



FRIDE

FUNDACIÓN
PARA LAS RELACIONES INTERNACIONALES
Y EL DIÁLOGO EXTERIOR

**Report: Roundtable at FRIDE, Madrid
22 February 2008, 14.00-18.00**

Disclaimer: This report has been prepared on the basis of discussions at the roundtable. The opinions expressed, as recorded by ECDPM and FRIDE, are those of individual participants. They do not represent the official views of any of the represented organisations.

Summary:

The event was well and actively attended, with 16 participants from a wide range of stakeholders, co-organised by FRIDE (<http://www.fride.org>) and ECDPM/Action Aid in the Casa de Galicia in Madrid.

Participants mentioned their interest in the Discussion Note, which they found echoed the important issues and perceptions in a very concise manner. They appreciated the event and highlighted it was timely for feeding into the Spanish debate. Stakeholders intend to use the impetus of the roundtable to contribute to arriving at a Spanish position on the role of the Commission in EU development cooperation, in particular as a financing channel and as an amplifier of Spain's voice in the international context.

Discussions covered a wide range of subjects, from a common vision on objectives for EU aid, or the importance of ownership, to measuring impact and complex accountability schemes, as well as the implications of Division of Labour. The debates took place against the background of the Spanish context, which is particularly interesting for the EU debate. It is characterised by a high fragmentation of actors responsible to manage ODA. Spain also has a large NGO community and is still implementing a very minor share of ODA through "new instruments and modalities" such as budget support (1.3% in 2008) and others.

While most participants felt that Spain was entering the discussion on Aid effectiveness rather late, others suggested transforming precisely this delay into Spain's added value by introducing new perspectives on a cautious implementation, focusing for example on democratic ownership, and caveats based on field experiences such as the transformation of the donor landscape in Nicaragua.



1. Introduction

'Whither EC Aid' (WECA) is an independent, joint ActionAid-ECDPM project that aims at contributing to a broader based common understanding of the characteristics, added value and impact of EC development cooperation. After the finalisation of an initial discussion note, the project has entered a phase of consultations, both in Europe and development countries, to stimulate further inputs from stakeholders.

2. Objectives of the roundtable

1. To inform Spanish stakeholders about the WECA process so far and to introduce the main findings from the project's first phase.
2. To test these first findings to stimulate reactions and debate among the participants and stakeholders in Spain;
3. To specifically discuss arising issues; amongst these issues could figure: a common European position in Accra, the new modalities of outcome-based conditionality and forms of political dialogue, Spanish position towards the EU code of conduct on division of labour, the new set-up of RELEX, DGDEV and the External Action Service "after Lisbon", and others to be brought up by the participants;
4. To generate recommendations on how the quality of EC aid can be improved and how the Spanish development cooperation can be coordinated within the European context;
5. To share plans for the next stage of the process and seek concrete commitments and/or proposals from DG Dev for their engagement.

3. Summary of the discussion

Participants mentioned their interest in the Discussion Note, which they found echoed the important issues and perceptions in a very concise manner. They appreciated the event as a timely debate coming just one week after the latest round of consultations on the multilateral strategy. This will inform the forthcoming Spanish Master Plan for development cooperation 2009-2012, in which multilateralism and relations with the European Commission, the implementation of the Paris Declaration as well as Division of Labour will be main features.

Stakeholders expressed their intentions to use the impetus of the roundtable to contribute to arriving at a Spanish position for the High Level Forum on Aid Effectiveness in Accra in September, on the role of the Commission in EU development cooperation, in particular as a financing channel, and as an amplifier of Spain's voice in the international context.



1. The debates took place against the background of the **Spanish context**, which is particularly interesting for the EU debate.

It is characterised by a high fragmentation of actors with a record of issues of coordination and coherence: a quarter of bilateral aid is given through the autonomous regions according to their own policies and priorities. Almost half of total ODA is channelled multilaterally, through the European Commission (16.7% in 2007) or multilateral organisations. In 2006, only 17% of ODA was implemented by the Spanish Agency for Development Cooperation AECID of the Ministry for Foreign Affairs.

Spain has a large NGO community with a highly project-oriented approach towards aid delivery and is still implementing a very minor share of ODA through “new instruments” such as budget support (1.3% in 2008) and others.

In addition, it was felt that Spain has developed many good policy frameworks, but the implementation is often lagging behind. In this context, stakeholders argued that Spain could serve as a test case illustrating the competing demands of diversity and flexibility versus harmonization, coordination and complementarity.

