FOCUS SESSION 1 BLOCK 1:
“Managing diversity for effective development cooperation: EU Joint Programming and other approaches”

Date: 15 April 2014
Time: 08:00 am – 09:15 am
Room: DIEZMO 1

Speakers/Panelists:
- Thomas SILBERHORN (GER), Parliamentary State Secretary and Co-Chair of the Building Block “Managing Diversity and Reducing Fragmentation”
- Andris PIEBALGS, EU Commissioner for Development
- Claver GATETE, Minister of Finance (RWANDA)
- Muhammad Musharraf Hossain BHUIYAN, Cabinet Secretary, Ministry of Finance (BANGLADESH)
- Justin KILCULLEN, Representative from CPDE/CONCORD

Conclusions and key messages:
This focus session reported on progress towards the Busan commitments on managing diversity, especially with regard to country-led arrangements (Busan Outcome Document para 25), including Joint Programming and other approaches.

The Building Block “Managing Diversity and Reducing Fragmentation” intervention took the audience through key factors for success for effective country-led coordination arrangements. First, a national aid management system with clearly defined results and indicators; second, an inclusive approach involving all domestic stakeholders and fostering ownership, and last but not least an enabling environment. Research undertaken by the Building Block – recently published in a stock-take report – revealed that many challenges remain, in particular a fear by partner countries to lose aid volumes as a result of division of labor processes; and that aid flows might become less transparent and predictable. A continuous exchange of experience and know-how on the issue among partner countries and development partners is urgently needed.
The European Union and its Member States are front runners in improving transparency and reducing fragmentation through working on Joint Programming. Joint Programming is a joint EU strategy on the development of a partner country, in response to its development strategy. It consists of: (i) a joint analysis and response, (ii) indication of the intervention sectors of EU and Member States (MS) active in that country; (iii) division of labour; (iv) indicative multi-annual financial allocations per sector and donor. Joint Programming processes are ongoing in forty partner countries and are open to non-EU like-minded donors. Joint Programming improves communication and transparency among donors and the partner country and ultimately leads to increased ownership, effectiveness, and less aid fragmentation.

Ensuring that partner countries are on board is crucial – to address this, development partners have to better communicate how Joint Programming benefits them, to improve mutual trust. Only through increasing ownership by partner countries Joint Programming processes may help refocus both development partners and partner countries on the real needs.

The European Commission called for more genuinely generated country development strategies. Development partners and partner countries have to reconsider the “old system” of a fragmented, bilateral approach. The panel heard the cases of civil servants in partner countries who were focused and trained to become good “experts” at addressing development partners’ needs and delivering to different donor specifications/reporting requirements within various ministries. This has limited the development of local expertise to generate development strategies, and dramatically increased transaction costs.

Some partner countries confirmed that Joint Programming has especially strengthened accountability. In Rwanda, performance contracts between ministers and the country’s president have actually ensured that people in positions of responsibility were able to deliver on set goals.

On the other hand, partner countries criticized donors for not following on their commitments: in some countries active donors were increasing in number, whereas the real budget spent on individual projects was decreasing – causing more fragmentation.

The panellists raised other questions on how to agree on sector definitions so that a meaningful division of labour can take place; and how to address historical donor presence in some sectors which make sector concentration and functional division of labour hard to achieve. The CSO representatives raised a similar concern by referring to “donors’ preference” for certain sectors.

**Civil Society Organizations**

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1 “New EU website to provide easy and transparent access to aid data” European Commission Press Release 14 April 2014 - [https://euaidexplorer.jrc.ec.europa.eu/](https://euaidexplorer.jrc.ec.europa.eu/)
CSOs are recognised as an independent development actor. Concretely though, donors face capacity constraints to engage with CSOs on the ground, including in joint programming. The panel also discussed whether CSOs should “align” to the government’s priorities (as aid providers) and share its strategic development vision. The Rwandan government panellist’s view was that “right now we do not know exactly in which districts and sectors NGO money goes. Furthermore, there is no results measurement of NGO funds and the question is to whom do CSOs report?” “CSOs are not fully independent, as they have to align with the national development strategy”. The CSO panellist responded that CSOs should not just be seen as another source of funding. They had their own right of initiative and were free to criticise national development plans. It was agreed to increase partnership with CSOs and their inclusion in the development dialogue.

Fragile states
In countries with weak governance/fragile states, development is a task of the whole society, so an inclusive approach to Joint Programming is important. Governance and human rights are key in EU cooperation with partner countries. The EU and like-minded donors have to be ambitious and work towards making Joint Programming happen, taking into account that it might be too ambitious to manage diversity in fragile states.

Conclusions
The panel concluded that for Joint Programming to be successful, a gradual, inclusive approach at country level was crucial. The panel agreed that while the philosophy behind joint partnerships was worthy and worked in the whole, there were still areas needing work:

• To take seriously the diverging positions between CSOs and partner countries on the role and function of CSOs;
• To pursue an inclusive approach in partner countries involving all relevant domestic stakeholders triggering national ownership for managing diversity;
• To accelerate progress on implementing the commitments related to managing diversity and to more strongly use the Building Block as multi-stakeholder platform for continuously demonstrating and discussing progress;
• To address risks resulting from too large Sector definitions, such as missed/unclear targets; or a gap between real needs of the country and interventions;
• To recognize that existing and historical ties can hamper and delay adaptation to change under Joint Programming;
• To fine-tune Joint Programming to take into account different levels of development, political stability, and needs of partner countries;
• To define the role and place of the EU’s relationship with newer donors who may not necessarily ascribe to the EU’s values of accountability and
transparency and do not necessarily have the same accountability mechanisms that EU countries demand from their development support.

**Way forward**

The Building Block “Managing diversity and reducing fragmentation” contributed two Voluntary Initiatives (No. 18 and 22) to the Annex to the Mexico Communiqué outlining expected key activities and deliverables by the end of 2015. These include

- fostering of global and peer learning and the encouragement of concrete actions by partner countries and development partners through support to regional workshops and gathering of evidence on managing diversity and reducing fragmentation
- continuing to advocating in global processes for diversity management and the reduction of fragmentation
- addressing of the issue of countries that receive insufficient assistance through joint and individual action to systematically monitor, at international level, countries that have been identified as potentially under-aided and to identify concrete steps for considering the issue of under-aided countries in cross-country allocation decisions of individual providers.

In the Voluntary Initiative no. 17 “EU Joint Programming: Helping to Manage Diversity“ in the same Annex, the European Union highlights the importance of EU Joint Programming in moving to joint multiannual strategic planning of country aid programmes, in collaboration with partner countries and other interested development actors. Participants in this initiative agree to support partner country ownership and leadership in Joint Programming processes, in particular by:

1. Promoting the extension of Joint Programming processes to more partner countries and other development partners to make full use of its potential, with a view to having Joint Programming processes operational in 40 or more partner countries by 2017;
2. EU guidance issued by the end of 2014 and regional seminars on Joint Programming held in five regions by mid-2015.

Further work will also be taken forward to encourage building on and strengthening country results and monitoring frameworks, and foster joint implementation and evaluation.