Joint Programming in More Advanced Developing and Middle-Income Countries

Joint Programming

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Alexander O'Riordan

alexanderoriordan@gmail.com

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Context

The EU's 2016 Global Strategy states that *"joint programming in development must be further enhanced. New fields of our joined-up external action include energy diplomacy, cultural diplomacy and economic diplomacy. A more prosperous Union calls for greater coordination between the EU and Member States, the EIB and the private sector. We must become more joined-up across internal and external policies."* A more joined-up and prosperous Union in Middle-Income Countries (MICs) matters as much to implementing the Sustainable Development Goals (SDGs) (Figure 1) as it does to the EU's own economic, social and political interests such as in relation to trade, migration and security.

Many developing countries are less dependent on financing from international development partners than they were in the past. This trend will continue because economic growth in the developing world at 4.9%[1] annually is almost double that of developed economies (2.5%): developed countries still account for the overwhelming majority of global development financing. The decreasing dependency on aid is particularly the case in **Middle-Income Countries (MICs)**, many of which do not depend on external assistance to finance their own national development agendas. Successful expansion of domestic revenues has also reduced dependence of many lower and lower middle-income countries on Official Development Assistance (ODA). Similarly, discoveries of vast natural resources in aid dependent countries like Uganda, Tanzania and Mozambique has led to a context in which ODA does not guarantee the attention of partner government decision makers, many of whom dismiss ODA as a temporary stop gap until future revenues come on line.

The 2018 Listening to Leaders study[2] includes a table comparing priorities in low versus middle-income countries (Figure 2). This table is included because whilst the ranking changes it is an important insight to note that the to five priorities remain the same for leaders in the middle-income and low-income countries:

- Education,
- Decent work and economic growth,
- Peace, justice and strong institutions,
- Health,
- Industry, innovation and infrastructure.

Figure 1: The 17 Sustainable Development Goals are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.

Priorities of Respondents in Low-Income Countries (LICs)	%
Goal 16 - Peace, justice and strong institutions	64.9%
Goal 04 - Quality education	64.4%
Goal 08 - Decent work and economic growth	57.7%
Goal 03 - Good health and well-being	47.8%
Goal 09 - Industry, innovation and infrastructure	42.9%
Goal 06 - Clean water and sanitation	36.1%
Goal 01 - No poverty	35.4%
Goal 07 - Affordable and clean energy	34.9%
Goal 05 - Gender equality	32.2%
Goal 02 - Zero hunger	31.8%
Goal 10 - Reduced inequalities	28.0%
Goal 15 - Life on land	25.3%
Goal 11 - Sustainable cities and communities	22.6%
Goal 13 - Climate action	22.2%
Goal 12 - Responsible consumption/production	14.4%
Goal 14 - Life below water	3.6%

Priorities of Respondents in Middle-Income Countries (MICs)	%
Goal 04 - Quality education	65.6%
Goal 08 - Decent work and economic growth	60.7%
Goal 16 - Peace, justice and strong institutions	58.3%
Goal 09 - Industry, innovation and infrastructure	40.8%
Goal 03 - Good health and well-being	40.0%
Goal 10 - Reduced inequalities	31.6%
Goal 01 - No poverty	30.8%
Goal 11 - Sustainable cities and communities	29.1%
Goal 06 - Clean water and sanitation	27.7%
Goal 05 - Gender equality	27.3%
Goal 07 - Affordable and clean energy	23.0%
Goal 13 - Climate action	22.2%
Goal 15 - Life on land	20.4%
Goal 02 - Zero hunger	16.6%
Goal 12 - Responsible consumption/production	15.3%
Goal 14 - Life below water	6.1%

Figure 2: Differences in leaders' priorities in low- versus middle-income countries
Percentage of respondents in low-income countries (LICs) versus respondents in middle-income countries (MICs) who identified a SDG as one of their top six priorities.

The developing world's shrinking dependence on financing from international development partners is accompanied by bolder developing country foreign policy agendas. Increasingly, the development model put forward by international development partners is perceived and presented in competition with developing country growth models, most notably that of China. Leaders in Rwanda, Ethiopia and Vietnam amongst others often cite China's developmental state as an alternative development approach to the market driven, open democratic models proffered by the EU and other Western development partners. This, accompanied with South-South and triangular cooperation has created a context in which developing countries compete with international development partners in advocating for influence on setting development priorities in international, regional and domestic fora.

Richer and more advanced developing countries, however, have not supplanted the EU and EU Member States' in their commitment to combatting global poverty. The proportion of people in MICs living in poverty may have changed but these countries are still home to the largest proportion of the world's poor – the World Bank estimates that just under three quarters of poor people globally reside in middle income countries[3]. This means that the effectiveness of international development partners in combatting global poverty is not just about low-income countries. Combatting poverty relies on the ability to influence MIC countries, many of whom do not resonate with a dialogue that emphasises poverty as the primary justification for cooperation. Similarly, lower income countries that are looking to countries like China as an alternative model for development are more inclined to talk focus on growth, industrialisation and wealth creation than the priority of addressing poverty.

