate a move away from prescriptive approaches to more strategic support to governance enhancement in partner countries.

Paul Engel  
Director ECDPM

<sup>4</sup> More information on the network can be found at [www.dev-practitioners.eu](http://www.dev-practitioners.eu)

<sup>5</sup> An initiative of the EU Heads of Evaluation Services to carry out a series of joint evaluation studies aimed at establishing the degree of application and impact, in terms of development cooperation, of the principles of coordination, complementarity and coherence which are enshrined in the Maastricht Treaty.

# Institutional Relations Partnership

### **Institutional relations with EU member states and Switzerland**

*After the positive evaluation of the Centre in 2006, the Netherlands government reaffirmed its strong, long-term commitment to ECDPM by substantially increasing core funding. This resulted in our increased involvement in the Dutch development scene, both official and non-governmental, in the Netherlands, Brussels and Africa.*

In 2007, ECDPM also developed intensive cooperation with the German and Portuguese EU Presidencies. Germany provided substantial programme funding, which allowed ECDPM to play its role as an independent facilitator in the elaboration of the Joint EU-Africa Strategy. With the Portuguese EU Presidency, the Centre established a close cooperation during the second semester of the year on the key themes of European external relations, development and the trade agenda. The Portuguese EU Presidency invited ECDPM to submit a study of EU responses to situations of fragility as one of its priority areas. On behalf of Portugal and the European and African Commissions, ECDPM facilitated several initiatives related to the finalisation of the Joint EU-Africa Strategy, including informal dialogue, practical research and analysis, website animation and dissemination of information to the wider public. To allow us to perform these roles in Brussels, Lisbon and Africa, Portugal provided the Centre substantial additional funding on top of its regular biannual contributions.

In 2007, other EU member states joined the group of Centre institutional partners, including Ireland, which used the Centre as an independent sounding board on several crucial ACP-EU issues. With Slovenia, the Centre concluded an agreement to assist the Slovenian EU Presidency on one of its priority topics for 2008: EU responses to children and women affected by armed conflict.

Other longstanding institutional partners of the Centre, including Belgium, Sweden, Finland, Luxemburg and Switzerland, regularly called upon ECDPM expertise for various services, such as in-house seminars and presentations, independent and targeted advice, written contributions and information, comments and analysis on policy documents and facilitation of informal contacts with ACP and AU partners.

In 2007, we initiated discussions on future cooperation with the successive

EU Presidencies between 2008 and 2010 (Slovenia, France, Czech Republic, Sweden, Spain and Belgium). These include some of the 'new' EU member states.

### **Partnership with ACP institutions and organisations**

ECDPM made major progress in developing its partnership strategy with ACP institutional and strategic partners in line with the objectives put forward in the ECDPM Strategy 2007–11.

The key objectives in ECDPM's partnership approach are four:

- **to share experiences** with ACP organisations in terms of analysis, facilitation and dissemination of information with a view to improving the relevance, effectiveness and impact of ACP/AU-EU policies;
- **to strengthen capacities** and institutional development of ACP/AU institutional and strategic partners;
- **to assess and reduce asymmetries** in relations between the European Union and the ACP and African Union;
- **to improve the quality and impact** of the work of ECDPM and its partners.

Partnerships ideally combine a variety of objectives. They should increase learning and better equip ECDPM to play its role in major strategic policy processes, while also achieving capacity-building and empowerment objectives in the ACP.

Because each development process is different, there can be no blueprints for partnership that apply to all ECDPM interventions. Ultimately, the choice between establishing partnerships with Southern centres of excellence or with emerging organisations depends on the type of impact that needs to be achieved in the various policy processes.

ECDPM explored several types of all-Centre partnerships in 2007.



# S and Development in 2007

## **Institutional relationship with the AU Commission**

ECDPM has been cooperating for several years on a regular basis with different units of the AU Commission on issues relating to African governance, institutional rationalisation of the African regional economic communities (RECs), trade and the elaboration and monitoring of the Joint EU-Africa Strategy. It also provided advice and facilitation in conjunction with the € 55 million EC support programme to the African Union.

An intense working relationship has emerged in recent years between the Permanent Representative of the African Union in Brussels and ECDPM. This was formalised in 2007 in a memorandum of understanding (MoU) elaborated between the Centre and the Chief of Staff of the Cabinet of the President of the African Union and the legal services of the AU Commission. The MoU provides a framework for long-term, structured cooperation with the African Union with a view to promoting institutional and capacity development at the level of the AU Commission in Addis Ababa.

## **Strategic partnership with the South African Institute of International Affairs (SAIIA)**

Both SAIIA and ECDPM are independent policy research institutes that aim to improve the quality and impact of EU-Africa/ACP relations through practical policy-oriented research and dialogue facilitation. SAIIA and ECDPM share a history of collaboration in key areas of EU-Africa relations, particularly on trade, governance and development issues.

In 2007, various rounds of discussions and exchanges took place between SAIIA and ECDPM to explore opportunities for partnership and to elaborate a joint partnership proposal that will engage all three ECDPM programmes.

SAIIA and ECDPM have agreed to gradually intensify their institutional partnership through several means:

- continuation and intensification of cooperation on existing collaborations (e.g. trade and governance);
- identification of new areas of collaboration on issues of common concern;
- definition and implementation of an institutional exchange programme between the two institutes, to provide for study visits, joint seminars, staff exchanges, secondment and training.

Discussions within both organisations will continue in 2008 with a view to further concretising cooperation and partnership.

## **Partnership networking: The Europe-Africa Policy Research Network (EARN)**

ECDPM and the Lisbon-based Institute for International and Strategic Studies (IEEI) have taken the initiative to set up the Europe-Africa Policy Research Network (EARN). This is a follow-up to the First Action Plan of the Joint EU-Africa Strategy (adopted at the Lisbon Summit in December 2007). That action plan stresses the need for a platform for European and African policy research institutes and think-tanks to provide independent policy advice on EU-Africa relations and implementation of the joint strategy.

Building as much as possible on existing networks, participants in EARN raise public awareness, stimulate debate and dialogue and undertake practical policy research. In addition, the network hopes to strengthen policy research capacities in Africa on EU-Africa relations.

Start-up meetings were held in Lisbon in September and December 2007 to discuss the internal organisation, management and future work of the network. So far, some 25 policy research institutes and networks from Africa and Europe have joined.

EARN will be structured in four thematic clusters or working groups: Peace & Security, Governance & Human Rights, Trade & Regional Integration and Poverty Reduction & Development.

In late 2007, ECDPM began a mapping exercise to inventory the broad range of policy research institutes in Europe and Africa with competences in the various thematic areas of the Joint EU-Africa Strategy. The mapping will continue into 2008. Its aim is to produce a better overview and understanding of African institutes and networks, alongside their competences and specialisations, and to ensure that African institutes are exposed to the world of EU-Africa relations.

## **ECDPM management of partnership**

The Centre stimulates sharing of partnership-related experiences and learning both internally (for example, through in-house seminars, the ECDPM intranet and internal discussions) and externally – through exposure and training. In so doing, it has been able to systematise partnership experiences, to share and internalise partnership approaches and to methodically assess the quality and impact of the various partnerships. Within the Centre, Institutional Relations and Partnerships plays a coordinating role in partnership management, maintaining the all-Centre focus in close cooperation with ECDPM's thematic programmes.

## **The Cotonou Partnership Agreement: What role in a changing world? (ECDPM, Policy Management Report No. 13)**

This publication is based on the results of an ECDPM multi-stakeholder conference, a series of analytical background papers and some informal reflections in both the EU and the ACP on this subject. The report assesses both the results so far of the Cotonou Partnership Agreement in its key areas of innovation and the future of EU-ACP relations in light of the rapidly changing global and overall ACP-EU context.

## ECDPM Milestones (1986–2008)

**1986 ECDPM established** with an endowment from the Dutch government to enhance the capacity of public and private institutions in Africa, the Caribbean and Pacific (the 'ACP') and to improve cooperation between the European Union and the ACP.

**1990 Lomé IV Convention** signed by the 12 states of the European Economic Community and 68 ACP nations. ECDPM starts to work on the second pillar of its mandate, focusing in particular on the donor and EU responsibilities in the partnership.

**1992 Maastricht Treaty** provides a legal basis for development cooperation as a formal shared competence between European Community and its member states.

**1993 Belgium is the first EU Presidency to call upon ECDPM support** for the mid-term review of Lomé IV and to investigate the implications of the Maastricht Treaty for development cooperation.

**1996 ECDPM 10 year anniversary. Green Paper process begins** with EU consultations on the future of ACP-EU cooperation beyond Lomé IV. **ECDPM organises broad-based consultations** with a large diversity of players in some 25 ACP countries **on the future of ACP-EU relations** thus contributing to increasing knowledge and understanding of ACP-EU cooperation. After joining the European Union, **Sweden and Finland conclude long-term cooperation agreements** with the Centre. Other EU member states, including **Portugal, start cooperation with ECDPM.**

**1997** In addition to its work on European development cooperation and capacity development in the ACP, **ECDPM also starts work on the ACP-EU trade theme.**

**1998–2000 ECDPM strategy re-emphasises its focus** on capacity-building processes, facilitation of policy dialogue and information in an ACP-EU context. **ECDPM works intensively with ACP civil society, business and local governments structures** to raise the voice of these new actors in the partnership.

**2000 Cotonou Partnership Agreement signed** between 77 ACP and 15 EU member states as a 20-year framework. **ACP-EU relations become more political** with a stronger focus on human rights, democratisation, rule of law, governance and participatory development. **African Union constituted** at the Lomé Summit in Togo.

**2002 Opening of ECDPM Brussels office**, further enhancing our relations with relevant EU and ACP actors based in Brussels. **Start of the negotiations for EU-ACP Economic Partnership Agreements (EPAs)**; ECDPM is asked to lead the evaluation of the practical implementation of the EU Development Policy Statement.

**2003** ECDPM is invited to explore how the European Union can support the emerging African Union. This **marks the start of an intense cooperation with the African Union Commission** in Addis Ababa, where ECDPM is invited to become part of a team involved in the strategic planning process of the African Union. The **EU Heads of Evaluation ask ECDPM to cooperate in evaluating application of the '3Cs'** of the Maastricht Treaty – 'coherence', 'complementarity' and 'coordination' – in European development policy and its operations.

**2004 EU enlarges to 25 with ten new member states.** Subsequent **EU Presidencies invite ECDPM to collaborate on ACP-EU cooperation issues** and to act as a sounding board for ACP concerns and expectations.

**2005 Cotonou Agreement revised** with 79 ACP states and 25 EU member states. The Paris Declaration on **Aid Effectiveness is signed** by more than 100 donor and partner countries and international and civil society organisations. The European Consensus on Development is adopted by the European Council, Parliament and Commission.

**2006 ECDPM evaluation** reconfirms the contribution and value added of the Centre to ACP-EU relations. The Centre further enhances its **strategic focus** by focusing **on long-term policy and management processes in a limited number of thematic areas:** Economic and Trade Cooperation, Governance, and Development Policy and International Relations. **ECDPM** is asked by the European Union and the African Union to help **facilitate consultations** between relevant development actors of both continents **on the preparation of the Africa-EU Joint Strategy. ECDPM celebrates 20th anniversary** with a seminar focusing on the role of the Cotonou partnership in a changing world.

**2007 Joint EU-Africa Strategy adopted** at Lisbon Summit of Heads of State providing a first comprehensive, integrated and long-term framework for EU relations with the African continent. **Lisbon Reform Treaty is adopted**, positioning development cooperation more squarely within EU external relations. **ECDPM works intensively with the European Commission on the practical implementation of its support to governance in partner countries. The Dutch government and other member states confirm, and increase, their institutional support** for the strategic direction chosen by ECDPM in its 2007–11 strategy.

**2008 ECDPM intensifies cooperation with partner institutions in the ACP and Africa (including AU institutions) and with successive EU Presidencies** to strengthen capacity development in partner countries for ACP-EU policy implementation.

# The Nature and Nurture of Partnerships

*The partnership approach is a logical and necessary complement to ECDPM's process approach. We value and connect with our institutional relations and strategic partners to deepen and multiply the impact of our efforts and to share complementary insights, capacities and capabilities.*



| 13 |

ECDPM has a longstanding experience with different types of partnerships and collaborative arrangements in Europe and the ACP, including with governmental and non-governmental organisations at local, national, regional and global levels. We categorise levels of engagement with our partners in the following ways:

Our *institutional relations* are governmental actors playing a major role in EU-ACP relations. The European institutional partners characteristically support the Centre's mandate, strategy and programmes through participating in policy dialogue and providing multi-annual institutional and programme funding to ECDPM. Typically, the ACP/Southern institutional relations are key (inter-) governmental organisations with whom the Centre seeks to build long-term partnerships in specific areas of ACP/AU-EU relations.

The aim of our *strategic partnerships* is to generate and share relevant knowledge and information with a view to enhancing the overall quality of key ACP-EU policy processes. Strategic partners are generally non-governmental institutions and

networks in the European Union and the ACP/South with whom ECDPM cooperates with a long-term perspective on the basis of shared values and common interests.

Of course, it is often necessary to respond to timely issues; therefore, ECDPM doesn't shy away from *ad hoc partner cooperation* revolving around specific common tasks or projects to achieve results in the short term. Some of these collaborative arrangements, such as joint studies, conferences and consultations, have the potential to become more formal partnerships in the long run.

In an effort to illustrate the impact and meaning of our partnerships, we have invited two of our key institutional partners to share their reflections on the nature and nurture of our mutual relationships.



# Investing in Real Partnerships

Mr Ruud Treffers



### Letter from a Northern Partner

*One of the most positive characteristics of ECDPM is their ability to engage with a multitude of partners in development. They have managed so well, that they now are recognized as a European organization rather than as a Dutch institution. The Centre has reached out to the ACP countries in a thoughtful and inclusive way that is respected and acknowledged throughout the South. In Europe, the Centre is performing a very useful role being at the nexus of European development policy, helping to bridge between Brussels and bilateral development policies of member states. Over the years, the Centre has functioned as a platform where its partners can bring or get information and knowledge, or can get help to navigate in Brussels on development issues.*

DGIS has a long-standing relationship with the Centre. In fact, we are its progenitor. Our ministry established ECDPM 22 years ago, in 1986, with a € 40 million endowment fund. Although I was sceptical at first - and still find its acronym unwieldy- I have seen ECDPM becoming an important player in Brussels. The Centre's studies, workshops, and seminars bring the 'gospel' about European cooperation. Building on improvements in the performance of the Commission and the emergence of a European approach to development at Council level, there has been a growing recognition of Europe's relevance in this field. Member states have discovered that they can come together and reach consensus-as they did on increase of ODA-levels towards 0.7% GNI in 2015, on the European Consensus and the EU Code of Conduct on Division of Labour they can have huge leverage. A vital element of ECDPM's work is to help Europe to become a

united player. This is important for us in the Netherlands, and is behind our continued support to the Centre's work.

To improve development results we have to invest in real partnerships. I think that ECDPM, by their ability of analysis, by being a neutral broker between donors on one hand and ACP countries on the other, helps to achieve a joint and balanced development agenda. Here I see ECDPM's real added value and we wish them continued success on this path.

Respectfully submitted,

Mr Ruud Treffers  
Director-General for International  
Cooperation (DGIS)  
Netherlands Ministry of Foreign Affairs

*As the Director-General for International Cooperation (DGIS), Netherlands Ministry of Foreign Affairs, Mr Treffers is responsible at the civil service level for the performance of the Netherlands on development cooperation worldwide. The Netherlands government devotes 0.8% of GDP to development cooperation translated to multi-lateral, bi-lateral, civil society organizations, overseeing approximately € 5 billion yearly.*



# Sensitizing Public Opinion on ACP-EU Relations

## Letter from a Southern Partner

*It is my pleasure to discuss the role and impact of our partnership with ECDPM. We find ECDPM is a very high performing institution. We turn to them for facts to enlighten our decision-making; their communication is pertinent and useful, always presenting well-balanced and considered opinions. One relevant example is their work on the Economic Partnership Agreements, the EPAs, which are vital to the ACP-EU relationship. ECDPM understands the development dimension of these agreements, highlighting that they should not be just trade agreements - but development-oriented. Their work reveals that there cannot be trade without the minimum of infrastructure and competitiveness. Southern partners use such studies to inform and shape our own arguments. We often do not have the resources, capabilities or expertise to perform such investigations, so we really appreciate the Centre's research and informed opinions.*



Another important aspect of our partnership is their help in sensitizing public opinion in what are the main concerns in ACP-EU relations' development policy. We need to sensitize people, especially in the developed world where development issues are not very popular - or are even ignored. You ask somebody in the streets here, for example, "What is a problem of cotton industries?" and they reply, "Cotton? I don't know what cotton industries are". This is a real problem for us. We are literally killing the cotton sector in countries like ours where more than 50% of the export receipts are from this sector. If a sector like this disappears there could be dire consequences. We can count on the opinion of ECDPM to help us sensitize public opinion that, "Yes, this is a problem, and we have to find a solution for it".

The Centre also plays a major role in "policy coherence". We respect and appreciate the EU's good intentions to help development. But sometimes, there are policies that seem contradictory. For example, the European Development Fund (EDF) has

helped countries like Burkina Faso develop agriculture and livestock. Yet, if at the same time the EU exports subsidized meat, wheat or dairy products, then the project is destroyed in oversight, and the poor people they intend to help are instead hurt. Much work of ECDPM is directed at uncovering such contradictions.

ECDPM's position as a uniquely independent institution is a key to our successful partnership with them. When ACP or the European Commission, carry out studies, for example, both sides may be a bit more biased. After all, there are some constraints and pressures that constitutional entities may have that the Centre doesn't. We perceive that ECDPM is expressing freely, which is an advantage because they can tell the situation as they see it, not as they are compelled.

Yet another strong attribute is that their qualified staff really knows the development perspective. There are many good economists in the world, but without exposure to development issues, their

opinions lack perspective. The Centre staff deeply understands the issues of developing countries, and this helps us to attain a more objective point of view to work wisely and well.

In closing I would also like to commend their excellent insight of the matters. Being Europeans, having a presence in Brussels, they have longstanding, good relations with both the Commission and ACP. They bring a balance that is unique to development policy and development strategy.

We look forward to continuing our partnership with ECDPM in the years to come and are appreciative of their service on our behalf.

