

# **Implementing DFID's Institutional Strategy Paper on Europe: A Research Agenda**

Report on a workshop held at the London Voluntary  
Sector Resource Centre, 14 June 1999

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July 1999



**Overseas  
Development  
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European Development  
Policy Study Group

This project was funded by the UK's Department for International Development. However, no part of this report should be construed in any way as an expression of HM Government Policy. Thanks to the European Development Policy Study Group of the Development Studies Association for its support.

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## Summary

On 14 June 1999, a one-day workshop was convened jointly by ODI and the European Development Policy Study Group of the Development Studies Association. The objectives were to reflect on the current state of thinking with regard to European development cooperation, and to discuss future research priorities. The meeting was funded by the UK's Department for International Development, which had recently published its Institutional Strategy Paper on Europe (DFID, *Working in Partnership with the European Community*, December 1998). DFID saw the meeting as an opportunity to reflect with the research community – from the UK and beyond – on how to implement it.

The participants discussed five main themes: institutional issues; the European Commission's (EC) aid policies; external relations and politics; trade and investment; and conflict, relief and humanitarian issues. Each theme was discussed in a working group, based on a background paper prepared by an invited expert. Experts and groups were asked to address five main questions:

- the main research areas (what issues need to be researched?)
- the research modalities (how?)
- the networks and collaborations (with whom?)
- the relevant time table (when?)
- dissemination (for whom and how?)

This report brings together the revised versions of the papers, to which their authors have incorporated the results of the groups' discussions.

## Overview

Questions discussed varied from one group to the other. However, two ideas were widely shared: first, Europe (the EU) matters for development studies; and secondly, research can contribute to making EU cooperation work better. Some general key points are summarised below. This will be followed by a look at the specific research priorities identified in each group.

Over a large part of the territory, Europe found itself nested in a bigger set of *issues*. That was particularly the case with the trade agenda, where most European issues are embedded in a WTO-dominated framework. This was also true in the working group on EC aid, where poverty reduction was the dominant paradigm, as well as in the group dealing with conflict, relief and humanitarian issues, where the UN was the major actor. Nevertheless, all those have European 'applications'. Also some more *specifically European* issues relate to the impact of Europe on the development or security of poor countries (e.g. institutional aspects of the EC and their consequences on development or humanitarian aid effectiveness). The 'EU agenda' combines two sets of issues: those that matter for development, and those where the EU is important or special.

In terms of research *modalities*, what characterises the research agenda on Europe is the policy dimension, which calls for 'action-research' on many topics. It also requires adequate access to information and data from European institutions, and is best conducted when buy-in from actors involved is ensured at a very early stage. Conducting evaluation work was also regarded as a valuable opportunity for researchers, especially for those studying EC development and emergency aid. In addition, participants called for crossing traditional

boundaries, and adopting an integrated approach to studying European cooperation policies. A case in point were the institutional issues, which, although widely acknowledged as a key to improving EC aid, are relatively under-studied partly because they do not fit too neatly in the traditional territories of researchers. The question is therefore whether the research community should tackle these institutional issues head-on – a path followed by institutes like ECDPM – or whether they should be mainstreamed as an integral part of the research agenda on European development and humanitarian policies. Similarly, the need for interdisciplinary teams – often praised, rarely set up – was noted. For instance, the changing trade and investment research agenda makes it increasingly necessary for trade economists to link up with other specialists, especially in law and in rural livelihoods.

Who we do research with (*networks*) also determines how good we are at doing it and how relevant our findings are. Here, two different dimensions were mentioned. On the one hand, European issues are better addressed by European teams. Examples of collaborative research on Europe should be strengthened and/or emulated: these are either institutional (DSA European Development Policy Study Group, EADI), ad hoc (e.g. ODI facilitating collaboration on poverty between research institutes in nine EU Member States), or take the form of long-term partnerships between institutes (ODI-ECDPM). On the other hand, ownership by research communities in the South was regarded as insufficient. What is needed to avoid the research agenda being continuously dominated by the North is greater upstream participation of researchers in the South. This in turn raised the question of supporting the development of these research communities.

Research will not make a difference unless it reaches the right people at the right time. This first raises the issue of *timetables*. If research is to help or influence decision making, it must be delivered in a timely manner. Indeed, the legitimacy of an ‘EU’ research agenda largely stems from the existence of an EU timetable. For instance, the renegotiation of Lomé in 2000 represents the biggest shake-up in 25 years of a large portion of European aid and cooperation with the African, Caribbean and Pacific countries. Other milestones in 1999 include the expiry of the ECHO mandate, the EU budget settlement for 2000-2006, or the review of other major regional programmes (ALA). Obviously, though, other regions or players have their own timetables, which will affect European policies towards developing countries (e.g. the possible Millennium Round of multilateral trade negotiations). Although any tentative timetable needs to be constantly updated, the following milestones were identified:

1999	Renewal of regional cooperation agreements Expiry of ECHO mandate
2000	Conclusion of post-Lomé IV negotiations Reform of European Commission EU intergovernmental conference TRIPs and GATS review New financial architecture (IFIs)
2000-2005?	Post-Lomé IV trade negotiations
2000-??	Millennium round
2003	EU enlargement
2005	End of the Multifibre Arrangement
2006	Revision of EU’s financial frameworks
2015	OECD development targets

While the activities of the research community should keep close to these policy milestones, participants to the workshop also strongly underlined the need for longer-term research. By contrast with the short-term needs-driven studies, more ‘fundamental’ research potentially provides for greater independence from political agendas. There are also technical reasons: the ‘new’ trade agenda on services, competition policy, intellectual property rights, etc. requires that original analytical tools and measurements be developed, tested and

operationalised as soon as possible, independently from short-term demands by policy-makers.

Finally, reaching the right people also requires researchers to find appropriate formats to *disseminate* and discuss research results. Suggestions here ranged from producing concise key-sheets to setting up EC-moderated discussion websites. Regional workshops in developing countries were also mentioned, as were publications in local languages. However, there is more to the question of ‘for whom’ we do research than merely targeting passive readers. Paying attention, upstream, to demands by stakeholders was also seen as a way to bridge the gap between research and implementation. In the case of the EC, whose relatively weak institutional memory is one factor hampering efficiency, research can help it to progressively become a learning organisation, by involving internal stakeholders.

## Institutional Issues

The following structural or systemic problems affect EC management, and can also be found in the EC agreements with other developing regions: (i) a complex organisational structure for managing external assistance; (ii) procedures and systems acting as a brake on flexible and efficient implementation; (iii) a patchy use of project cycle management techniques; (iv) inappropriate staffing and centralisation of management authority. This diagnosis coincides, to a very large extent, with the recent OECD Development Assistance Committee (DAC) review of EC aid (DAC, 1998, No 30) and the above mentioned evaluation of EU aid to ACP countries. Also from within the Commission, there is a growing consensus on the main institutional constraints to improved performance. The time may be ripe for a ‘new deal’ to be brokered with regard to reforming the EC aid machinery. In setting an effective research agenda, a first concern should be to adopt an integrated approach, focussing not only on the ‘downstream’ problems (e.g. the number of Lomé instruments or budget lines; unclear responsibilities between actors; bureaucracy) but also on the ‘upstream’ issues, related to the (ever expanding) mandate given to the EC, as well as on the dysfunctions related to the ‘software’ of the EC aid machinery (e.g. human and cultural factors, incentive systems, etc.). The following areas would seem to be research priorities in terms of ‘getting the EC management right’:

***The structure of the Commission beyond 2000.*** Explore a wide range of possible options in terms of reorganising the Commission, taking into account past experiences (this is seldom done during reform attempts) and based on the objective analysis of the different proposals. Research can play an important role, as institutional memory tends to be weak and political considerations may receive precedence in choosing a new structure.

***The systems and procedures,*** including:

- the future of the SCR (perceived by many as a transitional solution);
- rationalisation/simplification of tendering procedures;
- workable modalities to decentralise management authorities and to de-concentrate personnel (to overcome capacity problems in delegations);
- simpler and more diverse financial regulations (making it possible to enter also into partnerships with decentralised actors);
- clarification of roles and responsibilities;
- identification of ways to move away from rigid control ex ante (focusing on inputs) to result-oriented controls ‘en cours de route’ or ‘a posteriori’ (focusing on implementation progress and impact);
- the incentive systems for professionalism and performance.

***The mandate (or added-value) of the Commission.*** In the absence of a much more focused mandate – limited to core areas where the EC has an added-value and can mobilise a critical mass of resources – little progress will be achieved in terms of improving overall management. The complementarity debate, for instance, would greatly benefit from a clarification of the comparative advantage of the EC as a multilateral agency. Also the issue of the financial resources to be allocated for external actions, is linked to the question of mandate.

***How to reconcile genuine partnership and effective management?*** The notion of ‘partnership’ is more sophisticated in Lomé than in other agreements. In principle, lead responsibilities are given to partner countries in managing aid, with the EC adopting a supportive role. In practice, ‘co-management’ has caused some problems, especially in countries with poor governance and/or capacities. In the name of greater efficiency, the tendency may exist to re-allocate responsibilities to the EC and to reduce the role of recipient countries accordingly. Which alternative management systems could leave development initiatives in the hands of local actors, while ensuring a result-oriented control (for donor accountability purposes)?

***The institutional changes required for multi-actor partnerships and decentralised cooperation.*** The shift away from an almost exclusively state-to-state partnership (e.g. in Lomé) to cooperation with a wide variety of local actors is long overdue – and on the negotiating table of post-Lomé IV – but so far very little research has been done into institutional and managerial implications of participatory development. Yet it is clear that this bold move will require a fundamental rethinking of decision-making and management systems, procedures, skills, etc.

***Transforming the EC into a learning organisation.*** The EC needs to truly institutionalise a culture of learning, stock-taking of experiences, collective evaluations, feedback, etc. A wealth of expertise and insights has been accumulated in decades of EC aid. Yet the systems, mechanisms or processes to capitalise on this knowledge and to use it, are still to be developed in a coherent and cost-effective way. A critical element of this agenda is to identify ways to make a much more productive use of existing human resources.

***New approaches to evaluation*** are needed, amongst others to facilitate the transition to management systems based on outcomes and impact (including in relation to qualitative elements).

***The coherence of EU Member States policies towards making EC aid more effective*** needs to be assessed. Ways need to be found to remedy the inconsistencies in the policies of the EU Member States in relation to the EC and its capacity to deliver adequate assistance.

## European Community Aid Policies

Research on European Community aid policy may be justified on two counts: (i) its specificity: the Community programme itself has many characteristics of a multilateral development agency and brings a unique package of aid, trade and external relations; (ii) its size, as the world’s sixth largest donor. The research community has a responsibility to help ensure that the EC programme is guided by a strong policy framework, and that policy is effectively translated into practice. Research options include:

Meeting the **International Development Target of halving poverty** by 2015. The idea that poverty reduction should form the Community's 'policy north' derives legitimacy from the Treaty of European Union, which included poverty reduction as an explicit objective for Community and Member State Aid, and from the OECD-wide endorsement of the International Development Targets (IDTs). The Community has taken several steps to flesh out its broad commitment to poverty reduction. Yet, it would be difficult to argue that the central policy framework for EC aid is *fundamentally* driven by the poverty reduction imperative. In the current climate of growing international commitment to poverty reduction, therefore, Community aid is in danger of falling out of step with its peers. The issue of the poverty orientation of EC aid policy has many dimensions. The Commission has been receptive to those Member States, including the UK, that have pushed for the EC to make the International Development Targets a pivot of the EC policy framework. But what would this involve in practice? EC aid policy makers have traditionally lauded its regional specificity. What does adopting the IDTs imply for the EC's policy framework for each region, and for its various aid instruments? Will the target of halving the proportion of people living in extreme poverty by 2015 stand as the overarching goal to which all other EC policies and actions are intended to contribute? Should poverty reduction policies indeed be driving all others, or should multiple objectives continue to exist side by side?

**Policy coherence** between aid, trade, investment, agriculture, etc. in the context of the lead role taken by the EC in the DAC informal network on poverty reduction. This includes the poverty reduction elasticities associated with growth-promoting strategies, as well as possible growth-equity trade-offs, where equity is defined as embracing social, physical and financial capital as well as income.

**Gender and development:** is the tiny share to women in development (0.5% in 1995) compensated for by genuine attempts to integrate gender dimensions into the full raft of policy and practice? Is this acceptable/effective?

How has EC aid performed in terms of the **partnership** emphasised in the DAC's *Shaping the 21st Century*? Are there positive or negative lessons from the different types of regional partnership agreements (Lomé, ALA, MED, CEECs/NIS)? Is there a need to nationalise the poverty/development agenda in response to the perceived danger that international organisations are defining the problem with national governments/elites not playing much of a role? Has EC aid a special role to play in trying to develop arguments to influence the opinions of the elites in a pro-poor way?

Promoting **democratic principles and human rights** set out in the Treaty on European Union (TEU). How to articulate better the linkages between governance reform and benefits for poor people? What role, if any, can external agencies play in partnership with government and civil society in promoting political systems which are more responsive to the needs of poor people? What are the operational implications of a rights-based approach?

