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Consolidation or Cooperation: The Future of EU Development Cooperation

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Foreword

This paper has been produced under the umbrella of the DIE research project "Development Policy: Questions for the Future", funded by the German Ministry for Economic Cooperation and Development (BMZ). A primary objective of this research project is to stimulate thinking about how the context that development policy responds to could change in the long-term. In the face of a changing global development landscape, one challenge that European donors currently confront is the adaptation of their development cooperation systems to address internal deficits and prepare for new external demands. Within Europe, this adaptation process will take place both within the bilateral development cooperation systems of the European Union (EU) Member States and at the EU level. Against a backdrop of ongoing reforms in the EU's external relations apparatus, Mikaela Gavas, Simon Maxwell, and Deborah Johnson of the Overseas Development Institute (ODI) offer a discussion in this paper of the different roles that the EU might be able to play as a development actor in the future. Their work highlights the importance of continuing to critically examine the comparative advantages of the EU in global development as EU external relations reforms move forward.

Erik Lundsgaarde Bonn, June 2010

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Box and Figures

Abbreviations

BMZ	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (Federal Ministry for Economic Cooperation and Development)
DAC	Development Assistance Committee
EC	European Community
EEAS	European External Action Service
EU	European Union
MDG(s)	Millennium Development Goal(s)
NGO	Non-governmental Organisation
ODI	Overseas Development Institute
OECD	Organisation for Economic Cooperation and Development
UNDP	United Nations Development Programme

Executive Summary

Two competing visions lie at the heart of debate about the future of EU development cooperation. They are: first, that there is a strong case for the European Community (EC) to play a greater part in shaping policy and delivering programmes; or, conversely, second, that the EC role is one of coordination and network management, rather than actual delivery. We conceptualise this as a "swingometer" in which different visions lead to a pendulum being positioned in different places along a continuum from consolidation to cooperation. In most policy areas, the pendulum will lie somewhere between complete consolidation and complete coordination: a patchwork of laws, rules and practices operates across the development space.

The development agenda is evolving in what can be thought of as a consolidationist direction. The achievement of the Millennium Development Goals (MDGs) has dominated the development agenda for over a decade, and has directed attention to national development policy. However, while the MDGs remain an important focus, increasing attention is being paid to international policy issues, like climate change and financial stability. This is reflected in the increasing priority being given in the EC to coherence between aid, trade, migration, climate, security and other policies.

Consolidation will not be easy to deliver, however. A review of theory suggests that specific conditions need to be met for the EU to become more consolidated. These include the legal framework, of course, but also the way in which the scope for collaboration is defined, the rules of engagement, the decision-making framework, the underlying values, and the interests of Member States. At present, the forces are pushing in a cooperativist rather than consolidationist direction for development policy.

A survey of senior policy-makers confirms this. Respondents recognise the importance of a new development agenda and acknowledge the value of collective action. They confirm the value-added of "Europe" in tackling global problems. They see improvements in the performance of the EC. They support greater cooperation in setting standards and working together to improve aid effectiveness. They oppose greater consolidation, for example of aid budgets.

Four conclusions can be suggested:

- First, it is worth bearing in mind that the scope for pendulum swings is partly shaped by the Treaty. There is little point, for example, in arguing for less consolidation on trade policy or more on foreign and security policy, unless the argument is also to change the treaty. Legal competence is a determining factor, although not the only one.
- Second, a theoretical implication is that no single integration theory, no single variable explains the location of the pendulum. Policy areas and the distribution of legal competences in the EU, institutional factors, the Member States' constellation of interests and identity all need to be taken into account.
- Third, it looks as though the "quick wins" will be on the cooperation side of the pendulum: in setting standards and targets, working together on aid effectiveness, and improving information collection and dissemination.
- Fourth, the arguments for future consolidation are not negligible. The case will need to be made more strongly, however.

In practical terms, the cooperation-consolidation debate will play out in Brussels in the context of the new institutional architecture and the evolving development agenda. The establishment of the European External Action Service (EEAS) will result in some of the chess pieces being moved around the board – in particular, some policy and programming responsibilities units moving into the new EEAS. An overarching question will be: what capacity is needed to run a global development programme, including a € 10 billion per year aid agency?

1 Consolidation or cooperation: Two visions of the future of EU development cooperation

Two competing visions lie at the heart of debate about the future of EU development cooperation[1]. They are:

— First, that there is a strong case for the European Community (EC) to play a greater part in shaping policy and delivering programmes; or, conversely,

— Second, that the EC role is one of coordination and network management, rather than actual delivery.

In the first vision, which we call the consolidation model, the EC sets policy and to a large extent implements it. For example, that could mean a larger share of development aid being channelled through Brussels and a smaller share through the bilateral programmes of Member States.

In the second vision, which we call the cooperation model, the EC concentrates on constructing a shared framework of policy and coordination within which individual Member States implement independent programmes[2].

We conceptualise this as a "swingometer" (Figure 1) in which different visions lead to a pendulum being positioned in different places along a continuum from consolidation to cooperation[3]. In most policy areas, the pendulum will lie somewhere between complete consolidation and complete coordination. In aid, for example, the share of EU aid channelled through the EC is currently only about 20 % (EuropeAid 2009), and falling. This suggests that the cooperation model prevails. From this perspective, the "European Consensus on Development" can be considered as providing a shared framework; and the "Code of Conduct on Division of Labour in Development Policy" can be considered as setting the rules of engagement within which Member States deliver bilateral programmes[4]. Nevertheless, a 20 % share means that the EC is currently disbursing some € 10 billion a year, which makes the European Commission a large aid donor in its own right, and at least a proto-consolidator.

If development cooperation is taken in the narrow sense, mainly to cover aid, there is legislative support for both the cooperation and consolidation positions. The Lisbon Treaty declares development cooperation to be a 'shared competence' in which both the Commission and Member States play a part. The precise wording states that:

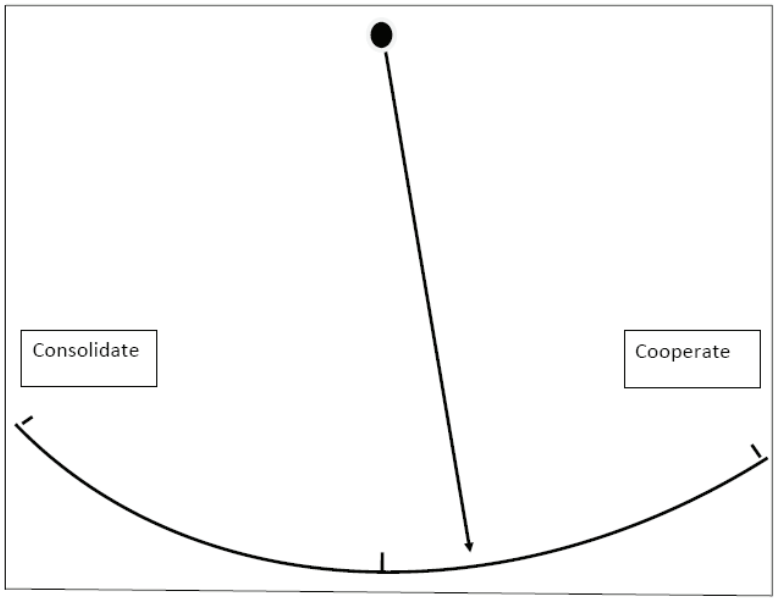
1 We use the term "EC" to describe activities led by Brussels institutions, "EU" to describe Brussels and Member States. There are three visions if the Eurosceptic position (that there should be no EC development cooperation at all) is included. We leave aside that distraction for now.