Respectfully submitted,

Kadré Désiré Quedraogo  
Ambassador to Belgium and the European Union  
Embassy of the Republic of Burkina Faso

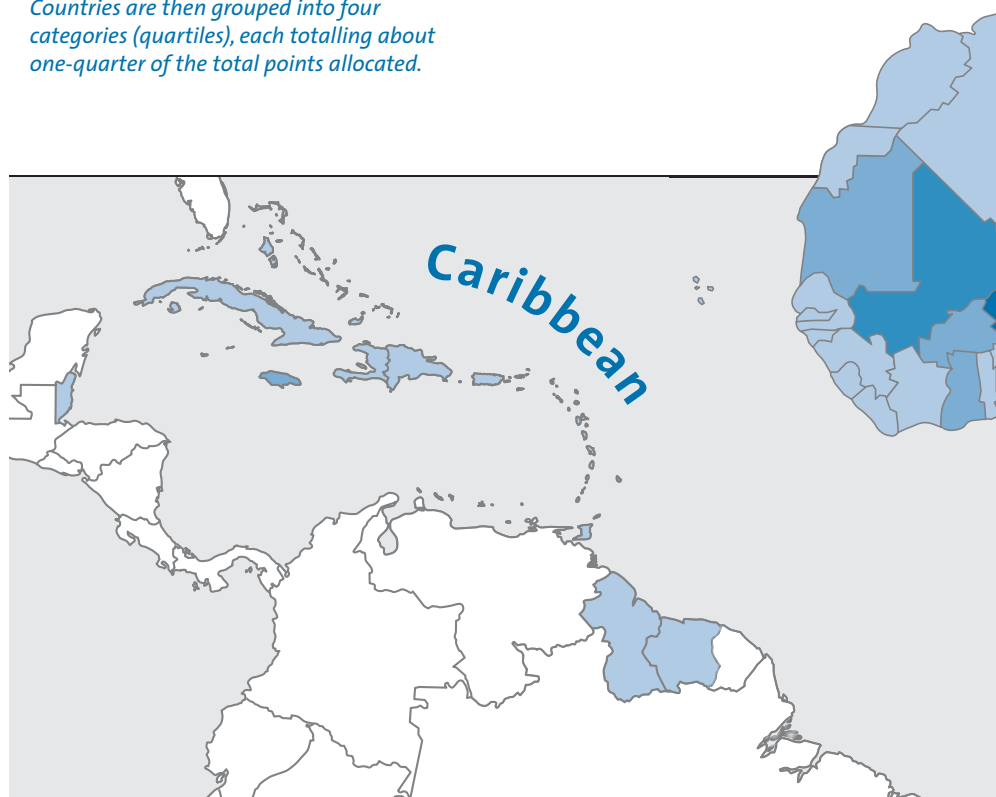
*Mr Quedraogo is Ambassador to Belgium and the permanent representative of Burkina Faso to the European Commission. Mr Quedraogo chaired the working group on the future of the ACP, which throughout last year worked to submit a report to the ACP Council of Ministers that was completed last December. The Council approved the work and recommendations and is now implementing the decisions and directives. ECDPM played a key role in informing the working group.*

# ECDPM Interactions in ACP Countries

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

The maps provide a quantitative indication, not a measure of the quality of the interactions. They illustrate the choices that we make as we focus our efforts among many thousands of development actors.

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



### Group 1

Niger  
Mozambique

### Group 2

Kenya  
Uganda  
Ethiopia  
Mali  
South Africa  
Cameroon

### Group 3

Ghana  
Mauritania  
Nigeria  
Zimbabwe  
Tanzania  
Zambia  
Burkina Faso  
Barbados  
Fiji  
Senegal  
Jamaica  
Chad

### Group 4

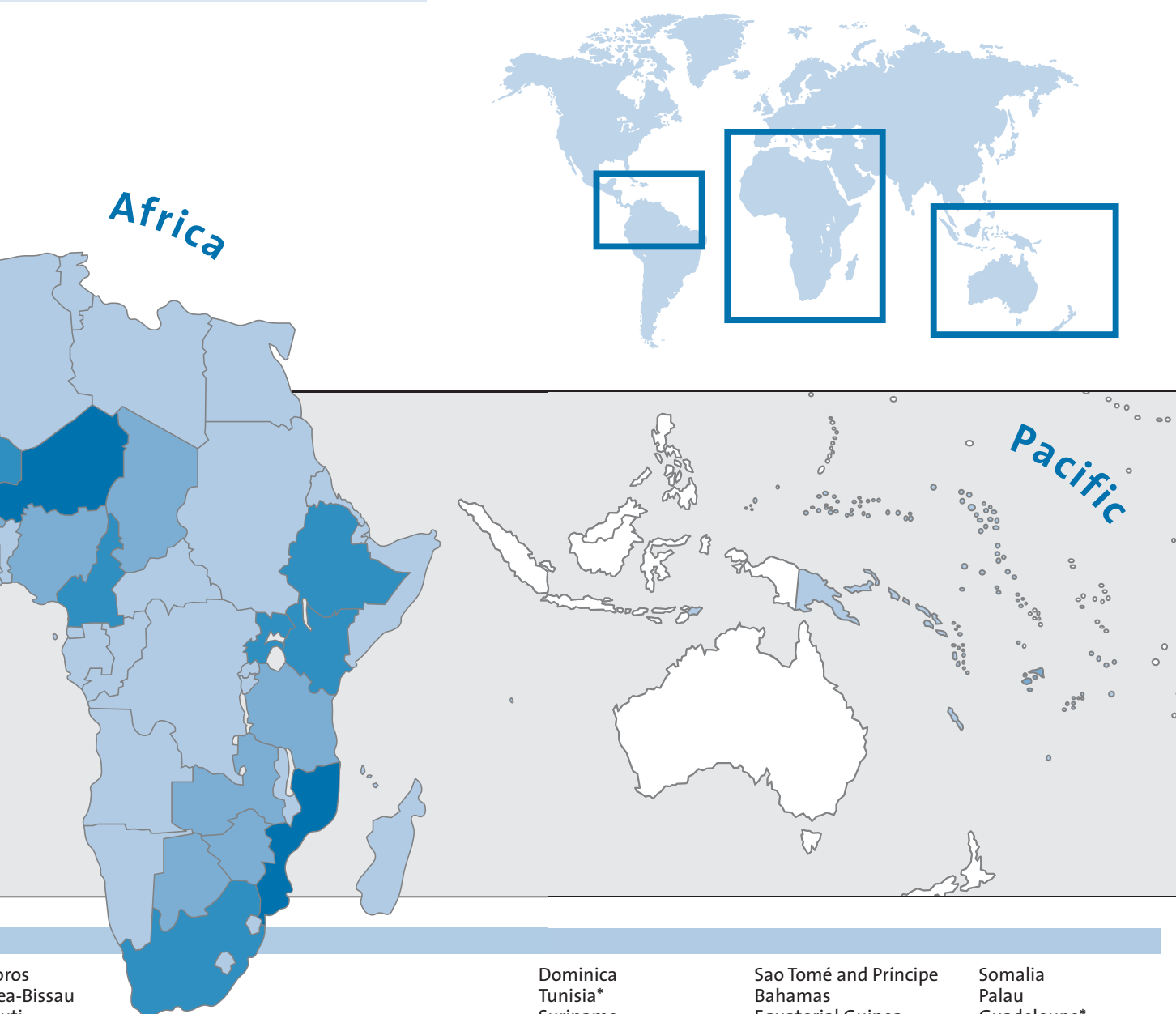
Botswana  
Mauritius  
Benin  
Gabon  
Côte d'Ivoire  
Trinidad and Tobago  
Namibia  
Madagascar  
Morocco\*  
Rwanda  
Malawi  
Swaziland

Sudan  
Congo (Kinshasa)  
Guyana  
Seychelles  
Angola  
Solomon islands  
Papua New Guinea  
Lesotho  
Guinea  
Burundi  
Togo  
Dominican Republic

Comoros  
Guinea  
Djibouti  
Cape Verde  
Gambia  
Liberia  
Reunion  
Sierra Leone  
Saint Helena  
Belize  
Egypt  
Central

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

# ies in 2007



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 Tunisia\*  
 Suriname  
 Vanuatu  
 Antigua and Barbuda  
 Congo - Brazzaville  
 Tonga  
 Samoa  
 Haiti  
 Saint Vincent and  
 the Grenadines  
 Eritrea

Sao Tomé and Príncipe  
 Bahamas  
 Equatorial Guinea  
 Algeria\*  
 Grenada  
 Kiribati  
 New Caledonia\*  
 Niue  
 Saint Kitts and Nevis  
 Puerto Rico\*  
 Cuba\*  
 East Timor\*

Somalia  
 Palau  
 Guadeloupe\*  
 Cook Islands  
 Tuvalu  
 Western Sahara Rep.\*  
 Marshall Islands  
 Martinique  
 Anguilla  
 Nauru  
 Libya\*

*The intensity of ECDPM interactions ranges from dark to light, as indicated on the maps. The countries with a darker colour are those with more intense interaction. A light colour indicates less intensity of ECDPM interactions.*

# Process Introduction

### Process matters

*ECDPM made a strategic choice to focus its work on facilitating policy processes, rather than taking a solely thematic approach. This permits the Centre to focus on how EU and ACP policy actors design and implement development policies, institutions and delivery mechanisms. This process approach has kept ECDPM flexible and highly relevant to a wide range of stakeholders while enabling it to adapt and evolve readily within the development and international relations context. ECDPM tries to live up to the following comment made by one of our stakeholders: 'No one knows EC systems and processes like ECDPM, or is as good at explaining them, or how to engage.'*



### Focus on vital development policy processes

Our three programmes – Development Policy and International Relations, Economic and Trade Cooperation, and Governance – concentrate on six processes important to partners in both the South and the North:

- promoting better relations between Africa and Europe beyond aid;
- making EU international cooperation more effective;
- improving EU-ACP trade negotiations on the Economic Partnership Agreements;
- maximising the ACP's benefits from economic and trade relations with the European Union;
- reinforcing Africa's search for indigenous governance approaches;
- improving EU support for governance reforms in ACP countries.

### What does 'facilitating policy processes' mean?

ECDPM took another strategic decision, which is to work to improve the quality of policy process through a combination of three distinct capacity strategies:

- The first capacity strategy is direct facilitation support. ECDPM assists relevant policy actors in extending, intensifying and improving their policy dialogue through participating in, moderating and organising informal events and meetings, mostly applying 'Chatham House' rules. These meetings allow policy actors to prepare for or evaluate the results of the more formal meetings they participate in within the framework of ACP-EU relations.
- The second capacity strategy is strategic research, knowledge management, networking and information provision. With this strategy, the Centre recognises that those participating in a policy process need adequate knowledge and information, for example, on background and policy context, on the different views of relevant actors, on specific policy options and on earlier experiences and results. To this end, ECDPM engages



in in-depth studies with its partners, organising knowledge-sharing opportunities and timely information provision.

- The third capacity strategy is development of strategic partnerships to support institutional development. This entails ECDPM linking with key EU and ACP (inter)governmental institutions to support their institutional development in an independent and non-partisan manner and engaging in strategic partnerships with other independent organisations in Europe and the South in order to ensure complementarity, optimum application of capacities and capabilities to achieve the tasks at hand and promote knowledge sharing and learning.

At ECDPM we believe that using a specific, strategically chosen combination of the above capacity strategies allows us, as a small foundation, to provide maximum support to the actors that engage in a specific policy process. As outcomes from our engagement we expect the policy processes we engage in to be more inclusive of ACP/Southern concerns; to be based on wider availability and more effective use of relevant information; and the results of the policy process to be owned more strongly by ACP/Southern actors than otherwise would have been the case. Through the process itself and our support we also expect ACP/Southern actors to acquire better insight into key policy components and alternative options and to further enhance their institutional capabilities to engage effectively in ACP-EU relations.

### Five core competences

From the application of these capacity strategies flow our five core competences:

- facilitating the development of knowledge, viable ideas, options and solutions by policymakers and other involved organisations;
- combining experience from the field with practical research, making it relevant and accessible to policymakers;
- using dialogue, knowledge sharing and partnership to drive a networking approach among different institutions;
- building bridges across different language communities and between practitioners, policymakers and specialists through informal dialogue and networking;
- committing to long-term engagements in complex and strategic policy processes that are critical to our partners in both the ACP and the European Union.



# Process and Progress in Pictures

*These photographs illustrate how we engage with our partners in these processes.*



### Partners in process

*Mozambique Member of Parliament participates in an ECDPM-organised seminar held during an official plenary session in April 2007. The event, convened by the President of the Parliament in a formal ceremony, was attended by members of both Frelimo and the opposition coalition group, led by Renamo.*



### Partners in process

*Mozambique's Parliament seminar overview*

### From process to progress: Building bridges of understanding

*This consultation conference to discuss the Joint EU-Africa Strategy was organised by the Centre in April 2007 in Bad Honnef, Germany. It brought together nearly 100 African and European civil society actors and AU and EU officials. One of the first civil society events on this topic in Europe, the consultation conference was designed to explain the EU Africa Strategy, to formulate clear expectations regarding the role of a representative sample of key EU and AU civil society organisations, and to identify common viewpoints. Participants developed recommendations for the official negotiators to use in their deliberations during the EU-Africa Ministerial Troika.*



### From process to progress

*At the consultation with civil society on the Joint EU-Africa Strategy, April, Bad Honnef, Germany.*







### Process through seminars

*Seminar for the Parliament of Niger on the implementation of the Cotonou Partnership Agreement, 26–27 November. The seminar looked into recent developments in the context of the ACP-EU partnership and how the Cotonou Partnership Agreement has and could affect the situation in Niger. A wide variety of issues was touched upon, including cooperation with non-state actors, the functioning of the European Development Fund and the Economic Partnership Agreements.*

### Progress through participation

*This conference, organised by ECDPM and Front Line with the support of the King Baudouin Foundation and the European Commission, brought together some 80 practitioners from various development and human rights disciplines from multiple NGO and donor agencies, EU institutions and member states, and international organisations. Participants examined existing development agency policies and practices to find ways to better support the broader work of human rights defenders, to explore ways to strengthen synergies between development agencies and human rights defenders at the country and regional levels, and to agree upon a set of operational guidelines for more effective cooperation between development agencies and human rights defenders.*



### Partnership impact

*The Economic Partnership Agreements (EPAs) are intended to replace the current regime of non-reciprocal trade preferences and aim to stimulate development and regional integration, as well as compatibility with WTO rules. In the Southern Africa region, eight states opted to form the Southern African Development Community (SADC) EPA grouping. South Africa's recent inclusion in the SADC EPA group has significantly impacted the group's position in key areas and will undoubtedly affect the European Union's response to any positions taken by the SADC group.*

*In this context, the South African Institute of International Affairs (SAIIA), the Regional Trade Facilitation Programme (RTFP) and ECDPM, organised a one-day seminar bringing together some of the key concerns of the region in these SADC EPA negotiations. The seminar, made possible by the generous support from the Department for International Development of the United Kingdom (DfID) and the Konrad-Adenaur-Stiftung, took place on Tuesday 26 June in Brussels.*

### Convening for collaboration

*A brainstorming meeting in the context of the consultation on the Joint EU-Africa Strategy, which was signed in Lisbon in December 2007.*



### 3. Process Assessment Framework (PAF) Reports

# Development Policy and International Relations



left to right, top to bottom:  
Timor El-Dardiry, *Programme/Research Assistant*  
James Mackie, *Programme Coordinator DPIR*  
Niels Keijzer, *Programme Assistant*  
Paul Engel, *Director*  
Volker Hauck, *Head Knowledge Management*  
Andrea Petitt, *Research Assistant*  
Jonas Frederiksen, *Programme Officer*  
Marie-Laure de Bergh, *Programme Officer*  
Sara Erlandsson, *Research Assistant*  
Veronika Tywuschik, *Research Assistant*  
Tilly de Coninck, *Executive Assistant*  
Eleonora Köb, *Programme Officer*  
Gwénäelle Corre, *Programme Officer*

Not pictured: Anje Jooya-Kruiter, *Programme Officer*

#### Programme overview and objectives

The overall goal of the Development Policy and International Relations Programme (DPIR) is to promote debate on key EU external policy issues that affect ACP-EU relations. The ultimate aim is to help ACP countries, particularly those in Africa, their governments and their institutions to derive maximum benefit from relations with the European Union. Special emphasis is on strengthening ownership and improving ACP abilities to guide relations in directions that best suit them.

Whilst promoting effective development cooperation is a key concern, it is also important to relate development policy to major issues in the wider arena of EU external action. Our programme tackles these objectives by focusing on two policy processes:

- the Joint EU-Africa Strategy;
- effectiveness of EU external assistance.

Debate on the Joint EU-Africa Strategy is one of the most crucial policy processes in relation to EU external action for the developing world, as it constitutes a single framework encompassing many aspects of

a much broader context. It also provides a forum for discussing the future of the Cotonou Partnership Agreement. These aspects alone justify our interest in developments surrounding the strategy. Moreover, we have something to offer the debate thanks to our unique, long-term contacts with actors at all levels in Africa and in relevant European institutions.

Debate regarding the effectiveness of EU external assistance is wider ranging and longer term. Therefore, our added value here needs to be more carefully specified, as other actors are making extensive contributions as well. Correspondingly, our inputs are precise and targeted, allowing us to pick up on issues and to explore connections that other actors find more difficult to gain a hold on. An example is bridging the gap between those operating the EU aid system and the wider stakeholder group, including ACP governments, consultants and technical assistants, along with the EC Delegations, policymakers and negotiators in Brussels, and beyond them, civil society actors and others. Similarly, the debate between EU member state governments and the European Commission on coordination

and complementarity requires intensification and opening, as it is only just starting to pick up and is still being pursued largely behind closed doors. This is a role ECDPM can play, thanks to our contacts and the high degree of trust we enjoy in many ministries. In addition to our communication work and the creation of opportunities for dialogue, stakeholders expect us to come up with ideas and knowledge inputs. These must be based on evidence and policy-oriented research.

#### Introduction and overall policy context

The international debate on development cooperation has moved a long way in the past decade, with agreements emerging on goals (such as the Millennium Development Goals), approaches (such as the 2005 Paris Declaration on Aid Effectiveness) and resources (the 2002 Monterrey Consensus). At the European level, this has prompted a major policy renewal effort, including a new EU-wide policy statement called the *European Consensus on Development*, which was closely followed by an EU strategy on Africa. This work has continued with detailed discussions of how to

integrate the precepts of the Paris Declaration into existing European aid practice.

These trends raise questions about existing instruments, modes of operation and agreements such as the Cotonou Partnership Agreement, regarding how these are to be understood by stakeholders and how they might be adapted to the new realities.

More widely, the European Union has had to confront new political realities among developing countries, such as the rise of Pan-African institutions, particularly the African Union and the New Partnership for Africa's Development (NEPAD), and the emergence of new states on its own borders. Conflicts and the destructive effects of turmoil on development efforts have been major causes of concern both in Africa and in Europe's own more immediate border regions. The European response to these geopolitical realities has been to view external action increasingly as a single, integrated package, with security concerns taking their place alongside trade and development policies. Appropriate 'policy mixes' are then devised for different



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regions and countries as required.

As a result, it has now become essential to take a broad perspective and look beyond development cooperation itself, to the linkages with other policy fields. In a sense, the 2000 Cotonou Partnership Agreement presaged this shift with its three pillars of trade, aid and political dialogue. As a foundation dealing with ACP-EU relations, ECDPM now needs to regard the wider context of EU policies on security, neighbourhood, migration and foreign policy and determine how these impinge on development cooperation.

From an ACP-EU perspective, the main challenge is to understand how these shifts in geopolitics and global approaches will affect the longstanding relationship between the two groups of countries and the quality of their partnership.

Further, the international community has agreed to double ODA levels, although these rises have not yet been factored into the 10th European Development Fund (EDF) and the External Actions Chapter of the EU budget. Such large increases in aid will require major improvements in delivery and absorption capacities.

## Application of ECDPM's three capacity strategies by the programme

### Direct facilitation support

Both selected policy processes require facilitation support. Thus, in relation to the Joint EU-Africa Strategy, ECDPM has intervened at points in

the process which had been characterised by weak linkages and inadequate dialogue, such as that between the European Commission and the EU member states and between the EU institutions and the African Union. Our prime objective here is to boost the capacity of these institutional actors to understand and relate to concerns felt by other stakeholders.

Regarding the second policy process, two areas have been considered important for providing facilitation support and encouraging a greater depth of dialogue among stakeholders: the relationship between the European Commission and ACP actors (Regional and National Authorising Officers in particular) and interactions between EU member states and the European Commission on ways to improve coordination and complementarity. Creating real or virtual fora for discussion and encouraging participation have been crucial aspects of this work. Provision of services to selected EU and ACP/AU policy actors is another key aspect of this direct facilitation support.