**Complementarity.** We need to measure the performance of EC aid relative to others, multilateral as well as bilateral. Where does the EC's comparative advantage lie?



***Is there something distinctively European about the EC's approach to Poverty Reduction?***

It has been claimed that the latter has a particular European flavour, reflecting a concern within Europe with 'social exclusion', and contrasting with the World Bank's approach. Like the WB, the Community recognised the multi-dimensional nature of poverty but it claims to have drawn specific attention to the processes (economic, social, and political) that actively exclude the poor from participating in the benefits of development. This is a bold claim, ripe for close scrutiny by researchers. To what extent can the Community's aid policies claim to have been driven by a concern to: ensure the economic and social integration of the poor; provide equitable access to economic and other resources; ensure efficient basic social services for all; protect the poorest, most marginalised and vulnerable?

***How can policy transmission mechanisms be strengthened?*** While the Community's rhetoric on poverty reduction has undoubtedly become more robust in recent years, there is great concern that the mechanisms for translating policy into practice are woefully inadequate. Its recent track record has been disappointing. This suggests the need for careful analysis of the incentive structure operating within the Commission itself, and that which shapes its relationship with developing country partners. Which incentives operate against the clear prioritisation of poverty-oriented practices? How can 'pro-poor' incentives be strengthened? Similarly, there is some evidence that the current policy and administrative structure of European Community aid leaves it ill-prepared for the 'job' of contributing to poverty reduction. A clear understanding of the 'hard' politics of decision-making within the European Union is also essential. It may be that the apparent credibility gap between policy and practice is more apparent than real, should it be the case that actual policy differs from publicly-articulated policy. This involves developing knowledge concerning the roles of the various actors concerned within the Commission, the European Parliament, the Member States, the private sector and developing country partners. Future research on EC aid policy would do well to consider the broader issues which this raises: how do EC policy decisions get made in reality? Who are the major actors and what information base do they rely upon? More generally, what steps are being taken to ensure that evolving policies on poverty reduction are mainstreamed across the Commission's policies, procedures and organisational culture; its country assistance strategies and associated portfolio of interventions; its dialogue with developing country partners (government and civil society) to promote pro-poor changes in institutions, policies, public expenditure, national programmes, and in the socio-cultural environment.

## External Relations and Politics

Because the percentage of UK aid which is spent through the EU has risen to nearly a third of total UK aid, cooperation with Europe is especially important. In the 1990s several studies of EU development cooperation have displayed, if not a paradigm shift, at least a micro-paradigm shift in the way they pursue the 'normal science' of investigating this policy. The newer studies have (i) addressed relations with other developing regions as well as those with Africa, the Caribbean and Pacific; (ii) focussed in depth on individual aspects of EU cooperation policy such as gender or human rights; and (iii) been more critical of the EU's development policy.

Many topics relating to European development cooperation still need fruitful investigation. With a trans-European political will and a substantial research input, there is no reason why the EU cannot increasingly become a learning organisation. The World Bank, for instance, while detailing the disturbing lack of success of some of its activities in areas such as institutional development painted overall a rosy picture of an increase in the number of its projects achieving a satisfactory outcome: from 65–70% in 1990–96 to 75% or higher in 1997–8 (Buckley, 1999: xii). Like the Bank, the EU would benefit from 'adjustments and

refinements' to its strategy (Buckley 1999, xiii), and the renegotiation of the successor agreement to succeed the Lomé Convention in 2000 could provide an opportunity for experience-based improvement – or for a post-colonial debacle. The following specific areas could therefore be priorities for further research:

- The development policy-making processes and institutions (e.g. European Commission, European Parliament committees, functioning of Common Service Relex).
- The relationship between development policy and the Common Foreign and Security Policy, including conflict prevention.
- The roles of civil society and of the private sector – in the EU and in developing countries.
- Gender mainstreaming, an important issue for all other research areas, and in its own right.
- Human rights, democracy and good governance (including problems of corruption).
- Country studies.
- Regionalisation/regional cooperation, including Southern group effectiveness (e.g. ACP, ASEM, etc.).
- Analysing the post-Lomé Convention.
- Effects of internal EU policies on South – including (i) justice and home affairs on migration and refugees and (ii) monetary union on Southern economies.

## Trade and Investment

In trade it is making less and less sense to focus exclusively on 'European' policy-making, a situation that has long applied to investment. This is not to say that there is no European dimension to trade policy that is important for development and merits special study. Rather, the argument is that such analyses increasingly need to be set in a wider context, both geographical and functional.

- Areas of 'traditional' trade policy increasingly involve actions in Brussels being set in the context of negotiation elsewhere, and especially Geneva. Functionally, trade policy is moving into new areas that involve variables traditionally considered to be a national prerogative. Their analysis requires new tools.
- 'Bilateral' trade policy now has a multilateral dimension, but many developing countries fail to take on board the new political geography. Analysis needs to be undertaken on a wider canvas, as a sub-set of the study of multilateral trade policy (and the bilateral policies of other major actors, such as the USA).

'EU trade analysis' should be considered a sub-set of broader academic research on trade, and should use the same analytical tools as are applied in other areas. As in other areas of 'European' development research, the priorities are for work where there is an overlap between an area of importance to the broader trade and investment agenda and an area in which EU policy is of particular relevance by virtue, for example, of specificities in the EU's trading relationships or because of the importance of Europe as a world actor, e.g.:

**Trade preferences.** The EU's system is especially complex, affects many of the countries that are a focus for development research, and is an area of current controversy in the international trade arena. This combination justifies a focus on the European dimension of the broader debate concerning the economic and political consequences of preferences versus non-discrimination.

**Food security.** There is an overlap between a general interest in the impact of agricultural liberalisation with a distinct EU dimension since Europe is likely to be a major player in the

forthcoming WTO agricultural negotiations and its Common Agricultural Policy has an important impact on developing countries.

As tariffs fall, so the relative importance of other policy influences on trade increases. But the trend goes further than this: *new trade-related policy instruments* are growing in absolute as well as relative importance. The primary reason for this has nothing to do with traditional protectionism: it is an outgrowth of trends in the nature of national and global markets, many of which may be broadly beneficial to developing countries. Further work is needed, which will probably move well outside traditional disciplines, to identify the types of differential effect and the groups of countries/communities most likely to be affected. Among the new areas are:

- a search for tariff substitutes such as ‘chain’ anti-dumping complaints;
- a generalisation of standards between, previously separate, markets resulting in *altered* (although not necessarily more restricted or open) competitive environments;
- new methods of implementing trade policy, such as the requirement for in-country testing by exporters, that effectively restrict access to those states with the required testing infrastructure;
- changing consumer demands, whether or not backed by law – for example to favour products for which evidence exists on paper concerning the mode of production;
- the extension of process criteria to trade policy;
- new types of trade, notably in services;
- and the uneven development of international law, notably the weakness of international competition law.

One effect is to strengthen the link between research on *trade and investment*. The globalisation of financial and product markets (and the important role of investment in Asian economic success) has elevated the attraction of FDI as a major goal of trade policy in the eyes of some commentators. The EU’s post-Lomé REPAs, for example, are being promoted partly because of their claimed attractiveness to foreign investors who require ACP trade policy reform to be ‘locked in’. Critics have argued, by contrast, that the REPA model will tend to attract investment to the hub (the EU) rather than the spokes (the ACP).

The ‘new’ trade areas could give rise to *‘new’ trade preferences* to replace the old ones that are being eroded by the liberalisation of merchandise trade. There is a need for research on the possibilities, for example, of having preferences on services trade such as bilateral air transport agreements and agreements on taxation of tourism and travel. At present, there are effectively reverse preferences against developing countries since any special deals tend to be bilateral (or restricted) ones between industrialised countries.

Because of the spread into new areas, the boundaries of ‘trade’, and therefore of trade disputes, are unclear. There is a need to broaden analysis so that the *relationship of trade rules to other areas of international discourse* (such as protection of the environment) can be established.

## Conflict, Relief and Humanitarian Issues

***EC Humanitarian Aid and the CFSP.*** DFID wishes to encourage the European Commission to adopt a principled approach in its humanitarian assistance programmes, and to pursue a more coherent and coordinated approach to complex political crises which have a strong humanitarian dimension. The notion of ‘coherence’ indicates that the scope of the task is not limited to the provision of humanitarian assistance IN conflict, but also to the initiatives ON conflict. Consequently, the consideration of the external relations of the European Community, and more specifically of a Common Foreign and Security Policy (CFSP) fall within the terms of reference. This raises the question of the relationship between EC humanitarian aid and human rights, political conflict management initiatives, peace-keeping and peace-support operations and post-conflict reconstruction towards more ‘peaceful’ societies. Given that Member States retain primary authority over foreign policy, how realistic is the current expectation of greater ‘coherence’ in the use of various foreign policy instruments for conflict reduction by the EU? What policy networks and fora exist within the EU and the EC where these issues are explored, and is it DFID and/or the FCO that can/must engage with them? What, for example, is or will be the remit of the Policy Planning and Early Warning Unit?

***Structuring EC Humanitarian Aid.*** EC humanitarian aid comes from a variety of budget lines and is managed by various EC departments: ECHO, DG I, DG VIII, the European Development Fund. There is no integrated budget for EC or EU conflict reduction activities. What are the implications of the separation of most of the EC’s humanitarian aid from EC development aid budget lines for the effectiveness of EC humanitarian aid?

***The making of EC Humanitarian Aid Policy.*** The Court of Auditors report concludes that at the end of 1995 there is no overall policy for European humanitarian aid. The various Council regulations, communications from the Commission, Common Positions etc. are valuable contributions to an overall policy, but leave scope for the various budget-holding institutional entities to interpret and implement the EC’s policy in their own way. It therefore recommends the articulation of a consolidated ‘Humanitarian Aid Charter’, with embodiment of the basic principles, guidelines, definitions and concepts, and modalities of coordination of EC aid with that of other donors. Where does the EC stand now in terms of policy articulation on humanitarian aid? Should the EC develop its own humanitarian policy, or be subordinate to the (various?) policies of the Member States?

***Aid in crises policies.*** What does a ‘more principled’ EC humanitarian policy mean in practice? How does EC humanitarian aid fit in to a ‘rights’ and ‘human rights’ agenda? How does EC humanitarian aid relate to its development aid? Should there not be an EC policy on reconstruction, and what would such policy look like? What is the EC policy on natural disasters?

***Strategy.*** Although the EC has recognised the link between relief, rehabilitation and development, and talks about local capacity building, ECHO in particular has tended to interpret its mandate in fairly strict ‘emergency response’ terms of short-term interventions to save lives and relief suffering. This has put it in a reactive mode that is hard to reconcile with strategic thinking. It has also led to short funding cycles, although most of ECHO’s programmes take place in protracted emergencies. The ‘global plans’ are supposed to be country strategy documents, but they tend to have very short time horizons. Is the EC strategic enough in its approach to conflict and to the provision of humanitarian assistance? Are the global plans adequate instruments, are they developed in collaboration with operators on the ground, and in coordination with MS?

**Coordination with other multilaterals.** How does the EU in the pursuit of conflict prevention and conflict resolution relate to other major multilateral players (UN, OSCE, NATO, WEU) and to the USA, and how these relationships in practice converge with those of the UK government? What would be the impact of an EU taking on a stronger role and responsibility for conflict reduction, humanitarian aid and post-conflict reconstruction on the role and influence of the United Nations and the World Bank? What would be its impact on NATO and on the Western European (Defence) Union? Also, ECHO has favoured NGOs over the UN, and often funded programmes outside the UN consolidated appeal and attempts at wider interagency 'common programming'. What are the implications for the effectiveness of UN assistance, and for the overall coordination of humanitarian assistance efforts?

**Coordination with Member States and other Humanitarian Actors.** Does the Humanitarian Aid Committee serve as an effective body of 'coordination'? Is 'coordination' understood as only an exchange of information or as an attempt to strengthen the coherence and complementarity of the policies and programmes of the MS and the EC? If it does not serve as an effective body for coordination, why not? Does the HAC serve as a structure that facilitates the EC's humanitarian aid work, or as an obstructive control mechanism by the MS?

### **Operational Partnerships and Funding Arrangements.**

- The EC channels much of its humanitarian aid through European NGOs. What is the further profile in terms of humanitarian aid channeled through the UN, the OSCE or other regional organisations, or private contractors?
- The overall logic of the management of EC humanitarian aid remains a purely administrative/accounting one, with not always enough regard for the relevance in the real world of the programmes in need of funding, and the consequences of administrative decisions. DFID has devolved much authority over programme decisions to its field offices, whereas EC correspondents have no real authority. What can we learn from this difference in centralisation/decentralisation?

**Staffing, Management and Institutional Structure Issues.** ECHO's understaffing, the large number of implementing partners, and the short funding cycles reduce the time and energy a desk officer can devote to a programme or project. Hence the lack of opportunity for reflective, analytical and innovative styles of working. It also results in intern-trainees and consultants being inappropriately charged with too much responsibility, limited staff development and internal training opportunities and high staff turn-over. How can EC financial management procedures for humanitarian assistance be rendered faster and more flexible, without loss of accountability? How can the EC improve its project cycle management and project monitoring? What staffing levels and what staff profile (experience, skill mix...) would be desirable?