Policy

The EU has strongly recognised the need to adjust to the changing context for cooperation, one in which the size of country aid envelopes (whilst still growing) are likely to be proportionally smaller in the future when compared to partner country budgets. At a policy level the EU has committed to transforming bilateral aid into a new, more relevant development partnership based on policy dialogue more so than financing: a partnership that strives for deeper political engagement on shared challenges.

Joint Programming is emerging as the EUs preferred way of agreeing strategies and responses for programming with partner countries, Joint Programming is intended to respond flexibly to changing country contexts. Joint Programming (JP) is thus evolving from primarily about aid programming to encompassing a broader platform for *"joined-up Union"* engagement in partner countries (EU/MS/EIB/private sector). This broader platform includes other ways of supporting international development, such as technical assistance, triangular cooperation, knowledge partnerships, cooperation on global challenges like climate change and irregular migration and working with partners on joint positions in multilateral fora. This was confirmed in the Stepping up Joint Programming - Council conclusions (12 May 2016):

7. *[…] The Council also invites the Commission services and the EEAS* ***to consider ways in which Joint Programming can accompany countries in transition to higher income levels****, as part of a* ***wider relationship going beyond external assistance.*** […]

9. *In line with the EU Comprehensive Approach, Joint Programming documents should evolve* ***to include strategic issues such as migration, climate change, fragility, security and democracy.*** *The Council looks forward to the continued implementation of the EU Comprehensive Approach Action Plan and calls for* ***better coordination and greater coherence of the EU response, including through Joint Programming.***

This sentiment is echoed in the Global Strategy for the EU's Foreign and Security Policy with the commitment for Joint Programming to extend to *"New fields of our joined-up external action include energy diplomacy, cultural diplomacy and economic diplomacy. A more prosperous Union calls for* ***greater coordination between the EU and Member States, the EIB and the private sector.*** *We must become more joined-up across internal and external policies."*

And, the New European Consensus on Development states that the, *"The EU and its Member States will pay attention to the specific challenges of countries that graduate from low-income to middle-income status.*

93. The EU and its Member States *will engage in development cooperation, policy dialogue and partnerships with Middle Income Countries (MICs) on sustainable development, poverty eradication, protracted refugee crises and other shared interests. They* ***will combine political, security, economic, scientific, technical, technological and financial cooperation,*** *as appropriate. Dialogues on public policy and reform will take into account the diversity of MICs, promote mutual interests and identify common priorities, partnerships and principles for cooperation. They will support the implementation of the SDGs, which provide a common and integrated framework for cooperation, also addressing global public goods and challenges.*

94. *Many MICs still have high numbers of people living in poverty within their borders and often have* ***very high levels of inequality and social exclusion.*** *A key focus in engaging with MICs will be to ensure that no-one is left behind, by tackling poverty as well as formal and informal obstacles to social inclusion through equitable wealth creation and redistribution. The EU and its Member States will also address the need to accelerate and support the promotion of sustainable consumption and production patterns, the reduction of waste, the responsible management of chemicals and resource efficiency.* ***The EU and its Member States will work to share expertise and facilitate technology transfer and the exchange of good practices, including through setting up business platforms for MSMEs, to encourage responsible investment and fiscal reform in favour of renewable energy, sustainable natural resource management and the promotion of good governance, the rule of law and human rights.***

95. *The EU and its Member States will also develop* ***innovative engagement with more advanced developing countries,*** *including and beyond financial cooperation, as these countries need fewer or no concessional forms of assistance. These countries are key for the implementation of the 2030 Agenda and as major economies their impact on global public goods and challenges, including climate change, is increasingly significant."*

Urban development is on the rise in Nairobi, one of the world's fastest growing cities.

Programming in Middle Income and More Advanced Developing Countries

This short desk study documents how Joint Programming has included strategic issues and to give recommendations on how to improve the implementation of Joint Programming in More Advanced Developing Countries contexts[4]. Based on this assessment, the study should answer whether JP is providing the basis for better coordination and coherence beyond development cooperation of the EU response in More Advanced Developing Countries. It should also provide information on lessons learned for Joint Programming practitioners about current experience in More Advanced Developing Countries and to reflect on what the data says about the potential role for Joint Programming in More Advanced Developing Countries.

Argentina, Peru, Kazakhstan, The Maldives, India and South Africa are currently considered by the EU as possible pilots in which to invest in developing the knowhow and expertise necessary to inform how development cooperation needs to evolve to be relevant in middle income and advanced developing countries. However, of these countries, only South Africa and Peru have multi-annual indicative programmes. Argentina, Kazakhstan, The Maldives and India are all covered by regional indicative programmes, thus limiting the data extracted from the desk research alone.

Regarding JP countries, in almost all cases there is information on how by working in a joined-up manner, participating EU development partners (DPs) are recognising the need to adjust their programming to a world in which fewer and fewer partner countries give donors' a special place at the policy making table simply because of their financing. The JP county examples that stand out and are the basis for this report are Bolivia, Egypt, Ghana, Kenya, Moldova, Namibia and Palestine[5]. These JP country documents all afforded prominence to priorities that could be of value to programming in Middle-Income and More Advanced Developing Countries.