### Strategic research, knowledge management, networking and information

In both policy processes, particularly that surrounding the effectiveness of EU aid, policy-oriented research remains crucial to acquire and consolidate knowledge from the field, together with the ability to communicate findings and generate debate. For the first policy process, we view it most important to follow debates in Europe and contribute to explaining and communicating these, particularly to African audiences.

ECDPM has further decided to maintain a 'core knowledge base' covering current themes in our fields of interest. This will provide vital support to various aspects of our work, for instance, that on the two policy processes, the delivery of services to policy actors and the general information and communication function. The objective is to keep up to date with major discussions related to EU development policy and external action and to add value to debates by supplying information and informed comment. Drafting regular briefing notes on new policy initiatives and other topical issues remains an important activity, as well as maintaining the flow of information to stakeholders in both Europe and the ACP countries.

Our core knowledge base will keep the Centre light on its feet, flexible and able to respond to unexpected directions of debates and requests from stakeholders as these emerge. Likewise, this work will supply new information and a means of raising awareness of new debates outside of the two core policy processes.

### Strategic partnerships to support institutional development

Explicit choices will be made in the next phase of this relatively new programme as it seeks out and develops new strategic partnerships. It will be vital to build a network of interested parties in Africa, despite low levels of awareness there of the Joint EU-Africa Strategy. Already we have a good working relationship with one key actor, the AU Commission, and we hope to develop this in the coming period. This relationship could be further enhanced with the development of a network of peer institutes, in both Africa and the European Union, with a similar interest in the African Union, a 'friends of the African Union'. We will be exploring the scope for such a group.

The prime partnership network to be formed in relation to the 'effectiveness of EU aid' theme is a network of EDF practitioners, such as ACP ministry personnel, technical

assistants and EC Delegation staff. Equally, in terms of the complementarity debate, it would be worth linking such a network with a parallel network of officials from EU member states administering bilateral programmes and with other actors in research centres and NGOs.

## First policy process: The Joint EU-Africa Strategy

### Evolution of the context and key thematic priorities

At the start of 2007, the joint talks on the EU-Africa strategy gained significance at the EU policy level, very much as expected. In Africa this was less noticeable except in AU circles. In parallel, the EPA negotiations also moved forward. Whereas both processes moved along during the year, the EPA discussions were felt to have a stronger and more immediate impact on most African and ACP countries. The 'heavyweight' political attention therefore was focused far more on the EPA discussions than on the Joint EU-Africa Strategy debate. Within the broader development community, attention centred on the follow-up to the Paris Declaration, with many donors intensifying their preparations for the stocktaking exercise scheduled for Accra in late 2008.

During the second half of 2007, negotiations on the Joint EU-Africa Strategy followed the set timetable leading up to the EU-Africa Summit in December. A number of civil society organisation events were held. While these were able to feed a few limited ideas into the content of the official documents, in fact the last few months of the year were too late for any lobbying work. Doubts continued about leaders' attendance at the Summit up to the last minute. But on the EU side only the United Kingdom was represented by its foreign minister rather than the prime minister. As predicted, the EPA negotiations did not progress well and thus provided a somewhat negative backdrop for the Summit, resurfacing

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during the event as several African leaders voiced their discontent with the European approach to the trade talks. Ultimately, 67 leaders attended and the joint strategy was approved. This in itself was seen as a success, though questions were raised about the extent to which the new strategy broke new ground, about the levels of real ownership of the strategy amongst African leaders and about whether EU member states really were committed to invest in the implementation of a common strategy.

A reconsideration of ECDPM's role was prompted by the strategy process moving into a new phase in mid-2007, following the approval of the strategy outline at the Joint Ministerial Troika meeting. Possible roles for the Centre in the next phase relate to both the public consultation and the official negotiation process.

Development of ECDPM's partnership with the African Union moved slowly but continued to provide a relevant framework for the year, particularly as it was decided that the leadership of the AU Commission would remain in place for an additional six months until early 2008. The major difficulty with the partnership is to ensure AU Commission ownership of any activities that the AU leadership suggest ECDPM might undertake.

#### Key actors

Key actors in the consultations leading up to the Joint EU-Africa Strategy:

- European Commission (DG Development, EuropeAid, DG for External Relations)
- EU member states
- AU institutions (AU Commission plus member states)
- African and European NGOs (from various sectors, including development, human rights and environment)

Key actors in support of AU institutions in relations with the European Union:

- AU Commission
- African Regional Economic Communities

#### Process narrative: Activities realised and their contribution to the process

The two sides of ECDPM's work (public consultation and official discussions) were mutually reinforcing in 2007, and the Centre's role was seen by all sides as valuable despite the difficult moments that had to be overcome.

For the public consultation, the two key activities in 2007 were the organisation and running of the website and involvement in various civil society consultation meetings, including the organisation of one in Bonn in cooperation with the German non-governmental development organisation platform VENRO. In addition, it proved possible to work 'inside' the official process, attending the officials' meetings and providing inputs, ideas and a considerable amount of informal facilitation. Among other things, this enabled us to challenge ideas and encourage officials to think somewhat more 'outside the box'. In various instances, this led to better understanding of the views of opposite numbers in discussions. In the work related to the African Union, one of our main contributions during the year was to push for acceptance of the need for greater coordination of the external support to the AU institutional development process. This is slowly starting to improve, though there is some way to go to achieve solid results in this area, and much depends on sustained internal ownership.

An internet consultation on the Joint EU-Africa Strategy was carried out between February and April on the basis of issue papers drafted by ECDPM. Two hundred comments from African and European actors were submitted, among which were some 50 position papers from civil society organisations. The Centre compiled the outcomes of the internet consultation in a report and distributed it among

the institutional negotiators. During the second part of the year, we went on distributing civil society recommendations to the negotiators and facilitating dialogue on the questions raised, especially by organising discussions in the ad hoc working group with the European Peacebuilding Liaison Office (EPLO) and the confederation representing European NGOs for relief and development (CONCORD). These efforts led to facilitation of a meeting in October with the European Commission, the EU Presidency and civil society organisations at which the draft joint strategy was informally distributed so that civil society organisations could comment.

A website was set up in English and French in February to serve as a basis for the internet consultation with a view to providing all information relevant to the consultation process ([www.europafrika.org](http://www.europafrika.org)). E-mail bulletins were regularly sent as of February to inform a wide range of African and European stakeholders interested in the Joint Strategy on the evolution of the process. Many stakeholders provided positive feedback on the website, and several new actors subscribed to receive the bulletins. Other websites (official and non-governmental) linked to this 'Europafrika website'. All of the institutional and non-institutional actors involved acknowledged the site as a key source of information for them during the process.

Finally, ECDPM provided regular briefings to African negotiators throughout the second semester and facilitated various informal exchanges between the AU ambassador and the Portuguese Presidency. Both very much appreciated these exchanges and credited them with providing information necessary to prepare for the December Summit and to raise issues of concern, such as the EPAs.

#### Progress towards policy process outcomes

Overall, the first policy process outcome - wider availability and more effective use of information by key policy actors on the Joint EU-Africa Strategy - can be considered achieved. Indeed, all stakeholders lauded the quality of the information distributed by ECDPM and indicated that they would continue to make regular use of it.

The second outcome - a more open-ended, inclusive process - can be said to have been achieved to some extent, though the negotiators appeared to take on board only those proposals from civil society that were un-controversial. This aspect is perhaps unavoidable and reveals the limitations of ECDPM's facilitator role. A strong and well-organised lobbying campaign is required to bring controversial issues to the table. However, without the Centre's facilitation, the process would have been less transparent and perhaps fewer civil society ideas would have been incorporated. ECDPM thus received positive feedback on its information and communication tools (website, bulletins) and civil society organisations indicated their appreciation of the space created for them to dialogue with officials.

The third policy outcome - improved AU ownership and management of the content of its negotiations with the European Union - must be seen



as a higher level outcome. The AU Commission often repeated its appreciation of ECDPM's support throughout the negotiations. The AU embassy in Brussels is a positive example in that ECDPM support enabled it to be better involved and to raise key points for Africa during the negotiations. The support to Addis Ababa proved less successful, in part due to the capacities of the negotiating team.

## Second policy process: Effectiveness of EU aid

### Evolution of the context and key thematic priorities

As anticipated, the debate on aid effectiveness continued in EU development cooperation circles during the first half of 2007, and it is expected to intensify in the build-up to the third High-Level Forum on Aid Effectiveness to be held in Accra in September 2008. There is still wide discussion on how to best measure progress toward the Paris objectives. ACP actors are being drawn into the debate as well. Many of them are particularly interested in the alignment objective of the Paris Declaration, as well as in commitments to increase the predictability of assistance through the use of programme-based approaches. Processes involving civil society organisations in the preparations for Accra also began to intensify, with CONCORD initiating events to promote debate

among Northern civil society organisations in Europe, to feed into global civil society contributions in and around the Accra forum. Within the donor community the discussion is highly diversified. Many areas of work are being examined for effectiveness to see whether improvements can be made. Great effort is being made to document progress in these initiatives in time to be considered during the Accra stocktaking.

In the EU context, it is increasingly recognised that far higher levels of coordination are needed to improve the effectiveness of the Union's collective aid effort, and there is a general move towards complementarity. In this respect it is encouraging that the debate on division of labour intensified in the Council working groups during the first semester of 2007, leading to the adoption of a Code of Conduct at the General Affairs and External Relations Council (GAERC) in May. Hopefully, this focus will continue and lead to further actions, as the importance of this discussion is underlined in the results of the joint evaluation of the 'Maastricht 3Cs' (coordination, complementarity and coherence).

The November GAERC meeting agreed that the European Union would focus in the run-up to Accra on two aspects in particular:

- complementarity, seeking to put into effect as much as possible the Code of Conduct on Division of Labour agreed at the May 2007 GAERC meeting;
- the question of greater predictability of funding, through the use of budget support.

The Commission also proposed the idea of Millennium Development Goal contracts. These would combine general budget support over a six-year period, rather than the normal three years, with a strengthened focus on the attainment of MDG indicators. The main findings of

the first EU biennial report on policy coherence for development, which was published in September 2007, were also discussed in November. The GAERC discussions led to adoption of EU Council Conclusions based on some of the findings emanating from the 3Cs joint evaluation process.

The sheer diversity of discussions and initiatives being undertaken in the donor community, among ACP governments and among civil society stakeholders under the broad heading of improving aid effectiveness means that it is not easy to determine which efforts are most likely to have the strongest impact. Indeed, to some extent it is even difficult to speak of a 'single' policy process. Though this complicates the planning of ECDPM's work in this area, this setting also provides a multitude of opportunities for the Centre to communicate its current and past thinking on the topic.

For the programme, the dilemma is thus to determine what are the most important activities to bring added value and on which to concentrate. Our current work portfolio under this heading is heterogeneous. The intention is to review it regularly and in 2008 to gradually sharpen focus on core issues and processes as these become more evident in the overall debate in the run-up to Accra. Among other things, there is a clear need to raise awareness and promote common understanding on aid-effectiveness issues and to create space for dialogue, something the 'Whither EC Aid?' project is designed to address.

Though the debate on aid effectiveness remains fairly dispersed in the European Union, with many actors contributing in varied ways, the November GAERC meeting did manage to clarify the Union's main institutional priorities. In addition, it brought to a head various aspects of work on policy coherence for development, which, while not one of the areas formally identified

for Accra, is increasingly seen as having a large impact on aid effectiveness. Finally, despite the fact that attention in the trade sector was focused more on conclusion of the EPA negotiations than on their follow-up, the issue of the effectiveness of Aid for Trade is now also being raised.

### Key actors

Key actors in the aid effectiveness policy debate:

- European Commission, particularly EuropeAid and DG Development
- ACP Secretariat, National and Regional Authorising Officers
- EU Presidencies (Portuguese, Slovenian) and member states including EU donor agencies Danida, GTZ, ADA and SIDA
- EU Heads of Evaluation Services and Task Force for the 3Cs Joint Evaluation
- Non-EU bilateral donors, such as AusAid
- OECD Development Assistance Committee (DAC) Secretariat
- NGOs and civil society, both African and European
- ActionAid International
- Council working groups, in particular CODEV
- CONCORD
- Wilton Park Conference Center
- UNICEF and UN agencies in Brussels
- EPLD, SCF, World Vision and other NGOs in Brussels working to help children affected by armed conflict

### Process narrative: Activities realised and their contribution to the process

Progress made can be clustered under two main rubrics: implementation of the EDF and promotion of EU complementarity. Regarding implementation of the EDF, ECDPM performed a study to serve as an input for a Europe-Aid strategy to meet the EU aid effectiveness targets regarding technical cooperation and project implementation units. This study provided the European Commission with materials to use in discussions with member states, meaning that the latter have started to engage with the European





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Union in more depth on the proposals to reform EU technical cooperation. The Europe-Aid strategy should be ready by mid-2008.

It is too early as yet to gauge how much impact the Cotonou Partnership Agreement Annex IV Review will have on the general aid effectiveness policy debate, although the ACP Secretariat is taking a close interest in the review.

ECDPM has supported the joint 3Cs evaluation process, for which it led a study on European mechanisms for policy coherence for development. Further, the Centre assisted the EU Heads of Evaluation initiative to influence the aid effectiveness policy debate. Publication of the 3Cs studies and maintenance of a complementary website helped to communicate the results to a larger audience. A synthesis of the six evaluations was produced by ECDPM at the request of the Heads of Evaluation and used to inform the Council Working Party on Development Cooperation of the main findings. In addition, the Commission's biennial policy coherence for development report referred extensively to the results of the evaluation on European mechanisms promoting policy coherence for development, which was led by the ECDPM.

In partnership with ActionAid International, for the 'Whither EC Aid?' project, ECDPM led the drafting of a discussion paper and contributed to development of the methodology and conducting the research. The paper informed and stimulated debate between the European Commission and other European players, and indeed some Southern actors as well. ECDPM also began development of a related public website to be launched in early 2008. Numerous contacts were initiated among EU institutions to collect additional evidence and prepare the ground for a series of roundtables in 2008.

Finalisation in December 2007 of the study on EU responses to the problem of children affected by armed conflict meant that already at the start of its Presidency, on 1 January 2008, the Slovenian officials could begin using the findings in the various Council working groups, with the aim to pass Council conclusions on the subject in May 2008. A key finding of the study is the serious fragmentation of EU efforts to alleviate the hardships of children affected by armed conflict. To address this, EU member states and the Commission have to pull together, both as a group and internally, the different aspects of their work (humanitarian, diplomatic and development) to achieve real impact in this area in which everyone agrees the EU must do better.

Early in 2007, a decision was taken to use the Aid for Trade debate to advance key conclusions from ECDPM's work around aid effectiveness issues. Some progress has been made towards narrowing the scope of our activities in this area. This work is being done jointly with the Economic and Trade Cooperation Programme and is reported on in more detail in the section on that programme in this annual report.

#### Progress towards policy process outcomes

In terms of progress towards the expected outcomes, the evaluation reports related to the 3Cs and policy coherence for development mechanisms led to significant achievements, providing meaningful information to the EC working groups that relied on them as a primary source. The reports are fairly specific, however, and though relevant, illuminate only part of the picture in terms of the wider debate on aid effectiveness.

In relation to the ECDPM studies on EU technical assistance and children affected by armed conflict, as well as the 'Whither EC Aid?' project, processes were launched in 2007 and significant groundwork completed.

But real evidence of progress will start to emerge only in 2008. This is also true of the inter-programme work in the context of Aid for Trade reported on elsewhere in this report.

#### Outcome

##### Breaking the ice in the public consultation towards the Joint EU-Africa Strategy

A brainstorming meeting held in Brussels in February 2007 opened the negotiation process for the Joint EU-Africa Strategy. In the lead-up to that meeting, ECDPM prepared a series of short background papers giving a neutral overview of the issues to be discussed. These papers – a typical result of cross-programme and cross-centre exchanges and teamwork – raised awareness of concerns on both sides. They also constituted a first step in ECDPM's continued efforts to brief AU and EU officials during the consultation process.

The background briefs contributed significantly to the content of the negotiations and were often quoted by AU officials. However, they remained a backcloth, and ECDPM's name was not necessarily mentioned. That was a fitting reflection of ECDPM's neutral non-partisan facilitation.

Beyond these specific stakeholders, ECDPM produced 'EU-Africa E-alerts', a monthly electronic resource on EU-Africa relations which were widely disseminated. In addition to the e-alert mailing list, these were the most downloaded publications from the ECDPM English website during the first half of the year. In French they featured among the top five of downloaded publications during much of the year.

#### Capacity strategies applied:

A (direct facilitation support) and B (strategic research, knowledge management, networking and information)

#### Outcome

##### Delivering the goods: Challenges for ACP-EU relations in 2007 (ECDPM InBrief No. 17)

This yearly ECDPM publication was again well received in 2007, and featured in the top five of downloaded English publications during three of the year's four quarters.

#### Capacity strategy applied:

B (strategic research, knowledge management, networking and information)

#### Outcome

##### ECDPM work on technical assistance

In the second half of 2007, ECDPM joined with EuropeAid to conduct a review of the European Commission's approach to technical cooperation and project implementation units. The Commission aims to develop a strategy for dealing with this issue in light of the Paris Agenda and following a critical report by the European Court of Auditors which challenged the Commission to substantially improve its practices related to technical cooperation and project implementation units.

Already by late 2007, some of the outcomes of the work had started to emerge. A first outcome is that member states began to engage with the Commission in greater depth on their reform of technical cooperation and project implementation unit practices. This was reflected in the wide participation at the EC workshop by Commission and member state officials, and the interest expressed throughout European aid agencies in the workshop report.

ECDPM will continue in 2008 to work with the European Commission to prepare an 'options paper'. This will be a short, 15-page document setting out different scenarios on how the EC strategy on technical cooperation and project implementation units could be pitched. The options paper will then be discussed by AIDCO



management and a decision on one of the options will guide the finalisation of this process leading into an EC strategy document and a work plan to address deficiencies.

**Capacity strategy applied:** B (strategic research, knowledge management, networking and information)

### Outcome Finalising the joint 3C evaluations

In 2007, the EU Heads of Evaluation Services invited ECDPM to prepare a synthesis paper of the results of the joint evaluation of coordination, complementarity and coherence in EU development policies and operations (the '3Cs') and on that basis to distil emerging key issues. Following discussions in Brussels in June, the EU Heads of Evaluation decided to bring the results of the evaluations to the attention of the Council Working Party on Development Cooperation (CODEV).

ECDPM presented the synthesis paper to CODEV on 10 September. The detailed Council Conclusions initially drafted by the Presidency were unfortunately changed to a more general and less detailed set. CODEV accepted these Council Conclusions on the 3Cs on 15 October. Despite the lack of detail in the document, the member states and European Commission were invited to make further recommendations on the basis of the evaluations. Thus, there may still be some scope for further communicating the evaluation findings during 2008.

**Capacity strategies applied:** A (direct facilitation support) and B (strategic research, knowledge management, networking and information)

### Outcome

#### Joint evaluation of European mechanisms to promote policy coherence for development

In May 2007, ECDPM finalised a joint evaluation of mechanisms to promote intra-governmental policy coherence for development in the European member states and institutions. The evaluation was commissioned and managed by the French Ministry of Foreign Affairs, with the support of a steering group that included, besides France, representatives of Germany, Belgium, the Netherlands and the European Commission.