**Monitoring, Evaluation, Institutional Learning and Research.** Project management practice in ECHO does not emphasise monitoring very much. An *evaluation unit* was created in ECHO in 1996 but has not been perceived as very effective. What are the strengths and weaknesses of the EC's monitoring and evaluation practices? Can practices be improved and if so how? What role can closer engagement in 'partnership' play in this? Are there opportunities for joint monitoring, joint evaluation initiatives? How can the EC improve the usefulness of its evaluations of humanitarian assistance, for the operational aid agencies, for EC strategy and policy development and for EC staff development?

**Accountability.** Should the UK strengthen the role of the European Parliament in overseeing EC humanitarian policy and practice? Are the *Member States* constructive and positive in their engagement to encourage more openness, and are they themselves open to criticism? What do DFID and the EC do to try and be accountable to the *target populations*, what can

they learn from each other, what can they do together? How can the EC strengthen and deepen the consultation with more '*civil society*' groups in Europe and in countries in conflict? How can it increase its transparency and accountability to and through such groups?

Other specific research areas with an EC perspective may include: conflict and migration, refugees and repatriation in and from the European Union; the export and transit of arms in the EC and the arms control agenda; conflict and the impact of black markets and internationally organised crime on the EC; EC private trans-national business ventures and war economies.

# Institutional Issues

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## Introduction

It has become fashionable these days to criticise the performance of EC aid policies and practices. In 'Newshuit' – an internal DG VIII information brief – a former senior official reflected upon this trend by asking the question: 'Are we incapable people?', an interrogation based on rather negative statements, recently uttered by leading politicians (including in the UK) on EC aid effectiveness.

On the whole, Commission staff tend to react in an **ambivalent** way to this recurrent stream of criticism. On the one hand, it is felt that there is too much hype about the perceived poor effectiveness of EC aid. Reference is made in this context to the lack of objective, empirical data (e.g. impact evaluations) to compare EC and Member State performance. Recent research is also rather inconclusive when it comes to comparing effectiveness. Thus the collaborative ODI study 'How European Aid Works: A Comparison of Management Systems and Effectiveness' (focusing on 5 Member States and the Commission) makes it clear that no major statements can be made on who is most effective in delivering aid. Donor agencies, typically, are seen to have 'varying strengths and weaknesses within different sectors'. They also tend to share similar problems. For instance, donors 'were all relatively better at the implementation of projects than ensuring their sustainability'. The Commission's record is perceived to be mixed. In some areas, performance was relatively better (e.g. with regard to the social-economic impact of roads or large energy projects), in other fields slower and less effective (e.g. with regard to ensuring the institutional dimensions of programmes, such as road maintenance). The recent evaluation of EU Aid to ACP Countries (Montes & Migliorisi, 1998) also provides no evidence to sustain the allegation that EC aid is necessarily of poorer quality than that of bilateral agencies.

On the other hand, Commission staff (both in headquarters and in the field) have **less and less hesitation in openly acknowledging the wide variety of policy and institutional bottlenecks** and constraints that affect the smooth planning and delivery of EC assistance. The Lomé Convention is a case in point. On paper, it may be the finest and most complete instrument. In practice, the reality is less rosy. Aid managers find it increasingly difficult to make the best use of the complex set of Lomé articles, annexes, instruments, procedures and institutions. Large amounts of money remain unspent. Long delays appear. Centralisation and obsession with financial rather than result-oriented control are dominant. Few opportunities exist for decentralised actors (e.g. private sector, civil society, and local governments) to participate in the formulation and implementation of Lomé.

## Is there agreement on the root causes of the problems?

These symptoms are the reflection of a set of **structural or systemic problems** that affect EC management and that can also be found, in slightly different forms, in the EC agreements with other developing regions. They have been properly identified in DFID's Institutional Strategy Paper on Europe and include: (i) a complex organisational structure for managing external assistance; (ii) procedures and systems, notably in the areas of financial management and procurement, acting as a brake on flexible and efficient implementation; (iii) a patchy use of project cycle management techniques; and reinforcing these difficulties (iv) inappropriate

staffing and centralisation of management authority. This diagnosis coincides, to a very large extent, with the recent OECD Development Assistance Committee (DAC) review of EC aid (DAC, 1998, No 30) and the above mentioned evaluation of EU aid to ACP countries.

Also from **within the Commission**, it would appear that there is a **growing consensus** on the main institutional constraints to improved performance, as identified in the DFID and other documents. In this context, it is interesting to quote from a speech, given by M. B. Friedmann, Member of the Court of Auditors during a recent 'Journée de Rencontre' with the Service Commun Relex (SCR), at the beginning of May this year:

As my staff go on the spot to visit projects and programmes, they become increasingly concerned that the approach of the Commission to management and control of development programmes is not working. For many years, we have commented in our published reports on the excessive concentration on procedures [...] at the expense of a focus on the substantive implementation of projects. Too much focus on inputs, not enough on results and achievements ... It seems to be that there is a need to seek a new model for the Commission's assistance programmes: it needs to be results-oriented (that is what really matters for taxpayers), with clear definition and allocation of responsibilities to different levels and actors (where that responsibility can best be exercised), improved accountability and appropriate levels of control. The model should be adapted to the management resources available (In passing, let me stress that it is not always a lack of management resources that is the problem, but it is rather that those resources are doing the wrong things).

Still from an EC perspective, it is important to note that several initiatives have been taken over the past few years to address longstanding institutional bottlenecks. The creation of an SCR is the most visible (although not necessarily the best) example, but many other reforms merit our attention, especially at the level of DG VIII (e.g. a new organigramme or the use of task-oriented management in teams). In this context, it is also worth mentioning that the Commission has made efforts to revitalise the search for improved coordination and complementarity. One could also argue that many of the Commission proposals for a new Convention are intended, directly or indirectly, to remove aid management bottlenecks (e.g. the rationalisation of instruments).

This apparent agreement on the root causes of the institutional bottlenecks and related reform initiatives from within the Commission are promising. It suggests that a 'new deal' can be brokered with regard to reforming the EC aid machinery. Another precondition for successful reform is the recognition that weaknesses in the EC programmes arise partly from constraints imposed by Member States or by other actors (e.g. the tendency of the European Parliament to multiply the number of special budget lines, thus aggravating the fragmentation of EC aid and related management problems). This fundamental point is recognised in DFID's Institutional Strategy Paper. It may facilitate a fair and constructive debate, build on solid data and analysis (rather than anecdotal evidence). It may also avoid the risk of focusing exclusively on the Community, as if it was the only agency in dire need of reviewing its aid management systems. Indeed, few would disagree that all agencies involved in international cooperation (bilateral, multilateral, IFIs, NGOs) are confronted with similar challenges to adapt their institutional roles, structures, management systems, procedures, quality control mechanisms, personnel policies, incentives, etc. to major changes in the international environment and in development cooperation policies. Inspiration on how best to adapt the EC aid system can therefore also be found in the reform attempts of other northern actors involved in international cooperation. It is in this context that well-targeted research can provide a most useful helping hand.



## Research Agenda

In setting an effective research agenda, a first concern should be to adopt an **integrated approach**. It makes little sense to focus only on ‘downstream’ problems in delivering aid programmes (e.g. reducing the number of Lomé instruments or budget lines; clarifying responsibilities between partners, Delegations and headquarters; cutting bureaucracy). It is as important to look at ‘upstream’ issues, related to the (ever expanding) mandate given to the EC or to the overall institutional structure. In the same logic, it would appear that much of the dysfunction is related to the ‘software’ of the EC aid machinery (e.g. human and cultural factors, lack of appropriate incentive systems, especially related to the disbursement culture and related fear to take risks). This need for an integrated approach has, of course, implications for the research methodologies used, including the choice for collaborative approaches through networks. The following areas would seem to be research priorities in terms of ‘getting the EC management right’:

### *The structure of the Commission beyond 2000.*

There is broad agreement that the current structure – which splits responsibility between five Commissioners – is a major source of incoherence and dysfunctions. Different reform ideas are being suggested, including the establishment of a single Directorate General in the Commission responsible for external assistance programmes and an inter-directorate machinery to ensure a coherent strategy on trade and development (see DFID Strategy Paper). However, it would seem useful to explore a wide range of possible options in terms of reorganising the Commission, taking into account past experiences (this is seldom done during reform attempts) and based on the objective analysis of the different proposals. Research can play an important role, as institutional memory tends to be weak and political considerations may receive precedence in choosing a new structure.

### *The systems and procedures.*

This opens a huge research agenda, including:

- the future of the SCR (perceived by many as a transitional solution);
- rationalisation/simplification of tendering procedures;
- workable modalities to decentralise management authorities and to de-concentrate personnel (to overcome capacity problems in delegations);
- simpler and more diverse financial regulations (making it possible to also enter into partnerships with decentralised actors);
- clarification of roles and responsibilities;
- identification of ways to move away from rigid control ex ante (focusing on inputs) to result-oriented controls ‘en cours de route’ or ‘a posteriori’ (focusing on implementation progress and impact);
- the incentive systems for professionalism and performance.

### *The mandate (or added-value) of the Commission*

This is a less technical, but essential area of research. It starts from the premise that in the absence of a much more focused mandate – limited to core areas where the EC has an added-value and can mobilise a critical mass of resources – little progress will be achieved in terms of improving overall management. The complementarity debate, for instance, would greatly benefit from a clarification of the comparative advantage of the EC as a multilateral agency. Also the issue of the financial resources to be allocated for external actions, is linked to the question of mandate.

*How to reconcile genuine partnership and effective management?*

This is another (under-researched) area of interest in EC aid, particularly in the context of the Lomé Convention. The notion of ‘partnership’ is more sophisticated in Lomé than in other agreements. In principle, lead responsibilities are given to partner countries in managing aid, with the EC adopting a supportive role. Co-management is the name of the game. In practice, this system has caused quite a few problems (especially in countries with poor governance and/or capacities). In the name of greater efficiency, the tendency may exist to re-allocate responsibilities to the EC and to reduce the role of recipient countries accordingly. From a development perspective, however, this is not the best thing to do. Hence, the need to propose alternative management systems, which leave development initiatives in the hands of local actors, while ensuring a result-oriented control (for donor accountability purposes).

*The institutional changes required for multi-actor partnerships and decentralised cooperation*

This is a fascinating area of research to help the EC to move away from an almost exclusively state-to-state partnership (as in the case of the Lomé Convention) to cooperation with a wide variety of local actors. This shift is long overdue – and on the negotiating table of Post-Lomé IV – but so far very little research has been done into institutional and managerial implications of participatory development. Yet it is clear that this bold move will require a fundamental rethinking of decision-making and management systems, procedures, skills, etc.

*Transforming the EC into a learning organisation*

The term ‘learning organisation’ still remains rather vague, but in the case of the EC it can be used as a basket concept, pointing to the need to truly institutionalise a culture of learning, stock-taking of experiences, collective evaluations, feedback, etc. Most observers would agree that a wealth of expertise and insights has been accumulated in decades of EC aid. Yet the systems, mechanisms or processes to capitalise on this knowledge and to use it, are still to be developed in a coherent and cost-effective way. A critical element of this agenda is to identify ways to make a much more productive use of existing human resources.

*New approaches to evaluation*

Closely related to the previous point, the need for research on new evaluation methodologies was mentioned, amongst others to facilitate the transition to management systems based on outcomes and impact (including in relation to qualitative elements).

*The coherence of EU Member States’ policies towards making EC aid more effective*

There was consensus on the possible relevance of research on the (in-)consistencies in the policies of the EU Member States in relation to the EC and its capacity to deliver adequate assistance. It was felt that it would be useful to gain a better insight in the constraints that EU Member States impose on the EC (hampering its institutional development) and to search for ways to remedy them.

**Research Modalities**

Institutional issues do not lend themselves easily to research, especially when it relates to the internal functioning of major bureaucracies in a rather specific sector as development cooperation. Particular methodological problems that one may expect in this respect are:

- the difficulty of gaining a good insight on the ‘demand-side’ of research from the point of view of EC policy-makers/practitioners;
- the highly political nature of much of the institutional challenges and ways to address them (for instance, Commission staff claim that the complementarity debate has been ‘polluted’ by the political agendas of some Member States who are keen to limit the sphere of competencies and budgets of the EC as an end in itself);
- the difficulty of obtaining adequate information, either because reliable data are missing, or because available information is treated in confidence;
- the difficulty to assess or measure management performance or the impact of institutional reforms on performance;
- the danger of analysing perceived management problems (e.g. the chronic overburdening of the NGO-cofinancing unit in DG VIII) in isolation from the broader political and systemic factors that may affect performance;
- the danger of transplanting models from outside, without taking duly into account the specific EC institutional context;
- the difficulty of integrating the human, cultural factors (including the incentive systems) in the design and implementation of reforms.

