EUROPEAN PARLIAMENT

The challenge of coordinating European development policies

Fragmentation, a disaster?

IN-DEPTH ANALYSIS

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In order to understand the challenges inherent in coordinating European development policies, this analysis considers various aspects of national contexts that have an influence in this area. The international framework is also analysed. Special attention is given to the European framework constructed since 2005 with a view to achieving complementarity in European policies on development cooperation. The European Parliament in particular has suggested some innovative solutions for improving the implementation of coordination and division of labour among European donors. Such solutions are examined in the light of lessons learned from numerous case studies and from the overview of initiatives under way in this area.

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SUMMARY

Managing a growing number of (small) projects represents a burden on developing countries. This, together with an increasing number of ever more diverse donors, constitutes a so-called 'fragmentation of aid'. The situation is widely recognised as detrimental to the effectiveness of aid programmes and, as such, to their legitimacy. Therefore, since 2005, international and European development cooperation bodies have made great efforts to implement a political consensus in order to foster greater complementarity between donors. The division of labour and coordination are at the heart of this approach, which was adopted at European level in 2007 in the Code of Conduct on Complementarity and the Division of Labour in Development Policy. This non-binding code offers a set of principles for the division of labour at the level of partner countries. These principles, aimed at public actors in development cooperation, concentrate activities on a limited number of sectors. Nevertheless, despite repeated political support, implementing cooperation between EU countries is not easy. In reality, there are obstacles in the form of constraints associated with the great complexity of legal frameworks, and with different geo-political interests and institutional structures. Such factors shape the development policies of Member States.

Case studies were conducted as part of the EU Fast Track Initiative on Division of Labour, which was part of the first wave of implementation for the Code of Conduct. Given the aforementioned factors, those studies have produced mixed results. On the one hand, they show a strengthened role for EU Delegations. This includes an increased number of delegated cooperation agreements and progress in joint programming. On the other hand, the results of the case studies show that the coordination exercised by EU delegations is often limited to information sharing. It may be subject to passive opposition from certain donors. Some partners on the ground are committed to coordination practices that pre-date those of the EU. A greater number of them simply do not know about the European framework for complementarity and/or have too little room to manoeuvre in their relations with their head offices.

At international level, there are increasing numbers of networks with differing aims. These range from sharing information to joint implementation of projects in specific areas. Such networks vary in structure. They bring together national institutions that participate in implementing development policy. This proliferation of networks demonstrates a genuine desire of partners to work together. Nevertheless, there is a certain paradox in the context of the fight against fragmentation.

According to the Treaties, in the area of development cooperation, the EU has competence to carry out activities and conduct a common policy; however, the exercise of that competence does not result in Member States being prevented from exercising their own competence. Within this framework, and given the current political context, it is unlikely that a solution to fragmentation may be found in attempts to increase EU competences. The European Parliament has suggested the creation of a binding regulatory framework to assist the coordination and division of labour. Conversely, some commentators advise an approach based on the motivations of donor countries. This is seen as a necessary preliminary step towards producing a division of labour. Such an approach would mean that geo-political interests and specific perspectives of Member States would be acknowledged as legitimate factors in deciding on the division of labour, even where political ideas coincide with cooperation objectives. Both the choice of partner countries and of priority sectors would be affected.

TABLE OF CONTENTS

List of main abbreviations

ODA: Official Development Assistance

DAC: Development Assistance Committee (OECD)

OECD: Organisation for Economic Cooperation and Development

MDGs: Millennium Development Goals

NGO: Non-Governmental Organisation

UNDP: United Nations Development Programme

LDCs: Least Developed Countries

EEAS: European External Action Service

1. Introduction

Certain transformations are affecting the structure of international development aid, including the increase in, and diversification of, sources of financing. These no longer originate exclusively from traditional donors such as states, members of the OECD Development Assistance Committee and international institutions. Financing now also comes from emerging countries and various private actors. It is this increase and diversification that presents particular challenges. The increase in available resources goes hand-in-hand with the proliferation of aid channels and cooperation models. The consequences include high transaction costs and duplication of efforts, among others. Olivier Ray speaks openly of a slide towards 'hyper-collective action'. This is the result of a two-fold trend: firstly of proliferation, i.e. an increased number of participants, and secondly of fragmentation, represented by the scattered activities of funders.[1]

EU development cooperation is, by nature, a composite of 29 separate policies pursued by the European Commission and the Member States. It is often accused of exacerbating the aforementioned phenomena, which themselves are among the principal targets of the International Agenda on Aid Effectiveness.

2. Fragmentation of aid: a global issue

2.1. The challenge of fragmentation in the International Agenda on Aid Effectiveness

The **Paris Declaration on Aid Effectiveness (2005)** is the cornerstone of the International Agenda on Aid Effectiveness. It provides the framework for reforming the system of international cooperation. Questions began to be raised about the effectiveness and legitimacy of the latter around the end of the 1990s. This framework rests on five commitments: ownership with partner countries exercising leadership; harmonisation, especially in management; alignment of all interventions with national strategies; managing for results; and mutual accountability.

The principle of **division of labour** aims for complementarity between donors. It is among the pledges included in the commitment to harmonisation. Distribution must be based on joint analysis of **donors' comparative advantages** at sector or national level.

[1] La fin de l'aide publique au développement : les enjeux de l'action hypercollective / Severino, J-M., Ray O., Revue d'économie du développement, Vol. 26, 2012/2.

The **Accra Agenda for Action (2008)** confirms these principles while stressing the need to strengthen national capacities, reduce fragmentation of aid, improve transparency and increase predictability of aid.[2] The concept of the inclusive partnership is designed to facilitate the harmonious integration of all development actors. These include: bilateral and multilateral donors, global funds, civil society organisations and the private sector. All of those actors are also called on to observe the principles of the International Agenda on Aid Effectiveness.

The **Fourth High Level Forum on Aid Effectiveness was held in Busan**, in 2011. During the forum, a document was approved by all 3 000 participants reflecting the diversity of actors in the field of development assistance. This document, known as the 'Busan Partnership', is entirely policy-related in scope. It offers all actors involved a platform of shared principles with room for all forms of cooperation.

In order to manage the growing diversity of donors, to reduce fragmentation and curb the proliferation of aid channels, better coordination is proposed, particularly in the following ways:

- Greater use of coordination arrangements by beneficiary countries themselves, including division of labour, as well as programme-based approaches, joint programming and delegated cooperation;
- Effective use of existing multilateral channels and participation in coordination mechanisms.

The agreement also stresses that none of these measures must be allowed to result in a reduction in the quality and/or quantity of resources available.

In the wake of the Busan Partnership several initiatives have been created to provide monitoring for the commitments undertaken. Those initiatives include the global monitoring report of the **Global Partnership for Effective Development Co-operation**.[3] The report was compiled by the OECD jointly with UNDP, with the support of the 46 countries that agreed to participate in this exercise. Similarly, the reports compiled on the eight post-Busan building blocks provide valuable information.[4] This is especially true of the report on the building block of 'Managing Diversity and Reducing Fragmentation'. Such information aids understanding of the phenomenon of fragmentation and the coordination efforts under way to curb it. Fragmentation is recognised as a major obstacle to the effectiveness of development aid.

2.2. Increasing fragmentation and its consequences

According to the 2011 OECD Report, the fragmentation of aid increased between 2004 and 2009 in all parts of the world except the Americas.[5] Fragmentation is measured in terms of the number of significant aid relations compared with the number that are non-significant in financial terms.[6] It affects least developed countries (LDC) in particular.