Following the finalisation of the evaluation, ECDPM presented its main findings on a number of occasions. Numerous evaluation conclusions, as well as a key diagram, were used in the context of the first EU report on policy coherence for development, which was published as an EC working paper in September.

**Capacity strategies applied:** A (direct facilitation support) and B (strategic research, knowledge management, networking and information)

### Testimonial

*'From the African Union Commission's (AUC) point of view ECDPM is different from other partners due to the sense of uniqueness they bring to our work. They have a good knowledge of what the AUC does and needs, and how the EC and Europe in general work. For us, they don't always follow the classic line of thinking; rather, they bring critical thinking that benefits all parties. It is their frankness that sets them apart.'*

Ambassador John K. Shinkaiye,  
AU Commission

### SELECTED PUBLICATIONS

(more publications available on the CD-ROM and [www.ecdpm.org/dpir](http://www.ecdpm.org/dpir))

ECDPM. 2007. *Evaluating coordination, complementarity and coherence in EU development policy: A synthesis*. (Studies in European Development Cooperation Evaluation 8). Amsterdam: Aksant Academic Publishers.

ECDPM. 2007. *Evaluation of the HORIZONT3000 TA Personnel Programme*. Vienna: Austrian Development Agency.

ECDPM, ICEI and Particip GMBH. 2007. *Evaluation study on the EU institutions and member States' mechanisms for promoting policy coherence for development*. (Studies in European Development Cooperation Evaluation 7). Amsterdam: Aksant Academic Publishers.

Engel, P., N. Keijzer and T. Land. 2007. *A balanced approach to monitoring and evaluating capacity and performance: A proposal for a framework*. (Discussion Paper 58E). Maastricht: ECDPM.

Frederiksen, J., O. Hasse, C. Ørnemark and H. Baser. 2007. *Striking the right balance: The future of NAOs in ACP-EU cooperation*. (Discussion Paper 73). Maastricht: ECDPM.

Hauck, V. and M. Souto. 2007. *Provision of technical assistance personnel in Mozambique: Between 'doing the work' and a 'hands-off' approach*. (Discussion Paper 75). Maastricht: ECDPM.

Land, T. 2007. *Joint evaluation study of provision of technical assistance personnel: What can we learn from promising experiences?* (Discussion Paper 78). Maastricht: ECDPM.

Land, T., V. Hauck and H. Baser. 2007. *Aid effectiveness and the provision of TA personnel: Improving practice*. (Policy Management Brief 20). Maastricht: ECDPM.

Laporte, G. 2007. *As Relações da UE com o mundo em desenvolvimento. A Parceria de Cotonou UE-ACP: modelo ou reliquia do passado?* (Documento de reflexão 72). Maastricht: ECDPM.

Watson, D., N. Minh Thong and J. Zinke. 2007. *Provision of technical assistance personnel in Vietnam: Cooking pho, peeling potatoes and abandoning blueprints*. (Discussion Paper 77). Maastricht: ECDPM.

### SELECTED EXTERNAL EVENTS

Civil society consultation on the Joint EU-Africa Strategy. 23–24 April, Bad Honnef, Germany.

Workshop on the study 'Provision of technical assistance personnel: What can we learn from promising experiences?' 30 May, Copenhagen, Denmark.

Consultation with civil society organisations on the study 'Enhancing the EU response to children affected by armed conflict'. 15 June, Slovene Permanent Representation, Brussels, Belgium.

Seminar hosted by the European Commission on the findings of the joint evaluations of the Maastricht 3Cs. 14 June, Brussels, Belgium.

Presentation of the study 'Enhancing the EU response to children affected by armed conflict'. 20–21 October, Ljubljana, Slovenia.

Sida/ECDPM seminar on the 3Cs evaluations and European aid effectiveness. 29 November, Stockholm, Sweden.

EU member states' workshop 'How to work together towards better quality technical cooperation and project implementation units'. 6 December, Brussels, Belgium.

Brainstorming session with European development NGOs at ActionAid International on basis of draft discussion note 'Wither EC Aid?'. 18 December, Brussels, Belgium.

### 3. Process Assessment Framework (PAF) Reports

# Economic and Trade (ETC)



left to right, top to bottom:

Corinna Braun-Munzinger, *Research Assistant*  
 Sanoussi Bilal, *Programme Coordinator ETC*  
 Kathleen van Hove, *Senior Programme Officer*  
 Francesco Rampa, *Programme Officer*  
 Franziska Jerosch, *Research Assistant*  
 Davina Makhan, *Junior Programme Officer*  
 Melissa Julian, *Programme Associate*

Not pictured: Alexandra Beijers, *Executive Assistant*

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#### Programme overview and objectives

The primary aim of the Economic and Trade Cooperation (ETC) programme is to contribute to the development of a trade regime that promotes sustainable development and the integration of the ACP countries into the world economy. The programme operates in the context of the global debate on strategies for effective economic development, global trade liberalisation, the World Trade Organization's Doha Development Round and regional integration processes.

Consistent with this aim, the programme has chosen to focus its work on influencing two policy processes in this field:

- preparation and negotiation of the Economic Partnership Agreements (EPAs);
- development support for the EPAs.

The ACP and the European Union are still in the process of negotiating EPAs, which are intended to establish reciprocal free trade agreements (FTAs) between the Union and the six ACP sub-regions. The Trade Programme provides critical

information both for and on the EPA negotiations, while also engaging on issues of development support for EPAs and new trade-related policies, with particular focus on the regional dimension. In addition, the programme strives to strengthen existing partnerships and to build new ones with complementary institutions, notably in Africa. In response to policymakers' need to familiarise themselves with the technical aspects of the negotiations, the trade team conducts practical research and provides wide access to its analyses through dedicated websites, publications, seminars and workshops.

#### Introduction and overall policy context

Making trade an effective instrument for promoting sustainable development has become an explicit objective of economic growth policies, regional integration, poverty alleviation and integration of the developing countries into the world economy. This is particularly reflected in the growing importance of a large number of trade-related international negotiations. For

the ACP countries, alongside the trade liberalisation talks being held at the bilateral and regional levels, the most important trade talk arenas are the Doha Development Round of the WTO negotiations and the new EPAs under negotiation with the European Union.

Many ACP countries fear that while the ongoing trade negotiations might bring potential gains in the long term, these will come at a high short-term cost. The European Union, as the major trading and development partner of most ACP countries, is thus being challenged to ensure that its future aid and trade relations with the ACP are guided by coherent, responsible policies that increase the effectiveness of the ACP-EU partnership in terms of its ability to reduce poverty.

The year 2007 saw a sharp rise in EPA-related activities. Internal EPA reviews were being performed in most of the sub-regional groupings in preparation for the joint EPA review required by the Cotonou Partnership Agreement. However, despite the sometimes frantic negotiations and preparations, and at

times undue pressure from Europe, most ACP countries were unable to conclude a comprehensive EPA by the end of the year. Negotiations were therefore carried over into 2008 and beyond. Some 20 countries – including the East African Community sub-region and most of the ACP countries that are not considered 'least developed' – did initial an interim agreement containing the core features of an EPA 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 in 2008. Only the Caribbean managed to complete a full EPA before end 2007.

With the adoption of a joint EU Aid for Trade strategy in October 2007, the European Commission signalled its recognition of the need to incorporate trade-related assistance into the EPAs. This cleared the way for integration of development cooperation chapter considerations into EPA commitments.

Throughout the year, ECDPM provided timely input and facilitated key processes in

# Cooperation Report

efforts to support mainly the ACP but also EU stakeholders in the EPA negotiations. Examples of this work were the Centre's involvement in EPA reviews, its documenting of negotiation conclusions and its compiling and disseminating EPA updates.

## Capacity strategies for the two policy processes

In terms of methodology and target groups, the programme began work in 2007 to improve its long-term capacity building strategy. The idea is to invest more in supporting selected institutions in charge of trade and development policies as well as in private sector organisations in ACP countries, with fewer resources devoted to providing short-term technical advice and information to all ACP and EU stakeholders.

The programme's direct facilitation support serves to promote innovative thinking and coalition-building among ACP and EU policymakers and specialists. It promotes dialogue and networking towards a development-oriented trade framework, economic cooperation and accompanying measures, and development support for EPAs.

With strategic research, knowledge management, networking and information the programme has several objectives:

- to inform stakeholders on and monitor the effective implementation of regional and sub-regional partnerships for trade and development;
- to conduct practical, policy-oriented research on trade and economic cooperation, capacity building and

development support for EPAs, so as to highlight the options for partnership building or policy change;

- to update key ACP and EU policy actors on EPA negotiations and implementation by regular information sharing.

The programme engages in functional partnerships with key institutions in order to enhance the creation, sharing and use of relevant information by ACP and EU actors in relation to the EPAs.

## First policy process: Preparation and negotiation of EPAs

### Evolution of the context and key thematic priorities

ECDPM's contributions to the discussions surrounding the Joint EPA Review have been well appreciated by ACP stakeholders and EU member states, but apparently did not influence the official outcome of the review, which according to many commentators did not reflect many of the concerns raised by the ACP in their internal reviews. In this respect, many practitioners, including some EU member-state officials, characterised the Joint EPA Review as a missed opportunity. Although with hindsight the process could be said to have missed its mark, this could not have been foreseen and a priori ECDPM's work to inform and facilitate seemed justified.

Following the intensification of the EPA negotiations, programme contributions shifted to providing inputs on the related legal and institutional issues; delivering guidance on possibilities for monitoring the implementation and impact of eventual agreements and disseminating

information on the status and evolution of the negotiations.

### Key actors

Several actors were key in the programme's 2007 work:

- trade negotiators and policymakers, mainly at the sub-regional level, but also nationally, at the African Union and at the all-ACP level
- sub-regional ACP stake holders, in particular in Africa
- civil society representatives

The Centre actively contributed to inform discussions on the EPAs in Europe, in particular, those among officials in the Netherlands, Germany, France, Belgium, Ireland, the United Kingdom, Portugal, Sweden, Finland and Denmark.

In terms of partners, ECDPM worked particularly closely with the International Lawyers and Economists Against Poverty (iLEAP), the South African Institute of International Affairs (SAIIA), the International Centre for Trade and Sustainable Development (ICTSD), the Consumer Unity & Trust Society (CUTS), the German Development Institute (DIE), the London School of Economics and the University of Pavia, to mention only a few.

### Process narrative: Activities realised and their contribution to the process

The programme provided timely and targeted information and selected analyses throughout the EPA negotiation process. This was done through timely and forward-looking research, facilitation of dialogue, newsletters, websites and compilation of an experts database.

At the request of the Pacific Forum, ECDPM conducted an internal review of the EPA process in the Pacific region. The exercise provided first-hand insight into the problems that an EPA regional grouping encounters in conducting negotiations with the European Union. It led the Centre to gather and summarise in a synthetic draft document all

EPA review reports produced in the ACP sub-regions along with the names of independent consultants, international organisations and civil society and farmers' organisations involved in the processes. This information has helped us to organise, inform and facilitate discussion within the ACP on the EPA negotiations.

Concluding the EPA negotiations is high on the agendas of all ACP and EU negotiators, officials and trade and development ministers. But how could the negotiations be concluded by the end of 2007? What are the legal requirements? What would happen if the negotiations could not be finalised in time? Are there alternatives? What are the implications for the ACP? To answer such questions, the Centre conducted an in-depth analysis funded by the Dutch Ministry of Foreign Affairs, publishing the findings as ECDPM Policy Management Report No. 12. The report was widely disseminated, and the issues it touches upon were also addressed in a number of fora and bilateral exchanges, notably within the ACP group, among ACP ambassadors, within the African Union, among NGOs and civil society, among ACP and EU parliamentarians, as well as among EU member state officials and ministers. ECDPM also briefed journalists in Africa and Europe on the EPA negotiations, mainly in the form of interviews, including major international media such as Reuters, Agence France Press, Inter Press Service, BBC World Service and the Financial Times.

Monitoring the implementation and impact of the EPAs is a more forward-looking concern, though one to which the programme has dedicated careful attention. Together with DIE and with the financial support of the German Federal Ministry for Economic Cooperation and Development (BMZ), ECDPM conducted a study to be published in 2008 under the title *Monitoring Economic Partnership Agreements: Inputs to the Negotiations and Beyond*. Based on that analysis,



### 3. Process Assessment Framework (PAF) Reports

ECDPM has already informed and advised ACP and EU officials and negotiators on the importance of EPA monitoring. To this end, the programme produced, disseminated and continues to raise for discussion a paper outlining how EPA monitoring could be addressed within the legal framework of the agreements (ECDPM Discussion Paper No. 79). That publication also identifies key principles and concrete steps to guide construction of an EPA monitoring framework. Based on these insights, the trade team participated in several meetings of ACP negotiators, officials and ambassadors, and ACP and EU parliamentarians. It also advised EU member states on the issue. Declarations and decisions by the ACP group, the African Union, the ACP-EU Joint Parliamentary Assembly and the EU Council reflect several of the monitoring concerns underscored by ECDPM.

As EPA negotiations intensified in the run-up to the December 2007 deadline, ECDPM and ICTSD revamped their joint publication Trade Negotiations Insights (TNI) and broadened its readership. TNI and its French equivalent, *Eclairage sur les Négociations*, have been published on a monthly basis since September 2007, expanding from 8 to 20 pages in length. The newsletter is now mailed to more than 4,000 recipients, with a shorter e-mail version distributed to subscribers. TNI has included monthly updates on EPA negotiations by Melissa Julian, as well as analysis by key experts and trade officials. Interviews with major political actors have been featured as well, starting with European Trade Commissioner Peter Mandelson. TNI has opened its columns to civil society, farmers and private-sector representatives as well.

From October 2007, as the pace of EPA negotiations increased in all regions and the state of play was ever-changing, the website team focused

on providing the very latest information available, updated weekly. They set up dedicated pages for each sub-region negotiating an EPA at [www.acp-eu-trade.org/epa](http://www.acp-eu-trade.org/epa), under the rubric 'EPA negotiations: Where do we stand?' Besides providing an up-to-the-minute overview of the current state of affairs in each sub-region and overall at the ACP-EU level, these pages provide links to recent articles from ACP and EU news providers, and highlight new relevant documents, which are also stored in the website library. French translations are provided for the all-ACP overview as well as for the regional pages related to Central Africa, West Africa, and East and South Africa. To make this information as accessible as possible during this crucial phase of negotiations, the same content was posted on both the ECDPM website and on [www.acp-eu-trade.org](http://www.acp-eu-trade.org).

As the EPA negotiations gained momentum, there was an exponential increase in the number of visitors to the [www.acp-eu-trade.org](http://www.acp-eu-trade.org) website. Visits increased from 734 in the first quarter of 2006 to 6,063 in the final quarter of 2006, rising again to 14,149 visits in the fourth quarter of 2007.

These internet pages are often referenced by organisations active in the field of trade and economic development. The programme has introduced a new monitoring system to better scrutinise the performance and visibility of the site. In view of the massive increase in traffic, and the positive feedback received, we can safely conclude that the information and analysis has been highly appreciated by the ACP and EU community.

Finally, the programme's experts database currently registers some 210 names and, following the introduction of a mailing system, now enables interested parties to contact relevant specialists (with contacts moderated by the website team). More than 160

requests have been processed, relating mainly to EU-funded trade capacity building projects.

#### Progress towards policy process outcomes

Our information and facilitation work continued to be valued by ACP and EU stakeholders alike. In this respect, the Centre has helped to improve understanding between ACP and EU stakeholders in the EPA negotiation process. Our input has been mainly on specific aspects (such as institutional and legal matters) and through participation in more general ACP and AU meetings. As for direct input into the EPA negotiations, in terms of technical advice, the programme limited its activities to a couple of ACP regions and a few ACP countries, on a demand-led basis.

Though our work on EPA monitoring has influenced ACP, AU and EU declarations, it has not impacted the EPA negotiations directly. ACP negotiators have as yet been too busy attempting to finalise their negotiations to dedicate serious attention to the issue of monitoring. Moreover, the European Commission appears reluctant to engage on EPA monitoring matters in its negotiations, despite the Council's clear mandate to that end. As a result, institutional and other general provisions in the only comprehensive EPA concluded – that with the Caribbean – remain vague on monitoring, whereas interim agreements are silent on the issue.

ACP negotiators, officials, ambassadors and parliamentarians have been on the whole appreciative of ECDPM's information and analytical/technical inputs during the EPA negotiations, not least in the Caribbean, which, as said, is the only ACP grouping to have concluded such an agreement so far.

#### Second policy process: Development support to EPAs

##### Evolution of the context and key thematic priorities

The first half of 2007 was marked by mounting discussion of the 'Aid for Trade' concept, including its implications and linkages with the EPAs. Programming of the EDF Regional Indicative Programmes (RIPs), as well as identifying development cooperation modalities and provisions in the EPA legal contexts, were also high on ACP and EU policy agendas and in debates.

Although our main focus was on providing critical support for and input to EPA negotiations, the Centre also dedicated extensive effort to establish the South-North Network, identifying possible sources of financing and initiating activities such as the formation of a consortium for the ESAMI (Eastern and Southern African Management Institute) project. In response to a call from TradeCom, ECDPM, working with the London School of Economics, formulated and won a tender to design, develop and deliver a training programme for the ESAMI trainers who will be working in trade and development. This is a concrete effort to build partnership for institutional and capacity development in Africa.





The latter half of 2007 was marked by several international conferences on Aid for Trade. These included meetings in the African sub-regions; WTO conferences on mobilising Aid for Trade in Latin America, the Caribbean, Africa, and Asia and the Pacific; and a global review conference on Aid for Trade.

In step with the European Union's adoption of a joint Aid for Trade strategy, ECDPM formulated its own work plan following an internal agreement that Aid for Trade be a joint effort with the Development Policy and International Relations (DPIR) Programme, alongside its work on aid effectiveness. Significant networking was done in 2007, with an eye towards providing targeted inputs to the respective African and European Aid for Trade strategies as well as to the EPA negotiations. It appears that the WTO will remain simply a forum for monitoring the disbursement of global commitments on Aid for Trade, with different donors and recipient countries opting for different types of programmes and Aid for Trade delivery mechanisms. This means that Europe has an opportunity to make Aid for Trade an innovative instrument for more effective trade-related assistance. It also places even more weight on the EPA negotiations, agreements and implementation. ECDPM's supporting role will be crucial in this regard.

### Key actors

Key actors in development support to EPAs:

- International Lawyers and Economists Against Poverty (iLEAP)
- South Centre
- ACP (mainly African) trade and development officials, notably CEMAC and UEMOA
- officials from several EU member states, notably Germany, Portugal and the Netherlands
- European Parliament
- Technical Centre for Agricultural and Rural Cooperation ACP-EU (CTA)
- Southern Africa Regional Trade Facilitation Programme (RTFP)

### Process narrative: Activities realised and their contribution to the process

The programme established the South-North Training, Research and Policy Network on Trade and Development (SN<sup>2</sup>), comprised of the following actors:

- Faculty of Commerce and Management, University of Dar Es Salaam
- Multidisciplinary Center for Excellence in Trade and Development, University of Mauritius
- School of Economics, University of Nairobi
- African Trade Policy Centre, UN Economic Commission for Africa (ATPC)
- Centre for International Cooperation and Development, University of Pavia
- International Trade Policy Unit, London School of Economics

SN<sup>2</sup> enjoys the informal support of the World Bank Institute (WBI), and discussions are under way with SAIIA for it to join the network as well. The Department of Economics at Addis Ababa University and the University of Pretoria are also expected to join in 2008.