The major implications with regard to research modalities are:

- the need for participatory approaches, geared at mutual learning (rather than at threatening or criticising staff). Of particular importance is the direct and genuine involvement of Commission staff, both at headquarters and in the field. There is a wealth of knowledge to be tapped at this level – a resource that tends to be neglected or under-utilised so far. If properly facilitated, many Commission staff are invaluable sources of inspiration to identify workable institutional reforms. The same holds true for the ‘client perspective’ in assessing the performance of EC aid and identifying possible management reforms;
- the process of the research is as important as the research itself;
- ensure that the demands and expectations are clearly identified (donor agencies tend to expect too much in too little time and with too few resources for serious research);
- make use of existing knowledge (e.g. many donor agencies are in the process of reviewing their institutional set-up and aid management systems; this knowledge and experience could be tapped, thus avoiding the danger of re-inventing the wheel);
- the need to find a balance between short-term requests (corresponding to immediate priorities) and long-term research (responding less to urgencies, but allowing for greater scope and depth).

## Networks

Research on EU development cooperation, either self-standing or through networks, is relatively limited, both in Europe and in the field. The interest in some topics may be gaining momentum (e.g. research on alternative Lomé trade provisions), but this does not appear to be the case with regard to the institutional aspects of improved EC aid. Most research networks tend to focus on the ‘what’ questions (i.e. the policy content), leaving the ‘how’ questions (i.e. policy implementation and management) largely unattended. Evaluations, of course, tend to touch upon these questions, but this is far cry from any systematic attempt.

In most Member States, the number of researchers working on EU affairs, let alone institutional questions, is minimal. Attempts have been made by European research institutes in recent years to pool together their experiences and resources in order to launch a series of comparative studies. A good example is the above mentioned collaborative study: ‘How European Aid Works’, focusing on management issues or the recent ODI-report on

*Understanding European Community Aid* (Cox & Koning, 1997). In our experience, there is a great demand for this type of systematically updated information.

European NGOs have been very active in lobbying the EC for better policies and more money. Recently, they have also started to become interested in institutional and management issues, as they discovered that many of the problems with implementing ambitious EC aid policies are constrained by institutional factors. The yearly publication of the *Reality of Aid* (Eurostep and ICVA) is perhaps the most interesting example. It usually contains an excellent chapter on EC policy, institutional changes and performance.

The South is notable by its absence in research on the topics under consideration, quite understandably, if one realises that most ACP research institutes are only now discovering the world of Lomé cooperation. The official ACP institutions look at regular intervals at management problems affecting the implementation of Lomé, but the analysis is generally not very detailed or complemented with concrete reform proposals. Also linkages with aid practitioners are poorly developed.

Participants to the workshop agreed that the network approach – involving multi-national research institutes – can be a most useful tool to ensure greater coverage, cross-fertilisation and pooling of (financial) resources for more relevant research. It could therefore be considered as a positive element in assessing future research funding requests.

## Timetable

As mentioned in the DFID Strategy Paper, this is a very interesting time to put the institutional reform agenda on the table to seek concrete change. The major opportunities are the establishment of the SCR (and its evolution), the reorganisation of the Commission (fuelled by the recent resignation of the entire Commission) and the post-Lomé IV negotiations (which may either simplify management for the EC or complicate it even further, depending on the final outcomes).

It would also be interesting to make better use of major evaluations, either realised (see EU evaluation to the ACP countries) or planned (e.g. the overall evaluation of the EC-cofinancing line for NGOs) to bring institutional issues prominently to the forefront.

For researchers to be able to understand the ‘demand-side’, it is essential to have updated time-tables of the main reform processes, debates on key issues, evaluation moments, etc. This is needed to help them target relevant research in adequate time scales.

## Dissemination

A key challenge here is to find ways to collect and process lessons of innovative management in a form and style that is attractive for aid practitioners, managers (who seldom have to read things longer than a few pages).

Participants also felt that the process of disseminating the outcome of research is perhaps even more important than the report itself (in the current age of information overload).

The importance of adequate information management systems for ‘digesting’ research within an organisation (like the EC) was also stressed.

# European Community Aid Policies

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## Research Areas

Research on European Community aid policy is potentially particularly rich as it may be justified on two counts. This is firstly because of the particularity of the Community programme itself, which has many characteristics of a multilateral development agency and brings a unique package of aid, trade and external relations. In addition to this European 'specificity', the EC programme also demands research simply on account of its size. As the world's sixth largest donor, the research community has a responsibility to help ensure that the EC programme is guided by a strong policy framework, and that policy is effectively translated into practice.

### *EC Aid: Some Research Options*

- Meeting the **International Development Target of halving poverty** by 2015
- **Policy coherence:** aid, trade, investment, agriculture, etc.
  - note EC taken a lead role in DAC Informal Network on poverty reduction, reflecting particular responsibility/capacity of EU
  - growth-promoting strategies and their associated poverty reduction elasticities; possible growth-equity trade-offs, where equity is defined as embracing social, physical and financial capital as well as income;
- **Gender and development:** tiny share to women in development (0.5% in 1995);
  - is it compensated for by genuine attempts to integrate gender dimensions into the full raft of policy and practice?
  - is this acceptable/effective?
- **Partnership:** emphasised in DAC *Shaping the 21st Century*;
  - how has EC aid performed?
  - are there positive or negative lessons from the different types of regional partnership agreements (Lomé, ALA, MED, CEECs/NIS)?
  - is there a need to nationalise the poverty/development agenda – danger that international organisations are defining the problem with national governments/elites playing little role?
  - has the EC aid a special role to play in trying to develop arguments to influence the opinions of the elites in a pro-poor way?
- Promoting **democratic principles and human rights** set out in the Treaty on European Union (TEU)
  - better articulation of the precise linkages between governance reform and benefits for poor people; what role, if any, can external agencies play in partnership with government and civil society in promoting political systems which are more responsive to the needs of poor people;
  - what are the operational implications of a rights-based approach.
  -
- Ensuring **sustainable environmental management** (TEU)

- **Complementarity:** need to measure the performance of EC aid relative to others (multilateral as well as bilateral). Where does the EC's comparative advantage lie?

### *Poverty Reduction as a 'Policy North' for European Community Aid*

The workshop generated considerable consensus that the biggest single policy issue for the European Community (EC) development cooperation programme concerns the promotion of poverty reduction. The idea that poverty reduction should form the Community's 'policy north' derives legitimacy from the Treaty of European Union, which included poverty reduction as an explicit objective for Community and Member State Aid. It also stems, more recently from the OECD-wide endorsement of the International Development Targets (IDTs), set out in OECD DAC's report on *Shaping the 21<sup>st</sup> Century*.

The Community has taken several steps to flesh out its broad commitment to poverty reduction, including through Council resolutions on the campaign against poverty in 1993, on Human and Social Development in 1996, and more recently still in the Green Paper. Yet, despite these steps, it would be difficult to argue that the central policy framework for EC aid is *fundamentally* driven by the poverty reduction imperative. In the current climate of growing international commitment to poverty reduction, therefore, Community aid is in danger of falling out of step with its peers.

The issue of the poverty orientation of EC aid policy has many dimensions. The Commission has been receptive to those Member States, including the UK, that have pushed for the EC to make the International Development Targets a pivot of the EC policy framework. But what would this involve in practice? EC aid policy makers have traditionally lauded its regional specificity. What does adopting the IDTs imply for the EC's policy framework for each region, and for its various aid instruments? Will the target of halving the proportion of people living in extreme poverty by 2015 stand as the overarching goal to which all other EC policies and actions are intended to contribute? This is the way DFID and ten other bilateral agencies have constructed their policy hierarchies. Within the Commission debate is already underway in some quarters concerning whether poverty reduction policies should indeed be driving all others, or whether multiple objectives should continue to exist side by side.

A recent assessment of DAC Member approaches to poverty reduction concluded that:

By clarifying the priority attached to poverty reduction objectives relative to others... explicit commitment can help strengthen incentives to prioritise poverty reduction and assist the mainstreaming of poverty reduction (DAC, 1999).

Future research on EC aid policy would do well to consider the broader issues which this raises: how do EC policy decisions get made in reality? Who are the major actors and what information base do they rely upon? More generally, what steps are being taken to ensure that evolving policies on poverty reduction are mainstreamed across the Commission's:

- policies, procedures and organisational culture;
- its country assistance strategies and associated portfolio of interventions;
- its dialogue with developing country partners (government and civil society) to promote pro-poor changes in institutions, policies, public expenditure, national programmes, and in the socio-cultural environment.

*Is there something distinctively European about the EC's approach to Poverty Reduction?*

It has been claimed within the Commission that the European Community's approach to poverty has a particular European flavour. It has been argued that the EC's approach has much in common with a concern within Europe with 'social exclusion'. One internal discussion document contrasts the Community's approach with that set out in the World Bank's 1990 World Development Report on poverty reduction. Like the World Bank the Community recognised the multi-dimensional nature of poverty but, unlike the Bank, it claims to have drawn specific attention to the processes (economic, social, and political) that actively exclude the poor from participating in the benefits of development.

This is a bold claim, ripe for close scrutiny by researchers. To what extent can the Community's aid policies claim to have been driven by a concern to:

- ensure the economic and social integration of the poor;
- provide equitable access to economic and other resources;
- ensure efficient basic social services for all;
- protect the poorest, most marginalised and vulnerable.

*How can policy transmission mechanisms be strengthened?*

While the Community's rhetoric on poverty reduction has undoubtedly become more robust in recent years, there is great concern that the mechanisms for translating policy into practice are woefully inadequate. There is little doubt that its recent track record in translating policy into operation has been disappointing. A recent comparative study of the effectiveness of European aid for poverty reduction, coordinated by ODI, revealed that some senior Commission staff in country Delegations were unaware even of the existence of the Council Resolution on the fight against poverty.

This suggests the need for careful analysis of the incentive structure operating within the Commission itself, and that which shapes its relationship with developing country partners. There would appear to be a strong need to identify, for instance, those incentives which operate against the clear prioritisation of poverty-oriented practices, and how 'pro-poor' incentives might be strengthened. Similarly, there is some evidence that the current policy and administrative structure of European Community aid leaves it ill-organised for the 'job' of contributing to poverty reduction.

A clear understanding of the 'hard' politics of decision-making within the European Union is also essential. It may be that the apparent credibility gap between policy and practice is more apparent than real, should it be the case that actual policy differs from publicly-articulated policy. This involves developing knowledge concerning the roles of the various actors concerned within the Commission, the European Parliament, the Member States, the private sector and developing country partners.

## **Research Modalities**

Research on any of these areas involves making certain methodological choices and trade-offs. The commissioned-research option provides the opportunity to work in close collaboration with the European Commission and is likely to afford substantially better access to information on policy and practice, and the processes by which policy is developed. It also likely to provide greatly enhanced access to the cadre responsible for policy reform, and may thus potentially act as a catalyst for change. These are not insubstantial disadvantages given

that the Commission is often seen as a relatively closed organisation, and in the current climate of reorganisation is likely to have a limited capacity to provide the kind of information researchers will require. However, there are obvious disadvantages to this particular route, including more limited scope for the independent definition of research parameters and the direct or indirect vetting of research findings.

There is a further consideration which may point away from the commissioned route. There are strong arguments in favour of taking a comparative approach to the assessment of policy and practice, since examining the performance of several agencies simultaneously may provide a far better guide of the true level of success or failure. The appropriateness of policies and the effectiveness of their implementation are issues that are clearly not posed in an institutional vacuum. They are structured by the particular political, economic and social context at the international and, especially, the national and local levels. A comparative analytical approach arguably affords greater scope for a more balanced understanding of the genuine opportunities and constraints facing external agents in working to promote change at the developing country level.

Who should be the EC's comparators? The tendency is to compare the performance of Community aid with that provided by EU Member States. This is not surprising, given the political considerations raised when a large and, for many EU countries, increasing share of their expenditure on development cooperation is funnelled through Brussels. Yet while it may be understandable to question whether the quality of EC aid matches that of EU bilaterals, the Community's programme has many of the characteristics of a multilateral donor. In 1997, the EC programme ranked fifth compared to the bilaterals, while over the 1990-95 period it accounted for a quarter of all multilateral ODA, close behind the World Bank's IDA. The EC programme has often been seen as a counterweight to the Bretton Wood's Institutions, and therefore any comparative approach would do well to consider it in that context. A further comparator might be UNDP which, although smaller, is often regarded as having been influential in shaping policy trends.

## Networks

Within the UK the most active network relevant to research on EC aid policy is that provided by the Development Studies Association European Development Policy Study Group. In addition, EADI has also acted as an important focus for related research. Yet, although a number of European Development Research Institutes have indeed forged important links with developing country researchers, it is perhaps this area which requires the most attention. For a range of reasons, full-fledged collaboration on a North-South basis has often been lacking, with specific researchers being used for relatively short periods and often without full involvement in the development of methodology or the dissemination of results. This implies far greater upstream participation by Southern institutions in the research process. Moving further in this direction will also require greater flexibility on the part of funding agencies.

Workshop participants discussed some specific examples of collaboration. The African Economic Research Consortium (AERC) was highlighted as an organisation which had gone further than many in providing opportunities for younger African researchers, as well as those already well-known to the European research community. Oxfam has had some success in working with the Caribbean Reform Group, which has brought research institutes and NGOs together across the Caribbean. Success has been due in part both to the efforts made to ensure Caribbean partner involvement at the earliest stages and to the clarity of mission.



