

SADEV

SWEDISH
AGENCY FOR
DEVELOPMENT
EVALUATION

The EU and its policies on Development Cooperation

A learning material

Therese Brolin

SADEV POLICY BRIEF

SADEV REPORT

SADEV STUDY

■ SADEV WORKING PAPER

2007: 1

Swedish Agency for Development Evaluation
P. O. Box 1902, SE-651 19 Karlstad, Sweden

SADEV WORKING PAPER 2007:1
The EU and its policies on Development Cooperation
A learning material
Author(s): Therese Brolin

Copyright: SADEV
SADEV Reports are available at www.sadev.se
Printed in Karlstad, Sweden 2007

Preface

The Swedish Agency for Development Evaluation (SADEV) is a government-funded institute that conducts and disseminates evaluations of international development cooperation funded by Sweden. SADEV's overall objective is to increase effectiveness and efficiency in Swedish development cooperation.

SADEV's evaluations cover two major areas. The first of these involves the organisation of international development cooperation, and focuses on issues such as the management and monitoring of executive organisation, the choice of modalities, donor coordination, and the internal efficiency of donor organisations. The second area is concerned with the short- and long-term impact of development assistance on the wellbeing of recipient country populations.

Results of SADEV's evaluations are published as Reports. Interim studies and background reports are circulated as Working Papers. The opinions and views expressed in the Working Papers are those of the author and do not necessarily reflect SADEV's position.

This SADEV Working Paper provides an introduction to EU's development cooperation. It gives a historically informed overview of the institutions, decision making procedures, and treaties of present day EU development policy. Specific attention is paid to pathways for influence on EU development cooperation by member states, and Sweden's experiences from interactions with the EU. The final chapter highlights some emerging challenges for EU development cooperation in the near future.

This SADEV Working Paper has been written by Therese Brolin as part of SADEV's work on EU development cooperation. Patrik Stålgren has been the SADEV project leaders, in close cooperation with Lennart Wohlgemuth, guest Professor at Göteborg University, and Jonna Carlsson, Research Fellow at SADEV. James Mackie at ECDPM has generously shared his expert knowledge and provided valuable comments throughout the writing of this paper. Any remaining inaccuracies or errors are the responsibility of the author alone.

Contents

1	Introduction.....	1
2	The present day EU – An introduction to how the EU works....	3
3	The history of the European Union’s development cooperation	7
4	Present day EU development cooperation.....	17
5	Implementation of the European Community’s International Assistance.....	21
6	Interlinkages EU – Member States	30
7	Swedish development cooperation and the European Union....	35
8	Challenges in the EU development cooperation	42
	References	45

Acronyms

ACP	Africa, the Caribbean and the Pacific
ALA	Asia and Latin America
APRODEV	Association of the 17 development and humanitarian aid organisations in Europe, which works closely to the World Council of Churches
ASEAN	Association of Southeast Asian Nations
ASEM	Asia Europe Meeting
CAP	Common Agricultural Policy
CARDS	Community Assistance for Reconstruction, Development and Stabilisation (Balkans)
CFP	Common Fisheries Policy
CFSP	Common Foreign and Security Policy
CONCORD	European NGO Confederation for Relief and Development
CSP	Common Strategy Paper
DAC	Development Assistance Committee (OECD)
DEVGEN	Working Party on Development Cooperation
DG	Directorate General
DG DEV	Directorate General for Development
DG RELEX	Directorate General for External Relations
EBA	Everything But Arms (EU trade agreement with LDCs – Least Developed Countries)
EC	European Community
ECDPM	European Centre for Development Policy and Management
ECHO	European Community Humanitarian Office
EDF	European Development Fund
EEC	European Economic Community
EIB	European Investment Bank
ENP	European Neighbourhood Policy
ENPI	European Neighbourhood and Partnership Instrument
EP	European Parliament
EPA	European Partnership Agreement
EU	European Union
EUR	Euro
EURATOM	European Atomic Energy Community
EuropeAid	European Community's aid implementation agency
GAERC	General Affairs and External Relations
GNI	Gross National Income