SN<sup>2</sup> is an ECDPM initiative, and is still in the process of being organised. South-North Network members are currently preparing a launch event for it, possibly a two-day workshop on how African researchers can

support trade and development policymaking, with sessions on how to present research results (e.g. on Aid for Trade or monitoring FTAs) and on how the network can set an adequate research agenda to serve policy processes.

As resources for SN<sup>2</sup> are currently limited, the University of Pavia prepared an Edulink application for funding with ECDPM support. This has been submitted to the other network members for review and comment.

In early 2007, ECDPM and the London School of Economics responded to and won a call for tender to organise an ESAMI (East and Southern African Management Institute) training programme for trainers in trade policy and international trade negotiations. The resulting dynamic, tailored plan builds on both institutes' extensive networks of experts. The courses will be taught by experts from the London School of Economics, ECDPM, SAIIA, Nordiska Institute and Maastricht University, and will include such topics as trade and development in Africa, the role of trade in wealth creation and poverty alleviation, global review of trade policies, problems of trade policies in Africa, formulating and analysing trade policy, tradable commodities, trade rules and regulations, and skills in international trade negotiation.

### Progress towards policy process outcomes

The Aid for Trade debate is ongoing, and ECDPM continues to play mainly a facilitator role, trying to add effective value to the discussion rather than profile itself. We have thus renounced organising or participating in the organisation of several meetings on Aid for Trade and EPA development support, as the contribution of these events to the policy process was unclear. There are already many Aid for Trade conferences. Instead, the Centre focused on participating and informing the discussion at

the African regional level. This is a continuing process whose results in terms of policy outcomes could only start to become apparent in the second half of 2007.

Regarding the ESAMI training programme, the tender procedures took much longer than foreseen, as they had to be repeated because of a lack of offers. This delayed some of the planning and implementation ECDPM's work in relation to this policy process. As a result, ECDPM started its ESAMI trainings only at the beginning of 2008.

Similarly, following the launch meeting of the South-North Network in March, progress and follow-up have been relatively slow. This effort is nonetheless expected to gain momentum in the lead-up to the more formal and inclusive international workshop planned for April 2008. It remains to be seen whether the programme will be able to secure sufficient external funding for this activity, though a proposal has been submitted for the ACP Edulink facility.



### 3. Process Assessment Framework (PAF) Reports

#### Outcome

##### Concluding EPA Negotiations: Legal and institutional issues

Policy Management Report No. 12, on the legal and institutional issues involved in concluding the EPA negotiations, has been widely circulated and used by EPA negotiators on the ACP side. It also received good reviews from the EU Council Secretariat and several member states.

Beyond these specific stakeholders, the report was the most downloaded publication in both English and French during the third quarter of 2008.

##### Capacity strategy applied:

B (strategic research, knowledge management, networking and information)

preliminary discussions with Hub Rural and SADC's private sector organisation on future cooperation on monitoring of EPAs, respectively, in West and East Africa. The idea here is to build synergies with private sector and civil society. ProInvest also approached us to work with private sector organisations on monitoring. Our long-term goal is to engage with one region where we can work 'in the kitchen'.

Moreover we were in contact with various member states during preparation of the November GAERC Conclusions on the EPA monitoring mechanism.

The fact that the conclusions reflect some of the key points from the discussion paper leads us to believe that our work on monitoring may be considered amongst the trade team's most direct impacts of 2007. Further, following the publication, important ACP actors began identifying ECDPM as a driver in the EPA monitoring debate, as reflected in comments on the Hub Rural website.

##### Capacity strategy applied:

B (strategic research, knowledge management, networking and information)

#### Outcome

##### Pacific Cotonou Art 37.4 EPA Review

Participants of a civil society meeting agreed with the findings of the mid-term review of the EPA negotiations commissioned by the Pacific Trade Ministers and carried out by ECDPM, which was characterised as 'a highly respected European research institute'.

[www.pacificmagazine.net/news/2007/04/27/civil-society-challenges-eu-over-trade-negotiations-again](http://www.pacificmagazine.net/news/2007/04/27/civil-society-challenges-eu-over-trade-negotiations-again)

##### Capacity strategy applied:

B (strategic research, knowledge management, networking and information)

#### Outcome

##### EPA monitoring

In parallel to the finalisation of the large EPA monitoring study in cooperation with DIE, in the second semester of 2007 the programme prepared and published Discussion Paper No. 79, summarising our key findings on EPA monitoring and expanding on the process of establishing a monitoring mechanism. Our short-term goal was to circulate the report, especially among the chief negotiators and policymakers, and to reactivate our network of 'drivers of change' in Europe and the South, with a view to exploring possibilities to support, in 2008, ACP actors in EPA monitoring.

Despite the fact that negotiators were busy finalising EPA-related texts and tariff negotiations, we can be satisfied with the outreach of our EPA monitoring work. Discussion Paper No. 79 was the most downloaded ECDPM publication in English in the final quarter of the year.

AU Commission staff expressed interest in supporting the relevant divisions in their monitoring efforts and we held

#### Outcome

##### Up-to-the-minute status of the EPA negotiation process towards December 2007

Creation of the 'EPA negotiations: Where do we stand?' internet pages resulted in a large increase in the number of visitors to [www.acp-eu-trade.org](http://www.acp-eu-trade.org). Total visits doubled both sequentially (from Quarter 3 to Quarter 4 of 2007) and year over year (Quarter 4 of 2006 to Quarter 4 of 2007). The new EPA pages in fact ranked amongst our most visited (table 2).

Table 1: Total visits to [www.acp-eu-trade.org](http://www.acp-eu-trade.org) by quarter

	2006				2007			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>VISITS</b>	734	2,138	5,531	6,063	8,492	8,671	7,513	14,149

Table 2: Most visited pages on ACP-EU Trade:

(Page views by title, 4th quarter 2007)

1. EPA Negotiations: Where do we stand?	(9,890)
2. <i>Trade Negotiations Insights</i>	(2,988)
3. ACP-EU-TRADE - Library	(2,163)
4. ACP-EU-TRADE - News	(1,142)
5. ACP-EU-TRADE - Links	(753)

Source: google analytics

##### Capacity strategy applied:

B (strategic research, knowledge management, networking and information)

## Testimonials

*'I would like to take this opportunity to thank you for the excellent relations and cooperation between our two organisations and to reaffirm the ACP Secretariat's utmost gratitude for your unfailing assistance to the ACP Group.'*

Sir John Kaputin,  
ACP Secretariat, Secretary-General, 22 August 2007

*'I'd like to take this opportunity to thank you and your team for providing us with the various documents regarding the EPAs negotiations which I received today. Those are very useful tools for our negotiators from the negotiating regions. On behalf of the ACP Secretariat I'd like to express our sincere gratitude for the fruitful cooperation between our two institutions.'*

Christiane Leong,  
ACP Secretariat

*'Thanks for the very interesting background document on EPA negotiations. As the negotiations gather momentum, you are the only one that has succeeded in securing useful papers!'*

Junior Lodge, Technical Coordinator, EPA Negotiations, Caribbean Regional Negotiating Machinery, December 2007

*'The 'EPA negotiations: Where do we stand?' is very useful and the previous bulletins have been very informative and used in discussions with colleagues and informing notes to Ministries involved in negotiations.'*

H.E. Dr. Patrick I. Gomes,  
Ambassador, Embassy of Guyana to the European Union

## SELECTED PUBLICATIONS (more publications available on the CD-ROM and [www.ecdpm.org/trade](http://www.ecdpm.org/trade))

- Bilal, S. and R. Grynberg (eds). 2007. *Navigating new waters: A reader on ACP-EU trade*. London: Commonwealth Secretariat.
- Bilal, S. 2007. *Concluding EPA negotiations: Legal and institutional issues*. (Policy Management Report 12). Maastricht: ECDPM.
- Bilal, S. 2007. ACP-EU negotiations on Economic Partnership Agreements and EBA: A dual relationship. In: *European Union trade politics and development 'Everything but Arms' unravelled*, G. Faber and J. Orbie. Oxford: Routledge: 203–220.
- Bilal, S., É. Hazard and I. de Miguel. 2007. *Les APE en Afrique de l'Ouest: panorama des alternatives, et Tenir les promesses et répondre aux défis des APE: Appel à plus de volonté politique*, *Revue Grain de Sel*, Numéro special, accords de partenariat économique: Présentation, analyse, points de vue n° 39, Paris: Inter-réseaux, June-August.
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- ECDPM. 2007. *Overview of article 37(4) reviews of the EPA negotiations*. (Discussion Paper 81). Maastricht: ECDPM.
- ECDPM and ICTSD. 2007. *Trade Negotiations Insights*, (Monthly Magazine), volume 6, numbers 1–8.
- Marti, D. and F. Rampa. 2007. *Aid for Trade: Twenty lessons from existing aid schemes*. (Discussion Paper 80). Maastricht: ECDPM.
- Rampa, F. 2007. *Implementation of article 37 (4) of the Cotonou Agreement: Provision of technical support to assist the Pacific ACP region in the review of EPA negotiations*. Maastricht: ECDPM.

## SELECTED EVENTS 2007

- Séminaire technique sur le traitement des produits sensibles dans la libéralisation du commerce: enjeux, approches et outils méthodologiques Atelier CEDEAO-UEMOA organisé par CTA & Hubrural et CEDEAO, 29 January – 2 February, Burkina Faso.
- Expert group meeting on the review of the EPA negotiations, United Nations Economic Commission for Africa, February, Kenya.
- United Nations Conference on Trade and Development (UNCTAD) ad-hoc experts meeting on the development interface between the multilateral trading system and the regional trade agreements. March, Switzerland.
- ECDPM-DIE Brainstorming workshops on monitoring Economic Partnership Agreements, February and June, Belgium.
- Pan-African Aid for Trade workshop. 28–29 March, Nairobi, Kenya.
- Joint workshop on development benchmarks and monitoring EPAs, April, Kenya.
- Multi-sectoral workshop organised by ECDPM, CUTS, FES and the Association of World Council of Churches related Development Organisations in Europe (APRODEV), with support from the German Ministry for Economic Cooperation and Development (BMZ).
- EPA network meeting for like-minded EU member states, organised by Irish Aid, May, Ireland.
- EPA Communauté Economique et Monétaire de l'Afrique Centrale (CEMAC) workshop, June, Gabon.
- Conference on the challenges of the SADC EPA negotiations, June, Belgium.
- ACP-EU Joint Parliamentary Assembly, June, Germany.
- The World Bank video seminar series on the EPAs. October and November, Nigeria.
- ACP Trade Council, meeting of ACP senior officials and ministers responsible for the EPA negotiations and trade, ACP House, November, Belgium.



### 3. Process Assessment Framework (PAF) Reports

# Governance



left to right, top to bottom:

Volker Hauck, *Head Knowledge Management*

Gwénäelle Corre, *Programme Officer*

Noëlle Laudy, *Executive Assistant*

Frederic Ceuppens, *Programme Assistant*

Alisa Herrero-Cangas, *Programme Officer*

Jan Vanheukelom, *Programme Coordinator Governance*

Birgit Vleugels, *Research Assistant*

Melissa Julian, *Programme Associate*

Not pictured: Christiane Loquai, *Programme Officer*

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#### Programme overview and objectives

Governance is now at the forefront of ACP-EU relations. Initially, the scope of governance as addressed under the Cotonou Partnership Agreement was rather restricted, with an emphasis on the efficient and transparent management of public finances. The current governance agenda is more ambitious, covering the observance of human rights, deepening democracy, strengthening the rule of law, public sector reform, decentralisation and local governance, and state-civil society dynamics.

The general aim of the ECDPM Governance Programme is to assist in Africa's quest to promote governance, to strengthen EU and EC capacity to programme governance support and to promote effective linkages between European efforts and the ACP countries (primarily Africa). The programme seeks to achieve these objectives by addressing two policy processes:

- Africa's ongoing search for domestic strategies and approaches to promote governance at the

local, national, regional and continental levels;

- the European Union's quest to improve its capacity to deliver relevant, effective and efficient support for governance reforms in the ACP countries.

Regarding the first, Africa's ongoing search for domestic strategies and approaches to promote governance at the various levels, the aim is to systematically keep track of promising governance debates, initiatives, programmes and processes underway in the ACP (many of which have remained largely unknown to European actors). The focus is thus on the attempts of African actors (both state and non-state) to define ways and means of addressing the governance challenges. Where possible, we will provide direct institutional support to African 'governance producers' (see below). Whilst most of our activities will take place in Africa, we will also try to remain informed of thinking and practice in other ACP regions.

The second policy process, the EU quest to improve its capacity to deliver relevant, effective and efficient support for governance reforms in the ACP,

is quickly moving forward. The various institutions involved have recognised the need to strengthen their capacity to engage in governance processes in non-EU countries. Engaging in this policy process should allow us to work on the 'European' side of the governance equation. Emphasis is on enabling the European Union and Commission to become more effective players in supporting domestically driven governance reforms.

#### Introduction and policy context

In his New Year's speech on how to move forward in 2008, Lawrence Haddad, Director of the Institute for Development Studies at Sussex, reminded his audience not to 'ignore the narratives coming out of China, India, Latin America and Africa'. He continued, 'support them and illuminate them – as they are the visions that will ultimately be the most credible among the decision-makers we in the development community seek to influence'. This appeal could be a motto for ECDPM's governance programme.

The Governance Programme has followed a number of recent developments and African governance 'narratives'. In Liberia and Zambia, for example, two former African heads of state, Charles Taylor of Liberia and Frederick Chiluba of Zambia, had legal proceedings initiated against them. Taylor was indicted for war crimes in Liberia, Sierra Leone and the Ivory Coast, and Chiluba for corruption. Both litigations illustrate a gradually shifting attitude towards crimes against humanity and grand corruption, leading to a shrinking of 'safe havens' in the region.

Another 'narrative' is that of the African Peer Review Mechanism (APRM), created in 2002 by the African Union, which produced two peer reviews in 2007, in Algeria and South Africa, adding to its previous work in Ghana, Rwanda and Kenya. The APRM report on Mozambique is almost finalised.

Similarly, the first governance ranking exercise using the Ibrahim Mo Index was published in September 2007. The Ibrahim Mo Index is an African initiative to rank sub-Saharan African nations according to their quality



# Report

of governance in five areas: safety and security, rule of law, transparency and corruption, participation and human rights, sustainable economic development and human development.

The African Governance Institute, located in Dakar, was also created in 2007. This is another endogenous initiative to encourage Pan-African expertise on governance.

With the exception of Nigeria and Kenya, all presidential elections held in Africa during 2007 (Mali, Mauritania, Senegal and Sierra Leone) were reportedly fair and free. Kenya – according to the 2006 APRM Country Review Report, ‘a bastion of stability compared to its neighbours’ – plunged into violence after disputed elections in December 2007. Yet that same Country Review Report had also rightly pointed to the dangers of polarisation and ‘ethnicization of politics’ during the 2005 constitutional referendum. Ousmane Sy, longstanding partner of the Centre, was prescient in warning that all states in Africa are structurally fragile.

During 2007, the European Commission and the EU member states joined other donors in preparing for the High-Level Meeting on Aid Effectiveness to be held in

Accra in September 2008. Some donors and development partners used this process to raise questions about deficits in the ‘governance of aid’. Yet opportunities for the European Union to constructively engage with Africa on a joint governance agenda remained untapped, with the EU largely left to define its own strategy on Africa.

The year 2007 ended in confusion and on a low note, as post-electoral violence in Kenya provoked soul-searching among donors. It pitted believers in the fast-track development approach against non-believers, underscoring the tensions inherent in state-building and the need for donors to develop a deeper understanding of the essential attributes of governance-capability, accountability and responsiveness. It also pointed to the need for a longer term perspective than the lifecycle of a project, a particular donor strategy or the tenure of a development cooperation minister.

## Capacity strategies for the two policy processes

The two policy processes of the Governance Programme require different mixes of capacity strategies. At the African level, the emphasis in promoting governance is on direct facilitation support, as well as on targeted advisory services. In 2007, facilitation was mainly geared towards enabling key African actors to familiarise themselves with ongoing discussions and debates on governance within the context of the EU Africa Strategy. The programme provided support to its strategic partners (the ACP Local Government Platform and the *Commissariat de Développement Institutionnel* (CDI) in Mali), as well as to key

stakeholders at the national and regional level, mainly within the context of the work on decentralisation and local governance. The Centre’s action-oriented research on monitoring and evaluation at the local governance level resulted in a number of concrete case studies that will be put to use in various forms.

The Governance Programme further explored the potential to enlarge its strategic governance partnerships in Africa. Whenever offered opportunities, the Centre encouraged or facilitated cross-fertilisation and participation across the two policy processes. In Mali, a donor-driven process to improve harmonisation among donors was opened up to participation of the Mali government and non-state actors. At two EC regional seminars on decentralisation, participating EC officials in the field were exposed to Southern experts and their experiences on local governance. The Centre’s associate Zakaria Ould Amar undertook preparatory research in Chad on the feasibility of domestic civil society organisations setting up a governance watchdog in the country.

In the EC/EU governance policy process, the programme emphasised working with the European Union and Commission on strategic research and knowledge management. For numerous reasons, donor-driven governance agendas tend to become unwieldy. When asked by EuropeAid to assist in enhancing the governance know-how in sectors, the Centre considered this to be an opportunity. It has since worked with EuropeAid to render governance policies more operational.

The Governance Programme and Nils Boesen engaged with EC sector specialists in a series of workshops and interviews to tease out and build on relevant experiences and practices of governance at work in specific sectors. Other work included practice-oriented research on donor-driven governance assessments. Together with Nils Boesen and Rikke Ingrid Jensen the programme engaged with the DAC Network on Governance (GOVNET). This donor network is active on a number of governance issues, including the governance of aid. The consultancy team studied donor methodologies and tools for assessing governance. Southern policy researchers were engaged to shed light on the assessment practices by donors and to provide a reality check from the field on the effects of donor-driven assessments. Through this work, the Centre and its colleagues are exploring opportunities for increased harmonisation and alignment in the area of governance (assessments). The outputs will feed into an international conference in February 2008 where peer learning should lead to a set of recommendations, a sourcebook and ultimately improved and more effective practices for assessing and enhancing governance.

## First policy process: African initiatives on governance

### Evolution of context and of key thematic priorities

Decentralisation and local governance are central elements of ECDPM’s Governance Programme. Our ongoing partnership with CDI at the country level in Mali is complemented by other partnerships in Mali and the region. At the national level, work with civil society



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organisations in Mauritania intensified at a time of further normalisation there with the 2007 presidential elections. Preparatory work to identify governance initiatives with civil society organisations in Chad, on the other hand, came to a standstill, due to a worsening of conflict dynamics and the limited commitment of UNDP Chad.

At the continental level, a number of African stakeholders began to feel stronger urgency to develop an African governance agenda. The lack of a mature dialogue with African partners in the design of the Joint EU-Africa Strategy, African concerns about the implementation of the EC Governance Initiative and African criticism of the lack of European support for the APRM all resulted in a strengthened commitment on the continent to define a proper and home-grown governance agenda.

#### Process narrative: Activities realised and their contribution to the process

At the **ACP level**, ECDPM pursued its longstanding partnership with the **ACP Local Government Platform**. Since 2002, this platform has played a determinant role in improving the quality of local governments' participation in ACP-EU cooperation. This year, for the first time, local authorities were called upon to participate in the EDF programming exercise. The ACP Local Government Platform also succeeded in securing funds from the 9th EDF to provide institutional support to local authorities and to the platform itself. ECDPM has continued to provide technical advice to the platform with the aim of supporting it in its transition from being a Department for International Development (DFID)-funded organisation, to an EC-funded institution in 2008.