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2 L'agenda pour l'efficacité de l'aide au développement, Paul E., GRAP Policy Brief N.1.GRAP-PA Santé/ULg.

3 Making Development Cooperation More Effective: 2014 Progress Report /OECD/UNDP, 2014, OECD Publications.

4 Building Block Managing Diversity and Reducing Fragmentation / 2014.

5 2011 OECD Report on Division of Labour: Addressing Cross-country Fragmentation of Aid

6 The OECD defines a significant aid relationship between a donor and a partner country as one where 1) the donor provides a higher share of aid to the partner country than its overall share of global development aid; and/or 2) the donor is among that group of donors that together account for 90% of the partner country's aid.

Among the **harmful consequences** attributed to the fragmentation of aid, the majority of commentators cite the following:

- Increased transaction costs

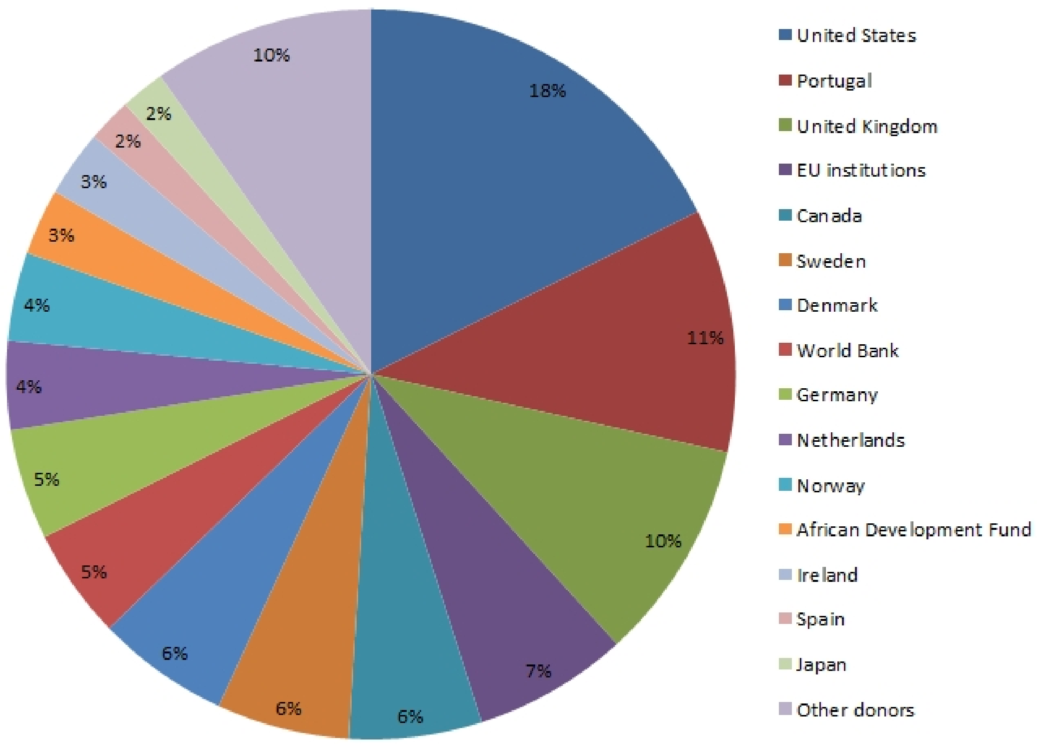
Donors cover fixed costs for each project or aid relationship, especially when guaranteeing a minimum presence on the ground and in their involvement in the different stages of the procedure, such as planning, identifying partners, negotiations, stakeholder consultations, and monitoring and evaluation. In the case of developing countries, the increase in procedures and participants represents a burden in terms of management. This falls on administrations that often have limited resources.

- The creation of 'aid orphans'

Lack of coordination between donors leads not only to duplication of effort, but also to gaps. Some countries miss out, receiving considerably less funding.

In terms of the cause of fragmentation, according to the OECD report, it results mainly from **bilateral funders.** Indeed, case studies confirm that bilateral funders are considerably more reluctant to coordinate among themselves than multilateral bodies. Economic and/or political competition between donor states is a particular problem. The states involved have a tendency to increase their own aid in response to increased flows on the part of 'rival' countries.[7] Analyses concur that coordination alone will not solve the problem of fragmentation. It requires a reduction in the number of actors involved, particularly through specialisation and division of labour among donors.[8]

Figure 1: Structure of aid to Mozambique



Source: Presentation DEVCO/A2

[7] Do Aid Donors Coordinate within recipient Countries?, Öhler, H., Discussion Paper Series, N539, University of Heidelberg, January 2013, p. 6.

[8] The EU and donor coordination on the ground: perspectives from Tanzania and Zambia, Delputte S., Orbie J., European Journal of Development Research advance online publication, 8 May 2014, p.3.

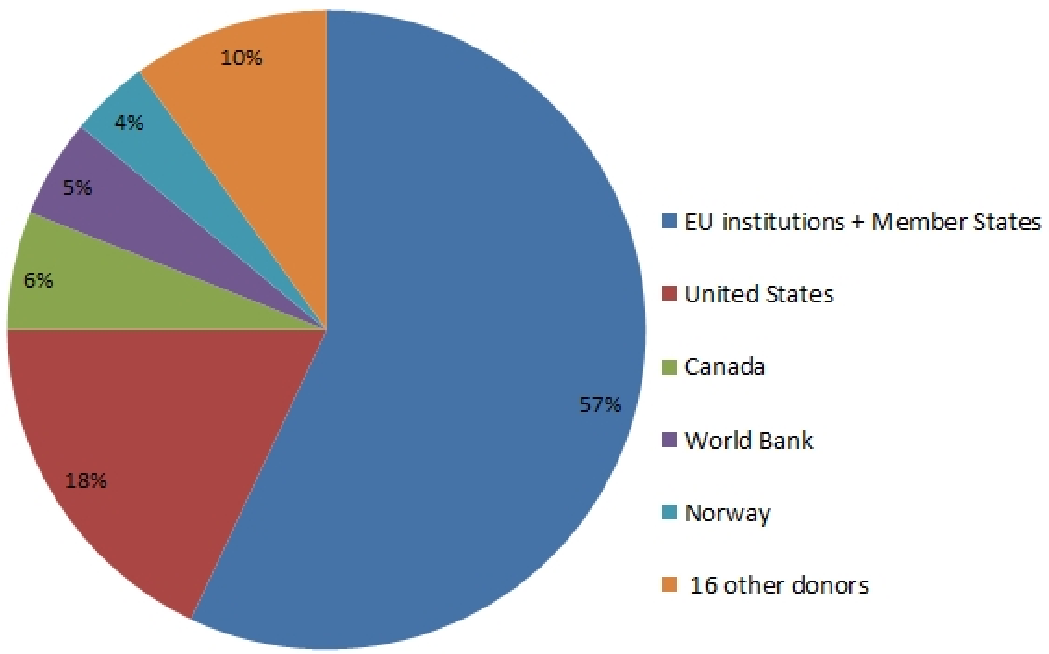
2.3. The benefits of coordination

According to a study conducted at the request of the European Parliament, the benefits of coordination between EU donors exist on two levels: systematic benefits and benefits to the partner country. Specifically, those benefits are the reduction in transaction costs and the increased impact of aid. They can be obtained during different phases of the process: policy creation, programming and implementation.

According to estimates, optimum coordination of European aid would lead to savings of around 8 billion euros per year. Simply reducing the transaction costs associated with fragmentation would produce savings of 800 million euros.