The findings included below are findings based on desk research, limited interviews with EU officials and inputs from EU officials. The analysis is presented first and then Operational Findings at the end. The operational findings focus on what could be done in programming processes to improve programming in non-aid dependent countries.

A Joined-Up Approach

A joint response can equally be about a Division of Labour as it is about actually joining forces and merging resources towards a shared objective. Division of Labour can improve efficiencies and is an early sign of a willingness to work jointly. However, working in a joined-up manner is a significant step beyond Division of Labour because it typically means coordinating analysis and strategy at the programming level to allow pooling of resources. Based on the analysis of the JP Countries Bolivia, Egypt, Ghana, Kenya, Moldova, Namibia, Palestine plus South Africa and Peru, an important finding is that there appears to be growing recognition for where joined up action can add value. In South Africa, for example, the 2014-2020 Multi-Annual Indicative Programme (MIP) takes pain to emphasise how the programming strategy *"relies upon a joint shared analysis"* (with the EU MS) even though cooperation is grounded in the Trade and Development Cooperation

Agreement. Further in some priority programming and on sensitive issues there is a strong emphasis on donor coordination and dialogue such as on the sensitive issue of Public Financial Management (PFM). In the JP countries covered there are also emerging commitments to working in a joined-up manner such as regarding future potential programming priorities like migration or nutrition. Possibly more importantly, though, working in a joined-up manner is featuring in the internal work (more details of which are listed below) of participating donors such as in promoting joint demarches, establishing joint communication and visibility envelopes and in using joint analysis to inform strategy and measure impact.

Domestic Resource Mobilisation and Blending

Most JP documents emphasise the combined weight of the EU and EU MS resources, but none focus explicitly on the volume itself as the EU's source of added value. None of the strategies covered, for example, made explicit the proportion of EU ODA to partner government's non-recurrent expenditure (a measure that typically demonstrates positively the importance of donors to public sector investments). Instead in all the countries reviewed, the strategies emphasise policy, governance improvements or access to markets as the primary added value of a cooperation partnership with the EU. And many make specific emphasis of the need to recognise the diminishing role of ODA.

The JP in Bolivia introduces programming by saying that *"between 2005 and 2013, [ODA as a] proportion of total [Government] funding fell from 63 % to 18 %". In Namibia, the focus is on "[achieving] more than the sum of our parts – transparency and predictability will be improved… European development partners represent the largest provider of development cooperation to Namibia"* But very much about development effectiveness. And in South Africa, "the low percentage, in relative terms, of EU development cooperation, compared to the overall budget (estimated at about 1% and falling) has led to taking an innovative "value added" approach which looks beyond the finance to…..best practice, innovation, risk-taking, pilot programmes, systems development, capacity building and above all skills and knowledge….[AND] could be facilitated through the use of blending". And in Moldova, the emphasis is on "innovative forms of development financing, leveraging private sector investments and mobilising additional domestic resources for development".

Counter-intuitively one of the more promising examples of Joint Programming in this context comes from Ghana, which is, itself in the lower tier of lower middle-income countries. The promise of Ghana as a learning opportunity for programming in middle income countries is that the JP is entirely framed about Ghana in a post-aid environment. Ghana's national development plan is titled *"Ghana Beyond Aid"*. The JP document states that *"EU+ Cooperation will evolve from traditional aid to a more comprehensive approach including trade, competitiveness, migration and climate change. The EU+ - Ghana partnership will be based on shared values, increased commercial cooperation and exchanges and focus on strengthened political cooperation." "falling net ODA disbursements to Ghana and the shift from traditional aid leading to a need for Ghana to develop new partnerships "beyond aid". The EU will focus on government capacity (including to tax) and an inclusive and industrialised economy…. using development financing to stimulate access to alternative sources of financing."*

The Bangui Wind Farm, on the north coast of the Philippines, takes advantage of the country's high wind power density.

However, two challenges remain. The first is that reference to blending is not accompanied by adequate description of what it can achieve and how this tool will help the EU improve its impact in partner countries. In many cases blending is used to explain that programming will work in closer cohort with the European Investment Bank; in most cases there is little text to convey to the partner government how blending will add value in middle income or more advanced developing countries. The notable exception here is the Kenya JP where blending serves to illustrate how the EU is going beyond poverty alleviation in the energy sector and doing so in such a way that has an impact on regional as well as domestic energy security, economic growth and integration. Whilst mobilising domestic revenue is a priority in many countries how this will be done and how this is about strengthening the cooperation partnership is rarely formulated in a way that conveys the ambition of the partnership.