## Timetable and Dissemination

One of the constraints facing researchers in this area is the current state of flux within the Commission, which affects policy development and its operationalisation. While it is clearly feasible, even at this stage, to assess the development of policies in the area of poverty reduction, for instance, it is far more problematic to begin to assess operationalisation and impact. What could be considered in the near future, is whether *policy milestones* can be identified against which policy development and implementation might be assessed.

This underlines the importance of distinguishing between short-term needs-driven research and longer-term research agendas. The first must largely seek to bring together existing information in order to provide preliminary insights into key issues. It is currently too late to influence the financial frameworks which are currently emerging, but researchers might well consider what kind of research is needed to inform policy-makers charged with revising those frameworks in 2006. More generally, longer-term research potentially provides for greater independence from political agendas.

Researchers might discuss with Commission and Member State officials what opportunities are provided for dissemination by information technology. In particular, would there be advantages in encouraging EC-moderated discussion sites, similar to those currently being developed by the World Bank?

When considering dissemination mechanisms, to the list of usual suspects (books, articles, European workshops), might be added workshops located in the partner country. Although expensive and more difficult to organise, the current trend in policy and practice is firmly to locate decision-making and ownership at the country level. This clearly places a premium on ensuring that research findings on policy and practice are effectively diffused at the developing country level – in a way which recognises (and reflects upon and questions) this desired shift in ownership.

# External Relations and Politics

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The new DFID document, 'The UK's International Development Partnership with the European Community: Institutional Strategy Paper' of December 1998, notes that the UK seeks to work in partnership with governments, civil society, the research community and multilateral organisations such as the World Bank, UN and European Commission to promote development and reduce poverty. Moving in this direction of creating a multi-level partnership, the ACP Civil Society Forum established in January 1999 could have a ground-breaking role to play (ECDPM, 1999a). However, at the ACP-EU Ministerial Negotiations Meeting in Dakar on the 8th and 9th of February, 1999, it seemed little progress was made on civil society issues. The two sides remained apart on areas such as the future institutional post-Lomé framework, the mechanism for suspending aid, the interim trade arrangements, the nature and extent of the review of the trade protocols, and the mechanisms for allocating country aid packages. The next ACP-EU ministerial meetings are scheduled for July 14–15 in Brussels (Eurostep, 1999).

Because the percentage of UK aid which is spent through the EU has risen to nearly a third of total UK aid, cooperation with Europe is especially important. The EU's integration is perhaps less, but its development credentials more than the Enlightenment philosopher Jean-Jacques Rousseau allowed, 'there are no longer Frenchmen, Germans, Spaniards or even Englishmen; there are only Europeans... They are at home wherever there is money to steal or women to seduce' (Sabine & Thorson, 1989: 545).

On the other hand, the EU's development reputation is not nearly as high as Professor Babarinde recently contended, 'During its more than forty years of uninterrupted longevity and remarkable achievement in the realm of regional integration, the EU's contributions to development are not only unsurpassed but have become the standard against which the rest of the world measures itself and is judged' (Babarinde, 1998: 128).<sup>1</sup> Likewise, Dr. McMahon's contention that the EU's efforts to incorporate concerns for good government, the rule of law, respect for human rights and fundamental freedoms into its development cooperation policy was already largely successful is premature (McMahon, 1998: ix; Crawford, 1998).

According to Professor Laurie Taylor, the general state of researchers in UK higher education is summed up by 'contemplating early retirement, taking early retirement and pass the hemlock.' Happily, the present condition of research into the external and development relations of the European Union is much more promising. Since we are almost daily bombarded with evidence of the rise of the information or internet society, I will start with a few comments about this.

There has recently been a vast expansion in development information on the internet, ranging from the European Commission's complex site to the Committee of Independent Experts' First Report on Allegations regarding Fraud, Mismanagement and Nepotism in the European Commission (Committee 1999). The European Development Policy Study Group of the Development Studies Association, originally founded by Stephen Dearden of Manchester Metropolitan University, Adrian Hewitt of the Overseas Development Institute and myself, for instance, now has an internet site with 14 working papers on European development issues

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<sup>1</sup> Although those who read the Committee of Independent Experts' First Report on Allegations regarding Fraud, Mismanagement and Nepotism in the European Commission (Committee 1999) might be forgiven for agreeing with Rousseau.

ranging from bananas to conflict (DPSG, 1999). The internet also facilitates the organisation of study group meetings, the dissemination of messages, and assisted in the publication of two recent books *European Union Development Policy* and *New Perspective on European Development Cooperation* (Lister, 1998; Lister, 1999) which contain several chapters based on the working papers.

However, as Fred Halliday recently warned, 'The information superhighway is also an information superjunkyard.' It could also become the case that the widely read and widely travelled development specialist comes to be replaced by the 'widely clicked' and widely surfed one (Halliday, 1999). But in European development research so far, I think that the development of internet resources in recent years has been an addition rather than a detriment. Neither does it seem to be the case that the diversion of funds to information technology and developing internet sites has particularly damaged or been diverted from other development objectives, though perhaps this needs further investigation.

## Literature review

In order to assess the way forward for the study of European development policy, and the contribution of this sub-field to development studies generally (Harriss 1998), it is worth examining some of the early literature. Some of the first studies of European Community development policy were notably (i) focused on the Lomé Convention, (ii) comprehensive in their coverage of the Lomé Convention, and (iii) mainly uncritical.

For instance, Carol Twitchett's 1978 study which covered many aspects of Lomé I and its antecedents was enthusiastic: 'The EEC-ACP partnership represents a symbol of hope in a divided world. It shows that Black and White can create co-operative frameworks together on the basis of mutual respect' (Twitchett, 1979: xv). Ellen Frey-Wouters' substantial 1980 book on European Community-third world relations also concentrated on the Lomé Convention, characterising it overall as a cautious step in the right direction. But the assessments of Lomé's institutional, industrial, agricultural, financial and technical cooperation as being variously satisfactory, innovative, successful and uncontroversial seem, with hindsight, rather optimistic (Frey-Wouters, 1980).

The 1977 study of the EEC's Association system by J.D. Matthews took a rather different perspective, concentrating on the external effects of the system, rather than its effects on the development of its less developed country members (Matthews, 1977). This study concluded that the Association system of Yaoundé and later Lomé gave a push to the proliferation of preferential trade agreements between developed and developing countries. These agreements, it was argued, in fact worked to liberalise the international trading system. Now, two decades later, these unfashionable preferential agreements are under attack as anti-liberal and anti-free trade. This book correctly predicted that South Africa could not join the Lomé system until it had made a 'change in the internal policies of the country' (Matthews, 1977: 60). But the limited nature of the eventual South African post-apartheid partnership with the EU was not foreseen.

In 1981 Carol Twitchett again focussed on the Lomé Convention as the key indicator of European Community-developing country relations, but this time argued that the final challenge for the Lomé partners in the 1980s might well be: 'to dissolve their partnership in the framework of a broader restructuring of international economic relations' (Twitchett, 1981: 133). In 1988 Lister re-assessed the Lomé relationship, deconstructing some of the key concepts of the Lomé Convention, from 'partnership' to the convenient fiction of Lomé as a 'non-political alliance' (Lister, 1988), concluding it resembled something more like 'welfare neo-colonialism' than the self-avowed partnership of equals it was supposed to be. It is

interesting to note that the World Bank, too, participated in building a fiction of being non-political in its development activities, giving the Bank an air of authority and objectivity (Nelson, 1995) as it set economic conditions developing countries had to meet.

In the 1990s several studies of EU development cooperation have displayed, if not a paradigm shift, at least a micro-paradigm shift, in the way they pursue 'normal science' of investigating this policy (Kuhn, 1970). The newer studies have:

- addressed relations with other developing regions as well as those with Africa, the Caribbean and Pacific (e.g. Grilli, 1993; Gillespie, Lister, 1997),
- focussed in depth on individual aspects of EU cooperation policy such as gender or human rights (e.g. Crawford 1998),
- been more critical of the EU's development policy (e.g. Grilli, 1993; Lister, 1997).

Interestingly the latter trend – of critical evaluation – which has touched the EU, the World Bank especially regarding its structural adjustment lending, and the IMF particularly regarding its handling of the Mexican and East Asian financial crises of the 1990s has so far largely passed the Commonwealth by. The Commonwealth has not benefited from the same amount of well-informed and constructive criticism. Instead, according to a leading scholar, the Commonwealth lacked an attentive public, notably among younger people. Moreover, the organisation was subject to 'indifference, ignorance of its real doings and to inane encomia and excessive hyperbole.' (Lyon, 1999).

## Future Research

The European Commission's 1998 strategy paper, 'The Future of North-South Relations', does not overestimate the importance of developing countries to the EU – or underestimate the measures the EU might take to intervene in their problems. According to this volume, the EU is now at a crossroads between continuing its internal self-absorption or meeting the increasing external challenges it faces. The North-South dialogue has produced few results while a sense of failure surrounds traditional forms of development aid, not excluding the Lomé Convention. In the new multi-polar world, the 'Third World' or 'South' exists only as a heterogeneous group of countries excluded from the international political decision-making process. Humanitarian crises have given rise to a widely accepted collective 'right of interference' in countries from former Yugoslavia to Somalia. Vital problems such as saving forests, reducing greenhouse gas emissions, and managing migration 'give the developing countries growing leverage over rich countries because of their *nuisance value*.' (European Commission, 1998: 19) (emphasis added)

Despite all the research which has usefully been carried out up to now, there remain many topics relating to European development cooperation still in need of fruitful investigation. With a trans-European political will and a substantial research input, there is no reason why the EU cannot increasingly become a learning organisation (ECDPM, 1999). The World Bank, for instance, while detailing the disturbing lack of success of some of its activities in areas such as institutional development painted overall a rosy picture of an increase in the number of its projects achieving a satisfactory outcome: from 65–70% in 1990–96 to 75% or higher in 1997–8 (Buckley, 1999: xii). Like the Bank, the EU would benefit from 'adjustments and refinements' to its strategy (Buckley 1999, xiii), and the renegotiation of the successor agreement to succeed the Lomé Convention in 2000 could provide an opportunity for experience-based improvement – or for a post-colonial debacle.

The following specific areas could therefore be priorities for further research:<sup>2</sup>

- The development policy-making processes and institutions (e.g. European Commission, European Parliament committees, functioning of Common Service Relax);
- The relationship between development policy and the Common Foreign and Security Policy, including conflict prevention;
- The roles of civil society and of the private sector – in the EU and in developing countries;
- Gender mainstreaming, an important issue for all other research areas, and in its own right;
- Human rights, democracy and good governance (including problems of corruption);
- Country studies;
- Regionalisation/regional cooperation, including Southern group effectiveness (e.g. ACP, ASEM, etc.);
- Analysing the post-Lomé Convention;
- Effects of internal EU policies on South – including (i) justice and home affairs on migration and refugees and (ii) monetary union on Southern economies.

## **Methodological Issues**

Research should be linked as much as possible with practical experience. This could be pursued in the form of ‘action-research’ (involving stakeholders) in the South, internships in EU/ACP institutions, exchanges of staff/human resource, etc. Research should also be carried out with a capacity-building objective. Finally, support for research should include equal access for South and North to IT, adequate funding and a good access for researchers to EU institutions, DFID, etc.

## **Timetable**

The most important ‘all European’ dates for researchers to bear in mind include the renewal of regional agreements (1999), the conclusion of a post-Lomé IV Convention, the reform of European Commission and the next EU intergovernmental conference (2000), as well as the EU enlargement (2003). In addition, events on the international agenda include the launch of the Millennium round, the setting up of a new financial architecture (2000) and the 2015 objective for the OECD development targets.

## **Networks**

Among existing research networks working on development issues, some are formalised, like the UK-based European Development Policy Study Group of the Development Studies Association, or the European Association of Development Institutes (EADI). Others are informal, like the network of development institutes recently involving ODI plus c.10 European counterparts to work on poverty. Beyond these, a major challenge is to identify and involve Southern research capacities, e.g. CODESRIA, Third World Network, Third World Forum, IRELA, ACP Civil Society Forum, etc. Future funding should ideally include Northern and Southern research capacities (not necessarily at the same time in every case).

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<sup>2</sup> As discussed in the working group.

## Dissemination

The creation of a Directory of published and unpublished Country/Regional/Sectoral Studies, to be made available to all researchers, could be envisaged (possibly a European Development Policy Study Group project for one researcher for one year).

In addition to traditional publications, articles, conferences and appearance in the mass media, the use of new means could be considered, including audio-visual materials or videos, a dedicated website for the European Development Policy Study Group, linked to other sites (EU, Oneworld, DFID, UACES, IDS21, etc.). Cyber-conferences were thought at present to appeal only to a specialised few.

Other dissemination means to be promoted include human resource exchanges, the joint use of research results by researchers/governments researchers/civil society, and the production of information in local languages.