In addition to reducing transaction costs, coordination is believed to increase transparency and promote greater participation. Furthermore, it rationalises objectives and procedures, as well as leading to better use of the respective skills of the various actors.[9]

Figure 2: Hypothetical structure of aid in Mozambique if European aid were integrated



Source: Presentation DEVCO/A2

3. The European framework for complementarity

3.1. Legal framework: the treaties

Article 4, paragraph 4 of the TFEU states that, in the area of development cooperation, the EU shall have competence to carry out activities and conduct a common policy; however, the exercise of that competence shall not result in Member States being prevented from exercising theirs. The Commission and the Member States therefore conduct their policies in parallel. The European Commission manages around 20% of European official development assistance (ODA). In 2013, this represented 56.5 billion euros. National agencies account for 80% of the total figure.

9 La coordination de l'aide: Un objectif aux présupposées contestables, Barry M., Boidin B., 2012, European Journal of Development Research Vol. 24, 4, p. 648.

The concepts of **complementarity and coordination in development policies** were introduced with the Treaty of Maastricht, which entered into force in 1993. Articles 130u and 130v of the Treaty of Maastricht stipulated that Community policy in the sphere of development cooperation should be complementary to the policies pursued by the Member States. However, Article 130x of the same treaty obliged Member States to consult each other and to coordinate their policies on development.

With the entry into force of the Treaty of Lisbon, in 2009, complementarity is required to be reciprocal: Article 208 of the TFEU states that the 'Union's development cooperation policy and that of the Member States complement and reinforce each other'. Article 210 of the TFEU establishes coordination of policies on development cooperation, including in international organisations. It confers on the Commission the right to take any useful initiative to promote that coordination.

3.2. The policy framework

3.2.1. The European Consensus on Development (2005)

The **European Consensus on Development** is a policy declaration that was jointly approved in 2005 by the Council, the Member States, the Commission and the EP. For the first time, it committed Member States and European institutions to a shared vision of development policy. The Consensus establishes the **objectives and principles of development cooperation**. The chief objective is to reduce poverty and meet the Millennium Development Goals (MDGs). Two specific objectives were added to these: good governance and respect for human rights.

With regard to the relationship between development policies conducted by the EU and those of Member States, it is stated that EU policy shall be complementary to the policies pursued by Member States, and not the other way around. The two levels undertake to improve coordination and complementarity, especially by working towards joint multiannual programming and common implementation mechanisms, including shared analyses, joint-donor wide missions and the use of co-financing arrangements.

The global presence of the Commission, its role in policy coherence research and its specific competence and expertise are recognised: firstly, it sees its specific role as facilitating coordination and harmonisation, as well as implementing the Paris Declaration on Development Aid Effectiveness.[10] The principles of aid effectiveness are also clearly stated therein: national ownership, partnership, coordination, harmonisation, alignment to recipient country systems and results orientation. For these purposes, the EU undertakes four further commitments:

- to provide all capacity building assistance through coordinated programmes with an increasing use of multi-donor arrangements;
- to channel 50% of government-to-government assistance through country systems, including by increasing the percentage of assistance provided through budget support or sector-wide approaches;
- to avoid the establishment of any new project implementation units;
- to reduce the number of un-coordinated missions by 50%.

[10] Joint statement by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the Commission on the European Union Development Policy: 'The European Consensus', Point 46.

3.2.2. An Agenda for Change (2012)

With the support of the Council, in May 2012 the Commission issued a communication entitled, 'Increasing the impact of EU development policy: an agenda for change'. This document further consolidates the coordination commitments undertaken in the European Consensus on Development. The EU is required to take an active role in curbing the fragmentation and proliferation of aid, particularly through taking new initiatives.

There is an emphasis on **joint programming** of EU and Member States' aid, where possible within the framework of partner countries' national strategies. This should result in a **sectoral division of labour**, and include contributions by sector and by donor. In terms of implementation, Member States are called on to make use of aid modalities that facilitate joint action such as budget support, EU trust funds and delegated cooperation.

On 14 May 2012, the Council issued its conclusions on the Commission communication regarding the future approach to EU budget support to third countries. The Council called on Member States to coordinate their approaches to this development aid modality, including the eligibility and risk assessment criteria used for granting budget support. The coordinated approach should include a systematic exchange of information between the responsible administrations of Member States, based on existing coordination structures.

The Council also stressed that EU delegations would play a vital role in strengthening coordination and information sharing with Member States, as well as in coordination with other donors. Shared programming is one of the elements promoted by the Council.

3.3. The operating framework

3.3.1. The Code of Conduct on Complementarity and Division of Labour in Development Policy (2007)

The Code was created by the Commission with the participation of national experts. It was approved by the Council and representatives of Member State governments on 15 May 2007. The Code aims for **operational complementarity** in European development policies. This is defined as the **optimal division of labour** between various actors in order to achieve the best use of human and financial resources. The latter must be based on the **comparative advantage of donors**. The code is not a binding legal text but remains a voluntary commitment. It calls on public actors involved in development cooperation to work towards complementarity in their actions, at national, international and sectoral level, applying a set of specific, but flexible, principles:

- Concentrating the activities of each donor and redeploying funds

Funds should be redeployed in consultation with partner countries based on respective comparative advantages. The aim should be to agree on a maximum of three donors per sector. There should be at least one EU donor per strategic sector where poverty reduction is involved. The comparative advantage will be evaluated by factors including presence on the ground, experience in the sector or country, confidence of partner governments, volume of aid etc. In addition to three focal sectors, donors can provide budget support and aid finance programmes relating to civil society, research and education, or else become involved in delegated cooperation in an entirely different sector.

- ‘Lead donor’ arrangement and delegated cooperation

In each focal sector, one donor should assume leadership through a ‘lead donor’ arrangement. The ‘lead donor’ acts as a driver in coordinating the assistance intended for the sector in question. Delegated partnership agreements should enable certain donors to continue supporting a sector which might be strategic for the donors in question, or else short of funds. However, management is delegated to the lead donor.

- Establishing priority countries

Each donor country shall designate a limited number of priority countries on which to focus its active support. That process must be conducted in coordination with the other donors and partner countries in order to ensure that European assistance remains universal. A further concern is that of stabilising fragile states that are often under-funded. In the context of the preceding considerations, redeployment of aid must operate in favour of ‘aid orphan’ countries.

- Applying the principles stated at all levels

Donors also undertake to promote complementarity, based on the principles stated, in international partnerships and organisations, as well as in assistance provided at regional level.

- Developing reforms of assistance systems and strengthening self-assessment systems

Implementing the division of labour requires strengthening of the analysis of comparative advantages. This is something that every donor should do.

3.3.2. Toolkit for the implementation of the division of labour and the operational framework on aid effectiveness (2009)

The Toolkit for the Implementation of the Division of Labour is a **practical manual**, created by the Commission in consultation with Member States. It suggests routes to take during the various stages in the division of labour.

Based on **best practices**, it sets out three stages in implementation at national level:

1. Assessing the present situation

This involves **consultations with governments of partner countries**, especially regarding the form and schedule of the process, as well as **mapping aid flows** including donors by sector and general budget support.

2. Working on division of labour improvements

The process of defining optimal division of labour is founded on **self-assessment of comparative advantages** by donors according to sector. Assessments are subject to peer review. On this basis, options for sectoral consultation and the choice of lead donor are considered. Final negotiation of the respective roles of donors in each priority sector occurs within a framework involving governments of partner countries, donors’ head offices and other stakeholders.

3. Implementing the division of labour

The division of labour results in the **reallocation and reprogramming of aid**. This is consolidated by a practical agreement between the government of the partner country and the donors. The agreement establishes, in particular, a definition of priorities, the principle donors by sector, the partners for delegated cooperation and an exit strategy.