2 In international relations terms, these models are sometimes called supranational/centralised or coordinated/decentralised.

3 The placement of the pendulum in Figure 1 is arbitrary.

4 The text of the European Consensus on Development is available at: http://ec.europa.eu/development/icenter/repository/european_consensus_2005_en.pdf. For the EU Code of Conduct please see http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2007:0072:FIN:EN:PDF.

Figure 1: Consolidate or cooperate – the EU swingometer



Source: own illustration

> *"In the areas of development cooperation and humanitarian aid, the Union shall have competence to carry out activities and conduct a common policy; however, the exercise of that competence shall not result in Member States being prevented from exercising theirs"*.
>
> (Treaty on the Functioning of the European Union (2008), article 4)

There is enough flexibility – ambiguity – here for either vision to prevail.

The position is more difficult to define if the boundaries of development cooperation are set more widely. Development cooperation has links to many other policy fields that invoke different parts of the Lisbon Treaty and different degrees of EC competence. The EU has conceptualised development cooperation as involving or touching on issues as diverse as: foreign and security policy; defence; trade; agriculture; environment; migration; fisheries; and many others. The formal Treaty-based "competence" of the EU is different across these sectors, with some (for example, trade, fisheries) being within the exclusive competence of the Union, and thus necessarily consolidationist; and others (agriculture, environment) falling within the sphere of shared competence.

In practice, there are different ways of working along the spectrum from cooperation to consolidation. Coeuré and Pisani-Ferry identify three models of governance: unconditional delegation, supervised delegation and coordination with other Member States and EU institutions (Coeuré / Pisani-Ferry 2007). Figure 2 illustrates the different levels of integration across issue areas. In cases where the issue lies within the EU's exclusive competence, the Community acts through the European Commission, which is assisted by the Member States (for example, the "Article 133 committee" for trade policy). In cases of shared competence, the Presidency usually represents the EU on the basis of a position coordinated within a

committee composed of the Member States and the Commission. In areas of national competence, Member States may in principle speak for themselves, but they often coordinate their positions.

Figure 2: Models of governance

	Development policy	Trade policy	Foreign policy	Competition policy
Competence	Shared (EU policy alongside Member States' policies)	Exclusive for goods and most services; shared for audiovisual, educational, cultural, social and human health services	National	Exclusive
Governance model	Mix of supervised delegation to EU Presidency or Commission and coordination	Supervised delegation to Commission	Coordination	Unconditional delegation to Commission
External representation	Commission and Member States	Commission (based on Council authorisation)	Member States (with the High Representative)	Commission

Source: own compilation

The result is a patchwork of laws, rules and practices operating across the development space. The ratification of the Lisbon Treaty opens a new debate, with some hoping that the appointment of a permanent President of the Council and of a High Representative for Foreign Affairs and Security Policy, as well as the establishment of the new European External Action Service, will lead to more consolidation, and others insisting on the continued relevance of a model focused on coordination[5].

Are there any principles governing the placement of the pendulum on different issues? To explore this, we begin by summarising briefly the emerging development issues in a world recovering from the global financial crisis and facing new challenges like climate change. Recent policy work suggests that there will be more need in the future than hitherto for policy coherence and multilateral approaches. This looks like a consolidationist agenda (Section 2). Whether this will materialise is a more difficult issue. A review of integration theory and experience suggests that quite specific conditions have to be met if consolidation is to take place – and that these are not met in the context of European development cooperation (Section 3).

To try and take the argument beyond theory, we have attempted an alternative and pragmatic approach, by collecting the views of policy-makers in development through an expert survey (Section 5). This survey enables a more detailed analysis of the strengths and weaknesses of the EC. Although the small sample size means that survey must be treated as indicative rather than definitive, it is nevertheless useful because it points to the potential opportunities that

5 For a discussion of these issues, see European Think-Tanks Group (2010).

policy-makers are likely to pursue in the near term. There is enthusiasm for greater cooperation; little for greater consolidation.

Our main conclusion (Section 6) follows. It is that the "quick wins" are likely to be on the cooperation side of the pendulum, especially in the areas of target and standard-setting, and working together on aid effectiveness. Greater consolidation may remain a longer-term objective, however.

2 Emerging development challenges and the case for consolidation

The two decades from 1990 to 2010 were marked by a strong focus on poverty reduction as the over-arching goal of development policy, and a strong focus on the national policies of developing countries as the primary vehicle for achieving the objective. At the beginning of the period, the 1990 World Development Report[6] of the World Bank and the first Human Development Report[7] of the United Nations Development Programme (UNDP) put poverty and human development firmly at the centre of the development agenda. By 1996, the focus on poverty had been crystallised in the OECD/DAC International Development Targets[8], which later formed the basis of the UN's Millennium Development Goals[9] (MDGs). And in the years following the adoption of the Millennium Declaration in 2000, there was unremitting focus on the MDGs. International issues were present, especially trade, but in relatively muted fashion. If the MDGs are represented in a logical framework matrix, as in Figure 2, the objective was clear, and the main focus was on national policy in developing countries, supported, of course, by aid. The international policy environment was represented mainly by a weak environmental goal (MDG Goal 7) and by the notoriously incoherent and weak MDG Goal 8.