Shared Interests

The emphasis on shared interests appears to be gaining more prominence in strategy documents. Poverty alleviation, whilst still of importance, is often presented as being one objective amongst others such as in growing the economy, wealth creation and on building capable and developmental state institutions. At the same time there appears to be growing emphasis on other priorities that are shared by the EU, the EU Member States and the partner country. *"The EU has an interest to support Peru in its effort to promote social protection policies and to diversify the economy… The EU has also a strategic interest to support the country in the control of and fight against the production and trafficking of illicit drugs. Organised crime linked to drug trafficking, but also to illegal mining and logging, negatively affects stability in the region as well as the EU's economic and wider security interests."* Similarly, the Bolivia JP attention is drawn to areas in which the EU, EU MS and the partner country have shared priorities such as in the *"fight against drug trafficking… science and technology, human rights, gender, interculturality, environment and climate change."*

It is worth noting that there is increasing reference to migration in Joint Programming but again this is at the early stages – migration largely does not, for example, appear as a commitment to a new investment in dialogue and programming. Nonetheless, manging migration is a shared interest of the EU and partner countries. For example, in the case of South Africa migrants from The Horn and Central Africa choose between South Africa and Europe as destinations with both South Africa and the EU struggling to manage the sustained inward flow of migrants. Equally important and oft under-emphasised, is that outward migration has damning impacts on emerging economies: in Moldova and Philippines, for example, outward migration is a drain on needed skills, breaks families and increases the likelihood of children left behind engaging in risky behaviour and, ultimately results in vulnerable dependents like the elderly and disabled being left to the care of the state. Contrary to popular opinion remittances are rarely seen by partner countries as sufficient benefit to compensate for the social and economic damage caused. The Moldova Joint Analysis explains, *"steady and continued outward migration of Moldova's citizens, primarily seeking work abroad… has resulted in something of a vicious cycle, with remittances softening the blow of the government's inability to translate growth into livelihoods. The problem is that as the trend continues, Moldova's population, as well as its productive capacity, is hollowing out, with an accordant impact on national revenue."* Moldova's national development plan (Moldova 2020) paints an even bleaker picture for the future, *"remittances, at one point in time, will start to decline. Currently, migration breaks families of Moldovan citizens. This in itself is bad enough, but following the evolution of migration in countries faced with this phenomenon, we anticipate that Moldovan families will reunite. Unfortunately, if it will not be acted firmly to create adequate working and living conditions in Moldova, migrant family reunification will occur outside the country, which will trigger a decline in remittances."*

Legacy Programming

Of the cases analysed, whilst much of the programming focus is likely to have evolved from old projects and activities, it is only in Bolivia that the EU Joint Programming document makes explicit the focus on legacy programmes although in Kenya the large number of sub-sectors specified also imply that legacy programming is setting the priority agenda. In South Africa, there is a brief reference to a Joint Analysis. However, the South Africa strategy still relies on a donor coordination structure that is more common in poorer developing countries: policy dialogue is sustained in Public Financial Management (PFM) which appears to be a priority of the country's Treasury.

Communication, Advocacy and Ambitious Results

One of the more promising entry points where by Joint Programming could serve as an example for programming in Middle Income Countries is around communication and advocacy. Several of the JP documents include a commitment to Joint Communication and even earmarking joint communication budgets (such as in Ghana). Namibia's JP, for example, calls for improving communication and coherence through *"Joint official approaches to Government will continue to be made in the form of regular political dialogues as well as ad-hoc "démarches" as and when needs arise. In addition, European development partners will continue to communicate regularly with capitals in the form of joint*

Mi Teleferico, an aerial cable car urban transit system in La Paz, is the world's highest cable car network.

European Heads of Mission reports." Similarly, in the Ghana JP, joint visibility events are intended as well as joint annual reviews and consultations with the partner government. In Kenya, a Joint Communication and Visibility strategy is envisaged, that includes *"brochures, joint signing ceremonies, joint project visits with media invited, joint annual review and dialogue with the Ministry of finance on the nature of the partnership."*

Potentially more interesting for middle income and advanced developing countries, are the examples of how Joint Programming is being used as a tool for political communication. The Moldova 2017 Joint Programme draws on the 2016 Joint Analysis done by participating donors to convey the sense that the EU's priorities are drawn from a consensus. In this regard, the Moldova JP is strongly focused on communicating the political message that the EU will *"focus on delivering tangible and visible results for citizens… strengthening public diplomacy [but] bound to strict conditionalities, which will be regularly monitored and evaluated."* This invoking of conditionalities whilst unusual in many developing country contexts, reflects the EU's political imperative in Moldova and is about adherence to what was negotiated in the Association and Deep and Comprehensive Fair-Trade agreements. Similarly, in Egypt the Joint Programme is used to reaffirm the EU's political agenda: *"a number of areas of particular political sensitivity and great importance to the EU are not appropriate or explicitly covered by the SDS [Egypt's national development plan]. They include human rights, migration, gender, rural development, and trade, as well as population policies…. stabilisation and resilience building of neighbouring countries, particularly by boosting economic development are the EU's main political priorities outlined in the European Neighbourhood Policy (ENP) review and in the Global Strategy for the European Union's Foreign and Security Policy."* The JP in Egypt further concentrates its resources on clear political priorities related to the EU's political objectives of economic modernisation, governance (meaning stability) and migration management. The Egypt JP also emphasises the need for joint communication and joint visibility (as well as joint monitoring and joint results framework) and calls for a high-level migration dialogue. Similarly, in Bolivia, the JP calls for establishing a *"High Level Policy Dialogue mechanism, which is an instrument for joint analysis on topics of mutual interest… made up of sector advisers or delegates from European partner Embassies and representatives of the Bolivian government."* Joint field visits, visibility and communication initiatives are a strong feature of Bolivia's JP.