The Centre also contributed to finalisation of a users' guide on those elements of the Cotonou Partnership Agreement that relate to local

governments. The guide seeks to enhance the quality of local governments' participation in ACP-EU cooperation processes. It is intended to strengthen local government capacities, enabling them to tap into opportunities (e.g. finance, development and networking) to become active development players at the local level.

At the **continental level**, African initiatives to develop or inform an African governance agenda are progressively unfolding. There is significant scope for improving the dialogue between EU and African actors, as well as potential for ECDPM to engage in exploring ways to support home-grown governance agendas as a means to improve the effectiveness of EU aid. To this end, the Centre has engaged with its traditional allies such as the *Alliance pour la Refondation de la Gouvernance* and the newly created African Governance Institute (Dakar) to support and facilitate a more structured dialogue between Africa and the European Union. During the second half of 2007, ECDPM and the Alliance joined forces to conduct a public consultation in the context of the Africa-EU Summit in Lisbon.

At the **regional level**, the Centre embarked upon a mapping exercise of African governance practitioners and potential partners for dialogue. A first step in this direction was to launch a study on regional organisations and governance. Africa counts a number of regional economic communities (RECs) constituted to facilitate regional economic integration. However, their mandates extend further, and include such dimensions as conflict prevention and promotion of human rights. They therefore have strong potential to contribute to establishing and implementing a governance agenda in Africa. With the study, ECDPM aims to produce a comparative analysis of the current policies and practices of RECs dealing with governance issues and to identify the added value of regional level efforts.

At the **local level**, ECDPM continues its work with indigenous governance initiatives, such as ACE Recit *Laboratoire Citoyennete* (LC). This initiative is supported by SNV Netherlands Development Organisation and covers Mali, Niger, Benin and Burkina Faso. *Laboratoire Citoyennete* seeks to stimulate African capacity and understanding(s) of local governance, so as to support the emergence of new dynamics at the interface between the state and citizens. *Laboratoire Citoyennete* combines dialogue, action-oriented research and local expertise. Its research focuses on delivery of public services at the local level, and it offers the possibility for cross-fertilisation of experiences at the regional level. For example, a May 2007 workshop was organised to capitalise on and share research carried out by local institutions. Following this first hands-on experience, ECDPM was requested to provide input into the design of a work plan for 2008–11.

At the **national level**, the Centre has been involved in Mauritania, Mali and to a lesser extent in Mozambique and Niger. Much of the Centre's work here has been oriented towards supporting civil society organisations in developing their own agendas and linking with regional initiatives.

ECDPM's facilitation work was well received by Mauritanian civil society organisations, and the Centre was requested to facilitate their process of developing a first-ever 'memorandum on decentralisation'. In the course of these efforts, the organisations grew more familiar with one another and more confident in their collective strength. The forum will continue to work on issues of decentralisation and local governance.

In Mali, the Centre has pursued its support of CDI, a statutory body which, despite a lack of political commitment to decentralisation from the

Government of Mali, continues to promote and facilitate institutional reforms in this area. ECDPM assistance in 2007 included facilitation of a workshop to help CDI define a strategy for engaging with 'users' and civil society actors and provision of technical advice on monitoring and evaluation.

Furthermore, ECDPM facilitated learning and knowledge management in the context of a joint activity with the Malian Ministry of Local Government, SNV, development organisations active in the **Bamako-based REDL network** (*Réseau de Réflexion et d'Echanges sur le Développement Local*) and the Swedish International Development Agency, among others. This started with the design of a joint methodology



for documenting and analysing experiences in the form of case studies. Building on the case studies, ECDPM facilitated production of an eleven-part working paper series presenting and analysing experiences with tools for building M&E capacities with different local governance stakeholders. The case studies, initially published only in French, have been systematically distributed among governance advisors, decentralisation and M&E specialists at EuropeAid, bilateral and multilateral development agencies, NGOs

and consultants and posted on the activity's website. Strong demand for the publications from ACP stakeholders led to mobilisation of funding for publication of English versions in 2008.

Also at the **national level**, the Centre facilitated two parliamentary seminars on the Cotonou Partnership Agreement, one in Mozambique and one in Niger.

#### Progress towards policy process outcomes

Through its activities, the programme aims for attainment of two main outcomes:

- ACP state and non-state actors acquiring insight and capacity to identify and formulate appropriate governance policy options



and strategies at continental, regional, national and local levels;

- enhanced capacity of key ACP policy actors to engage in dialogue with the European Union on formulating and implementing governance-related policies.

In the past year, the governance programme contributed through facilitation to strengthen confidence among Mauritanian civil society organisations and capacities to start articulating a common strategy and governance

agenda. Moreover, it assisted the regionally oriented *Laboratoire Citoyennete* with longer term planning and enabled networking to increase insight in formulating appropriate policy options.

The Centre was well placed to inform key African stakeholders of opportunities for engagement on relevant governance challenges due to our continuous monitoring of governance policy agendas and the implementation challenges and our maintenance of a knowledge base on key governance processes.

#### Key actors

Key actors in work related to decentralisation:

- Council of European Municipalities and Regions (CEMR)
- Dutch Association of Municipalities (VNG International)
- Flemish Association of Municipalities
- SNV Netherlands Development Organisation

#### Other key actors:

- Civil society organisations - Mauritania
- Commission for Institutional Development (CDI) - Mali
- *Réseau de Réflexion et d'Echanges sur le Développement Local* (REDL) - Mali
- ACE RECIT *Laboratoire Citoyennete* - West Africa
- Uganda Local Governance Association
- ACP Local Government Platform
- *Alliance pour la Réfondation de la Gouvernance*
- African Governance Institute (Senegal)

#### Second policy process: EU capacity to deliver effective governance support

##### Recent evolution of the context and key thematic priorities

Realisation is growing among the aid community, including the European Union and Commission, that the linkages between governance

and development are not straightforward and a mere technocratic or normative approach to governance will not improve the effectiveness of aid. Moreover, there is a glaring and growing gap between the increasingly sophisticated EU policies on governance and their implementation on the ground. Strategic and operational guidance is therefore in demand on how to provide 'good enough' governance support in different countries. EuropeAid has commissioned such work based on one of the key recommendations of the well-received thematic evaluation of EC support for good governance spearheaded by ECDPM in 2006.

At a more global level, the OECD DAC Network on Governance stimulates debate and action among donors (and with a number of development partners) to improve governance dimensions of aid, such as transparency, accountability and country ownership. The Centre is now part of a consortium that surveys and analyses donor practices and policies towards governance assessments with the purpose of informing further work amongst donors to improve approaches to governance at the country level.

#### Process narrative: Activities realised and their contribution to the process

At the request of EuropeAid, the Centre and its partner Nils Boesen, organised a number of working sessions with sector specialists (health, education, infrastructure/transport, water, environment and livelihoods) to jointly identify key sector-level features of governance dynamics. This collective work resulted in a draft reference document on governance in sector operations for EuropeAid. EU member states, such as France, the United Kingdom and the Netherlands, were also involved in these workshops. DFID invited the Centre to participate in a similar workshop with sector specialists, governance advisors and EC representatives. This

exercise enhanced cross-fertilisation between DFID and the European Commission, and among the sector and governance specialists.

Donors vary in their ways and means of defining and assessing governance. Seldom do they share the same assumptions on what it is that matters most, or on values and approaches to strengthening governance in partner countries. The DAC Network on Governance has launched a study of these donor approaches to governance assessments in which the Centre, together with Nils Boesen and Rikke Ingrid Jensen, will play a role. The team has already surveyed existing donor assessment tools and processes, looking at why donors undertake governance assessments and what methodologies they use. The findings draw attention to the need to change donor behaviour. 'Aid agencies pursue multiple, partially conflicting objectives, and provide a set of conflicting incentives to staff', according to the report. 'Accepting the political economy factors driving agency behaviour – and discussing them openly – is a more promising way to advance harmonisation and alignment than pretentious political correctness,' it said. Further work is underway, and views from the South will be taken on board at the international meeting on this subject in London, February 2008. An open exchange on assumptions, hypotheses, values and incentives that inform and drive donors' governance approaches should improve harmonisation efforts among donors. Such efforts should also enhance the governance and effectiveness of aid.

Together with Particip, ECDPM undertook a comprehensive evaluation of European Commission support provided 'through' the civil society organisation channel. In 2007, we finalised a statistical study as part of this effort, as well as completing the bulk of a



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desk study and two of six field missions (Benin and Lebanon). A special focus group with key civil society organisations also took place, allowing Northern NGOs to share views and information with the evaluation team in relation to the nature and scope of this evaluation. A focus group with EC actors will be undertaken in 2008, alongside the remaining four field missions.

The Centre facilitated two regional workshops for EC Delegates on *decentralisation and local governance*, in Nicaragua and in Mali. These events aimed to broaden the learning process launched by the European Commission in the field of decentralisation, to present the newly published reference document on EC support to decentralisation in third countries (which ECDPM elaborated), and to facilitate a regional exchange of best practice. The Centre acted as a content provider and facilitator, and allowed participants to interact with local experts who enriched the discussions. The facilitators tackled local governance issues from a broader governance perspective, integrating experiences from both decentralisation and sector-specific work. The workshops covered subject areas such as the political dimension, actor mapping, the role of civil society, decentralisation, local governance and social cohesion. The well attended and interactive workshops included inputs from the Delegations in the field (through D-Groups). A number of participants, both from the field and from Brussels, underlined the future challenges to decentralisation and local governance emanating from spending pressures (under the 10th EDF) at a time when numerous supply-side and demand-side constraints remain largely unresolved.

In October 2007, the Centre, together with the human rights organisation Front Line and the King Boudewijn Foundation, organised the

first-ever conference on how donors and NGOs can improve their support to human rights defenders. The conference accommodated more than 100 active participants representing a diversity of stakeholders (human rights defenders and development actors, state and non-state actors, field and non-field based personnel, bilateral and multilateral agencies). In addition to the plenary sessions, working groups discussed in-depth the issues at stake in forging synergies between development agencies and human rights organisations. The worlds of human rights defenders and development practitioners rarely interact. This conference was in that sense rather unique in that it brought these two worlds closer. It resulted - among other things - in a programme of action. EuropeAid also presented an action programme, and European NGOs agreed that they still have work to do to ensure that the boundary between the development agenda and the agenda of human rights defenders disappears.

Both sides are still struggling with implementation of the policy principles agreed by donors and development partners in the 2005 Paris Declaration on Aid Effectiveness. The Government of Mali offers an interesting example in this respect. With donor support, Mali drew up an action plan for implementation of the Paris precepts. Donors have also started to develop a joint assistance strategy for Mali. A donor troika in Mali (the World Bank, the Netherlands and Belgium) requested ECDPM to facilitate further – and more effective – dialogue among donors to devise a common vision and approach to improve the effectiveness of aid. After ECDPM's facilitation, donors agreed to an incremental, rather than an overnight shift in their approaches to division of labour, and to design a joint assistance strategy based on a common understanding of the comparative advantages of stakeholders.

#### Progress towards policy process outcomes

In the context of EU capacity to deliver effective governance support, the Governance Programme aims to influence attainment of two outcomes:

- enlargement of EU governance policy dialogue to multiple stakeholders, demonstrating use of more open-ended, inclusive, coherent and harmonised approaches;
- expanding and deepening the EU knowledge base to integrate key governance policy and implementation options into cooperation processes.

The work undertaken with EuropeAid on sector governance has sensitised headquarters-based sector specialists to take governance dimensions more seriously. It has also provided a number of conceptual tools to do so. During an evaluation and wrap-up session in Brussels with all of the EuropeAid units involved, the European Commission expressed satisfaction with the levels of attendance and diversity of participants, as well as with the quality of the facilitation. The workshops resulted in a better understanding of the themes under discussion and an appreciation of the need for further capacity development within the Commission. The workshops scored high on participants' feedback notes in terms of relevance and usefulness. The Centre was also asked to further assist with refining the products of the workshops.

As mentioned, the Centre has provided a platform for open and inclusive dialogue on the issue of human rights defenders and development actors, such as the European Commission, EU member states and non-governmental development organisations.

#### Key actors

Key actors from the European Commission:

- EuropeAid Thematic Support Unit 'Governance, Security, Human Rights and Gender'

- Aid Delivery Methods Guidance and Training Programme
- Evaluation Division
- Delegation staff

#### Other key actors:

- Agence Francaise de Développement - France
- Ministry of Foreign Affairs - France
- Direction Générale de Coopération Internationale (DGCI) – Belgium
- Belgian Technical Cooperation Agency (BTC)
- Federal Ministry for Economic Cooperation and Development (GTZ, KfW) - Germany
- Directorate General for International Cooperation - the Netherlands
- Directorate for International Development (DFID) - United Kingdom
- Directorate for International Cooperation (DEZA) - Switzerland
- DAC GOVNET
- Internationale Weiterbildung und Entwicklung GmbH (Inwent)
- OECD
- World Bank
- Front Line, King Boudewijn Foundation
- Flemish InterUniversity Council

## Outcome

### Reference document on EC support to decentralisation and local governance in third countries

In 2006, ECDPM collaborated with EuropeAid to produce a reference document on EC support to decentralisation and local governance in third countries. In 2007, the text for the document was finalised and published as an official EC publication in English, French and Spanish. It was disseminated widely and discussed at regional seminars held in Mali and Nicaragua.

### Capacity strategy applied:

A (direct facilitation support) and B (strategic research, knowledge management, networking and information)

## Testimonial

Feedback on seminars in Mali and Nicaragua on support to decentralisation and local governance

*'Your presentations, contributions to the discussions and management of the exchanges have enabled us to discuss and analyse a large number of subjects related to decentralisation and local governance. The reflection on these subjects and their assimilation by the colleagues of the Delegations is indispensable to ensure the effectiveness and relevance of the EC's support to the "sector" of decentralisation and local governance. The seminar was an excellent forum for discussions and exchanges.'*

Dominique Delicour, *Head of Unit, Thematic Support Unit 'Governance, Security, Human Rights and Gender', EuropeAid Cooperation Office*

## SELECTED PUBLICATIONS (more publications available on the CD-ROM and [www.ecdpm/governance](http://www.ecdpm/governance))

Vanheukelom, J. and E. Weytjens. 2007. *Tussentijdse evaluatie van het BOS-steunpunt PRSP*, (May). Brussels: Vlaams Interuniversitaire Raad – Universitaire Ontwikkelingssamenwerking (VLIR-UOS)

Cissé, F., S. Diakité and H. Sidibé. 2007. Mali: *Les perceptions des citoyens comme baromètre de la gouvernance locale*. Bamako: MATCL, REDL, SNV, ECDPM.

Coulibaly, A.K., R. Diarra Konaré, M.Y. Keita and A. Ag Aboubacrine. 2007. Mali: *Suivi évaluation participatif pour l'habilitation des collectivités territoriales dans la région de Mopti*. Bamako: MATCL, REDL, SNV, ECDPM.

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Dumont, F. and B. Samaké. 2007. Mali: *Des Systèmes d'Information Géographique (SIG) au service du développement des communes rurales*. Bamako: MATCL, REDL, SNV, ECDPM.

Floquet A., R. Mongbo and S. Woltermann. 2007. Bénin: *Contrôle citoyen dans le secteur de l'éducation. La phase pilote du Suivi d'Impact Local Participatif (SILP)*. Bamako: MATCL, REDL, SNV, ECDPM.

Ischer, M., C. Asanga, J. Tamini and I. Sylla. 2007. Cameroun: *Planification stratégique et suivi du développement communal*. Bamako: MATCL, REDL, SNV, ECDPM.

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Lodenstein, E., U. Caspari and F. Dumont. 2007. Mali: *La commune en chiffres. Besoins et réalités*. Bamako: MATCL, REDL, SNV, ECDPM.

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Sylla, D. and H. Ongoïba. 2007. Mali: *Comment évaluer les impacts de la décentralisation?* Bamako: MATCL, REDL, SNV, ECDPM.

Toonen, J., D. Dao and T. Hilhorst. 2007. Mali: *Vers un système d'information essentielle sur le secteur de la santé pour les acteurs communaux (SIEC-S)*. Bamako : MATCL, REDL, SNV, ECDPM.

Loquai, C. and S. Le Bay. 2007. *Building capacities for monitoring and evaluating decentralisation and local governance: Experiences, challenges, perspectives*. (ECDPM InBrief 19, available in English and French), jointly produced with MATCL, SNV, SIDA and the members of the REDL network. Maastricht: ECDPM.

EuropeAid. 2007. *Supporting decentralisation and local governance in third countries*. (Reference Document No. 2), EuropeAid.

## EXTERNAL EVENTS

Seminar for Parliaments on the implementation of the Cotonou Partnership Agreement, April (Mozambique) and November (Niger).

Workshop on assessing and mainstreaming governance in EC development cooperation. May and June, Brussels.

Atelier préparatoire de la Stratégie commune d'assistance pays au Mali (SCAP), September, Mali.

Conference on human rights defenders and development agencies, together with Front Line, October, Brussels.

Regional workshop on exchanging information, experiences and reflections on supporting decentralisation and local governance, October (Nicaragua), and November (Mali).

Bilateral EC-DFID workshop: Better analysing and Addressing Governance at Sector level, November, London.

Civil society forum on governance, March, Mauritania.

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# Knowledge



left to right, top to bottom:  
 Claudia Backes, *Executive Assistant*  
 Klaus Hoefsloot, *ICT Manager*  
 Niels Keijzer, *Programme Assistant*  
 Ivan Kulis, *Programme Officer*  
 Volker Hauck, *Head Knowledge Management*  
 Pia Brand, *Publications Officer*  
 Judith den Hollander, *Intranet Coordinator*  
 Melissa Julian, *Programme Associate*  
 Jacquie Dias, *Information Assistant*  
 Suzanne Cartigny, *Publications Officer*

Not pictured: Annika Dossow, *Junior Information Assistant*

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#### Strategic knowledge management

In response to the 2006 external evaluation, the Centre created the Knowledge Management unit under new leadership to exercise greater strategic management of ECDPM's knowledge networking, internal learning, information provision and communication. Knowledge Management is now a cross-cutting initiative. It supports corporate management of communication and information in order to strengthen the policy processes addressed by ECDPM's three programmes. A parallel goal is to build a bridge between external knowledge management and internal learning to directly support critical strategies articulated in our Strategic Plan 2007–11.

#### Improving knowledge management, learning and information services

Building on the earlier work of the former Information and Communication Programme, the Knowledge Management unit was officially established on 1 April. Its first tasks were to substantially update the

Centre website, organise its decentralised content management, introduce Web 2.0 innovations and test new knowledge products, such as newsletters, to serve internal and external information needs. Towards the end of the year, we started repositioning and expanding the communication component of our work with the aim of formulating a Centre-wide knowledge management, information and communication strategy in 2008.

#### Organisational learning

Together with programme staff, we organised monthly Centre seminars to facilitate internal learning. These have addressed various topical themes:

- particular policy processes, for example, our work with the African Union, support to local governance in West Africa, work in fragile environments, and monitoring and evaluating EPAs;
- all-Centre priorities, such as the ECDPM Partnership Strategy and institutional relations;
- specific skills and core knowledge which staff should possess to improve the Centre's work, for example, how to assess

policy processes; how to engage in institutional development through process support.

We updated ECDPM's Intranet - in-house called the 'Centre-wide Web' (CWW), and we now share knowledge through an internal e-newsletter titled CWW Update. Over the year, we produced five bi-monthly issues of *NewsTalk: Internal* to share information about key activities and projects within the organisation. We received such good internal feedback on this publication that we developed a biannual spin-off publication, *NewsTalk: External*, to keep institutional partners up to date on Centre developments.