2. The interrelated topics of **ownership, accountability** – mutual, multilayered, democratic – **balanced partnership** and **participation** in relation to the aid effectiveness agenda were predominant throughout the debate. There was consensus on the capital importance of ownership as the fundamental principle of development cooperation and its reform. Lack of ownership was cited as the reason for many problems. One example was cited of cooperation with ECOWAS where trade was programmed as a focal sector contrary to the preference of the recipient region. In response to events at the Lisbon summit on Euro-African relations¹ it was argued that the EU has to work on (re-)building a balanced partnership.

Maintaining that mutual accountability does not work, participants suggested that ownership should be based on democratic accountability in partner countries. More than that, it was highlighted that ownership was a condition for democratic accountability. In this context participants wanted Spain to urge for representation of Southern Voices in the aid effectiveness debate, which has been donor driven up to date. However, also democratic accountability in the EU was a concern and increased involvement of member states' parliaments, the European Parliament and European CSOs was called for. In addition, it was felt that there was no common understanding of the Paris commitments, which can lead to inconsistency when applied at local level. While multi-layered accountability is complex, this should not be accepted as an excuse for not taking it seriously. It was suggested to single out individual accountability relationships and monitor and evaluate them separately.

3. Participants perceived a **lack of a common vision** and **clearly defined objective** for European Community aid, which makes coordination and complementarity within the EU difficult and threatens to degenerate the Paris agenda into a technical

¹ African leaders pushed to open the debate on EPAs, but the EC decided that it was not the place to discuss them and rejected the African proposal.



exercise pursued for its own sake. Stressing the importance of keeping reforms aimed at enhancing impact on the lives of the poor, discussants preferred the term **development effectiveness** over *aid effectiveness*, referring to a concept embraced in the CSO consultations in preparation for Accra. Participants suggested that Spain take up the role of reminding the EU of focussing on impact and results.

4. In relation to results-orientation, the importance of **measuring and assessing impact** was discussed. A common EU research agenda on outcome-based monitoring and evaluation of the impact of EC aid was needed and Spain could promote EU consultation and policies to this aim.
5. Most stakeholders from all types of organisations represented agreed with the big principles and policies promoted by the EU in the Paris agenda and they agreed that the main issue was in **moving from policy to implementation**. Examples given are gender mainstreaming and the role of CSOs in the Cotonou agreement. In both cases reality is often a far cry from policy documents. The way forward was suggested to lie in management for results based on result-oriented planning and programming – and this according to the Paris principles.
6. Perhaps in line with the strong tradition of Spanish CSOs in development cooperation, some discussants were opposed to direct support to governments. Others reminded the group that the Paris Declaration, including channelling aid through country systems, was a signed agreement. Implementation is therefore an obligation. Results would have to be assessed afterwards. However, the debate around the value of **General Budget Support** was inconclusive at this roundtable.
7. It was however clear that the attitude towards budget support relates to question of the **role of the European Commission**, with its declared preference for this aid modality, in the EU's aid architecture.

On the one hand, many participants expressed concerns about the Commission's constraints in aid delivery. In particular, the MDG relevance of budget support and the disruptive application of outcome-based conditionality were questioned. Efficiency and disbursement seem to be hampered by inadequate incentives for staff in the Delegations, leading to bureaucratic behaviour instead of management for results.

On the other hand, the Commission was credited with legitimacy in policy dialogue, precisely because of its direct relationship to governments. The role of the Commission as a facilitator within the EU, as a coordinator and policy developer was recognised as a basis for its leadership towards Accra. The potential of the EU as a principled actor on the world scene - promoting social equity, rule of law, capability approach to poverty, etc. – was said to be insufficiently recognised and fostered. While the EU conducts massive transfers of ODA, it is not setting the agenda enough at the global level. Hence, there was a need to work on a vision for the EU's identity.

It was suggested that Spain supported and encouraged the Commission in continuing to give weight to commitments taken in Paris and to take the lead in



formulating extra commitments. Participants also saw a need for more awareness raising on EC development policy in Spain, which is not very well known whereas 25% of Spanish ODA goes through the EC.

8. With regard to Code of Conduct on the **Division of Labour** among member states and the Commission, the tenor was that Spain is still at the beginning of the process of defining its added value and reflecting on the role the Commission, in particular with respect to the Commission's preference for budget support.