As the Commission acknowledges, the majority of Member States, 21 specifically, restrict the number of intervention sectors, usually by law.[11] In terms of the number of partner countries, a weak trend towards reduction was also noted. In 2013, Denmark, the Netherlands and Sweden decided to end their cooperation with ten countries. Other exits are planned for 2014-2016, particularly from middle income countries.

The toolkit also establishes a set of useful concepts within the framework of coordinating development policies. These include indicative criteria for consideration when assessing comparative advantage and choosing the lead donor.

The Operational Framework on Aid Effectiveness of 2009, approved by the Council of the European Union, includes a chapter on implementing complementarity and division of labour. In particular, it sets out to define the role and functions of the lead donor, to establish programme cycles and to implement the monitoring of progress achieved.

3.4. The contribution of the European Parliament

The EP has stated that it is in favour of strengthened coordination between Member States and the European Commission on numerous occasions. These include when taking positions on the International Agenda on Aid Effectiveness, and within the framework of resolutions specifically concerned with EU policy.

For example, in its resolution on the follow-up to the Paris Declaration, adopted on 22 May 2008, the EP called on Member States to promote the division of labour as set out in the Code of Conduct.[12] Three years later, in 2011, the EP had to recognise that those principles had not been fully implemented owing to a lack of political will, which was preventing optimal use of European aid and undermining the EU's ability to be a driving force in the division of labour.[13]

Finally, the 2013 **resolution on EU donor coordination on development aid** sets out an innovative proposal for dealing with the perceived failure in coordination and division of labour where the latter were based on voluntary and non-binding instruments. As such, the EP requested the Commission to submit, preferably by 21 December 2015 and in any event no later than the first semester of 2016, **a proposal for an act concerning regulatory aspects of EU donor coordination on development aid**.[14] The objective of the Regulation would be to codify and strengthen the mechanisms and practices for ensuring better complementarity and effective coordination of European development aid. According to MEPs, it was expected to cover a number of questions, including the following:

- Codification of the principles of aid effectiveness: synchronisation with programming cycles at partner country level, and participation in joint programming by the EU and Member States.

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[11] EU Accountability Report 2014 on Financing for Development Review of progress by the EU and its Member States, EC Working document, July 2014, p.138.

[12] European Parliament resolution of 22 May 2008 on the follow-up to the Paris Declaration of 2005 on Development Aid Effectiveness.

[13] European Parliament resolution of 25 October 2011 on the 4th High Level Forum on Aid Effectiveness (2011/2145(INI)).

[14] European Parliament resolution of 11 December 2013 with recommendations to the Commission on EU donor coordination on development aid (2013/2057(INL)).

- Implementation of the Code of Conduct on the Division of Labour at partner country level and between countries.
- Codification of monitoring for the implementation of coordination, and evaluation by means of an annual report from the Commission to the EP and the Council.
- Establishment of a Committee on Coordination composed of representatives from the Commission, the Council and the European Parliament.

4. The causes of fragmentation: policy arguments and institutional frameworks within diversified national contexts

Various factors must be considered in attempting to understand the persistent nature of the fragmentation of aid, especially at European level. Those factors are institutional, political and historical in nature, and hinder attempts at coordination.

In the absence of thorough comparative studies,[15] this analysis does not include a systematic catalogue of the characteristics of national systems. Instead, it presents an **outline of visible trends** together with a **range of examples** that highlight the great diversity of national contexts. It is this diversity that affects all attempts at collective action, both at the level of EU-Member States and among the Member States themselves.

4.1. The diversity of reasons for cooperation and the reconciliation of ideas

Development policies are elements of Member States' external relations. They are, to varying degrees, influenced by external factors.

Security and **geopolitical interests** have a strong influence on development policies, and have an impact on attempts at achieving complementarity. For example, it has been shown that in the case of countries in which terrorist activities originate, where they have been selected to be beneficiary countries they receive more aid than other countries. Since 2002, Afghanistan has been one of the five largest beneficiaries of aid. This can be accounted for by the **security considerations** developed within the framework of the international fight against terrorism.

Indeed, since 11 September 2001, security considerations, such as the fight against terrorism and illegal immigration, have become important factors for Member States. As such, the development policy of the United Kingdom has been criticised by civil society due to a notable shift on this subject.[16]

In Europe, **considerations of a historical nature** have shaped development cooperation since its origins in the 1960s. Indeed, former colonial powers had a tendency to

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15 Based on the experience of 11 European development agencies Intensifying cooperation between European Implementing agencies is one of the few recent comparative studies comes from the Practitioners' Network for European Development Cooperation, Obser A., July 2013. The study does not claim to be scientifically rigorous. However, it offers a serious comparative overview of the practical working methods and coordination initiatives under way.

16 Is the UK securitising its development aid?, ODI, Comment, 2 March 2011; Clandestine immigration: une réalité inacceptable, une réponse ferme, juste et humaine, Report of the French Senate No 300 (2005-2006), see point III; L'immigration illégale en Europe: Le cas de l'Espagne, Question d'Europe n°36, Fondation de Robert Schuman, 2006.

concentrate their aid on their former colonies. As a result, European policy took the same course.[17]

Germany does not have such colonial ties. Its policies were more influenced by **commercial interests** and geopolitical considerations, with particular attention given to Turkey and Egypt.

A different approach gradually developed, supposedly based on **altruistic motivations,** as well as on a broader concept of the need to preserve a common future. This meant working towards a global framework that favoured the environment, trade and conflict prevention.[18] This model is, in theory, devoid of political considerations and based solely on the needs of developing countries. It was adopted by Member States such as Denmark, Sweden, Finland and the Netherlands.

Despite this diversity in motivations shaping the development cooperation of Member States, commentators have identified attempts at **reconciling the national political ideas** that underpin those policies. The MDGs and the eradication of poverty are steadily gaining a more prominent position as key objectives. In some cases, harmonisation of declared objectives is accompanied by real change in the allocation of aid. In other cases, change does not go much deeper than surface level.

For example, towards the end of the 1990s, Great Britain radically altered its policy, which had traditionally been based on promoting its economic and political interests. Aid is now more focused on the poorest countries, at present in Africa, with the aim of eradicating poverty.[19] The Department for International Development (DFID), created in 1997, issues performance indicators for the projects that it finances. These are now based on the performance indicators in the Millennium Declaration establishing the MDGs. [20]

The Visegrad Group still provides a relatively low level of aid.[21] The priority in the allocation of bilateral aid is clearly in favour of neighbouring countries: Ukraine, the countries of the former Yugoslavia and the former Soviet republics. Allocation is guided by commercial and strategic interests. This is despite the stated priority of achieving the MDGs and thus helping LDCs, the majority of which are in Africa.[22]

In the case of the Baltic countries, they also focus on their neighbours: Belarus, Georgia, Moldova and Ukraine. For strategic reasons, Afghanistan is also included. Unusually, they have expressly stated that they participate in development cooperation not only to improve international well-being, but also to promote their own national economic, political and cultural interests. Their focus on the countries of the former

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17 The Politics of Coordination in EU development policy, Carbone M., 12th EADI General Conference for Sustainable Development, 2008; Le système d'aide au développement de la France et du Royaume-Uni : points de repère sur cinquante ans d'évolutions depuis la décolonisation, Pacquement F., Revue International de Politique de Développement, 1/2010.

18 British Aid Policy in the 'short-Blair' years, Morrissey, O., in Perspectives on European Development Cooperation. Policy and performances of individual donor countries and the EU, Hoebink, P., Stokke O., Routledge, 2005.