#### Knowledge networking

Knowledge Management staff also works to strengthen linkages and exchanges with a variety of related organisations and networks in Europe, including Euforic, Gamos, Panos, IKM emergent, the EADI Information Management Working Group, the Learning Network on Capacity Development (LenCD) and the Web2.0-for-Development community. Throughout the year we supported the programmes in their efforts to interact with policy networks on

selected topics, such as on the Joint EU-Africa Strategy.

Through the Pelican Initiative ([www.dgroups.org/groups/pelican](http://www.dgroups.org/groups/pelican)) and Capacity.org ([www.capacity.org](http://www.capacity.org)), we interacted with knowledge circles on evidence-based learning, decentralisation and local governance, adaptive management, accountability and capacity development in fragile environments. By setting up a resource corner on evidence-based learning on Capacity.org, we created synergies between the Pelican Initiative and Capacity.org.

#### Communication

We took first steps to build a strategy for knowledge management, information and communication. Communication experts assisted us in reflecting on the Centre's communication needs and future focus. Reports produced from these efforts fed into Centre seminars and internal meetings which will in turn feed the formulation of the strategy in 2008.



# Management Report

## Centre-wide and programmatic knowledge-sharing initiatives

We made a start in working more structurally with the three programmes to reorganise their presence on the ECDPM website. Additionally, we established a digital 'InfoCentre' which allows visitors easier access to the variety of our knowledge products, ranging from complementary websites managed by ECDPM to e-alerts and print publications.

On the technology side, we continued introducing Web 2.0 technologies into our work. 'Social bookmarking', 'RSS feeds' and 'blogs' are becoming a core component of Knowledge Management work, and they now power various ECDPM websites (e.g. [europafrika.org](http://europafrika.org) and [weca-ecaaid.eu](http://weca-ecaaid.eu)) and e-alerts ([www.ecdpm.org/acpeunews](http://www.ecdpm.org/acpeunews)). Internally, we started training and coaching our staff in Web 2.0 technologies.

The publications team supported both the Trade Programme and the Development Policy and International Relations Programme in producing several papers. This particularly reinforced the trade team's EPA negotiations work. For the DPIR Programme, support fed into work for the Portuguese and Slovenian EU Presidencies. Linked to this, updating ECDPM's contacts database helped to disseminate Centre publications to a wider variety of stakeholders (see the graph on the right).

We further assisted the Centre and the three programmes with electronic mailings and specific websites, publishing information in different formats and providing photos and graphical materials. The box in the right provides an overview of the main areas of support.

## Knowledge Management support to programmes and corporate work

### Development Policy and International Relations (DPIR) Programme

- Assisted in production of Europe-Africa website and e-alerts (the EU-Africa E-Alert and the EU-Africa Bulletin)
- Assisted in production of the '3Cs' website and periodic InBriefs

### Economic and Trade Cooperation (ETC) Programme

- Assisted in production of the 'ACP-EU Trade' website and newsletter
- Supported the trade team in producing the Trade Negotiation Insights with ICTSD and disseminating it through our contacts database

### Governance Programme

- Supported the team's reflections to build its internal knowledge management, information provision and communication with stakeholders

### Corporate Services

- Produced the Annual Report, Highlights, ECDPM strategy, Centre work plan and leaflet
- Produced six issues of the New@ECDPM e-alert
- Produced ECDPM CD-ROM
- Maintained the all-Centre website

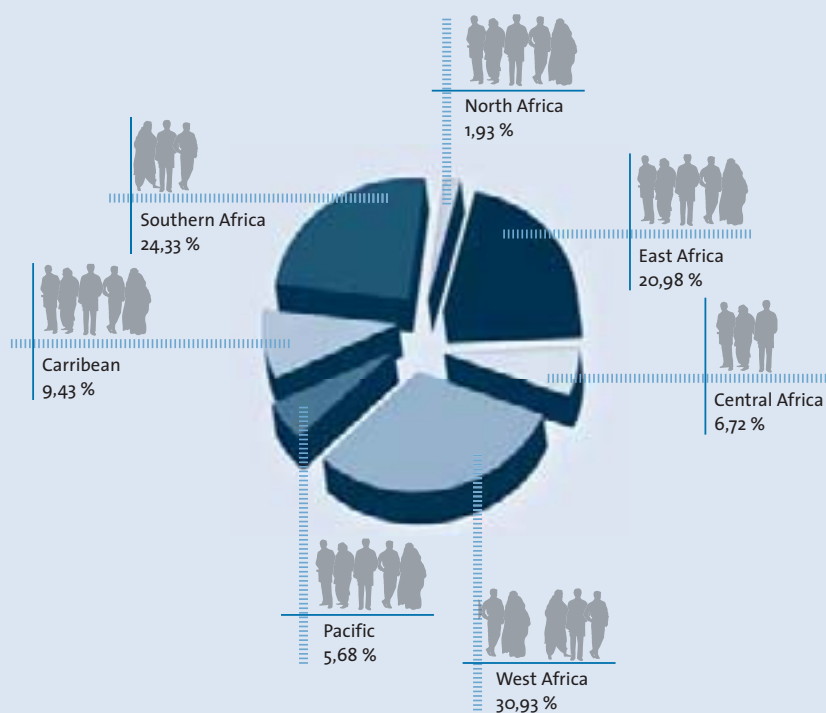
### Institutional Relations

- Produced NewsTalk, a newsletter aimed to keep institutional partners up to date on developments at the Centre
- Supported refining of ECDPM's corporate image and accompanying information products

### All programmes

- Provided strategic input and guidance on the composition and the provision of information and communication products
- Provided advice on concept and style of the respective programme sections of the ECDPM website and guided website maintenance

Distribution of hardcopy publications to ACP regions (percentages)

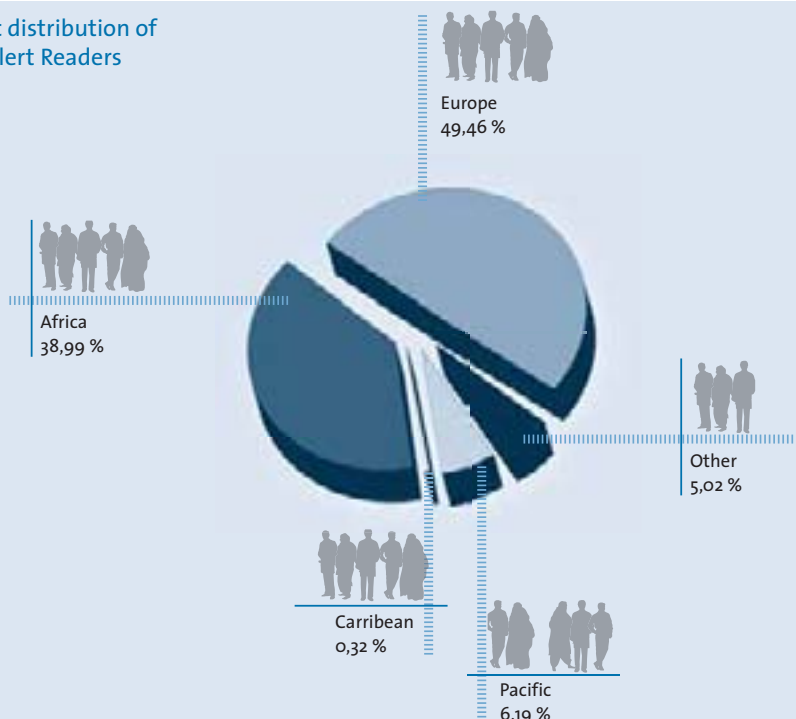


### 3. Process Assessment Framework (PAF) Reports

#### Monitoring knowledge management

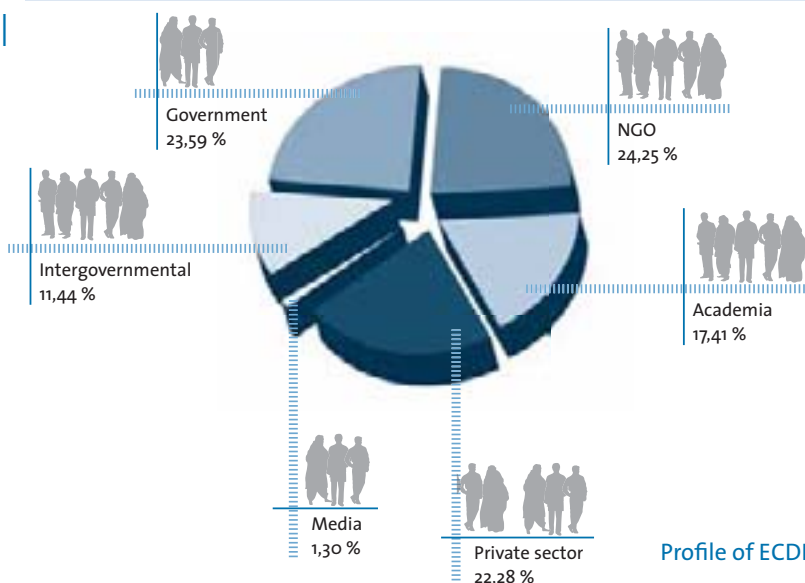
We monitored the satisfaction of recipients of various e-newsletters through extensive reviews, addressing some 8,500 unique users. The results show our e-newsletters to be a powerful tool for informing policy processes. The response across the different regions and types of audience (see graphs) and the quality of replies allows us to say that our e-newsletters are perceived as timely, analytical, accurate and containing a useful balance of views on pertinent policy processes. The review enabled us to streamline our e-news provision, leading us to reduce our newsletters from five to three different types.

#### Geographic distribution of ECDPM E-Alert Readers



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Profile of ECDPM E-Alert Readers

*'As a network secretariat, I regularly use the alerts to update our members on important events, documents, etc – either directly forwarding the information or adapting it.'*

*'ECDPM alerts have become a part of my weekly "reading work" and have proven to be a tremendously rich resource of information – if not in itself, then through interlinking with other sources.'*

*'I used information from ECDPM for preparing our national position for EPA negotiation. The benchmarking concept which Ethiopia as a country is pushing [came first] from the ECPDM bulletin.'*

The review also revealed examples on how the materials are used in policy management and for knowledge networking among stakeholders.

#### ECDPM e-alerts: Contribution to policy processes

*'I used ECDPM information to be aware of a lot of things. It's a kind of window towards the world. The information is very useful when I'm managing*

*consultations in Governance and Communication, for example.'*

*'I have made the ECDPM a sure source of information to deepen my knowledge on Economic Participation and Integration at large.'*

*'I used information from ECDPM in May when I analysed anticipated negotiations on the EPAs. Africa, Caribbean, Pacific and the EU are [preparing to move] from the existing preferential trade arrangement*

*(ACP-EU) to EPAs to conform to the WTO guidelines.'*

*'The information helps me to monitor developments and to enable me to direct my project interventions with the AU Commission in a timely manner to address critical areas of the Commission's programmes related to economic and political issues.'*

*'As a Trade Policy Analyst, all the ECPDM Alerts are very useful to me to shape my continent's economic policies.'*

*'To be updated on African-European relation, African developments and Perspectives in the field of International Relations with a particular attention to Security & Defence aspects.'*

# *Introduction and Main Changes in 2007*

The year 2007 was one of transition, during which ECDPM actively took up its new five-year strategy. Early in 2007 the final word came from the Dutch Minister of Development Cooperation not only confirming the continuation of the Dutch endowment fund but also awarding the Centre an additional grant of € 10 million to support the implementation of the new Strategy 2007–11. This meant that ECDPM could now effectively move to implement the decisions it had taken following the recommendations of the External Evaluation of 2006, to use this grant to further increase its strategic focus and results-orientation and to consolidate its independence as a foundation by reducing the proportion of short-term restricted funding in its income.

This implied a number of steep challenges. In the first place, the implementation of the new strategy and in particular, strengthening of strategic focus required systematic attention to impact assessment, both in the identification of activities and in their reporting, monitoring and evaluation. This necessitated development and application of new instruments and organisational procedures and fully acquainting all staff with these. Secondly, it meant moving back from seven to three main thematic programmes, improving knowledge management and strategic networking of knowledge and information, and strengthening the Centre in key areas of expertise. Thirdly, it called for the development of a new and innovative partnership strategy, towards both strategic and institutional partners, particularly in the countries of the ACP. Fourthly, it stipulated the initiation of a strategic rethinking of the Centre's communication strategy in order to strengthen its outreach. Last but not least, it was understood that this would have to be combined with a restructuring of the Centre's income, from 60% restricted (project and programme) funding in 2006 to some 60% unrestricted core and institutional funding in 2007.

In all of the above, the Centre made significant progress during the year. Impact analysis, to assess likely impact before an activity is undertaken, was systematically introduced. The initial results were positive

and provoked useful debates among staff, effectively helping to sharpen the Centre's strategic focus. Also, a process assessment framework, spelling out output types and expected outcomes of programme activities and providing a framework to monitor them was developed and introduced. The activity database system was adapted to mainstream results-based monitoring in semester reporting as well. Teams reorganised themselves to be able to report efficiently. At the closure of 2007, two semester reporting cycles had been completed to feed into the annual report. Here as well, initial results and discussions with and among staff produced positive effects. But of course the proof of the pudding for organisational measures such as these is in the eating. Would strategic focus sharpen? Would results be better articulated? Finally, would activity evaluations and reports reflect this? To answer these and related questions, this Annual Report will be a first test.

The move from seven to three programmes was smoothly implemented. Mostly set in motion in 2006, when the focus of each programme on two specific ACP-EU policy processes was decided upon, the programme teams quickly picked up this new logic and used it to sharpen strategic decision-making and to align their combined activities for greater impact. Also, towards the end of the year, the Centre finalised its new partnership strategy, which stipulates a number of

objectives, choice criteria and possible activities that may be expected to lead to enhanced partnership building by ECDPM, in particular in the South. During 2008 the partnership strategy will be put in practice on an experimental scale to further refine and operationalise it. In the meantime the Knowledge Management unit has begun redefining the way ECDPM produces and shares knowledge and information. With the help of external consultants, it has made a start in assessing and refining our corporate communication strategy. This has led to a stronger Centre-wide commitment to effective knowledge management and communication.

With respect to the restructuring of income, the Centre was indeed able to reduce the proportion of the more restricted project funding in its income to the envisaged 40%, thanks to increased institutional funding from the Netherlands and other EU member states, such as Ireland, which doubled its contribution to the Centre. Naturally, ongoing project work had to be continued, and the Centre's well-known demand-orientation could not be negatively affected. Previously set external funding targets, though lower than before, also still had to be met.

Looking back the management feels that in each of these areas staff engaged productively in the changes proposed and made it possible to achieve





significant progress. Frequent, animated discussions, tough debates and improved understanding of strategic questions were testimony to that. After the Centre's earlier sustained and successful drive to engage in demand-driven growth on the basis of project and programme funding, this year did feel a bit like turning around an oil tanker in mid sea, to align it to enter

a far-away harbour: to think of and initiate change is easy, but could everything be done in time for the ship to find exactly the right course? In the end we must conclude that ECDPM is on course and making excellent progress. Other indicators, such as the lagging behind of operational expenses; the difficulties encountered in defining appropriate

positions for senior advisors and the need to strengthen budget controls, point at the fact that ECDPM cannot lay back. It must continue to invest in its institutional change in order to consolidate and further strengthen its position as an independent, mandate- and strategy-driven organisation that effectively contributes to improving ACP-EU cooperation and relations.

# How the Centre is Funded

The Centre derives its income from four sources.

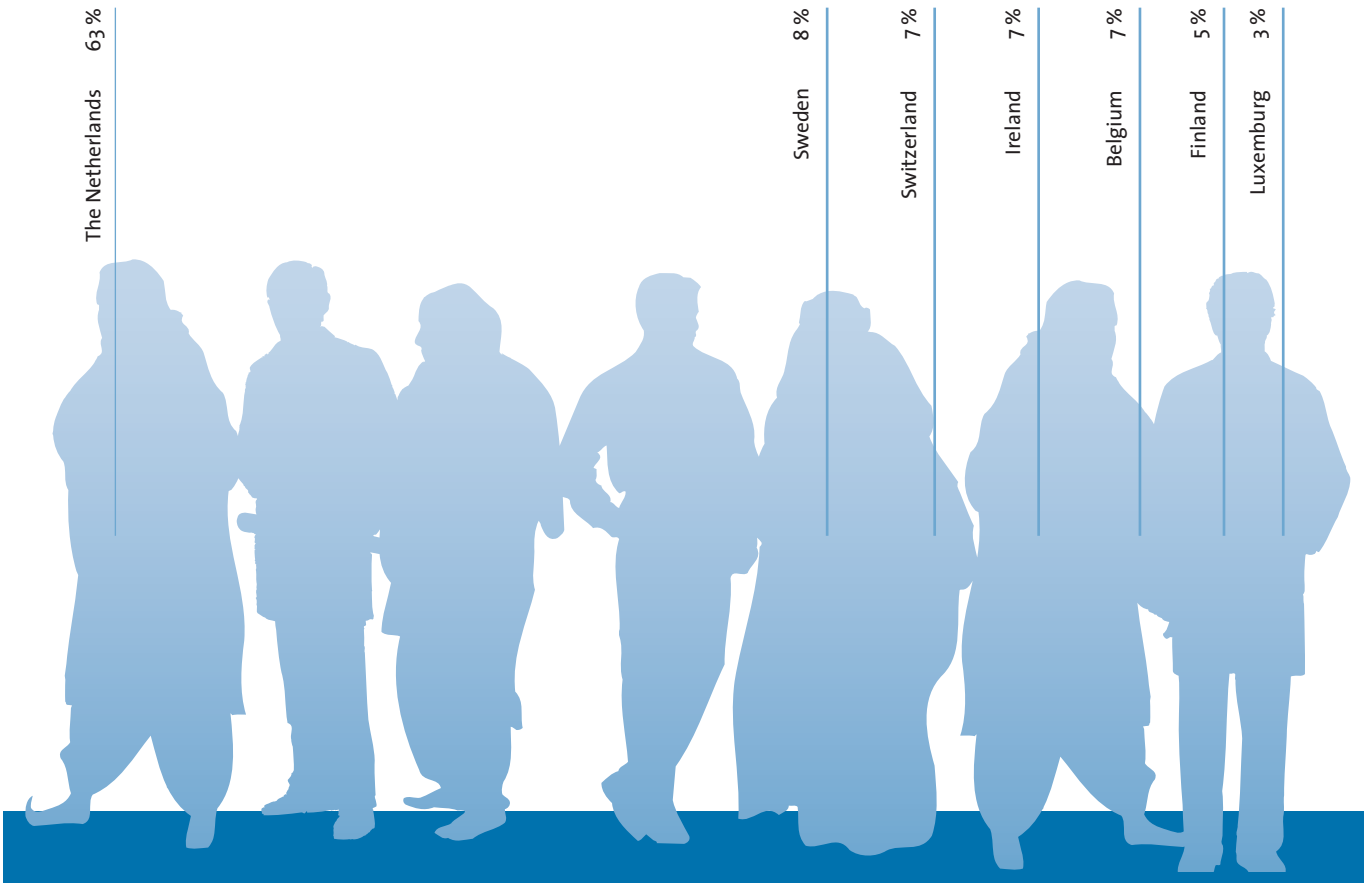
**Core funding: Interest on the endowment from the Netherlands government**

In its early years, nearly all of the Centre's activities were financed from interest on the endowment provided by the Netherlands government. Over the past nine years, however, declining interest rates and increased external funding have reduced the proportion of income from the endowment to slightly more than 17% of total funding.