For some participants the EU debate was of limited relevance and it was better to concentrate on improvements in the global donor landscape. Others argued that the Code of Conduct was an opportunity for Spain to deal with its lack of capacity and personnel at field level.

While according to some speakers Spain was entering the discussions too late, others suggested transforming precisely this delay into Spain's added value by introducing new perspectives on a cautious implementation, for example focusing on democratic ownership, and caveats based on first field experiences in implementation of the Paris Declaration. Policies such as the Code of Conduct currently under way, are presented by the Commission as a technical exercise with the aim of efficiency gains. However, the effects of the withdrawal of Swedish aid and the concurrent transformation of the donor landscape in Nicaragua on the power relations between the Government and the donors and the resulting social costs were cited as exemplary evidence for the political nature and implications of the aid effectiveness agenda. In addition, the political implications of interpreting cross-country complementarity in a way that would cement European ex-colonial powers' traditional areas of influence – the recent DAC Peer review of Spain suggested Spain to take over the role of EU lead agency in Latin America - are evident.

Reflecting on the specificities of the Spanish development cooperation architecture and Spain's historic experiences, the debate on **Spain's added value** as a donor centred on the role of CSOs, decentralisation, the promotion of gender equality and gender mainstreaming in implementation and on the promotion of social dialogue. As recommended by the recent DAC Peer Review, Spain should take advantage of its track record in having a "sensitive approach to peace building and reconciliation in Latin America". NGO representatives argued that Spain's strength lies in implementation rather than policies, in its positive experiences with implementation through CSOs and in harmonization and alignment in Latin American countries. Spanish NGOs carry a responsibility to feed back some lessons learned and good practises from the field to the debate. However, some speakers maintained that added value should be determined in a bottom-up process, flexibly adapting to different countries in accordance to the principle of ownership.

9. The group discussed the **institutional novelties in EU external action** to come about after the ratification of the Lisbon Treaty and its effect on the EU's role on the global scene. The WECA project was interpreted as a reflection of the political battles taking place at high level, such as the one regarding the role of the High Representative for Foreign Affairs and Security Policy. This figure and the European External Action Service were considered as important innovations bearing potential



benefits and risks. Once again, implementation is key in order to realise the potential gains in policy coherence for development through a whole-of-government approach at EU level. At the same time, participants saw a danger that the EU's relations to Africa – already at a low point after the Lisbon Summit – further deteriorate if commercial or foreign policy and security concerns eclipse development cooperation.

4. Issues for further discussion

It was suggested that Spain should come up with a position on priorities in the Accra process, pushing for

- A focus on ownership of partner countries as the basis for accountability;
- The EC to address its constraints in aid delivery: to continue the process of de-concentration, to improve staff regulations to give the right incentives and to live up to its coordination role;
- A common research on outcome-based monitoring and evaluation of the impact of EC aid;
- More weight for CSO consultation in the preparation towards Accra;

5. Participants

From ECDPM: Gwen Corre (programme officer) and Eleonora Köb (programme officer)
 From FRIDE: Stefan Meyer (researcher) and Nils-Sjard Schulz (researcher)

The event was very well attended with 16 participants from development NGOs, the NGO platform CONGDE, governmental and communal donors, including DGPOLDE (General Directorate for the Planning and Evaluation of Development Policies in the State Secretariat for International Cooperation) and academia.

Name	Organisation	Position
Ana Martín	Acción contra el Hambre	Responsible for Quality
José Moises Martín	ACSUR Las Segovias	Director
Mencía de Lemus	Ayuda en Acción	EU & International Organisations Officer
Mayra Moro-Coco	Ayuda en Acción	Global Health Advocacy & Policy
Javier Sota	CECOD / CEU University	Institutional Relations Director
Gabriel Reyes	CITPax	Project Coordinator
Percival Manglano	Comunidad de Madrid	Director General
Juana Bengoa	CONGDE	Gender and Development Representative
David Ortiz	CONGDE	EU Board Member
Eduardo Soler Cuyás	CONGDE	Vicepresident II
Marta Marañón	DARA International	Deputy Director
Eva Garzón	DGPOLDE	Technical Advisor
Miguel de Domingo	FIIAPP	Head of Unit MEDA and Africa
Anna Ayuso	Fundació CIDOB	Coordinator Latin America Programme



Lourdes Benavides	Independent Consultant	-
Carmen González	Intermón Oxfam	Responsible for Relations with the Spanish Parliament and EU