# Trade and Investment

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## Research areas

The European dimension to trade analysis by development researchers in UK arises because trade policy is established at the European level. Hence, it is reasonable that 'policy analysis' that seeks to influence government action should begin with the researchers' home government, which in this case means the EU.

It follows that 'EU trade analysis' should be considered a sub-set of broader academic research on trade, and should use the same analytical tools as are applied in other areas. As in other areas of 'European' development research, the priorities are for work where there is an overlap between:

- an area of importance to the broader trade and investment agenda;
- and an area in which EU policy is of particular relevance by virtue, for example, of specificities in the EU's trading relationships or because of the importance of Europe as a world actor.

An illustrative example is in the area of trade preferences. The EU's system is especially complex, affects many of the countries that are a focus for development research, and is an area of current controversy in the international trade arena. This combination justifies a focus on the European dimension of the broader debate concerning the economic and political consequences of preferences versus non-discrimination. Another example could be the issue of food security where there is an overlap between a general interest in the impact of agricultural liberalisation with a distinct EU dimension since Europe is likely to be a major player in the forthcoming WTO agricultural negotiations and its Common Agricultural Policy has an important impact on developing countries.

These justifications for a Europe-focused trade analysis have been in place for some time, but change is afoot. In trade it is making less and less sense to focus exclusively on 'European' policy making, a situation that has long applied to investment. This is not to say that there is no European dimension to trade policy that is important for development and merits special study. Rather, the argument is that such analyses increasingly need to be set in a wider context.

The wider context is both geographic and functional. Areas of 'traditional' trade policy increasingly involve actions in Brussels being set in the context of negotiation elsewhere, and especially Geneva. Functionally, trade policy is moving into new areas that involve variables traditionally considered to be a national prerogative. Their analysis requires new tools.

### *The location of decision-making*

The decision of the GATT banana dispute panel in 1994 that the Lomé Convention was *ultra vires*, and the EU's attempts to shoehorn a successor to Lomé into a format deemed more WTO-compatible illustrate graphically the extent to which 'bilateral' trade policy now has a multilateral dimension. And the fact that none of the Pacific ACP states has representation in Geneva illustrates the failure by many developing countries to take on board the new political geography.

Concern with the traditional instruments of trade policy (tariffs, non-tariff barriers, preferences and major European 'domestic' policies such as the CAP) now requires analysis to be undertaken on a wider canvas. In a real sense, the analysis of 'European' trade policy is a sub-set of the study of multilateral trade policy (and the bilateral policies of other major actors, such as the USA).

This broadening underlines the existence of a problem of conflict of interest in the activities of European-based trade researchers. There is a legitimate role for the UK research to play in advising opinion-formers and policy-makers in Europe. This legitimacy may extend to advising Europe's trade partners of the changes afoot within the EU and their possible implications. But the role of UK researchers in advising non-EU governments in the broader areas of trade policy that extend beyond traditional instruments in their trade with the EU is more problematic. It reinforces the need (taken up below) to build networks so that Southern scholars can make use of UK research to play an analogous role in advising their own governments.

### *Areas of decision-making*

It is widely held that as tariffs fall, so the relative importance of other policy influences on trade increases. But the trend goes further than this: 'new trade-related policy instruments' are growing in absolute as well as relative importance. The primary reason for this has nothing to do with traditional protectionism: it is an outgrowth of trends in the nature of national and global markets, many of which may be broadly beneficial to developing countries. These trends are likely to have differential effects on both countries and communities, but without (quite a lot of) further work, which will probably move well outside traditional disciplines, it may be difficult even to identify the types of differential effect and the groups of countries/communities most likely to be affected in one way or another.

Among the new areas are:

- a search for tariff substitutes such as 'chain' anti-dumping complaints;
- a generalisation of standards between, previously separate, markets resulting in *altered* (although not necessarily more restricted or open) competitive environments;
- new methods of implementing trade policy, such as the requirement for in-country testing by exporters, that effectively restrict access to those states with the required testing infrastructure;
- changing consumer demands, whether or not backed by law – for example to favour products for which evidence exists on paper concerning the mode of production;
- the extension of process criteria to trade policy;
- new types of trade, notably in services;
- and the uneven development of international law, notably the weakness of international competition law.

One effect is to strengthen the link between research on trade and investment. The globalisation of financial and product markets (and the important role of investment in Asian economic success) has elevated the attraction of FDI as a major goal of trade policy in the eyes of some commentators. The EU's post-Lomé REPAs, for example, are being promoted partly because of their claimed attractiveness to foreign investors who require ACP trade policy reform to be 'locked in'. Critics have argued, by contrast, that the REPA model will tend to attract investment to the hub (the EU) rather than the spokes (the ACP).

The 'new' trade areas could give rise to 'new' trade preferences to replace the old ones that are being eroded by the liberalisation of merchandise trade. There is a need for research on



the possibilities, for example, of having preferences on services trade such as bilateral air transport agreements and agreements on taxation of tourism and travel. At present, there are effectively reverse preferences against developing countries since any special deals tend to be bilateral (or restricted) ones between industrialised countries.

Because of the spread into new areas, the boundaries of 'trade', and therefore of trade disputes, are unclear. There is a need to broaden analysis so that the relationship of trade rules to other areas of international discourse (such as protection of the environment) can be established.

## Research modalities

The broadened geographical focus for 'European' trade policy does not of itself require new research modalities. It reinforces the desirability of research being undertaken on a basis that is wider than just UK. This has long been the case: there is great merit in combining the perspectives of researchers from different Member States when assessing European policy, given the significant differences in cultural attitudes towards trade policy. This desirability now extends to a wider canvas, with for example a premium being put on studies of post-Lomé European preferences that combine with an analysis of the proposed Free Trade Area of the Americas and the so-called 'open regionalism' of APEC.

The 'new' trade agenda presents more methodological challenges. As the impact of international trade spreads into new areas of life, so the analysis of its impact must change. How do changes in trade policy affect wider development research? This is a simple question, but often it cannot be answered. There are methodological difficulties in disentangling the effects of trade policy change from other shifts. These are compounded by difficulties in obtaining data, particularly in relation to the effects on the poor. Too often, attempts to assess, for example, the environmental impact of particular trade policies either come to the conclusion that there are both positive and negative effects (which is probably usually correct, but not terribly helpful for decision-taking) or are overly generalised on the basis of a small number of good or bad examples (which provides clearer 'guidance', but not necessarily in the right direction).

Such problems arise partly from a lack of data. There is clear need for closer links between researchers concerned with international trade policy change and those with an interest in livelihoods in developing countries. The former need to advise the latter on the ways in which livelihoods may be affected as a result of trade policy changes. Armed with this information, the latter need to supply the former with empirical data on the impact of trade policy.

But they also reflect methodological difficulties with the new trade agenda. The great thing about tariffs and quotas on merchandise exports is that they can normally be compared between time periods, countries and products. We can see how tariff levels have declined over the last 25 years, how tariff peaks are concentrated in particular product groups, and how some countries are more protectionist than others. Does the same apply to the new trade-related policies? Are the implications of mutual recognition of chocolate in the SEM similar, in any way, to those for mutual recognition of keyboard standards in Europe, or on pressurised vessels between the EU and USA? If not, then what general lessons can we learn from a study of one of these?

A similar set of problems arises in relation to ISO codes and the like. Do they have similar implications regardless of the product being studied? Or would their impact for, say, clothing be different from that for machine tools?

The conventional approach is to identify disadvantaged states or communities and to recommend policies designed to remove their disadvantage. But can one do this with the new policies? To go back to the chocolate debate, the ‘victims’ are supposed to be the cocoa producers and the ‘beneficiaries’ producers of alternative oils. But Côte d’Ivoire produces both, as does Malaysia. So we would have difficulty drawing generalisable conclusions from the product-specific instance of mutual recognition, since the ‘problem’ is likely to have a different impact in Côte d’Ivoire and Malaysia. And even if we could, it is not obvious that we could identify these with any particular social group; are cocoa producers (world-wide) more or less deserving than producers of the alternative oils (including, *inter alia*, palm oil, coconut oil, soya bean oil ...)?

Even if we identified some general principles, how do we measure their distribution? Suppose we succeeded in concluding that mutual recognition would tend to disadvantage low-income traditional suppliers relative to middle-income non-traditional ones, or that the application of ISO standards would tend to have a similar effect. The trade nomenclature will often not tie up very closely with the product descriptions covered by the regulations. But only if we can link regulation and traded product can we identify who is the traditional supplier and who the non-traditional one on anything other than a very narrow basis.

One way to proceed is to begin using extremely rough and ready measures. Everyone can agree that they are second or third best, but at least their use will begin the process of gradually refining methodological techniques. The need is particularly urgent in the area of services. The GATS is simply a set of lists in which members describe their policies. There is no way in which these can be aggregated, compared or weighed against each other.

## Networks

The need for more, and different, data points to the importance of good networks. Networks of researchers and activists within Europe are already strong. The collaboration associated with the renegotiation of the Lomé Convention illustrates the strong personal research contacts that already exist (although there is a continuing need for regeneration and the involvement of ‘new faces’). The links are less good in three areas:

- North–North links – within the development specialism, and between it and other specialisms. There are poor links between development specialists concerned with trade and those with an interest in livelihoods and the global distribution of production. The awareness of particular ‘development’ issues is better established in some disciplines than in others. Within trade economics, for example, there is a widespread awareness of particular development needs, but this is less marked, for example, in the area of labour and production economics. The importance of TRIPs and competition policy points to the need, also, to establish better links between development economist and development lawyers.
- North–South links – European-based and developing country-based trade and livelihood researchers have a mutual interest in better communication to anticipate the ways in which trade policy may change and the impact on livelihoods.
- South–South links – it is important to build better links between developing countries so that those with more experience in international trade policy can assist those with less. This will reduce the problematic nature (noted above) of EU-based analysts advising developing country governments on matters that go beyond technical competence and involve national priorities.

It is not necessarily clear which set of relationships is the easier to strengthen. The difference in scale between the concerns of Europeans interested in trade policy and in the global

distribution of production are such that it is often difficult to forge workable links. In cases where a specific trade policy (e.g. the Lomé preferences on horticulture) relates to a specific sub-sector in a developing country (e.g. Zimbabwe's horticultural export industry) it may, ironically, be easier to strengthen links between trade and production specialists. In either case, however, the building of stronger networks is vital if trade policy analysis is to avoid being marginalised by the declining importance of 'traditional' policy measures.

## Timetable

Almost by definition, 'European' trade policy analysis tends to be policy-related. That is the whole point of limiting the analysis to 'Europe' and selected trade partners. That being the case, there are two timetables:

- a short- to medium-term one that can be set out reasonably precisely and is related to known events, such as the renegotiation of Lomé and the upcoming WTO Round;
- a medium- to long-term one that addresses the need to make progress on more fundamental research so that it becomes possible to relate it in due course to items on the short-term agenda.

Among the most important items on the first timetable are:

- the negotiation of a successor to the Lomé Convention, which will not be completed by February next year (which is the ultimate target only for the Framework Agreement) but will continue into the transition period (which, according to the Commission's mandate, will last until 2005);
- the fresh set of WTO negotiations on agriculture, which are scheduled to commence at the turn of the year and, on past form, are likely to extend for some years with fits of activity punctuated by apparent inactivity;
- the extension of multilateral rule-making on intellectual property rights into possible new areas following the TRIPs review in 2000;
- the possible extension of multilateral rules on services following the GATS review in 2000;
- possible other areas of multilateral rule-making if calls for a Development or Millennium Round are adopted; although the agenda is unclear, the research timetable includes influencing the agenda as well as illuminating the issues that find their way on to it;
- a review of the effects of the phase-out of the Multifibre Arrangement as (a) the more sensitive quotas are removed, and (b) we can see how quota growth has differentially affected the main suppliers;
- I would have liked to put analysis of the external pressures for CAP reform arising *inter alia* from the WTO Agricultural Negotiations.

For the more fundamental agenda, the task must surely be to deal with the data and methodological obstacles that would allow us to offer useful advice on, say, the likely effect of environmental clauses in multilateral agreements. The timetable is simply: as fast as possible.

The key point to put across to funders is that if progress is to be made on the methodological and measurement problems required to assess the new trade agenda in time for the results to inform forthcoming negotiations, a start must be made now. It was reasonably easy to provide a rapid response to requests for advice on the old trade agenda. Trade policy analysis in the twenty-first century, however, will be different from the experience of the 1980s and 1990s. If it is assumed that the various negotiations starting at the turn of the century will begin to move into serious territory by about 2003–4, it will be necessary to begin work within the

next twelve months if the academic community is to be able to provide serious guidance on the potential impact of the various measures under consideration. Not only must new methodological tools be developed but also fundamental research, involving North–South networks, is required to assess the direct and indirect effects of trade policy changes on development and poverty alleviation.

## **Dissemination**

The close link between ‘European’ trade policy analysis and policy-making also influences the appropriate means of dissemination. This is an area in which both academic publications and dissemination oriented specifically towards opinion-formers, activists and decision-makers are desirable. There is broad agreement that a multiplication of outlets is desirable for the first and undesirable for the second. The first half of this statement should need no elaboration; the second half relates to the problem of ‘information overload’.