19 Idem.

20 Le système d'aide au développement de la France et du Royaume-Uni : points de repère sur cinquante ans d'évolutions depuis la décolonisation, Pacquement F., Revue International de Politique de Developement, 1/2010, Point 26.

21 The Visegrad Group comprises Hungary, Poland, the Czech Republic and Slovakia.

22 Visegrad Countries' Development Aid to Africa: Beyond the Rhetoric, Kopiski D., Perspectives on European Politics and Society, 2012, Vol. 13, Issue 1, pp. 33-49.

USSR is also motivated by the experience of the Baltic nations in their transition to democracy and the market economy.[23]

4.2. The position of cooperation agencies in national governance structures

4.2.1. Legal framework

Some countries have a law that provides a legal framework for development policy, making the latter less susceptible to changing political fortunes. This said, such a framework can result in a lack of flexibility when dealing with different modalities for international coordination. In fact, some development agencies are not allowed to participate in delegated cooperation.

For example, Belgium, Great Britain, the Czech Republic and Spain have **laws that establish priorities and set the aims of national policies** in terms of development. On 23 June 2014, the French Parliament adopted its first law on aims and programming in relation to development policy and international solidarity.[24] In June 2014, Italy also adopted its first law establishing the general scope of the Italian policy on development cooperation and, significantly, creating a specialised agency. In Poland, a Law of 16 September 2011 provides the foundation for the development policy being created in the country.[25] Conversely, some development agencies work **without a specific legal framework**, including those in Germany, Austria and Luxembourg. This may make their work more susceptible to changing political priorities. At the same time, it does give them more flexibility to adapt, particularly to challenges associated with aid effectiveness.[26]

Certain countries have a supply of instruments enabling them to strengthen coordination between the various bodies involved in development cooperation. These instruments are primarily intended for use at national level.

In Germany, an interministerial agreement on coordination and division of labour was signed in 2011. Its purpose was to improve the coordination and consistency between actions implemented by the different ministries. The German Government has declared its support for joint programming and delegated cooperation.

The recent French law also devoted a chapter to complementarity and consistency, primarily between internal actors involved in development cooperation, but subsequently at international level too. Indeed, Article 5 of the law encourages greater harmonisation and coordination of actions among all funders. It gives particular support to joint programming of aid provided by the European Union and its Member States.

4.2.2. The institutional context, human resources and the level of centralisation

The **institutional context** in which development policy is created and implemented also varies among Member States. This influences the **level of independence** of policies and the actors involved. It is particularly relevant to participation in coordination initiatives.

[23] Development Cooperation of the Baltic States: A Comparison of the Trajectories of Three New Donor Countries, Andrespok,E., Kasekamp A.I, Perspectives on European Politics and Society, 2012, Vol. 13, Issue 1, pp. 117-130.

[24] LOI n° 2014-773 du 7 juillet 2014 d'orientation et de programmation relative à la politique de développement et de solidarité internationale.

[25] Ustawa z dnia 16 września 2011 r. o współpracy rozwojowej, Rzeczpospolita Polska.

[26] Intensifying cooperation between European Implementing agencies, Obser A., July 2013.

For example, in the United Kingdom the Department for International Development is responsible for both creating and implementing this policy. The department is independent of the Foreign and Commonwealth Office. Indeed, in most cases there is an agency responsible for implementing development aid although the level may vary. However, creation of the relevant policy remains the province of the Ministry of Foreign Affairs. This applies notably to Austria, Belgium, Spain, Luxembourg and Sweden. In those countries, development agencies are attached to the Ministries of Foreign Affairs. Despite this, those agencies do enjoy a certain level of independence in implementing policies. In France, the Agence française de développement (AFD) has a highly specialised role. It is the main agency responsible for implementation, covering 31% of French ODA. However, defining policy scope is a responsibility shared among several ministries meeting in the Inter-ministerial Committee for International Cooperation. Furthermore, the AFD acts as a development bank, thus making France practically the only major donor that has a financial institution as its principal instrument.[27] The AFD does not receive state subsidies. Instead, it funds itself through the operations that it manages.

Like the United Kingdom, Germany has a **specific ministry for development cooperation**. This creates policies and supports their implementation by the agencies.

In Poland, **several ministries and local administrations** are involved in development cooperation. The main coordinating role is held by the Ministry of Foreign Affairs, supported by the Law of 2011. [28]

In Ireland, Denmark, Finland and the Netherlands, creation and implementation of development policy is the **responsibility of the Ministry of Foreign Affairs**. In the case of the Netherlands, embassies are heavily involved in bilateral cooperation.

The Netherlands, Denmark, Sweden and Ireland are unusual in having a **Minister for Development Cooperation alongside the Minister of Foreign Affairs** within the ministry that coordinates all external actions. The purpose of this arrangement is to strengthen consistency between external policies while respecting individual priorities for development cooperation.

The **number and distribution of staff** working at the headquarters or on the ground is also highly variable. This is not without implications for the capacity to cooperate. The German agency, *Deutsche Gesellschaft fur Internationale Zusammenarbeit* (GIZ) is by far the largest in terms of human resources. It employs 17 185 individuals: 11 929 on the ground and 3 241 at its headquarters.

The AFD has a network of 70 agencies around the world. In 2013, it had 1 742 employees, around 700 of whom were deployed on the ground. The Department for International Development (DFID) employs 2 694 individuals, including 1 300 in partner countries.

The size of the development agencies in countries of Central and Eastern Europe reflects the weakness of governance structures. This is because their development

[27] Agence Française de Développement: quelles ambitions pour 2014-2016?, Rapport d'information n°766 (2013-2014) de MM. Jean-Claude PEYRONNET et Christian CAMBON, fait au nom de la commission des affaires étrangères, de la défense et des forces armées, déposé le 23 juillet 2014.

[28] Polska współpraca rozwojowa nowe wymiary, ThinkThank, Warszawa, 2013.

policies are very recent. As such, the Slovak agency employs 11 persons, and its Czech neighbour 24.[29]

Similarly, the level of **centralisation/delegation** affects the flexibility to be involved in the division of labour in the countries in question.

Some countries delegate the most important decision-making powers to their representations in partner countries. This goes for both the creation and implementation of bilateral development cooperation. This is the case for Denmark particularly, but also for the Netherlands. There, national strategic programming occurs every four years. It is conducted by embassies with only minimal involvement of the ministry. Conversely, other countries such as Ireland, Finland, Spain and Luxembourg are notable for their high degree of centralisation.[30]

4.3. Cooperation instruments and modalities and their associated procedures

The various procedures specific to each EU donor concern the following: subcontracting, money transfers to partners, and programme methods/duration. Case studies show that all of these represent a burden on the partner countries.[31] Similarly, institutions responsible for development cooperation may have preferences for specific instruments. These can reduce or increase their motivation to be involved in coordination. As such, we can identify the differences in terms of how the following are used:

- Loans and subsidies

Germany and France have developed significant activities involving loans. In fact, these represent the majority of their activities: 55% and 85% respectively. The United Kingdom uses subsidies almost exclusively, and does not use loans as a tool.

- Aid for projects or aid for programmes

The Paris Declaration set a target of 66% of aid flow for programme-based approaches. Nevertheless, this principle is not universally applied. For example, agencies of Luxembourg and the Czech Republic mainly finance projects. Others, however, opt for a combination. Nordic countries especially are increasing their programme-based assistance. In 2007, figures for this kind of aid included: 50% of bilateral ODA for Sweden, 42% for Ireland and 32% for Denmark. In the case of the United Kingdom, 67% of ODA was granted within the framework of national programmes in 2011.