In Palestine, the 2017-2020 JP was utilised to make a strong political message beyond programming and to set the agenda for trust building and continued close working relations with the Palestinian Authority. The Palestine JP calls for a *"new approach and influencing strategies (tools): The very specific and unique context in which European development practitioners operate in Palestine has led us to reflect on our role, the tools at our disposal (including their limitations) and on the balance that should be kept between what can be realistically achieved on the ground and the*

need to ensure that Palestinians are still able to realise their civil, political, social, economic and cultural rights. To achieve sustainable outcomes, the EU should more than ever formulate joint responses that address key obstacles and that can help reverse the negative trends witnessed in the last decades. On top of existing traditional developing tools, other existing and/or new tools should be developed/enhanced, aiming at a closer alignment between the political and development dimensions of the work of European partners in Palestine."

The recent Joint Programming Strategy for Egypt, for example, includes migration management as an area of intervention to support Egypt in its efforts to comprehensively manage the effects of the country's triple quality as a sending, receiving and transit country for migrants. Similarly, the strategic objectives of the Ghana Joint Programming Strategy are to accompany Ghana's transformation process and consolidation of its middle-income status, economic growth and democratic governance. The aim is to move towards a mature and mutually-beneficial partnership and into more strategic forms of cooperation, referred by the Government as *"Ghana beyond Aid". "Thus, the EU+ Cooperation will evolve from traditional aid to a more comprehensive approach including trade, competitiveness, migration and climate change."*

Triangular Cooperation; Twinning, Specialised Technical Assistance and Strategic Issues

The review of the strategy documents found little emphasis on Triangular Cooperation (cooperation by which the EU, the partner country and a regional peer, share work together on shared priorities). Neither was twining, nor the deployment of European know-how and European specialised expertise emphasised. This is a problematic finding because these modalities are currently emphasised for their potential to make programming more effective in middle income and more advanced developing countries. Similarly, whilst there are tangential references to academic exchange like through Erasmus, the focus on scientific exchange and/or knowledge diplomacy is not prominent.

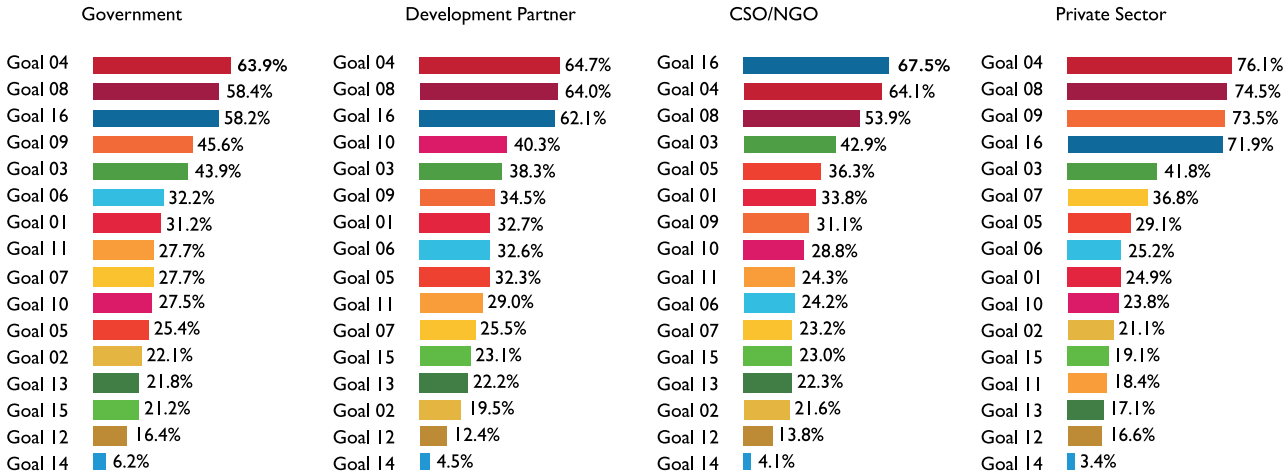
A container vessel docks in the Port of Mombasa, Kenya's largest seaport.

Analytic Findings

The evidence shows that the EU and EU Member States have been able to better position themselves for a new role in the context of Joint Programming. This role is more often than not about complementing 'traditional' programming with other aspects of cooperation such as on security, culture, migration or economic partnership. The analysis suggests that programming strategy is adjusting somewhat organically to new challenges particularly to the context in which partner countries are less dependent on ODA. These adjustments could be seen as green shoots but since they appear sporadically across different country programming they are more likely due to country specific dynamics than EU policy setting.

The analysis of JP documents also concluded with the observation that in some cases the JP documents appear to mix immediate operational considerations with medium term strategic priorities. This is a problem because in rapidly changing contexts the JP document can become quickly out dated. In the context of this study, ensuring that the JP document has standing and relevance for the duration of the programming cycle is important to the overall goal of getting participating donors to work jointly on a continual basis.