Whereas a multiplication of outlets for dissemination to policy-makers and opinion-formers may not be required, there is a need (and, with the internet, a possibility) to improve the flow of detailed information to hard-pressed officials in developing countries. What is required are systems able to direct decision-makers quickly to areas of discussion that are of particular relevance, to the decisions being considered, and to the analysis that has been made of the effects of such decisions. Since the day-to-day agenda of WTO working groups is now available on the internet and the spread of academic information via the internet is improving, it should become possible over the short to medium term to develop systems that would allow, for example, an official in the Botswana Ministry of Agriculture to check on discussions in Geneva concerning beef and access analyses that assess the implications for the world beef market of the changes being considered.

# Conflict, Relief and Humanitarian Issues

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The following pages are a discussion document. They are not based on a systematic review of available research on EC conflict, relief and humanitarian activities. They are an initial question sheet, to stimulate reflection and discussion, try and better map available research, to identify research priorities, methodologies and suitable researching entities. But also to identify important political moments (such as the expiry of ECHO's mandate at the end of 1999) that may influence the research priorities. Obstacles to a stronger partnership between DFID and the EC may not be the result of shortcomings in information or differences in conceptualisation. In that case more research may not be the answer.

## Research areas

### *'Macro' policies EC humanitarian aid and the Common Foreign and Security Policy*

DFID wishes to encourage the European Commission to adopt a principled approach in its humanitarian assistance programmes, and to pursue a more coherent and co-ordinated approach to complex political crises which have a strong humanitarian dimension ('Working in Partnership with the European Community', objective 1.8). The notion of 'coherence' indicates that the scope of the task is not limited to the provision of humanitarian assistance IN conflict, but also to the initiatives ON conflict. That is in line with DFID's earlier policy statement on 'Conflict Reduction and Humanitarian Assistance'. Consequently, the consideration of the external relations of the European Community, and more specifically of a Common Foreign and Security Policy (CFSP) fall within the terms of reference.

DFID is explicitly committed to conflict reduction through: the promotion of social cohesiveness and inclusion; the improvement of international mechanisms for settling disputes and preventing conflict; assistance in limiting the means of waging war e.g. through reducing military budgets, and controlling arms proliferation; support for security sector reform; the protection of human rights in conflict situations; support for post-conflict peace-building.

The 1991 Treaty on European Union introduced the EU CFSP with a desire to assert an EU identity as a political actor on the international scene, including the eventual framing of a common defense policy. Its objectives are: to safeguard the common values, interests, security and independence of the Union; to preserve peace and strengthen international security and to promote international cooperation; to develop and consolidate democracy and the rule of law, and respect for human rights and fundamental freedoms.

To this end the Union will also seek to strengthen the consistency of its external activities as a whole in the context of its external relations, security, economic and development policies. The report on the likely development of the CFSP adopted by the European Council in Lisbon in 1992 stresses even more explicitly regional stability, good government, respect for human rights and minority rights and the prevention and settlement of conflict as objectives. The integrated objective of EU conflict prevention has since become summarised as 'structural stability'. In the absence, so far, of an operational CFSP, EC humanitarian assistance has been a major form of EC presence in conflicts, but has also retained a relative independence from

foreign policy considerations. Nevertheless, the Amsterdam Treaty (1996) recognises humanitarian assistance as a foreign policy action.

The intent of DFID and EU thinking on a CFSP however raises the question of the relationship between EC humanitarian aid and human rights, political conflict management initiatives, peace-keeping and peace-support operations and post-conflict reconstruction towards more 'peaceful' societies.

- *Coherence.* Given that in the EU, unlike in the USA, the Member States retain primary authority over foreign policy, how realistic is the current expectation of greater 'coherence' in the use of various foreign policy instruments for conflict reduction by the EU? What policy networks and fora exist within the EU and the EC where these issues are explored, and is it DFID and/or the FCO that can/must engage with them? What, for example, is or will be remit of the Policy Planning and Early Warning Unit?
- *Coordination.* How does the EU in the pursuit of conflict prevention and conflict resolution relate to other major multilateral players, notably the UN and the OSCE, to NATO and the Western European (Defense) Union (WEU), and to the USA, and how these relationships in practice converge with those of the UK government? Does this have implications for the humanitarian aid decisions of the EC and if so, what does this mean for the partnership with DFID? What convergence or divergence is there, conceptually and policy-wise, between DFID and the EU/EC on the role of humanitarian aid in conflict prevention, management and resolution? What is the debate and the understanding about 'neutrality' in relationship to conflict reduction, in the EU and in DFID? What is the scope of 'humanitarian' aid in the understanding of the EC and of DFID, and are there important differences? How, organisationally, is policy implementation on conflict management, human rights, humanitarian aid and reconstruction aid set up in the EC, how effective is the current structure, and how does it compare with the UK organisational set-up?
- What are the 'theory' and the practice on conflict-prevention and conflict-reduction in the Lomé agreements and in the Phare and Tacis programmes? There is experience with EU diplomacy, notably in the Balkans, and with EC support for political reconstruction (e.g. in Somalia), but it is unclear to what degree its relationships with EC aid has been researched, and what has been learned from that research.
- What are the perceived comparative advantages of EC conflict reduction initiatives and/or humanitarian assistance activities over those of the Member States, and those of the UN?
- What would be the impact of an EU taking on a stronger role and responsibility for conflict reduction, humanitarian aid and post-conflict reconstruction on the role and influence of the United Nations and the World Bank? What would be its impact on NATO and on the Western European (Defence) Union?
- How can the EC strengthen its strategy development towards prolonged political crises, not just within EC departments or divisions but for the EC as a whole? What experience is there among Member States and elsewhere?
- ECHO has recently started a reflection about what human rights mean for and in its practice, something that human rights organisations have responded to more enthusiastically than humanitarian organisations. At the same time, ECHO has understood its mandate so far to be non-political, and independent from conflict prevention and long-term development. How does or should EC humanitarian aid relate to EC conflict

reduction activities?<sup>3</sup> What are the advantages/disadvantages of various potential 'models': humanitarian aid as a tool of conflict management, humanitarian aid independent of political conflict management initiatives, or the two parallel to each other? How does the 'coherence' argument relate to the 'neutrality' of humanitarian assistance argument? How do the strategic interests of the EC correlate with humanitarian aid provided on the basis of 'need'?

Finally, in terms of 'macro' issues, the following specific research areas with an EC perspective may be added to the above:

- Conflict and migration, refugees and repatriation in and from the European Union.
- The export and transit of arms in the EC and the arms control agenda.
- Conflict and the impact of black markets and internationally organised crime on the EC.
- EC private trans-national business ventures and war economies.

### *Structuring EC Humanitarian Aid*

- EC humanitarian aid comes from a variety of budget lines and is managed by various EC departments: ECHO, DG1, DG8, the European Development Fund. ECHO was created in 1992 with a mandate for 7 years that expires at the end of 1999, as a separate organisational entity for EC humanitarian aid, to enhance the speed and effectiveness of the EC crisis response. Its budget is a combination of different budget lines. EC university training on humanitarian assistance (the NOHA programme) receives funding from DG22. Some of the regional frameworks for aid, such as the Lomé agreements, the Phare/Tacis programmes and the Euro-Mediterranean partnership programme, have stabilisation, conflict prevention and democracy-building aspects. However, there is no integrated budget for EC or EU conflict reduction activities. What are the implications of the separation of most of the EC's humanitarian aid from EC development aid budget lines for the effectiveness of EC humanitarian aid, and what does this mean for DFID's attempts to develop a partnership? What are the implications of this organisational spread of budget lines for the coordination (enhance complementarity, common standards, smooth programme succession through phases of conflict, and avoiding gaps) of EC humanitarian assistance?
- What institutional models exist across various governmental and multilateral organisations to deal with conflict management and/or with the provision of humanitarian assistance? What are the respective advantages and disadvantages? Where does the current EC set-up fit in? Should/could it be improved, and if so, how?
- ECHO has been managed by a director until 1995, when a Commissioner was given the political oversight over humanitarian aid, together with fisheries and consumer affairs. What are the implications of a Commissioner profile with responsibility for the EC humanitarian aid, but not its development aid? What are the implications of that Commissioner not being dedicated to humanitarian aid, but having other responsibilities as well? Is a unified EC aid department desirable? If so, how will the process of its creation, and the transition from the existing structures to a new structure, be managed in a way that does not totally disrupt the ongoing programme work of operational partners. Can a new aid department be set up that is mature and professional from early on, rather than having to gradually develop these qualities over the course of various years?

<sup>3</sup> Certain European NGO networks have pleaded for a stronger EU role in conflict-prevention, while others have expressed caution about subordinating EC humanitarian aid to a CFSP whose practice remains still quite uncertain. It is noteworthy in that context that the Madrid Declaration (1995) included 'neutrality' as a principle, but that 'neutrality' is absent in the Council Regulation on Humanitarian Aid (1996).

### *EC Humanitarian Aid: Policy, Strategy and Coordination*

- *Policy.* The Court of Auditors report concludes that at the end of 1995 there is no overall policy for European humanitarian aid. The various Council regulations, communications from the Commission, Common Positions etc. are valuable contributions to an overall policy, but leave scope for the various budget-holding institutional entities to interpret and implement the EC's policy in their own way. It therefore recommends the articulation of a consolidated 'Humanitarian Aid Charter', with embodiment of the basic principles, guidelines, definitions and concepts, and modalities of coordination of EC aid with that of other donors. Where does the EC stand now in terms of policy articulation on humanitarian aid, and what is the implication for DFID's wish to develop a stronger partnership?
- Should the EC develop its own humanitarian policy, or be subordinate to the (various?) policies of the Member States? Does ECHO bring 'added value' or 'additionality' to the humanitarian response capacity of the MS, and if so, in what ways? Does DFID proactively share information with the EC on its humanitarian programmes? Is DFID prepared to 'coordinate' its policies and programmes with the EC?
- What is the EC's policy towards the UN with regard to humanitarian assistance? ECHO has been pursuing dialogue with other actors, such as DHA/OCHA and with USAID. How does a closer DFID-EC partnership around humanitarian aid fit into this process?
- ECHO 4, the Planning, Strategy and Policy Unit, was created in 1996, but finds itself fairly isolated from the administrative and operational departments. How can the EC and ECHO policy making capacity be strengthened and made more effective within the organisation? What is the geographical allocation of EC humanitarian aid and that of DFID? How do they correlate, and what may explain the differences? Are DFID's allocations influenced by its colonial past or by other political considerations that may differ from those of the EC? How do the EC and DFID's policies on natural disasters correlate? How do specific sectoral policies in the EC and in DFID correlate with each other e.g. on health in emergencies, on food aid, on de-mining...? How do cross-cutting policy topics in the EC and in DFID correlate with each other (e.g. on gender, on the environment, on aid agency security, on local capacity building....)?
- Specific questions related to aid in crises policies should also be considered: What does a 'more principled' EC humanitarian policy mean in practice? How does EC humanitarian aid fit in to a 'rights' and 'human rights' agenda? How does EC humanitarian aid relate to its development aid? Should there not be an EC policy on reconstruction, and what would such policy look like? What is the EC policy on natural disasters?
- *Strategy.* Although the EC has recognised the link between relief, rehabilitation and development, and talks about local capacity building, ECHO in particular has tended to interpret its mandate in fairly strict 'emergency response' terms of short-term interventions to save lives and relief suffering. This has put it in a reactive mode that is hard to reconcile with strategic thinking. It has also led to short funding cycles, although most of ECHO's programmes take place in protracted emergencies. The 'global plans' are supposed to be country strategy documents, but they tend to have very short time horizons. Is the EC strategic enough in its approach to conflict and to the provision of humanitarian assistance? Are the global plans adequate instruments, are they developed in collaboration with operators on the ground, and in coordination with MS? What are the implications for DFID's wish to develop its partnership?



- *Coordination with Member States and other Humanitarian Actors.* The 1996 Council regulation led to the creation of the Humanitarian Aid Committee, with representation from the Member States, and chaired by the Commission. This followed quarterly meetings called by ECHO of the directors of the national humanitarian aid services. Does the HAC serve as an effective body of 'coordination'? How is 'coordination' understood, as only an exchange of information or as an attempt to strengthen the coherence and complementarity of the policies and programmes of the MS and the EC? If it does not serve as an effective body for coordination, why not? Does the HAC serve as a structure that facilitates the EC's humanitarian aid work, or as an obstructive control mechanism by the MS?