- Budget support

The majority of Member States use budget support to a very limited degree: less than 10% of ODA for either general or sectoral budgets. The United Kingdom grants 15% of its ODA in the form of budget support (2010/2011)[32] In the cases of France, Belgium and Ireland, support for sectoral budgets ranges between 10 and 25%.[33]

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29 Intensifying cooperation between European Implementing agencies, Obser A., July 2013.

30 The ODA Systems of the UK, the Netherlands, Sweden, Norway, Denmark, Ireland and Finland, JICA, The Nordic Plus Study Series (part 1, part 2), 2009, p.46.

31 The Cost of Non-Europe in Development Policy, Nogaj M, European Added Value Unit EP, 2013, p.II-27.

32 The Management of UK Budget Support Operations, Independent Commission for Aid Impact, Report 9, May 2012.

33 EU Accountability Report 2014 on Financing for Development Review of progress by the EU and its Member States, EC Working document, July 2014, p.139-140.

- The relationship with the private sector

Some 20 Member States have specific instruments for strengthening dialogue and cooperation with the private sector, especially through public-private partnerships.[34] This is the case, for example, in Spain with AECID (*Agencia Española de Cooperación Internacional para el Desarrollo*), which has created a unit for this purpose. The German GIZ is also involved in various initiatives to promote synergy between German industry and development.

- Delegated cooperation (involving a lead donor or silent donor)

Some agencies have begun to participate in delegated cooperation. Since 2009, Spain has delegated to GIZ and to the Netherlands. In turn, it has taken responsibility for funds from Belgium and Luxembourg in order to act as lead donor in the countries of Latin America.

Between 2007 and 2012, the Commission signed 71 delegation agreements and 31 transfer agreements with Member State bodies.

- Guidelines for shared programming

Following the example of the European Commission, several Member States have adopted guidelines to facilitate shared programming. Others are intending to do so in 2014-2015. Specifically, these are Belgium, the Czech Republic, Denmark, Spain, Finland, Luxembourg, the Netherlands, Portugal, Sweden and Austria. Nevertheless, this approach is not universal. Certain Member States, such as the United Kingdom, Poland, Slovakia and Estonia, prefer to issue guidelines on a case-by-case basis. Meanwhile, Croatia and Romania do not have a multiannual budget and therefore do not see any relevance in programming.[35]

5. Implementing coordination and division of labour among European donors

5.1. Member State coordination initiatives: networks for different purposes

There are a number of networks for different purposes. Their structures vary but they bring together the institutions responsible for implementing development policies. Without claiming to be exhaustive, this analysis highlights a few of these initiatives.

5.1.1. Nordic Plus, an early partnership with paradoxical consequences

The Nordic Plus (Nordic+) Group has been built up gradually since 2003. Based on experience on the ground, the group is intended as an informal partnership between Denmark, Finland, Iceland, Sweden, Norway, the Netherlands, the United Kingdom and Ireland.

The Nordic Plus countries claim to share a joint vision of development cooperation focused on the fight against poverty and achieving the MDGs. Their objective is to strengthen mutual cooperation, and to harmonise procedures and practices in order to reduce the burden that their proliferation represents for developing countries. Various

[34] Idem.

[35] EU Accountability Report 2014 on financing for Development Review of progress by the EU and its Member States, EC Working document, July 2014, p.133.

instruments were developed in order to promote this objective. These were set within the framework of a shared action plan on harmonisation (2003-2005).[36] Examples include the following:

- Guide on Joint Financing Arrangements (JFA) (February 2004) including Canada;
- Joint Procurement Policy (JPP) (November 2004) with Canada and Germany joining in 2006;
- Practical Guide on Delegated Cooperation (October 2006).

Delegated cooperation was singled out as one of the key elements of coordination. Such cooperation is facilitated through defined procedures and joint forms of action. These involve one of the countries of the group acting as lead donor, and the use of funding from multiple members. A comparative study was also conducted in 2006 in order to identify obstacles to the implementation of delegated cooperation.[37] More recently, in 2009, a comparative analysis looked more closely at the options for strengthening coordination between the Nordic Plus countries in Afghanistan.[38]

Sweden and Denmark enjoy a high level of mutual cooperation within the framework of the Nordic Plus Group. As such, they clearly show a certain reticence in committing to coordination at EU level.

5.1.2. Network of practitioners for development cooperation

Created in 2007 as part of a Franco-German initiative, this network connects 12 agencies from ten Member States together with the Commission. It is open to all other public bodies working in development cooperation.[39] The stated objective of this network is to improve consistency in European aid by taking advantage of the diversity of actors and experiences. **Information sharing** and **best practice** are without doubt the main purpose of this network, and are conducted within thematic groups. Currently, there are four groups focused on: the results-oriented approach; implementing European division of labour; sustainable development; exchange of best practices. The first group is the only one to have the creation of shared codes of conduct as an objective. The other groups focus on information sharing and ideas to promote mutual understanding and, as a consequence, better coordination. However, at this stage harmonising approaches is not an objective. The network holds an annual meeting of members. Organisational matters are entrusted to a committee comprising representatives of three agencies. The structure reflects the troika of the EU, with the presence of a permanent secretariat based in Brussels.

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36 The ODA Systems of the UK, the Netherlands, Sweden, Norway, Denmark, Ireland and Finland, JICA, The Nordic Plus Study Series, 2009.

37 Barriers to delegated cooperation Joint assessments of policies and administrative practices of the Nordic Plus donors, Revision 1 (with inclusion of Finland), September 2006.

38 Strengthening Nordic Development Cooperation in and with Afghanistan, Norad Report Discussion 3/2009.

39 One agency (or two in the case of France and Germany), from each of the following countries is involved: France, the United Kingdom, Spain, Germany, Belgium, Luxembourg, Slovakia, the Czech Republic, Austria and the Netherlands. A list of members can be found on the network's website.

5.1.3. European Network of Implementing Development Agencies

Created in 2000, this network brings together ten national state agencies active in technical cooperation.[40] The organisation has a permanent secretariat. Its purpose is not only information sharing, but also the implementation of **technical cooperation** programmes and projects funded by the EU. Technical cooperation in post-conflict situations is of particular interest.

5.1.4. The EnDev partnership

Based on a joint initiative of the Netherlands and Germany, the network brings together state partners from the United Kingdom, Norway, Switzerland and Australia. The aim is to co-finance and coordinate programmes that improve **access to energy** for households and businesses in developing countries. EnDev works with NGOs and with governments of partner countries.

5.1.5. Association of European Development Finance Institutions (EDFI)

This network comprises 15 bilateral financial institutions specialising in **support for the private sector** in developing countries.[41] The group has its headquarters in Brussels. Its aim is to improve cooperation between its members and the European institutions, especially the European Investment Bank. It also works to implement joint financing modalities in certain fields. Two initiatives have so far been created: *European Financing Partners* (EFP) to support the private sector; and *Interact Climate Change Facility (ICCF)* for projects involving renewable energies and energy efficiency in developing countries.

5.2. Initiatives with a coordinating role at EU level

5.2.1. EU Fast Track Initiative on Division of Labour

Launched in 2008 as part of the operational framework on aid effectiveness for 2009, the EU Fast Track Initiative on Division of Labour is intended to implement a swift division of labour in 32 countries. In each of these countries, a Member State or the Commission takes the role of lead donor, also called the 'facilitator'. Germany and the Commission are responsible for the general coordination of the initiative.