Figure 3: A logical framework for development		
Goal	Well-being	
Purpose	Poverty reduction, human development	
Outputs	Favourable national policy environment	Favourable international policy environment
Source: own compilation		

By the second half of the 2000s, it was clear that the balance between national and international policy needed to be redressed. A trade deal remained elusive. Climate emerged as a major issue. International security was a continuing concern. Pandemics and other disease threats were high on the agenda. In 2006, one of us (Maxwell) identified divergent development agendas in the 20 % and 0.2 % Clubs of developing countries, the former (where aid might amount to 20 % of GNP) being focused on aid effectiveness and the social MDGs,

6 See: http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2000/12/13/000178830_98101903345649/Rendered/PDF/multi_page.pdf

7 See: http://hdr.undp.org/en/reports/global/hdr1990/

8 See: http://www.oecd.org/dataoecd/23/35/2508761.pdf

9 See: http://www.un.org/millenniumgoals/

the latter (where aid was much less important) more interested in trade, finance and technology (Maxwell 2006). By 2007, it could be noted that:

> *"The key question is whether the Millennium Development Goals provide sufficient purchase for current development policy.[…] The agenda is changing […] in three important ways. China is reshaping the global economy, especially through its impact on the manufacturing prospects of poor countries. Security issues are everywhere rising up the agenda. And the focus on national development strategies is being supplemented in different ways by regional and global issues: climate change is the obvious example, but there are many others.[…] We miss all this at our peril. An analogy I have drawn is with a visit to a game park. All eyes and lenses are focused on the lioness and her cubs on one side of the car. Meanwhile, on the other, unnoticed, a large bull elephant advances[…]."*
>
> (Maxwell 2007)

By the end of the decade, the global food and financial crises had combined to demonstrate the importance of global interconnections and the need for concerted global action. This is not to say that the MDGs are unimportant, or that a focus on issues such as child malnutrition or maternal mortality is not required. It is rather to emphasise that national spending on its own is insufficient, even when supported by aid. As the financial crisis[10] showed, individual welfare in developing countries is greatly affected by export opportunities and export markets, by remittances, and by movements in foreign direct investment and portfolio flows. As the angst generated by climate talks also illustrates, the welfare of the poorest in vulnerable developing countries rests heavily on the carbon policies of countries in other parts of the world.

These shifts in the development agenda have implications both for policy and for the organisation of development cooperation. In particular, they make the case for two major changes:

— First, a shift from thinking about development in terms of aid to thinking about whole-of-Government approaches, covering trade, financial, security and environmental policy, as well as aid. In EU parlance, this is often described as *"policy coherence for development"*.[11]

— Second, a more multilateral approach – partly because "competence" on some aspects of the international agenda is vested in supra-national institutions, but more importantly because managing global problems requires investment in collective action.

Some donor governments have recognised the implications of the changing development landscape and have begun to adapt global development strategies accordingly. The UK Government, for example, published an international development White Paper in 2009 (DFID 2009). This paper made a strong case for putting shared global interests at the heart of development partnerships, and also made a strong commitment to multilateral approaches. It argued that:

> *"The current challenges highlight just how interdependent we are. No country can afford to ignore them. No country acting alone can address them. But by acting together, we can create a fairer, safer and sustainable future".*
>
> (Ibid., 103)

10 See, for example: http://www.odi.org.uk/themes/financial-crisis/

11 See: http://europa.eu/legislation_summaries/development/general_development_framework/r12534_en.htm

In terms of framing the collective action problem, the White Paper argued that:

> *"Our international organisations and partnerships are the foundation for a co-operative world. They do more than just provide financing. Through them we can aspire to:*
>
> — *new international agreements on global issues. These are the means for ensuring all countries, including the poorest, have a voice in global solutions, and that we hold each other to account.*
>
> — *better international standards, on issues that matter to all of us – like human rights, the environment, and the economy.*
>
> — *development programmes on a scale bilateral donors can't match and in places we can't reach.*
>
> — *accelerated progress on development, through new partnerships and new financing.*
>
> — *a fast, effective response in the face of humanitarian and security crises."*
>
> (Ibid, 104)

Other donors have begun to take similar positions. For example, a recent paper feeding into an ongoing debate on the future of development cooperation in the Netherlands argues that:

> *"Development itself will increasingly become regional and global in character. As a result of issues like climate, trade, migration, energy and security, national policy will decreasingly be a sole determinant factor; the pressure to take global action and to make global agreements will only increase."*
>
> (WRR Scientific Council for Government Policy 2010)

None of this will be unfamiliar to the EU, which has long combined aid with other development policies, sometimes embedded in formal partnership contracts like the Cotonou Agreement, and sometimes not. For example, its recent work on policy coherence has covered areas such as trade, climate change, security and migration (EC 2009b).

In principle, a new focus on interdependence and global public goods should drive a more consolidationist agenda. For example, when the EU speaks with one voice at climate negotiations, its representatives need the support of consolidated statistics and research. They are also in a stronger position if they are able to commit funding on a collective basis.

A consolidationist agenda is also implied by arguments about EC comparative advantage. According to the European Consensus on Development, the EC brings comparative advantage or added value in a number of respects: its global presence, its promotion of policy coherence for development, its specific competence and expertise, its right of initiative at community level, its facilitation of coordination and harmonisation and its supranational character. All are of "special significance" (EC 2005).

3 Lessons of European integration

We have seen that the emerging development agenda suggests that the case for consolidation in European development cooperation may be strengthening – and the EU itself has recognised as much. However, a review of thinking on European integration more generally suggests that certain conditions have to be met if consolidation is to occur. There are different theoretical perspectives, but they can be aggregated into a single template.

First, a neofunctionalist approach suggests that over time, EU institutions acquire more competences within and across issue areas. Neofunctionalism anticipates spill-over effects from one issue area to another, and from economic to political sectors, as the EU moves closer towards a supranational community (Tranholm-Mikkelsen 1991). A functional spillover may result from the lobbying efforts of civil society, or a political recognition that the problem can no longer be satisfactorily solved at national level, or a spillover engineered by the Commission.

Second, an institutional approach understands integration as a function of both internal and external institutional factors. In spite of potential gains from collective action, institutional constraints emanating from the EU may prevent reform. For example, Reiter argues that EU Member States are more reluctant to act collectively if the institution deals with a broadly defined area of cooperation (Reiter 2005). In international fora, the level of collective action is likely to be higher in case of consensus-based decision-making, a narrow scope and binding rule of international cooperation, as well as in case of an inclusive membership of all EU Member States in the institution. For example, EU Member States in the OECD's Development Assistance Committee (DAC) are reluctant to act collectively given the broad scope of the organisation, its focus on best practices and soft law, as well as the dominance of EU countries in the total membership and the fact that not all EU Member States are part of the organisation (ibid., 158). In comparison, in the World Trade Organization, *"the EU Member States have a shared interest to agree to act as a single entity"* and the well-defined scope of the organisation means *"that intense coordination poses less of a threat to the EU Member States"* (ibid.).

A third strand of work, liberal intergovernmentalism, argues that progress in European integration has followed from the convergence of the economic interests of important domestic groups in major European countries (Moravcsik 1998). From this perspective, there is an inherent tendency towards lowest common denominator outcomes, and supranational solutions are only put in place in the EU when necessary to make credible commitments (e.g. to constrain and control the other governments). The EU itself is regarded as an international institution (rather than a global actor). From such a perspective, especially the larger EU Member States are reluctant to pool sovereignty and consolidate. Adopting a common policy requires that Member States weigh the potential benefits of a common policy against the potential costs of a policy that is not to their liking. Hence, there is a clear trade-off between the advantages of scale and the disadvantages of overriding heterogeneous preferences. For example, although the EU has an official role in aid coordination, in reality the EC acts mostly as a 28th donor.