GSP	General System of Preferences
IPA	Pre-accession Instrument
LAC	Latin America and the Caribbean
LDC	Least Developed Countries
MDG	Millennium Development Goals
MEDA	Middle East and North Africa Programme
MEP	Member of the European Parliament
Mercosur	Mercado Común del Sur (Southern Common Market)
NGO	Non-governmental Organisation
OA	Official Assistance
OCT	Overseas Countries and Territories
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
PCD	Policy Coherence for Development
Phare	Programme for Eastern Europe's emerging economies
PRSP	Poverty Reduction Strategy Paper
QMV	Qualified majority voting
RELEX	External Relations
SAA	Stabilisation and Association Agreement
SAARC	South Asian Association for Regional Cooperation
SAP	Stabilisation and Association Process
SADC	South African Development Community
STABEX	Funds to mitigate losses from exports
SYSMIN	Funds to mitigate losses from mining operations
SWAP	Sector Wide Approach
Tacis	Programme for former Soviet Union countries
TEU	Treaty on the European Union
UN	United Nations
WTO	World Trade Organisation

1 Introduction

The European Union is one of the major actors in international development cooperation in the world. The EU and its Member States provide more than half of global official development assistance. The EU is, at the same time, the main trading partner for many developing countries and a major actor on the international political arena.

The EU has a dual role in the international development cooperation: the European Commission conducts development cooperation in a similar way to a bilateral donor and the EU is a framework which can be used to provide some coordination between development cooperation of the Member States. European Community development cooperation accounts for ten percent of global ODA and its development assistance should be complementary to the Member States and work in areas where it has comparative advantages such as in the area of trade and development, regionalisation etc. The 1992 Treaty of Maastricht, which established the EU and first established development cooperation as an area for European Community action, defined three goals for this work:

- Sustainable economic and social development in developing countries, in particular the least developed countries
- The harmonious integration of developing countries into the world economy
- The eradication of poverty (TEU Art 177, 1992).

However, even before 1992 the European Community was in fact already involved in international development cooperation since its foundation in 1957. Thus at the time of the Treaty of Rome the 6 founding Member States asked the European Commission to administer a fund, the European Development Fund, for a selected group of countries with which they had close ties. Thus initially this EC managed cooperation was directed to former colonies, predominantly in Sub-Saharan Africa and was closely linked to trade relations. Today the cooperation has evolved and it now includes cooperation with 160 countries in six regions around the world. In 2005 the European Community distributed € 7.5 billion to developing countries as budget support and support to various geographical and thematic programmes. At the same time and partly because of its own institutional complexity, EU development cooperation is faced with major obstacles, not least in the areas of the three principles that were also established in the Maastricht Treaty: coherence, coordination and complementarity within the European Community and in the coordination between Member States development efforts.

This learning material will describe how the international development cooperation has developed within the European Community since the 1950, how the major institutions within the EU handles development issues and what agreements it is that governs the EU's international development cooperation. Sweden will be given as an

example of how a member state can influence the EU's external assistance and how the EU has influenced Sweden's bilateral relation to developing countries.

2 The present day EU – An introduction to how the EU works

Member state cooperation within the European Union has changed out of all recognition since the first treaties were signed in the 1950's. Today the European Union is more than just an economic community; the cooperation also involves a monetary union, a single market, and common policies in many areas including in international relations and internal security and other policy areas (see <http://europa.eu>).

The activities of the EU are often separated into three areas, or 'pillars', that were constituted in the Maastricht Treaty.

1. The first pillar is the European Community. It concerns areas where the EU Member States have pooled absolute legislative power in the Community and the European Commission therefore holds the 'competence' to manage the area. These areas are among others, a custom union and a single market; common agricultural and trade policies; EU citizenship, asylum policies etc.
2. The second pillar is the Common Foreign and Security Policy (CFSP) which remains an area of inter-governmental cooperation and the 'competence' is therefore still with the Member States working together. This covers cooperation between them in areas they agree on and provisions to take common position and measures in issues concerning international relations.
3. The third pillar is cooperation in justice and home affairs which includes common legislation and police cooperation.

The second and the third pillar are based on inter-governmental agreement and the European Parliament therefore has little power, instead it is the European Council that makes the final decision, often by consensus or by unanimity (Blomberg and Stubb 2003).