Additionally, in some cases JP documents do not order the importance of priorities in a way that is compelling at a political level. JP documents should be more explicit about EU and EU MS political priorities at partner country level. The fewer the priorities listed the more likely it is that the EU and EU MS share a common vision for what is most pressing in the medium-term future. Sectors then are identified for their potential to deliver on the political priorities. The extract below from the 2018 Listening to Leaders study[6], for example, shows how programming can be aligned to be of political importance to donors and partner governments (Figure 3). The extract also shows where opportunities lie to expand and ensure programming is supported by civil society and the private sector as well as partner governments. Such analysis needs to feature more explicitly in JP documents if it is to be relevant in contexts where the size of the financial envelope alone is insufficient to attract the attention of decision makers for policy dialogue.



Notes: This figure shows the percentage of respondents, by occupation, who selected a sustainable development goal (SDG) as one of their 6 priorities for advancing their country's development [n = 2,435 respondents answered this question].
Source: AidData's 2017 Listening to Leaders Survey.

Figure 3: Important issues by occupation
Percentage of respondents who identified a SDG as one of their top six priorities.

THEMATIC AREAS OF EU JOINT RESPONSE		MTP III				BIG FOUR PLAN				
		Economic Pillar	Social Pillar	Political Pillar	Enablers	Manufacturing	Housing	Universal Healthcare	Food Security and Nutrition	Enablers
Sustainable Infrastructure	Energy	x	x	x						x
	Transport	x								x
	Water		x							x
	Sustainable housing and urban development		x				x			
Employment Creation	Supply sude: focus on capable and skilled employees for the private sector	x					x			x
	Demand side: manufacturing, agriculture, value chain development, opportunities for youth and disabled, private sector development	x				x				
	Enabling environment: decent work; access to finance and financial inclusion; business skills; harmonization of degrees	x								x
Accountability and Governance	PFM			x			EU development partners' added value			
	Devolution			x						
	Human rights			x						
	Rule of law and access to justice			x						
	CSO and media support				x					
Resilience Building	Sustainable drought management				x				x	
	Increased food security and nutrition	x							x	
	Livelihood diversification and value chains	x							x	
	Research and adoption of climate-smart agriculture	x							x	
Migration; Security, and Cross-border Development	Migration and forced displacement									
	Stability and security (refugees, violent extremism and conflict)				x					x
	Cross-border development and spatial development				x					x

Figure 4: EU DPs' alignment with the Government of Kenya's Medium Term Plan III and the Big Four Agenda

In many cases sector programming still appears justified in terms of sector priorities (meaning those of technical specialists at sector level) on their own and is often disconnected from the political priorities of the EU or the partner country. The Kenya JP for 2018-2020 recognises upfront the government's ambition to 1) expand manufacturing; 2) deliver affordable housing; 3) ensure universal health care; and 4) deliver food security and nutrition. But whilst the Kenyan Government can focus its strategy of four focal sectors, the JP Document still lists programming in 5 thematic areas covering 19 sectors. More problematically, whilst the Kenyan government is clear that expanded manufacturing means jobs in the blue economy, leather and agriculture, the EU defines its contributions in technical terms like *"enabling environment", "supply"* and *"demand side"* actions. Even the EU's definition of "Employment Creation" denies itself the opportunity to communicate what Kenya's citizens and politicians want, namely Jobs. Figure 4 above from the Kenya JP, illustrates the challenges faced in convincing project managers to redefine their programming in a way that matters more to the political than to the developmental debate.

Aggravating the situation for programming in middle income and advanced developing countries, is that programming at the sector level is more often detailed in a way that makes it relevant to global priorities than to the partner countries' political context. Take for example in South Africa, where the EU Multi-Annual Indicative Programme focuses on the sectors of Employment Creation, Education (training and innovation) and Building a capable and developmental state. All three of these are important priorities but compared to the ruling party's election manifesto of the same year could be better aligned. Employment Creation is a technical description compared to the ruling parties promise of "Jobs". "Education" is a political slogan but by adding innovation it makes the EU about white collar jobs for well-qualified South Africans whereas the ruling party is talking education and training for first time, semi-skilled job seekers. The EU's focus on a capable and developmental state does not translate into an election slogan. At the same time, all the EU sectors cover multiple ministerial mandates thus making ownership conditional on a consensus from different and often competing ministers. Similarly, it is a significant administrative challenge to demonstrate how the

The Ghanaian government has targeted the improvement of the country's transportationation network amid rising demand.

EU's sectors contribute to the South African Government's *National Development Plan* – in fact none of the sectors described appear as headings in The Plan.

Programming at sector level should always be explained in terms of its relation to the partner country's political economy and, how it meets the political priorities of both the EU and partner country. Here demonstrating the value of Joint Programming to the Sustainable Development Goals should not be about contributing directly to the SDGs because this will very quickly be devalued as a donor driven agenda. Instead the value of JP regarding the SDGs needs to be about demonstrating how the EU and EU MS are delivering reputational benefits to the partner government in helping showcase how the partner country is delivering on the SDGs' global ambitions.