Finally, social constructivism argues that agents and structures are mutually constitutive and that *"power and interest have the effects they do in virtue of the ideas that make them up"* (Wemdt 1999). Actors follow socially defined norms, driven by the "logic of appropriateness" and feelings of identity (rather than mere utility maximisation). Social learning is considered more likely among actors sharing values, facing crises or policy failure, meeting repeatedly with a high density of interaction and being insulated from direct political pressure and exposure (Checkel 1999). Once EU Member States start to coordinate their policies, they may become increasingly "Europeanised". Groenleer and van Schaik, for instance, find with regard to the negotiations on climate change that *"Member State representatives appear to have been 'socialised' by the interaction during the frequent meetings taking place in*

Brussels and the EU coordination meetings at international conferences" (Groenleer / van Schaik 2007).

Pulling these ideas together, Figure 4 summarises the conditions under which consolidation and cooperation are most likely. In respect of development cooperation, the balance appears weighted on the side of cooperation rather than consolidation, at least for the time being. This is a field in which competence is mostly shared, as we have seen, and in which soft law dominates. Although norms and values are converging, as the adoption of the European Consensus on Development illustrates, individual Member States still have different interests, for example with regard to the geographical focus of their aid. Furthermore, spillovers appear relatively limited in this field.

Figure 4: Conditions under which consolidation/cooperation are more likely

Consolidation more likely	Cooperation more likely
Exclusive competence	Shared competence
High spillovers	Low spillovers
Narrowly defined areas of collaboration	Broadly defined areas of collaboration
Binding rules of international cooperation	Soft law
Consensus-based decision-making	Majority decision-making
Similar Member States' interests, preferences and policy positions	Heterogeneous Member States' interests, preferences and policy positions
Equal power distribution	Unequal power distribution
Shared norms	Lack of shared norms

Source: own compilation

4 An analysis of current opinion

To provide further help on where to locate the pendulum, an expert survey was designed, to test the opinions of a group of policy-makers and practitioners. The group was non-random and the sample small (a group of approximately 40), but all respondents were senior participants in European development cooperation. They had previously participated in events organised by the European Development Cooperation Support Programme (http://international-development.eu), including seminars and an e-discussion on the future of European development cooperation.

Amongst the participants, the two largest groups represented were national civil servants and academics / think tanks, with significant representation also from the European Commission and NGOs. Other respondents were, inter alia, from development finance institutions, national development agencies and a private foundation. Twelve nationalities were represented within

the group. Of significance to the results, 60 % of all respondents represented only three of the Member States: the UK, Germany and the Netherlands. These three Member States represent a spread of commitment to aid spending through Brussels, with Germany spending around 20 % of its aid budget through the EC, the UK approximately 18 % and the Netherlands around only 9 %[12].

The questionnaire is reproduced in the Annex. Respondents were asked to comment on five questions:

a) the evolving development agenda;

b) the comparative advantage of the EU in dealing with this agenda;

c) the EC's contribution across a range of outputs, from collecting information to delivering aid;

d) the reasons for good and bad performance; and

e) the future role of the EC.

a. The evolving development agenda

Respondents to the survey were asked to evaluate how important they thought various global issues *will* be in EU policy-making over the next decade.[13] They were then asked to compare this to how important they felt these issues *should* be. The data (Figure 5) highlight several points of interest.

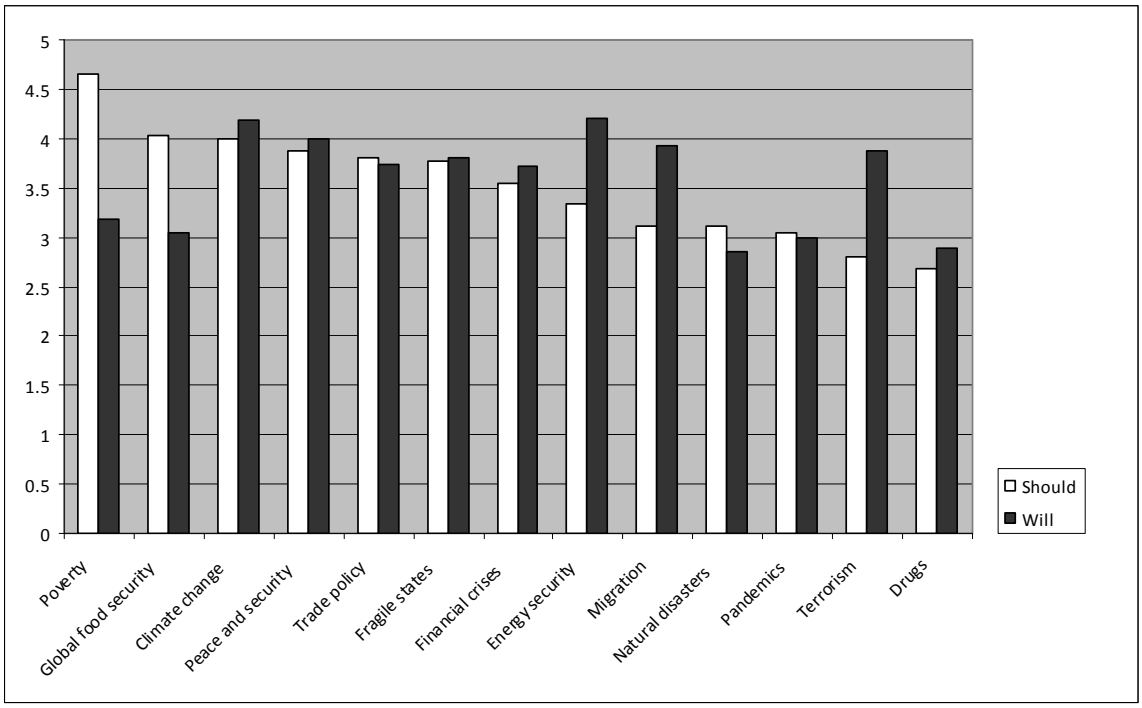
First, respondents confirmed the expected importance of the new drivers of development policy. According to the opinion of the group, both energy security and climate change will be the foremost issues in EU policy-making over the next decade, followed by peace and security, migration and terrorism.

Second, respondents articulated a fear that the traditional poverty focus of development would be weakened. It was overwhelmingly agreed that poverty should be the most important issue in policy-making, with 91 % of respondents taking the position, followed by global food security. This contrasted markedly with the importance respondents felt these two issues will have in reality over the next decade, where global food security and poverty were predicted to be low on the list of priority issues (4th and 5th least important respectively).