### *Operational Partnerships and Funding Arrangements*

- *Which partners?* The EC channels much of its humanitarian aid through European NGOs. What is the further profile in terms of humanitarian aid channeled through the UN, the OSCE or other regional organisations, or private contractors? How does that compare with UK humanitarian aid? Also, ECHO, the largest donor of humanitarian assistance, has favoured NGOs over the UN, and has often funded programmes outside the UN consolidated appeal and attempts at wider interagency 'common programming'. What are the implications for the effectiveness of UN assistance, and for the overall coordination of humanitarian assistance efforts?
- *ECHO's Framework Partnership Agreement.* ECHO in 1993 introduced a first version of the FPA, which has since been under discussion with NGOs and at times revised. The regulations and procedures of different EC departments that can provide 'humanitarian' aid, however are not harmonised. This creates major problems for operational partners. The FPA has also been criticised for rigidity, and for an undue emphasis on administrative and financial controls, rather than on the relevance and impact of the action. FPAs have also been concluded between the EC and UN agencies. How do these procedures compare to those of bilaterals like DFID?
- *Choosing partners.* The EC has extensive working relationships with certain European NGOs. DFID has extensive working relationships with a number of UK NGOs. Also do ECHO's criteria for the selection of its operational partners correspond to those of DFID and if not, what are the implications? The funding of European NGOs, and the spreading of EC funds over a large number of NGOs however has also been under pressure of the MS, who see this as a way of 'getting back' their aid money that went into the European pot. How can DFID work with the EC to reduce nationalistic pressures on the decision-making process about resource allocations and programme approvals? ECHO's favouring of European NGOs has facilitated the creation and survival of new NGOs, but is that proliferation strategically defensible? Finally, confronted with mounting transaction costs, the EC is now telling NGOs to group in 'consortia'. This can positively enhance collaboration and coordination among agencies, but the practical inter-agency arrangements for this to be possible are far from clear. What is DFID's position on this, and what are the implications for the partnership with the EC?
- *Implementation.* Although using the language of 'partnership', in practice ECHO has a tendency to stick purely to the legal terms of a contract, thereby treating the implementing agencies as mere contractors. This has happened at times with no concern for the financial implications of funding interruptions for political reasons or caused by administrative delays, even where these created massive cash flow problems, impaired programme implementation and even put at risk the continuation of a smaller agency. Set up so that EC humanitarian aid could be released more simply and quicker, the overall logic of the management of EC humanitarian aid remains a purely administrative/accounting one,

with not always enough regard for the relevance in the real world of the programmes in need of funding, and the consequences of administrative decisions. How do the EC and DFID as donors differ or correspond in interactional style (constructive dialogue or more distant and aloof) with operational agencies, and what does this mean in terms of a closer partnership between donors? DFID has devolved much authority over programme decisions to its field-offices, whereas EC correspondents have no real authority. What can we learn from this difference in centralisation/decentralisation?

### *Staffing, Management and Institutional Structure Issues*

ECHO has been understaffed. The financial volume per key staff member tends to be higher than among many other aid administrations. The large number of implementing partners, and the short funding cycles, further reduce the time and energy a desk officer can devote to a programme or project. Even where staff are analytically minded, the workload and burdensome administrative requirements of the EC do not provide much opportunity or encouragement for reflective, analytical and innovative styles of working. ECHO has also made much use of intern-trainees and of consultants. These have sometimes found themselves inappropriately charged with too much responsibility. Staff development and internal training opportunities appear limited. Moreover the service has suffered from too much staff turn-over.

To a degree staffing weaknesses seem under the control of ECHO. To a degree however they may be outside its control, in the sense that staff issues in ECHO fall under general Commission regulations on EC civil service. Determined by the MS, these limit the numbers of permanent staff, follow recruitment procedures that do not necessarily include specialist knowledge and experience, and have a Commission-wide practice of staff placements again not necessarily in function of a person's specific background and expertise. If this is the case, then any engagement on staff issues by DFID will have to take into account major constraints coming from the overall staffing policies and practices of the Commission, which may limit the return on investment.

- How can EC financial management procedures for humanitarian assistance be rendered faster and more flexible, without loss of accountability? What experience is there among the Member States?
- How can the EC improve its project cycle management and project monitoring?
- What staffing levels and what staff profile (experience, skill mix...) would be desirable in line with the work requirements related to EC humanitarian aid? What human resources plan could support such staffing policy?
- How can field correspondents and field delegations be made to play a stronger contributing role to EC policy making and programme decision making regarding humanitarian aid? What can/must be decentralised and what needs to remain centralised? How can communications between HQ and field delegations be improved?
- What are the political, structural and procedural constraints imposed on the EC by the Member States that impede a more optimal functioning of the EC in its provision of humanitarian assistance and in the development of conflict reduction support functions (e.g. early warning)?
- What practical mechanisms can be developed to strengthen the complementarity between EC and Members States activities, and to strengthen their coordination?

### *Monitoring, Evaluation, Institutional Learning and Research*

- Project management practice in ECHO does not emphasise monitoring very much. An *evaluation unit* was created in ECHO in 1996 but has not been perceived as very

effective. ECHO does not always actively link in with broader donor and agency initiatives to develop best practice in evaluation. Do its evaluations also consider the impact on a programme of the EC's own modus operandi and decisions? Are the insights, conclusions and recommendations from EC and ECHO evaluations taken on board, do they lead to different and better practice? What are the strengths and weaknesses of the EC's monitoring and evaluation practices? How do they compare to those of DFID? Can practices be improved and if so how, and what role can closer engagement in 'partnership' play in this? Are there opportunities for joint monitoring, joint evaluation initiatives?

- How can the EC improve the usefulness of its evaluations of humanitarian assistance, for the operational aid agencies, for EC strategy and policy development and for EC staff development?
- ECHO in particular has initiated and sponsored a number of *seminars* and conferences. Has there been an impact of these on the policies and practices of ECHO and other EC departments providing humanitarian assistance? How does DFID engage with ECHO and the EC to ensure effective seminars and conferences? Can there be benefits in jointly organising certain seminars?
- ECHO has recently created a *grant facility for studies*, training and networks in the humanitarian field. The priorities for 1999 are security of relief workers, military-civilian cooperation in humanitarian operations (with particular reference to the WEU), human rights and international humanitarian law in humanitarian operations, development of methodologies to assess the political and socio-economic impacts of humanitarian assistance. The grant facility will also fund capacity building and skills enhancement, and networks to improve the overall coordination and quality of humanitarian response. How do these research and learning priorities correlate with those of DFID? What synergies are possible between DFID and ECHO on research, training etc.
- DG22 and to a small degree ECHO have provided subsidy to the *European Network on Humanitarian Assistance*, which offers an MA degree programme in several European countries. The EC is pushing for the degree to be available in every member state, although the NOHA network coordination structure holds that consolidation is the priority rather than expansion. A question can be asked about the opportunity cost of investing in a university training of new aid workers, as opposed to training up experienced aid workers. Another question can be asked about the market for new aid workers, especially European ones, in the light of shrinking aid budgets and increasing investment in national staff training in developing countries. Currently the UK, with the highest concentration of expertise in the humanitarian field, has no participating institute(s) in the NOHA programme. Is this something that DFID wants to consider?

If the EC and ECHO have limited time and capacity for reflection and research, they could consider developing links with selected EU research institutes. There are such linkages in the Conflict Prevention Network, although its functioning has been open to criticism. Is this something that DFID would want to promote?

### *Accountability*

- The EC audits its operational partners. The audit may limit itself to finances, or be a broader management audit. The EC and ECHO in particular have been the subject of an audit by the European Court of Auditors, which has been put in the public domain. DFID is subject to scrutiny by the Parliamentary International Development Committee. To what degree is the EC subject to effective scrutiny by the *European Parliament*? Should

the UK strengthen the role of the European Parliament in overseeing EC humanitarian policy and practice?

- The EC and ECHO have a culture of defensiveness, which should change into a culture of openness to criticism and more committed to learning. Are the *Member States* constructive and positive in their engagement to encourage more openness, and are they themselves open to criticism?
- The EC has made itself very visible to the 'beneficiaries'. Visibility is not the same as accountability. What do DFID and the EC do to try and be accountable to the *target populations*, what can they learn from each other, what can they do together?
- How can the EC strengthen and deepen the consultation with more '*civil society*' groups in Europe and in countries in conflict? How can it increase its transparency and accountability to and through such groups?

## Methods

1. Taking stock: An overview of existing 'research' in the broad sense of the term (i.e. including reviews, audits, evaluations, reports by the European Parliament...) on EC conflict reduction work, on humanitarian assistance and on post-conflict reconstruction, would be of great value.
2. Policy analysis: Analysis of EC policy documents, their origin, assumptions, evolution, internal coherence, and stakeholders.
3. Comparative analysis of EC interventions in different crises to which the EC and/or its Member States may have adopted a different position: e.g. Great Lakes, Balkans, Liberia, Somalia or Angola. The analysis can focus on the response of one EC department but ideally would look at the responses from the various EC departments or entities.
4. Comparative analysis of EC policies and practices with those of selected Member States and/or the United Nations.
5. The relative defensiveness of EC personnel towards critical research suggests that it is highly desirable to involve EC staff from various relevant departments in the research from the outset. DFID contacts might help to get an initial entry but thereafter it will be up to the researchers to develop good personal relations. Acknowledging the constraints imposed by the Member States and the complexities of dealing with such a variety of themes and topics as the EC does, will be appreciated.
6. Interdisciplinary teams: Given the multi-faceted nature of political conflicts, it is recommended that research teams are composed of diverse specialists for a multilateral institution to respond; such as political scientists, specialists in public administration, aid policy specialists, geographical or sectoral specialists if applicable etc.
7. Research work will probably combine interviews, at headquarters and field level and the study of official and grey literature.
8. The above indicates significant preparatory groundwork (discussions with EC and MS officials, constituting a team, literature collection...), and investment prior to the full development of a research proposal. This should be taken into account by DFID in its funding decisions.

## Networks

There are existing NGO networks on EC conflict reduction work (European NGO Platform for Conflict Prevention; Forum for Early Warning and Early Response....) on small arms proliferation (IANSA), on EC humanitarian assistance (VOICE) and food aid (Euronaid) that can be engaged.

It is unclear at this point who else in Europe does research on these aspects of EC policy and practice, or who in 'Southern' countries does so or could become involved.

The IOM, UNHCR and National Refugee Councils are likely sources/partners for work on migration, refugees and repatriation.

Research on arms trafficking, organised crime and European businesses and war economies, would probably involve contacts with selected police services, Customs and Excise, journalists. Whereas these are not likely to be partners in the research, there are academic specialities that entertain contacts and work with these types of professionals (criminology for example).

## Timetable

Participants in the 14 June meeting could only identify the expiry of ECHO's mandate at the end of 1999 as important political moment.

If reform of the EC would lead to the creation of a single DG for international aid (encompassing humanitarian and development aid) then research on certain of the domains identified here could be conducted to feed into its conception and creation.

DFID was requested to help the research community be aware of the important political time table around foreign policy development (CFSP) within the EU, and humanitarian assistance.

## Dissemination

This group did not add mechanisms of dissemination that had not been mentioned by other groups, but wanted to draw attention to the MEPs as target audience for the dissemination of research results.

### ECHO INITIATIVES TO STIMULATE REFLECTION AND DEBATE

1995: Madrid Humanitarian Summit  
 1996: Forum on Ethics (Dublin)  
 1998: Conference on Security and Humanitarian Space (Lisboa)  
 1998: Conference on Humanitarian Principles (London)  
 1999: Symposium on Europe and Humanitarian Aid - What future? (Bad Neuenahr)

## Implementing DFID's Institutional Paper on Europe: A Research Agenda

14 June 1999

London Voluntary Sector Resource Centre  
356 Holloway Road, London N7 6PA - Tel: 0171 700 0100

### Agenda

- 9.30 - 9.45            Coffee
- 9.45 - 10.30        **Welcome** (*Simon Maxwell, ODI and Stephen Dearden, Manchester Metropolitan University*)
- DFID's Institutional Paper on Europe** (*Mark Lowcock, EU Department, DFID*)
- 10.30 - 12.30       **Working groups:** Issues in European Development Policy - each introduced by one speaker (30-40 mins) and followed by a discussion

Room	Arrow colours	Theme	Speaker
Dome	-	EC Aid Policies	Aidan Cox, ODI
3	Red	Making EC Aid Work Better: Institutional Issues	Jean Bossuyt, ECDPM
5	Blue	Trade and Investment	Chris Stevens, IDS
9	Yellow	External Relations and Politics	Marjorie Ruth Lister, University of Bradford
7	Green	Conflict, Relief and Humanitarian Issues	Koenraad Van Brabant, ODI

- 12.30 - 13.45       Lunch
- 13.45 - 15.15       **Feedback** on working groups: questions and answers
- 15.15 - 16.00       **DFID Funding Procedures and Prospects** (*Susanna Moorehead, Development Economics Research and Enterprise Department, DFID and Eric Hawthorn, International Economic Policy Department, DFID*)
- Concluding comments** (*Simon Maxwell, ODI*)
- 16:00                Tea and coffee

## Implementing DFID's Institutional Paper on Europe: A Research Agenda 14 June 1999

### List of participants

Alexander	Ivan	Crown Agents
Ashoff	Guido	German Development Institute (GDI)
Batturbury	Sarah	Tavistock Institute
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Berthelot	Pierre	Commonwealth Secretariat
Black	Richard	University of Sussex
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Bloomer	Philip	Oxfam
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Hilditch	Louise	Action Aid
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Sutton	Rebecca	ODI
Tapper	Richard	Environment Business and Development Group
Turner	Stephen	Planning and Development, Water Aid
Van Brabant	Koenraad	Humanitarian Policy Group, ODI



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