In terms of results indicators, the same challenge applies. Results are rarely contextualised in terms of their political value. Results frameworks often appear disconnected from the political ambitions of the EU and the partner country, something that does not bode well for ensuring that programming is of value in middle income and more advanced developing countries. Accordingly, JP results frameworks would benefit from prioritising indicators that are relevant to ongoing political dialogue. Similarly, the use of new modalities like blending, triangular cooperation and making better use of EU technical assistance (through triangular, twinning and service contracts) needs to be deployed as a means to responding to political interests and not sold as a new promising development tool. For example, blending is an incredibly powerful tool in that it promises to bridge economic diplomacy (and real political and economic interests) with development and poverty alleviation. Instead it is mainly referred to in strategies as just one amongst a plethora of 'donor technologies.'

Operational Findings

1. The analysis suggests that **framing development co-operation approaches in accordance with per capita income categories is flawed.** On the one hand it is widely acknowledged by EU Officials that the Middle-Income Country (MIC) category is not a useful consideration in defining a relevant and effective strategy across the diverse group of MICs: e.g. India, Mauritius Mexico, Nigeria. Panama, and Palestine all fit into the same group. Furthermore, expanding or reframing the definition to focus on More Advanced Developing Countries (MADCs) also appears to be a flawed approach because it is based on the same flaw that the MIC category is based on: that the macro-economic profile of the partner country is a better determinant of the type of cooperation needed than the local political context.

The primary operational finding is that **politics matters most** in terms of defining how to make cooperation strategy relevant. Put plainly the primary determinant should be whether the size of the development cooperation envelope guarantees the EU an influential role in policy making. **Partner countries that do not give the EU access to policy making because of the size of the grant envelope, require a more sophisticated approach to cooperation**, an approach that better approximates the norm in middle income countries. Grants are still exceptionally useful tools – however, they are often understood by partner governments as being associated with poverty and conditionalities. Instead grants need to be rebranded in terms of their flexibility and ability to contribute uniquely to innovative financing for development.

2. The analysis shows that in fewer and fewer country contexts does the size of the aid envelope secure the access to policy dialogue desired. In fact, none of the country cases covered offered much hope for the continuation of 'traditional' approaches to development cooperation. In the immediate future, if EU programming to middle income and more advanced developing countries is to be relevant and effective, **there is a clear need to experiment with and develop a greater institutional command of cooperation tools that make better use of relationship building and exchange of knowhow** in contributing to policy dialogue. This means on the one hand using peer to peer public sector exchanges such as twinning or TAIEX type technical assistance arrangements as well as encouraging triangular cooperation. It also means making cooperation more relevant to the partner country's and EU's private sector (many of whom are influential in policy making) through modalities like blending.

Regarding traditional programming, a prudent move would be to also start experimenting with making greater use of relationship building and exchange tools in preparation for the time when these partner countries too grow themselves out of a traditional cooperation relationship. So long as growth in the developing world exceeds growth in development cooperation spending, reduced aid dependency is a mathematical certainty.

With a capacity of 48 MW, the Dubăsari hydroelectric dam is one of two hydropower plants supplying electricity to Moldova.

3. Agenda 2030 requires even greater access to policy making processes in partner countries than ever before. **Agenda 2030 is not achievable unless** the EU is able to build a partnership amongst equals that allows the EU to participate in dialogue on partner countries' domestic revenue allocations. 'Traditional' development cooperation which is too often associated with a 'rich donor'- 'poor beneficiary' relationship is not a good starting point for a **dialogue on convincing partner countries to raise domestic revenue to spend on global goods.** Cooperation, therefore, needs to invest in relationship building amongst peers, something that twinning and triangular cooperation are better at than grant making.

4. The analysis also uncovers a possible opportunity to **clarify how Joint Programming relates to policy** in partner countries.

Step 1: In principle the programming priorities need to be based on a political and development strategy at partner country level. Development priorities on their own are not sufficient – they need to be checked for political relevance by comparing how these priorities appear in the manifestos of the ruling and opposition parties. This avoids the risk of JP supporting priorities that are listed in the partner country's development strategy that may actually have little to no political support.

Step 2: This strategy is all about what the EU is primarily trying to achieve from the cooperation partnership at country level. In a humanitarian emergency the priority could approximate a technical objective like 'reducing loss of life'. But, in a developmental context, the priority is typically about promoting global values that are shared by the EU such as the support for accountable governance, something that necessarily requires a meaningful partnership with like-minded local actors.

Step 3: Once these politically supported developmental priorities are understood sector definitions need to be revised so that they clearly communicate how they contribute to a partnership with the partner country's decision makers (and their political interests). This part of programming is about making sure that the EU's priorities are embedded in the local political context.

Step 4: Once the priorities are understood in terms of their political value to the partner country only then should sectors be identified for programming. These sectors, then, are selected to the extent they contribute to the overall objective and are best defined in a way that they clearly indicate who the EU is partnering with in country.