12 According to OECD-DAC figures 2008.

13 For each question, respondents were asked to score on a scale of 1-5, where 1 = a low score of importance/ performance and 5 = high. Responses were weighted according to their position on the scale; the figures reported here are the mean score.

Figure 5: Comparison of what *should* and what *will* be the important issues in EU policy-making over the next decade



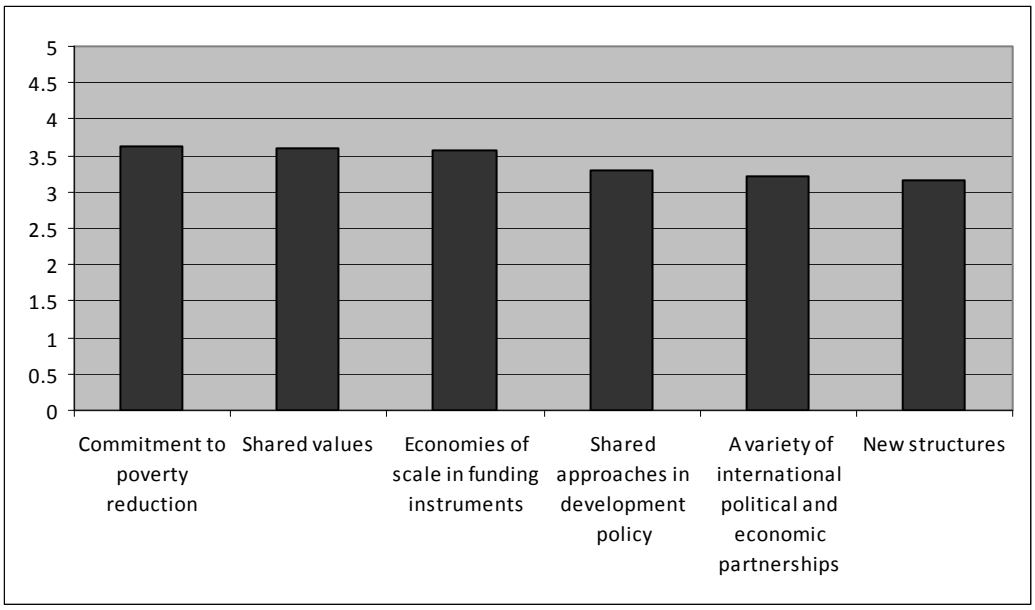
Source: own compilation

b. The comparative advantage of the EU in dealing with the evolving development agenda

Respondents were asked to evaluate the importance of six specific comparative advantages: shared values, a commitment to poverty reduction, shared approaches in development policy (as laid out in the European Consensus on Development), new structures, a variety of political and economic partnerships, and economies of scale in funding instruments (European Think-Tanks Group 2010).

Figure 6 shows that all were thought to be important. The EU's commitment to poverty reduction in the world was believed to be the most important comparative advantage, followed very closely by shared values and economies of scale in funding instruments, in that order. Of slightly less importance were shared approaches in development policy and the EU's variety of international political and economic partnerships, with the new structures – particularly the new High Representative and the team of Commissioners – being of least importance.

Figure 6: The importance of specific EU comparative advantages



Source: own compilation

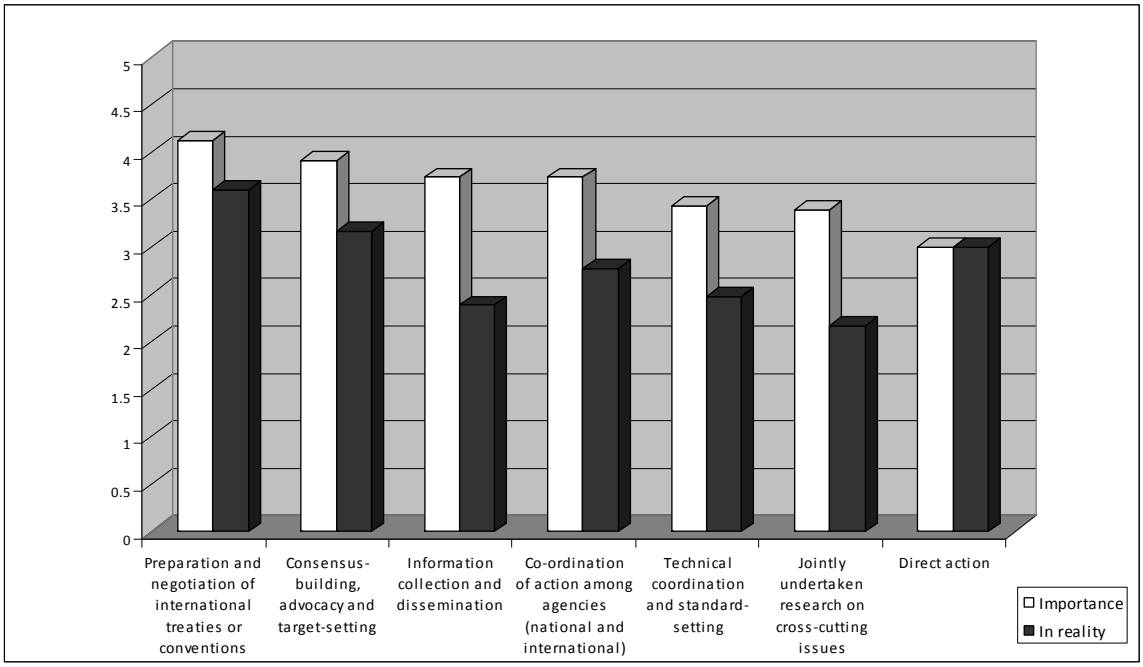
c. The EC's contribution across a range of outputs

Given that multilateral organisations commonly deliver a range of outputs, respondents were asked to state how important it is, in their opinion, that the EC deliver on a given range of outputs, from collecting information to delivering aid (Figure 7)[14]. They were then asked to evaluate how well they believed the EC delivered these outputs in practice. All seven given outputs were considered to be of considerable importance overall, with the preparation and negotiation of international treaties or conventions the most important output and direct action (development, humanitarian and peacekeeping activities) the least.

However, on all outputs (with the exception of direct action, where theoretical importance matched delivery in practice), the EC fell short in practice on delivery. Survey respondents believed that the EC delivered particularly badly on information collection and dissemination, as a result of poor communication, and jointly undertaken research on cross-cutting issues. In other areas the shortfall is smaller.