The most recent monitoring report (2011) states that 14 countries and the European Commission are systematically involved in coordination.[42] Furthermore, there has been

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[40] AEI - Agency for European Integration and Economic Development (Austria); BTC - Belgian Technical Cooperation (Belgium),Crown Agents Ltd (United Kingdom), CPVA - Central Project Management Agency (Lithuania), EPLC - European Public Law Centre (Greece),FEI - France Expertise Internationale (France), FIIAPP - Fundación Internacional y para Ibero América de Administración y Políticas Publicas (Spain), GIZ - Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (Germany), Luxembourg Agency for Development Cooperation (Luxembourg), SNV Netherlands Development Organisation (Netherlands).

[41] RelBIO - Belgian Investment Company for Developing Countries; CDC- GROUP; COFIDES - Compañía Española de Financiación del Desarrollo; DEG - Deutsche Investitions- und Entwicklungsgesellschaft mbH; FINNFUND - Finnish Fund for Industrial Cooperation Ltd; FMO - Netherlands Development Finance Company; IFU - The Investment Fund for Developing Countries; NORFUND - Norwegian Investment Fund for Developing Countries; OeEB - The Development Bank of Austria; PROPARCO - Société de Promotion et de Participation pour la Coopération Economique; SBI-BMI - Belgian Corporation for International Investment; SIFEM - Swiss Investment Fund for Emerging Markets; SIMEST - Società Italiana per le Imprese all'Estero; SOFID - Sociedade para o Financiamento do Desenvolvimento; SWEDFUND - Swedfund International AB.

[42] Third Monitoring Report and Progress Review of the EU Fast Track Initiative on Division of Labour, in EU Accountability Report 2011 on Financing for Development. Review of progress of the EU and its Member States, European Commission working document, SEC(2011) 502 final.

progress on coordination in 19 partner countries. Germany, France and the Netherlands are among the countries that most frequently take the role of facilitator.

Table 1: List of countries involved in the EU Fast Track Initiative on Division of Labour and their role in beneficiary countries (as of 2011).

	Facilitator	**Supporting the Facilitator:**
BE	Burundi	
CZ		Mongolia, Moldavia
DE	Burkina Faso, Ghana, Sierra Leone (IE), Zambia	Cameroon, Mozambique, Tanzania, Uganda
DK	Benin, Bolivia (with ES), Kenya	Bangladesh, Burkina Faso, Ghana, Mozambique, Tanzania
FR	Cameroon, Central African Republic, Madagascar, Mali (with NL)	Burkina Faso, Ghana, Mozambique, Senegal, Vietnam
IE	Sierra Leone (with DE)	Ethiopia, Mozambique, Uganda, Tanzania, Vietnam
IT	Albania	Bolivia, Ethiopia, Kenya, Mozambique, Senegal
LU		Burkina Faso
NL	Bangladesh (with the European Commission (EC)), Mali (with FR), Mozambique,	Benin, Bolivia, Burkina Faso, Burundi, Ghana, Mozambique, Senegal, Tanzania, Uganda, Zambia
ES	Bolivia (with DK), Haiti	
PT		Mozambique
SE	Serbia, Ukraine, Moldavia	Bangladesh
SI	FYROM	
UK	Rwanda, Kyrgyzstan,	Ethiopia, Kenya, Moldavia, Sierra Leone
EC	Ethiopia, Nicaragua, Tanzania, Vietnam, Rwanda, Senegal, Bangladesh (with NL)	Benin, Bolivia, Burundi, Central African Republic, Ghana, Haiti, Laos, Malawi, Mali, Mozambique, Zambia

The report highlights a series of obstacles that hamper implementation on the ground, including:

- limited involvement of the majority of host countries, due especially to weaknesses in administrative resources and fears regarding reduction in aid;
- reluctance on the part of donors to withdraw from certain ‘attractive’ sectors, and the tendency of managers to want to hold onto ‘their’ project;
- limited capacities of donors to accept the role of lead donor;

- inefficiency of the self-assessment established in the Code and Toolkit.[43]

For most of the actors involved, the division of labour produced by the initiative has only a **limited impact on reducing transaction costs**. The same is true of the rationalisation of aid allocation. Nevertheless, the majority of the actors say that the **quality of sectoral dialogue** has improved as a result. The evaluation of the general impact of the initiative for aid effectiveness is tainted by considerable scepticism. It was judged 'negligible' or 'limited' by 47% of participating countries. Paradoxically, although the reduction of fragmentation is among the key objectives, **initiatives on aid effectiveness are proliferating**. Of the countries involved in the report, 20% considered this proliferation a hindrance.

5.2.2. EU joint programming: aid for managing diversity

The purpose of joint programming is to prepare a joint response from the EU and its Member States to the development strategies of partner countries. The aim is to improve aid effectiveness, and to enhance the profile and influence of the EU.[44]

Joint programming is also open to non-EU donors. It involves several phases:

- joint analysis of development strategies;
- joint responses in coordination with the national development strategy, with a choice of intervention sector;
- the concept of division of labour based on an analysis of comparative advantages;
- the multiannual allocation of funds (indicative), according to sector and donor.

The heads of EU delegations in the countries concerned play a key role in the process of joint programming. In effect, they take responsibility for preparing the first draft of the shared programme, in consultation with stakeholders on the ground. This draft is then assessed and approved by the Member States and European Institutions. DEVCO, on behalf of the Commission, is responsible for implementing programming. The EEAS is responsible for policy-based and strategic coordination for all external EU actions. The document is finalised by the delegation, if possible with the participation of the partner country. The head of the delegation sends the final draft to the states involved and to the Commission. Member States retain their national multiannual programmes but these are in line with the joint response.

In **2013-2014, joint programming** was underway in the case of **21 partner countries**. In the coming years, 40 more countries could follow suit, according to the Commission. Considerable progress can be seen in this area.

[43] The Cost of Non-Europe in Development Policy, Nogaj M, European Added Value Unit EP, 2013, p. 38.

[44] Joint Programming Presentation to TRIALOG 5 March 2014, Michael Kirosingh, DEVCO/A2 Unit - Aid and Development Effectiveness and Financing.

The **European Development Fund (EDF)** is rarely mentioned in discussions on coordinating European development policies. However, it represents the most advanced level of coordination between EU Member States. In effect, this involves an '**integrated approach**', to use a term from a study by the Südwind Institut. The study in question was based on a series of successive international agreements between the EU and ACP countries.[45] Financing is provided through negotiation of an intergovernmental agreement, proposed by the Commission. The agreement sets the contribution of each Member State. The management of funds is the responsibility of the Commission. EU law forms the general framework for programming and implementation. Member States participate through the EDF Committee, which has a specific role in the programming and monitoring phases of implementation[46]

5.3. Implementation on the ground: lessons learned from case studies

5.3.1. Ghana

European aid to Ghana is largely provided within the framework of the EDF. It totalled around 455 million euros for the period of the tenth EDF (2008-2013). Eight Member States figure among the 32 donors: the Czech Republic, Germany, France, Denmark, Italy, the Netherlands, Spain and the United Kingdom. Within the framework of the EU Fast Track Initiative on Division of Labour, it is Germany that acts as coordinator, working with the EU delegation. The first phase of joint programming has been launched, managed by the EU delegation. However, due to differing programming periods, full joint programming will be implemented from 2017 onwards.[47]

5.3.2. Burkina Faso

Again within the framework of the EU Fast Track Initiative on Division of Labour, European cooperation with Burkina Faso is also largely based on the EDF. The sum involved was 708 million euros for the tenth EDF (2008-2013). Around 60% of EU aid is received in the form of budget support. Among the 33 donors, there are eight EU Member States: Austria, Belgium, Denmark, France, Germany, Luxembourg, the Netherlands and Sweden. The latter two are in the process of withdrawing. As with Ghana, each donor is present in an average of six sectors, with around 15 donors per sector. Delegated cooperation is becoming more and more widespread. In 2008, it accounted for 4% of all ODA provided. The figure was 28% in 2010.[48] It is apparent that representatives of several Member States present on the ground were not aware that they were participating in the Fast Track Initiative. Furthermore, Germany's role as facilitator at the time seemed somewhat unclear.[49]

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[45] Annex 1: Research Paper by the Südwind Institut, in The Cost of Non-Europe in Development Policy, Study carried upon the request of European Added Value Unit, EPRS, European Parliament, p I-23.