Step 5: Once the sectors are identified cross-cutting issues are mainstreamed into the programming approach that will be adopted at sector level. At this stage Agenda 2030 and the Sustainable Development Goals need to be introduced so that the specific sector programming is oriented towards deliverables that measurably contribute to the EU's Agenda 2030 ambitions.

Step 6: Joint Programming at the sector level needs to be defined based on a sub-set of indicators that illustrate value to Heads of Mission so that programming can drive forward /contribute to policy dialogue and complement political dialogue.

Unfortunately, many of the programming documents do not clearly demonstrate this sort of strategic and methodological approach. The implied reason for this is that it appears programming priorities are often set by technical level experts, many of whom prioritise what they perceive to be 'objectively' better priorities than priorities that contribute to the EU's high-level priority of using cooperation to strengthen partnerships with emerging economies. Whilst this approach was often praised in aid dependent countries and in 'traditional' cooperation it is difficult to conceive of how these technically motivated priorities are going to translate into compelling reasons for partner countries to invite EU into dialogue on policy making. It is the recommendation of this expert that to improve the relevance of programming especially in countries that are not aid dependent, the EU should strengthen EU Delegation's programming strategy capacity specifically regarding understanding more clearly the political agenda of the partner country and the political work of the EU Heads of Mission and EU Political Officers.

5. The analysis suggests that the main cooperation channels proposed for engagement with more advanced developing countries, are not adequately taken up at country level even though there is good evidence to suggest that development counsellors see the need for them. EU Joint Programming is an opportunity to better link programming to high-level strategy such as in relationship to building a partnership beyond development cooperation and in support of Agenda 2030. It is the recommendation of this researcher that the following should be considered for inclusion in the next programming instructions:

A. Sector definitions at country level must be reformulated to clearly communicate how the EU delivers value to the partner country's elected leaders. For example, donor conceived sector definitions like WASH (Water, Sanitation and Hygiene) is more politically relevant when described *as running water and flush toilets* or private sector development could be *jobs and wealth creation.*

Urban development is on the rise in Nairobi, one of the world's fastest growing cities.

B. The Programming strategy should focus on where the EU and partner country have shared political interests t framed by the Agenda 2030 targets.

C. At sector level, all new programming should include a discrete component focused on improving dialogue and strengthening the partnership itself. This component should stand separately to dialogue on contract and grant management. Sector strategies, then, should include a plan to strengthen dialogue and make specific reference to identifying whether peer to peer public sector knowledge exchange such as through twinning, TAIEX, technical assistance or triangular cooperation can be deployed to strengthen partnerships.

D. Dialogue needs to be based on an understanding of how to build coalitions in support of public sector change. This means recognising that a partnership with the partner country's government benefits from a complementary partnership with private sector elites, influential civil society and partner country intellectuals (many of whom are accessible through European alumni networks). 'Traditional' programming is effective at building partnerships with civil society that has no voice. However, 'traditional' programming largely fails to build partnerships with like-minded elites who have influence in partner countries. It is recommended that civil society mapping, and road map exercises be expanded to identify partner country elites who share the values and ambitions of the EU and thus can be mobilised in support of the desired policy dialogue.

E. Blending is a potentially influential tool because it can be the basis for a partnership with the owners of capital, whether they be partner country or EU financial institutions. The analysis provides little evidence on how blending will be used to strengthen policy dialogue or even to contribute to high value programming priorities. It would be advisable to consider including in the Joint Programming process a dialogue with the private sector (such as chambers of commerce) and influential private sector financial institutions to identify how programming can act as an incentive to work jointly with the private sector on shared EU priorities.

Finally, it is essential for the EU management to acknowledge that the issues touched on in this paper are largely recognised as being of priority by development counsellors. However, to adjust focus and address these emerging priorities requires a l restructuring of the work of many EU Delegations. In practice, it appears the biggest challenge is not in identifying what needs to be done differently but rather in ensuring that development counsellors have the tools and time to work on the necessary relationship building and policy dialogue. What is absent from the cases analysed, is evidence of explicit and prominent emphasis on making use of expertise exchange to enhance and support policy dialogue, something called for by interviewed officials.

Notes

1 - http://www.imf.org/external/datamapper/NGDP_RPCH@WEO/OEMDC/ADVEC/WEOWORLD

2 - https://www.aiddata.org/listening-to-leaders

3 - https://www.worldbank.org/en/country/mic/overview

4 - At the informal FAC/DEV meeting in September 2017, MADCs were defined as "upper middle-income countries as well as those large lower middle-income countries for which traditional external bilateral assistance is no longer the most important (nor necessarily preferred) form of international cooperation".

5 - Palestine is classified as a lower middle-income country although when looking at indicators related to health and education (adult literacy is at 95%; primary school enrolment at 90% according to UNICEF) it is more in line with middle income countries than the poverty profiles typically faced by other lower middle-income countries like Bangladesh.

6 - https://www.aiddata.org/listening-to-leaders

For more information contact:

EEAS JOINT PROGRAMMING:
joint-programming-support@eeas.europa.eu

DEVCO JOINT PROGRAMMING:
devco-joint-programming-support@ec.europa.eu

NEAR JOINT PROGRAMMING:
near-joint-programming@ec.europa.eu

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