14 This list was adapted from Maxwell (1999).

Figure 7: Comparison of the importance of the EU's ability to deliver specific outputs and its delivery in practice



Source: own compilation

d. Reasons for good and bad performance of the EU/EC in development cooperation

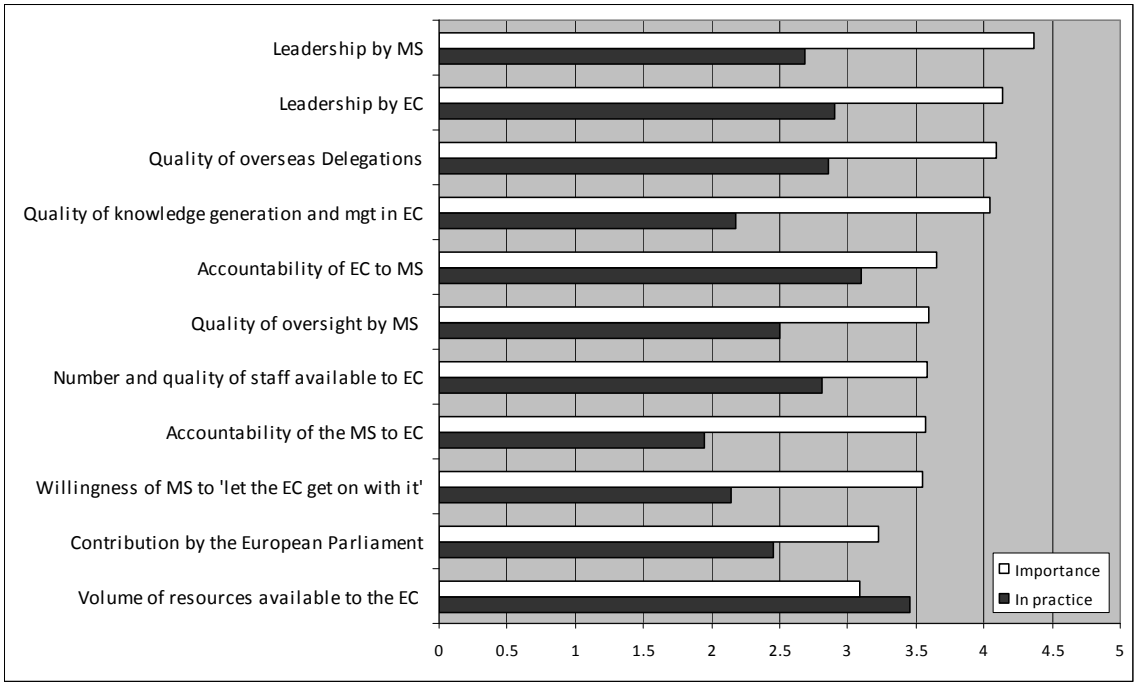
Respondents were asked to state how well, in their opinion, the EC is currently performing in the sphere of development cooperation, on a scale of 1–5, where 1 = very poorly and 5 = very well. The majority of respondents (78 %) scored current performance as either a 3 or a 4, with the remaining 22 % scoring performance as a 2. However, respondents were then asked to state how they thought the EC performs today compared to ten years ago. 74 % of respondents believed that there had been improvement, with only 26 % of respondents indicating that performance was neither better nor worse. No-one believed performance had deteriorated.

Respondents were then asked to evaluate the importance of given factors in determining how well the EU/EC performs in the sphere of development cooperation (Figure 8). The two most important factors were believed to be leadership by the Member States and leadership by the Commission. However, on both these factors, practice in reality was not deemed to be particularly good, with leadership by the Member States weaker than leadership by the Commission.

The volume of resources available to the Commission was where the EU/EC scored most highly but, disjunctively, this was deemed to be the least important factor determining how well the EU/EC performs. After volume of resources, respondents believed that the Commission performed particularly well in its accountability to Member States. Accountability of the Member States to the Commission, however, and the willingness of the Member States to 'let the Commission get on with it' were the areas in which EU/EC performance was

believed to be worst. This would seem to indicate a leaning towards a more cooperativist approach amongst respondents; greater consolidation in terms of additional resources was seen to be least important – although not necessarily undesirable – in determining better performance.

Figure 8: Comparison of the relative importance of determinants of EU/EC performance in development cooperation with their performance in practice



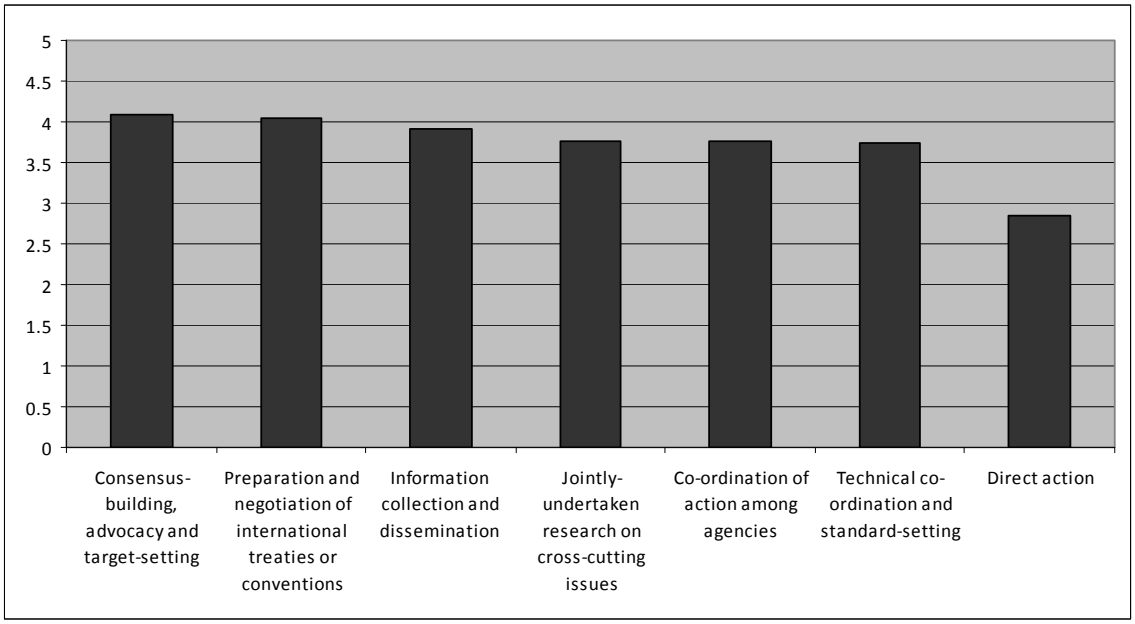
Source: own compilation

e. The EC's future role

Respondents were asked to state in which areas they believed the EC should play a smaller or greater role in the future, compared to Member States (Figure 9). Consensus-building, advocacy and target-setting was believed to be the area in which the EC should play the greatest role, followed closely by an increased role in the preparation and negotiation of international treaties and conventions. The area in which it was felt the EC needed to increase its role least was in direct action.