[46] For further information on this subject, see: European Development Fund. An intergovernmental instrument for development cooperation and the debate on its inclusion in the EU budget, D'Alfonso, A., EPRS, November 2014.

[47] Striving for complementarity in EU development cooperation. Evidence form Burkina Faso and Ghana, Rasmussen C.V., DIIS report 2013:17, p.31.

[48] Idem., p.26.

[49] Idem, p.27.

As of 2009, European Commission delegations became EU delegations. As a result of the Lisbon Treaty, they acquired a new role in coordinating EU policy and interventions in relation to third countries. Recent case studies, specifically those of Ghana and Burkina Faso, show that the **delegations are more active in their role of coordinating** with Member States. In particular, this is achieved through organising regular meetings with Member States and host country governments. In other cases, the role of facilitator of the EU delegation seems to be limited to acting as a communication channel between European donors. An example is Tanzania which is also involved in the Fast Track Initiative. The reason for this may lie partly in the fact that Nordic Plus countries are among the main donors to Tanzania, and they may be reluctant to allow the principal role to go to the EU.[50]

5.3.3. Key lessons

Among **the obstacles** hampering practical involvement in coordination at partner country level, actors on the ground stress the following:

- differing procedures on the ground and financial commitments which, in some cases, are overly centralised;
- lack of flexibility in European development instruments, including the EDF, in terms of adapting to changes in the situation on the ground;
- the question of visibility of national aid in the strategic sector, for example infrastructure;
- political pressure for more national control over aid provided in times of serious budget constraints;
- lack of predictability regarding the amount of aid allocated to development in national budgets;
- the Commission's coordination style, sometimes perceived as overly 'top down' and authoritarian;
- lack of agreement over the appropriate level of coordination, including the key role of the EU, which is not seen favourably by certain Member States in certain partner countries: for example, the Nordic Plus Group in Tanzania and Zambia has stated a preference for a multilateral approach to coordination.[51]

Some representatives of donors on the ground also report a sense of fatigue with regard to the international agenda on aid effectiveness.

The following are among the **factors that facilitate coordination** among European donors:

- Inclusion of national representatives in the EEAS as this gives Member States more direct access to European institutions at central and local level;
- Geographical proximity of EU delegations and representatives of Member States, for example sharing buildings;

[50] The EU and donor coordination on the ground: perspectives form Tanzania and Zambia, Delputte S., Orbie J., European Journal for Development Research 1-16, 2014.

[51] Idem. p.11.

In order to stimulate coordination and complementarity at partner country level, Rasmussen proposes a more **horizontal and flexible coordination style**, as well as working towards transferring power to EU delegations.[52] According to the author, **specific training in European instruments** for coordination and division of labour should be available to national agents participating in development cooperation, both in central offices and on the ground.

6. Perspectives

Despite a **great deal of talk in favour of coordination**, and a multiplicity of initiatives for that purpose, case studies show that implementation on the ground is difficult. This is especially due to the reluctance of particular European donors.[53] Indeed, national agencies are often rooted in their own legal and institutional cultures and subject to shifting political factors. For them, it is difficult to move from a mind-set of individual action to collective activity, especially where the latter reduces their prominence and control in the process. However, the **ambivalence of political actors**, even at the highest level, is equally apparent in the non-binding nature of the operational framework for implementing aid effectiveness, and the division of labour in particular.

Some commentators stress the growing reluctance of Member States with regard to budget support. This is seen as a sign of a **more general tendency to take back control of development policy**. The latter is being increasingly used as an instrument of foreign policy.[54] On the surface, there is agreement in placing poverty reduction at the centre of almost all national policies, making it the principal goal and determining factor in allocating aid. In practice, a multitude of other factors enter the equation, to a greater or lesser degree. Strategic interests, along with institutional and procedural peculiarities, are also preventing progress in coordination. Yet the necessity of such factors is rarely called into question.[55]

Indeed, the **growing importance of emerging countries** in development aid exacerbates the political costs of not coordinating on the ground. This could be a factor in encouraging EU actors to overcome their political and institutional differences in order to maintain their influence, which is now under threat.[56]

The future for the EU as a development actor

The researchers call on political actors to consider the possibility of **reopening the debate on the principle of shared competence** in development policy. The aim is to work towards a more integrated approach, especially in the post-2015 agenda.[57] However, attempts to increase the competences of the EU institutions in the area of development do not seem feasible in the short and medium term, given the firm

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52 Striving for complementarity in EU development cooperation. Evidence form Burkina Faso and Ghana, Rasmussen C.V., DIIS report 2013:17.

53 The EU and donor coordination on the ground: perspectives from Tanzania and Zambia, Delputte S., Orbie J., European Journal of Development Research advance online publication, 8 May 2014.

54 Idem, p.11

55 La coordination de l'aide: Un objectif aux présupposés contestables, Barry M., Boidin B., 2012, European Journal of Development Research Vol. 24, 4.

56 The EU and donor coordination on the ground: perspectives form Tanzania and Zambia, Delputte S., Orbie J.,European Journal for Development Research 1-16, 2014, p.12

57 Scenarios for Increased EU Donor Coordination: What is the Right Level of Aid Coordination?, Briefing Paper7/2014, German Development Institute.

opposition of most Member States. Some stakeholders, such as the European Parliament, suggest a mid-term solution: **a binding framework** for organising coordination between European development policies.

In the academic sector, some actors propose **reviewing the methodology** underpinning the international framework for coordinating aid. They suggest including the geopolitical interests of Member States from the outset, treating them as legitimate factors in selection.

As such, Barry and Boidin question the feasibility of allocating aid based solely on shared goals and rational criteria. They consider the objectives of coordination, as currently established, to be difficult, if not impossible, serving only to 'neutralise actors politically'. Hartmann, starting from a similar premise, proposes reconsidering the very essence of the method, that is, the assessment of comparative advantages. He considers this to be overly technical and narrow, excluding the political motivation that is, in reality, at the heart of development policies. In order to escape from this impasse, the author proposes an alternative procedure based on the principle of specialisation. In this scenario, each donor would make **a voluntary selection of countries and sectors** in which to be involved. These would be based on its political values and interests, and not on any objective analysis of comparative advantage. Instead, the obligation to make a selection should be part of the framework of European regulation. Gains resulting from reduced fragmentation, and better division of labour, should be allocated to the EU budget in order to fill any gaps that may remain after aid has been allocated.[58]

[58] Political Constraints on Division of Labor in the development across countries. A proposal for a more viable coordination procedure at the EU level, Hartmann S., August 2011.

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Despite international and European initiatives intended to curb the fragmentation of aid, this phenomenon continues to trouble the effectiveness and impact of development cooperation. While European donors agree in principle on this subject, progress in implementing coordination and the division of labour remain limited. Innovative solutions are required to find a way out of this impasse.

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