**Institutional funding**

Over the past ten years, we have negotiated multi-annual institutional funding agreements with several European governments. This type of funding can normally be applied to different activities and provides a strong guarantee that the Centre can both maintain its focus and respond to emerging demands in a flexible way. In 2007, this funding was provided by the governments of the Netherlands, Sweden, Belgium, Ireland, Switzerland, Finland and Luxemburg, and represented 45% of total income. The largest share of institutional funding is provided by the Netherlands, totalling € 10 million for the 2007–11 period.

Overview Institutional Funding 2007



### Programme funding

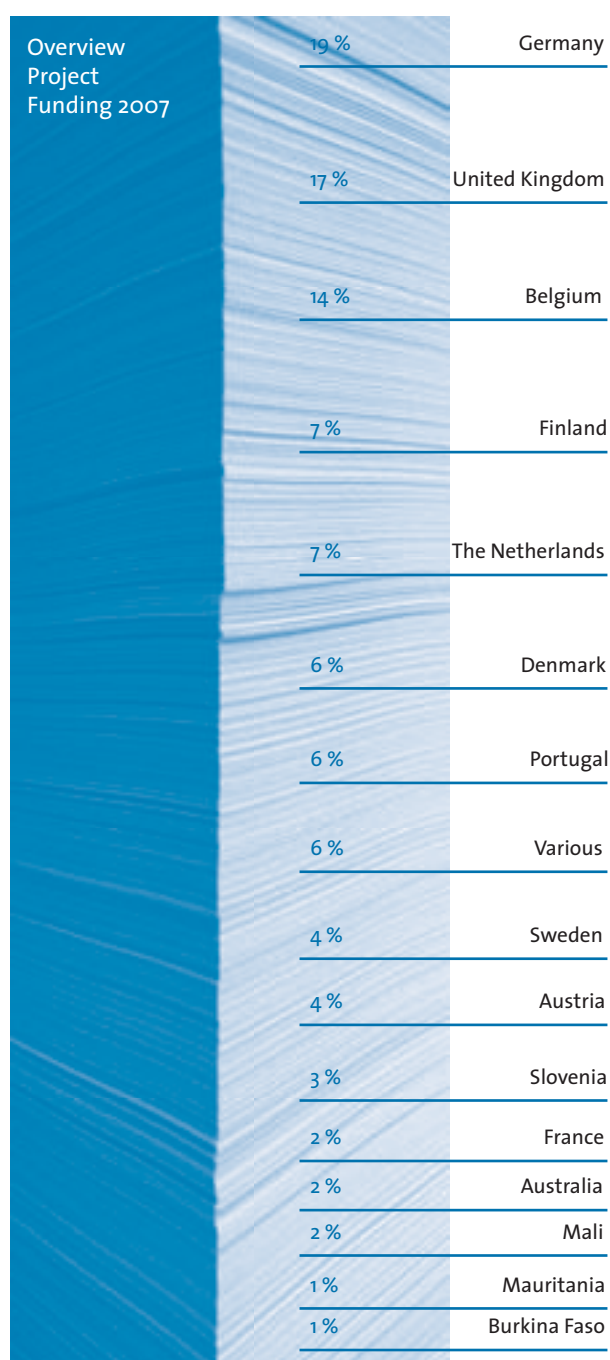
Other funders support one or more of our programmes. Although less flexible than core funding arrangements, such funding provides continuity within a more restricted area of operations. Programme funders include the Department for International Development (DFID, UK), the Instituto Português de Apoio ao Desenvolvimento (IPAD, Portugal) and the Ministries of Foreign Affairs of the Netherlands, Belgium, Switzerland, Ireland, Sweden, Finland and Luxemburg. In 2007, this type of funding represented 10% of total income

### Project funding

The final source of funding (28% of total income in 2007) is project funding of limited scope and duration. Some project funding may be spread over several years, or a few months, or may be earmarked to enable our staff to attend key international events.

Increasingly such funding comes through tender processes, particularly for large projects. Here, we are particularly careful to engage in projects in a specific and limited way, in line with our mandate, strategy and available capacity. Agencies

providing project funding in 2007 included BMZ/GTZ (Germany), Particip Germany, BTC (Belgium), DANIDA (Denmark), Instituto Português de Apoio ao Desenvolvimento (IPAD, Portugal), AusAid (Australia), Austrian Development Aid, the Commissariat au développement institutionnel (Mali), the Government of Mauritania, the European Commission, and the Ministries of Foreign Affairs of the Netherlands, Belgium, Finland, Sweden and Slovenia.



# Balance Sheet after Allocation of Result 2007, as per December 31, 2007

in thousands of Euros

## ASSETS

### I Financial fixed assets

- 1.1 Debentures
- 1.2 Participation in EDCS share fund
- 1.3 Participation in OneWorld Europe B.V.

#### Total financial fixed assets

### II Intangible fixed assets

- 2.1 Property rights software

#### Total intangible fixed assets

### III Current assets

- 3.1 Payments in advance
- 3.2 Receivables
- 3.3 Debtors
- 3.4 Tax contributions
- 3.5 Cash

#### Total current assets

#### TOTAL ASSETS

31-12-2007

31-12-2006

31-12-2005

19,878

10

0

19,888

0

0

80

596

1,133

6

3,773

5,588

25,476

22,430

10

2

22,442

0

0

67

587

1,280

0

1,111

3,045

25,487

20,711

10

4

20,726

0

0

52

661

1,467

14

3,293

5,488

26,214

## LIABILITIES

### IV Long-term liabilities

- 4.1 Commitment to the Netherlands' Government
- 4.2 PNL-contribution for housing and installation

#### Total long-term liabilities

### V Current liabilities

- 5.1 Creditors
- 5.2 Tax, pension and social security contributions
- 5.3 Current debts

#### Total current liabilities

### VI Provisions

#### TOTAL LIABILITIES

18,378

2,269

20,647

292

97

1,256

1,645

0

22,292

18,378

2,269

20,647

273

93

1,002

1,368

0

22,015

18,378

2,269

20,647

245

99

507

851

0

21,498

## EQUITY

- General reserve
- Revaluation reserve

3,164

20

3,184

3,369

103

3,472

4,008

708

4,716



# Income and Expenditure Account from January 1, until December 31, 2007

In thousands of Euros

## INCOME

### I Funding

1.1 Core funding	924	890	897	929	1,058
1.2 Institutional funding	2,310	2,335	2,394	737	632
1.3 Programme and project funding	2,076	2,184	1,955	2,410	2,057

<b>Total funding</b>	<b>5,310</b>	<b>5,409</b>	<b>5,246</b>	<b>4,076</b>	<b>3,747</b>
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### II Result from debentures and participations

2.1 Result on sales debentures	p.m.	p.m.	-23	-121	129
2.2 Result on market value debentures	p.m.	p.m.	-485	-269	342
2.3 Result from profit/loss in participations	p.m.	p.m.	-2	-2	-2

<b>Total result from debentures and participations</b>	<b>p.m.</b>	<b>p.m.</b>	<b>-510</b>	<b>-392</b>	<b>469</b>
--	-------------	-------------	-------------	-------------	------------

<b>TOTAL INCOME</b>	<b>5,310</b>	<b>5,409</b>	<b>4,736</b>	<b>3,684</b>	<b>4,216</b>
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## EXPENDITURE

### III Operational expenses

<b>1,613</b>	<b>1,689</b>	<b>1,209</b>	<b>1,300</b>	<b>1,038</b>
--------------	--------------	--------------	--------------	--------------

### IV Other costs

4.1 Salaries and other personnel costs	2,778	2,860	3,097	2,402	2,250
4.2 Accommodation expenses	300	213	162	164	167
4.3 General and administrative expenses	239	273	263	244	204
4.4 Investments	50	15	0	1	25
4.5 Corporate services	180	197	211	154	206
4.6 Miscellaneous	50	40	-1	57	73

<b>Total other costs</b>	<b>3,597</b>	<b>3,598</b>	<b>3,732</b>	<b>3,023</b>	<b>2,925</b>
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<b>TOTAL EXPENDITURE</b>	<b>5,210</b>	<b>5,287</b>	<b>4,941</b>	<b>4,323</b>	<b>3,963</b>
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<b>TOTAL RESULT</b>	<b>100</b>	<b>122</b>	<b>-205</b>	<b>-639</b>	<b>253</b>
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Results from debentures and participations:

- difference realised interest income and budgetted interest	p.m.	p.m.	1	-152	-57
- result on sales and market debentures	p.m.	p.m.	-508	-390	471
- result from participations	p.m.	p.m.	-2	-2	-2

<b>Total</b>	<b>p.m.</b>	<b>p.m.</b>	<b>-509</b>	<b>-544</b>	<b>413</b>
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<b>Total result excl.results from debentures and participations</b>	<b>100</b>	<b>122</b>	<b>304</b>	<b>-95</b>	<b>-160</b>
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# Consolidated Balance Sheet, after Allocation of Result 2007

in thousands of Euros

## ASSETS

### I Financial fixed assets

- 1.1 Debentures
- 1.2 Participation in EDCS share fund

#### Total financial fixed assets

### II Intangible fixed assets

- 2.1 Property rights software

#### Total intangible fixed assets

### III Current assets

- 3.1 Payments in advance
- 3.2 Receivables
- 3.3 Debtors
- 3.4 Tax, pension and social security contributions
- 3.5 Cash

#### Total current assets

#### TOTAL ASSETS

31-12-2007

31-12-2006

31-12-2005

19,878

10

19,888

0

0

80

596

1,133

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3,774

5,590

25,478

22,430

10

22,440

0

0

67

587

1,280

1

1,113

3,048

25,488

20,711

10

20,722

0

0

52

661

1,467

14

3,299

5,493

26,215

## LIABILITIES

### IV Long-term liabilities

- 4.1 Commitment to the Netherlands' Government
- 4.2 PNL-contribution for housing and installation

#### Total long-term liabilities

### V Current liabilities

- 5.1 Creditors
- 5.2 Tax, pension and social security contributions
- 5.3 Current debts

#### Total current liabilities

#### TOTAL LIABILITIES

18,378

2,269

20,647

292

97

1,258

1,647

22,294

18,378

2,269

20,647

273

93

1,003

1,369

22,016

18,378

2,269

20,647

245

99

508

852

21,499

## EQUITY

- General reserve
- Revaluation reserve

3,164

20

3,184

3,369

103

3,472

4,008

708

4,716

# Consolidated Income and Expenditure Account as per December 31, 2007

In thousands of Euros

## INCOME

### I Funding

#### 1.1 Interest

#### 1.2 Additional funding

#### Total funding

### II Result from debentures

#### 2.1 Result on sales debentures

#### 2.2 Result on market value debentures

#### Total result from debentures

## TOTAL INCOME

## EXPENDITURE

### III Operational expenses

### IV Other costs

#### 4.1 Salaries and other personnel costs

#### 4.2 Accommodation expenses

#### 4.3 General and administrative expenses

#### 4.4 Investments

#### 4.5 Corporate services

#### 4.6 Miscellaneous

#### Total other costs

## TOTAL EXPENDITURE

## TOTAL RESULT

Realisation  
2007

Realisation  
2006

Realisation  
2005

897

4,349

5,246

-23

-485

-508

4,738

1,209

3,097

162

265

0

211

-1

3,734

4,943

-205

929

3,147

4,076

-121

-269

-390

3,686

1,300

2,402

164

246

1

154

57

3,025

4,325

-639

1,058

2,689

3,747

129

342

471

4,218

1,038

2,250

167

206

25

206

73

2,927

3,965

253



# Auditors Report

### Report on the financial statements

*We have audited the accompanying financial statements 2007 of the European Centre for Development Policy Management at Maastricht, which comprise the balance sheet as at 31 December 2007, the profit and loss account for the year then ended and the notes.*



### Management's responsibility

Management is responsible for the preparation and fair presentation of the financial statements and for the preparation of the management board report. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the European Centre for Development Policy Management at 31 December 2007, and of its result for the year then ended in accordance with accounting principles generally accepted in the Netherlands.

*For Deloitte Accountants B.V.*

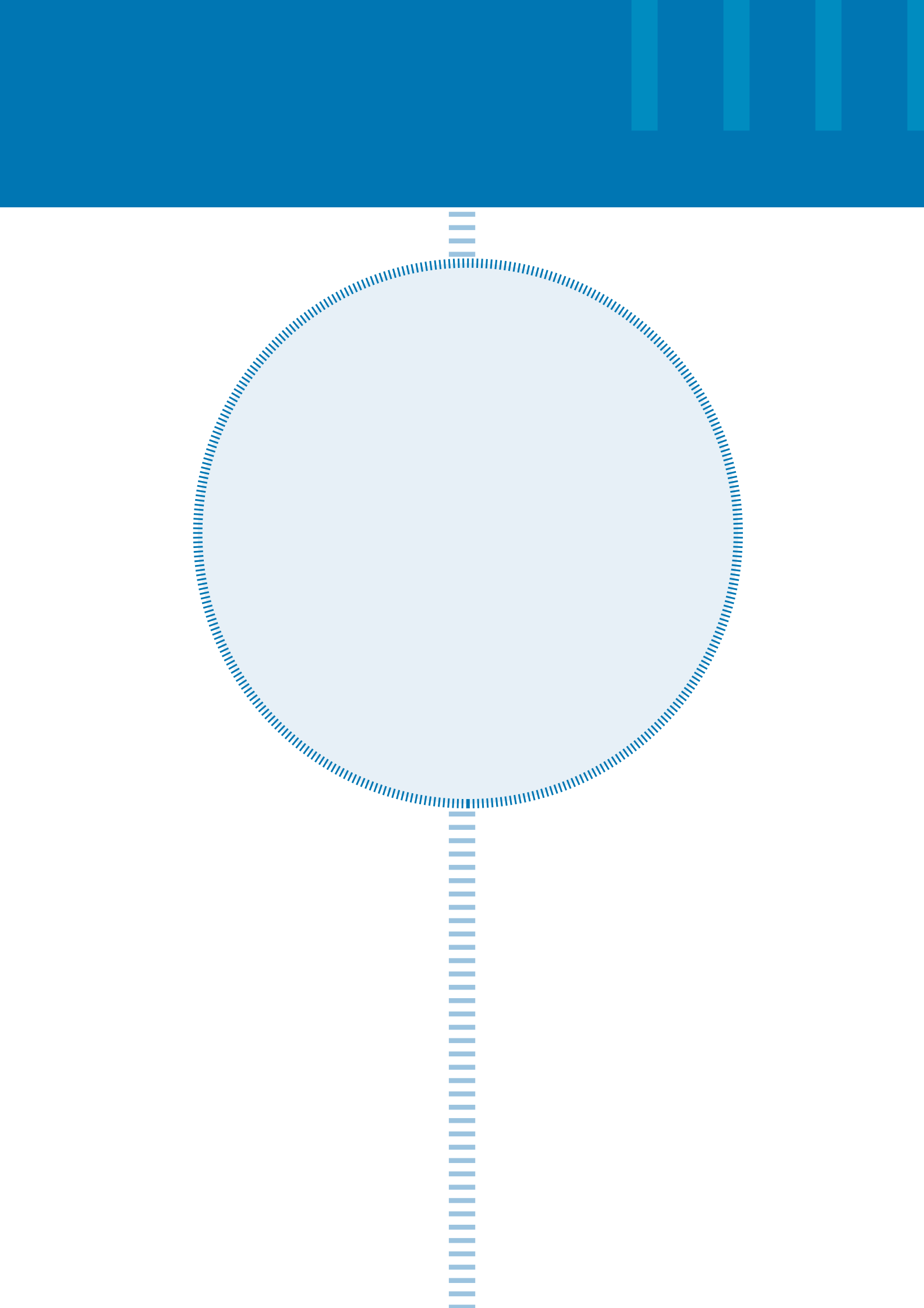
**L.M.M.H. Banser RA RC**

# Acronyms

ACP	African, Caribbean and Pacific
ADA	Austrian Development Agency
APRM	African Peer Review Mechanism
APRODEV	Association of World Council of Churches related Development Organisations in Europe
ATPC	African Trade Policy Centre, UN Economic Commission for Africa
AU	African Union
AusAid	Australian Government Overseas Aid Program
BMZ	German Federal Ministry for Economic Cooperation and Development
BTC	Belgian Technical Cooperation Agency
CEDEAO	Communauté Economique des Etats de l'Afrique de l'Ouest
CEMAC	Communauté Economique et Monétaire de l'Afrique Centrale
CEMR	Council of European Municipalities and Regions
CDI	Commissariat de Développement Institutionnel
CODEV	European Council Working Party on Development Cooperation
CONCORD	Confederation representing European NGOs for relief and development
CTA	Technical Centre for Agricultural and Rural Cooperation ACP-EU
CUTS	Consumer Unity & Trust Society
DAC	Development Assistance Committee
DANIDA	Danish International Development Agency
DEZA	Directorate for International Cooperation
DIE	German Development Institute
DFID	Department for International Development
DGCI	Direction Générale de Coopération Internationale
DPIR	Development Policy and International Relations
EADI	Association of Development Research and Training Institutes
EARN	Europe-Africa Policy Research Network
EC	European Commission
ECDDPM	European Centre for Development Policy Management
EDF	European Development Fund
EPA	Economic Partnership Agreement
EPLO	European Peacebuilding Liaison Office
ESAMI	Eastern and Southern African Management Institute
ETC	Economic Cooperation and Trade
EU	European Union
FES	Friedrich Ebert Stiftung
FTA	free trade agreement
GAERC	General Affairs and External Relations Council
GOVNET	DAC Network on Governance
GRET	Association de Solidarité et de Coopération Internationale
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
ICTSD	International Centre for Trade and Sustainable Development
IEEI	Institute for International and Strategic Studies
ILEAP	International Lawyers and Economists Against Poverty
IPAD	Instituto Português de Apoio ao Desenvolvimento
MATCL	Ministère de l'Administration Territoriale et des Collectivités Locales
M&E	monitoring and evaluation
MDG	Millennium Development Goal
MoU	memorandum of understanding
NGO	non-governmental organisation
ODA	official development assistance
OECD	Organization for Economic Co-operation and Development
REC	regional economic communities
REDL	Réseau de Réflexion et d'Echanges sur le Développement Local
RTFP	Regional Trade Facilitation Programme in Southern Africa
SADC	Southern Africa Development Community

<b>SAIIA</b>	South Africa Institute for International Affairs
<b>SCF</b>	Save the Children Fund
<b>SN<sup>2</sup></b>	South-North Training, Research and Policy Network on Trade and Development
<b>SNV</b>	Netherlands Development Organisation
<b>TNI</b>	Trade Negotiations Insights
<b>UEMOA</b>	Union Economique et Monétaire Ouest Africaine
<b>UN</b>	United Nations
<b>UNDP</b>	United Nations Development Programme
<b>UNCTAD</b>	United Nations Conference on Trade and Development
<b>UNICEF</b>	United Nations Children's Fund
<b>VENRO</b>	Verband Entwicklungspolitik deutscher Nichtregierungsorganisationen
<b>WBI</b>	World Bank Institute
<b>WTO</b>	World Trade Organization





The EUROPEAN CENTRE FOR DEVELOPMENT POLICY MANAGEMENT is an independent foundation, whose capacity building activities aim to improve cooperation between Europe and countries in Africa, the Caribbean, and the Pacific.

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EUROPEAN CENTRE FOR DEVELOPMENT POLICY MANAGEMENT  
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