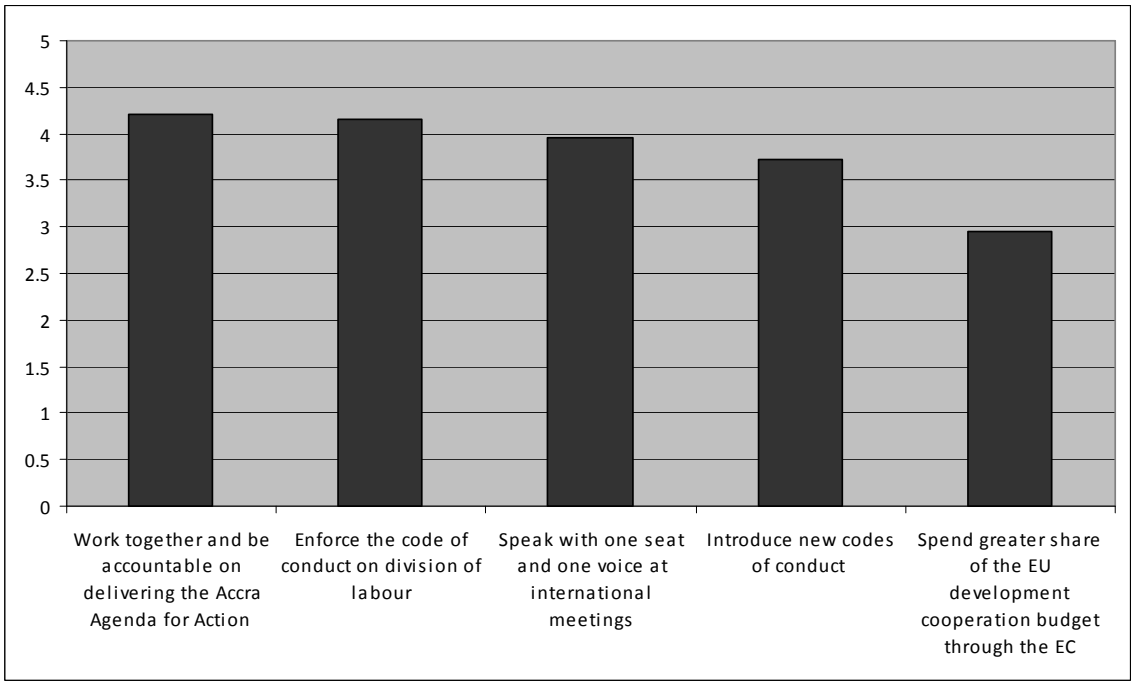
Respondents were finally asked to express how strongly they opposed or supported a given set of possible changes to the EC's role in tackling global problems (Figure 10). There was strongest support for working together and being accountable on delivering the Accra Agenda for Action, followed by enforcing the code of conduct on division of labour. There was considerable support for speaking with one seat and one voice at international meetings, but less support for introducing new codes of conduct. There was least support for the proposal to spend a greater share of the EU development cooperation budget through the EC.

Figure 9: Areas in which the EC should play a greater role in the future



Source: own compilation

Figure 10: Support for a given set of possible changes to the EC's role in tackling global problems



Source: own compilation

Summarising the results of the expert survey, five conclusions stand out:

- First, there is tension over the objectives of policy and fear that the poverty focus of development cooperation will be overtaken by issue of domestic concern, such as energy security, migration and terrorism.
- Second, there is support for the idea of working together as Europeans, justified by shared values, and supported by the possibility of economies of scale. There is little enthusiasm for the opportunities of greater consolidation offered by the Lisbon Treaty.
- Third, there are thought to have been improvements in EC performance, but there remains a marked gap between the added-value the EC is seen as having the potential to bring, and value-added actually brought.
- Fourth, this is matched by a large shortfall in terms of all the success factors which shape the EC's performance, both internal to the EC and with respect to Member States.
- Fifth, there is support for cooperative approaches, but much less for consolidation, at least in terms of spending a greater share of aid funds through the Brussels budget.

Some of these conclusions are reflected in comments by respondents at the end of the survey on what changes they would most like to see in European development cooperation in the coming years. They are summarised in Box 1.

Box 1: Respondent comments

- "What I would like to see is a strengthening of the European Consensus on Development to obtain more and more European positions on the various issues and speak and negotiate with one voice in international fora"
- "A move from rhetoric 'we have committed € x million […]' to action 'We have made impact in these areas […]'"
- "One approach in development; less spending of money; more definition of joint approaches and standards"
- "Better mobilise synergies of various EU actors – a combination of specific comparative advantages"
- "EU should speak more with one voice, on development and other policy areas that impact on achieving development objectives"
- "Much closer co-operation and co-ordination between the EC and the Member States"
- "Less money and less bureaucracy, better results, more flexibility"
- "Strong leadership + effective delivery = the EU becomes the major player the world needs and the EU deserves to be"

5 Conclusion

The paper began by arguing that there were two visions of the future of European development cooperation, consolidationist and cooperativist. At first sight, the emerging development agenda might suggest a consolidationist solution, emphasising as it does the importance of "joined-up thinking", policy coherence and collective solutions to emerging global problems. The EC itself has made the case for progressively greater consolidation.

This will not be easy to deliver, however. Theory and past experience both suggest that the determinants of consolidation are not fully in place. These include the distribution of legal

competences in the EU, institutional factors, the Member States' constellation of interests, and values.

An expert survey confirms the need for caution. There is some enthusiasm for greater cooperation, not much for greater consolidation.

Four conclusions can be suggested:

First, it is worth bearing in mind that the scope for pendulum swings is partly shaped by the Treaty. There is little point, for example, in arguing for less consolidation on trade policy or more on foreign and security policy, unless the argument is also to change the treaty. Legal competence is a determining factor, although not the only one.

Second, a theoretical implication is that no single integration theory, no single variable explains the location of the pendulum. Policy areas and the distribution of legal competences in the EU, institutional factors, the Member States' constellation of interests and identity all need to be taken into account.

Third, it looks as though the "quick wins" will be on the cooperation side of the pendulum: in setting standards and targets, working together on aid effectiveness, and improving information collection and dissemination.

Fourth, the arguments for future consolidation are not negligible. The case will need to be made more strongly, however.

In practical terms, the cooperation-consolidation debate will play out in Brussels in the context of the new institutional architecture and the evolving development agenda. The establishment of the European External Action Service will result in some of the chess pieces being moved around the board – in particular, some policy and programming responsibilities units moving into the new EEAS. An overarching question will be: what capacity is needed to run a global development programme, including a € 10 billion per year aid agency? Inevitably the EC will need to strengthen its infrastructure. As it does so, further consolidation may well become more attractive. Demonstrable success will breed greater consolidation.

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Annex

Questionnaire

The overall purpose of the questionnaire is to seek your views on the likely range of international problems over the next decade and the desirability and scope for EC action in dealing with them.

Section 1 – About you

1. Your role (tick one)

    a. EC civil servant
    b. National civil servant
    c. Academic/think-tank
    d. Non-governmental Organisation (NGO)
    e. Politician
    f. Media
    g. Other (please specify)

2. Your country

Section 2 – Issues in EU policy-making

3. How important do you think the following global issues **will** be in EU policy-making over the next decade? (NB. in the following question, we ask how important you think the following issues **should** be in EU policy-making). Accepting that all problems are inter- connected, please score each from 1= not at all important to 5= very important

    a. Poverty reduction and human development
    b. Climate change
    c. Fragile states
    d. Financial crises
    e. Terrorism
    f. Peace and security
    g. Drugs
    h. Pandemics
    i. Trade policy
    j. Migration
    k. Energy security
    l. Global food security
    m. Natural disasters

4. How important do you think the following global issues **should** be in EU policy-making over the next decade? Again, accepting that all problems are inter-connected, please score each from 1= not at all important to 5= very important

   a. Poverty reduction and human development
   b. Climate change
   c. Fragile states
   d. Financial crises
   e. Terrorism
   f. Peace and security
   g. Drugs
   h. Pandemics
   i. Trade policy
   j. Migration
   k. Energy security
   l. Global food security
   m. Natural disasters

5. In tackling these, how important do you think international collective action will be in each case, as opposed to action by national governments? Please score on the scale of 1-5 below. (Scale: 1 International collective action much more important than national action; 2 International collective action a little more important than national action; 3 Both equally important; 4 National action a little more important than international collective action; 5 National action much more important than international collective action)

   a. Poverty reduction and human development
   b. Climate change
   c. Fragile states
   d. Financial crises
   e. Terrorism
   f. Peace and security
   g. Drugs
   h. Pandemics
   i. Trade policy
   j. Migration
   k. Energy security
   l. Global food security
   m. Natural disasters

6. Overall, do you think that international collective action will be more or less important in the coming decade than before? Please score on a scale of 1–5, where 1 = not at all important and 5 = very important.

Section 3 – The role of the EC

7. The EC is not exactly a multilateral actor like the World Bank or the UN. Nevertheless, it acts in multilateral space. The EC is often said to have specific comparative advantage in the following areas. How important do you think these are? Please score from 1 = not at all important to 5 = very important.

   a. Shared values.
   b. A commitment to poverty reduction in the world.
   c. Shared approaches in development policy, laid out in the European Consensus on Development.
   d. New structures, particularly the new High Representative (as de facto 'Foreign Minister'), leading the European External Action Service, as well as there being a team of Commissioners in development, humanitarian aid and crisis response, trade, and enlargement and neighbourhood policy.
   e. A variety of international political and economic partnerships, including with ACP countries, through the Cotonou Partnership Agreement, but also (and with varying degrees of contractuality and mutual accountability) with Asia, Latin America, the Mediterranean, the European Neighbourhood and the entire African continent.
   f. Economies of scale in funding instruments.
   g. Other (please specify)

8. Multilateral organisations commonly deliver a range of outputs. How important is it that EC deliver the following outputs? Please score from 1 = not at all important to 5 = very important.

   a. Information collection and dissemination
   b. Technical co-ordination and standard-setting
   c. Jointly-undertaken research on cross-cutting issues
   d. Consensus-building, advocacy, and target-setting
   e. The preparation and negotiation of international treaties or conventions
   f. Co-ordination of action among agencies, both national and international
   g. Direct action (development, humanitarian, peace-keeping)

9. How well do you think the EC delivers the various outputs, compared to other multilateral organisations? Please score from 1-5, where 1 = very badly and 5 = very well. = not at all important to 5 = very important.

a. Information collection and dissemination
b. Technical co-ordination and standard-setting
c. Jointly-undertaken research on cross-cutting issues
d. Consensus-building, advocacy, and target-setting
e. The preparation and negotiation of international treaties or conventions
f. Co-ordination of action among agencies, both national and international
g. Direct action (development, humanitarian, peace-keeping)

10. Taking account of all its outputs and roles, the scale of its activity as well as quality, how well do you think the EC delivers on the following areas? Please score on a scale of 1–5, where 1 = very badly and 5 = very well.

a. Poverty reduction and human development
b. Climate change
c. Fragile states
d. Financial crises
e. Terrorism
f. Peace and security
g. Drugs
h. Pandemics
i. Trade policy
j. Migration
k. Energy security
l. Global food security
m. Natural disasters

11. Overall, how well do you think the EC is currently performing in the sphere of development cooperation? Please score on a scale of 1–5, where 1= very poorly and 5=very well.

12. How do you think the EC performs today compared to ten years ago? Please score from 1=much worse to 5=much better.

Section 4 – Explaining EC performance

13. How important do you think are the following factors in determining how well the EC performs in the sphere of development cooperation? Please score from 1=not at all important to 5=very important

    a. Leadership by the Member States
    b. Leadership by the Commission
    c. Quality of oversight by the Member States
    d. Willingness of Member States to 'let the Commission get on with it'
    e. Accountability of the Commission to Member States
    f. Accountability of the Member States to the Commission
    g. Volume of resources available to the Commission
    h. Number and quality of staff available to the Commission
    i. Quality of knowledge generation and management in the Commission
    j. Quality of overseas Delegations
    k. Contribution by the European Parliament

14. And how would you score the EU/EC on these factors? Please score from 1=very poor to 5=very good.

    a. Leadership by the Member States
    b. Leadership by the Commission
    c. Quality of oversight by the Member States
    d. Willingness of Member States to 'let the Commission get on with it'
    e. Accountability of the Commission to Member States
    f. Accountability of the Member States to the Commission
    g. Volume of resources available to the Commission
    h. Number and quality of staff available to the Commission
    i. Quality of knowledge generation and management in the Commission
    j. Quality of overseas Delegations
    k. Contribution by the European Parliament

Section 5 – Future policy choices by the EC

15. Compared to Member States, do you think the EC should in the future play a smaller or greater role in the future than in the past in the following areas? Please score from 1 = much smaller to 5 = much greater.

    a. Information collection and dissemination
    b. Technical co-ordination and standard-setting
    c. Jointly-undertaken research on cross-cutting issues
    d. Consensus-building, advocacy, and target-setting
    e. The preparation and negotiation of international treaties or conventions
    f. Co-ordination of action among agencies, both national and international
    g. Direct action (development, humanitarian, peace-keeping)

16. More specifically, how strongly do you oppose or support the following possible changes to the EC role in tackling global problems. Please score from 1 = strongly oppose to 5 = strongly support.

    a. Spend a greater share of the EU development cooperation budget through the EC (currently 20 %)
    b. Enforce the code of conduct on division of labour
    c. Introduce new Codes of Conduct (for example on global and vertical funds)
    d. Work together and be accountable on delivering the Accra Agenda for Action
    e. Speak with one seat and one voice at international meetings (e.g. G20, UNFCCC)

17. Finally, please summarise in a few words the change in EC development cooperation you would most like to see in the coming years.