The EU's international development cooperation is a 'shared competence' in that the EC part falls under the first pillar, but the Member States have also retained the right to go on conducting their own bilateral development programmes. The EC therefore does not have exclusive competence in this policy sector hence the need to encourage as extensive *coordination* and *complementarity* as possible between all the development cooperation programmes of the Member States and the European Community.

The legislative bodies in the EU

Important legislative bodies in the EU are the Council of the European Union representing the Member States; the European Parliament representing the citizens; and the European Commission which is a political independent body that upholds the collective European interest.

The European Commission: The European Commission consists of 25 women and men, one from each member state. The Commissioners' work independently of their

national governments, they represent the EU as a community. The Commission is the executive arm of the EU; it initiates legislative proposals and implements decisions taken by the European Council and the European Parliament. The European Commission is made up of 24 Directorate-General (DGs), one for each policy area that are of interest in the EU, and 14 other institutions, or services, that works within the Commission. One Commissioner is appointed for each DG and there is also a president that leads the work in the Commission. The Commissioners are assisted by 20,000 civil servants, predominantly working in the different policy DGs, but also in the administration and with translation. The DGs and services are divided into four policy groups. The DGs and services that take care of issues about development fall under the external relations or 'RELEX' group. The Commission has the right of initiative in all areas where it has been given competence and is therefore the institution to make proposals (European Union Institutions and Other Bodies 2006: the Commission).

The European Parliament: The European Parliament (the EP) represents the citizens in the Member States. The members of the European Parliament (MEPs) are elected in democratic elections held in June every fifth year (the last elections were held in 2004). The numbers of members of the Parliament each Member State has is regulated after how many inhabitants the state has. The total numbers of the members of the Parliament are 732 and 19 of them represents Sweden. The members of the Parliament are not organised by nationality, but in eight Europe-wide political groups representing the different political interests that exists in the EU. The European Parliament has over the years gradually obtained more influence in the EU decision-making process and particularly after the introduction of a co-decision procedure in various policy areas. Development cooperation is now subject to co-decision and therefore the European Parliament participates in all decisions made concerning development projects and programmes. How the co-decision procedure works is explained later in this chapter. (European Union Institutions and Other Bodies 2006: the Parliament). Traditionally the greatest source of the EP's power has been in the role it has played on the EU Budget which is decided on by co-decision and on which the EP has the last word.

The Council of the European Union: The Council of the European Union, or the Council, is the main legislative body in the EU. The Council consists of Ministers from each Member State representing the specific policy sector that is on the agenda. For example if development issues are on the agenda the Ministers of development or, possibly, foreign affairs from the Member States meet in the Council to discuss the matter. There are nine working groups in the Council and the group responsible for development issues is the General Affairs and External Relations Council (GAERC) which meets once a month. In practice the development Ministers meet at least twice a year, usually in May and October or November. The decisions in the Council are often taken on the basis of qualified majority voting (QMV). A qualified majority is if a decision is supported by 55 per cent of the Member States, and it must also include at least 15 of the Member States and represent 65 per cent of the European population. Most decisions are, however, reached by consensus.

The Council meetings are prepared in Brussels by the Coreper (Comité des Représentants Permanents) and its working groups. Every Member State has a permanent representation in Brussels that represents the national interest of its country. The Coreper prepares the work for the Council and is assisted by a number

of working groups. One of the Coreper's major duties is to decide if a proposal is of such importance that the Council must take a decision itself, or if the Coreper can make the decision for them. The working groups inform the Coreper in issues that are of interest for that specific group. Working groups that are of importance in development issues are, the Development Cooperation Group (CODEV), the ACP Group, the Politics and Security Committee (COPS), United Nations Working Group, Working Group on Human Rights (COHOM), Africa Working Group (COAFR) and the other regional groups for Asia and Latin America (European Union Institutions and Other Bodies 2006: the Council).

The European Council: The European Council is made up by the Member States head of states (presidents and prime Ministers). The European Council meets two or more times a year. At these summits issues that have not been solved on lower levels are decided upon and informal proposals for new agendas in the EU are discussed. The European Council is the authority which makes the final decisions in enlargement issues and other questions that concerns the whole EU, for example in the Common Foreign and Security Policy (European Union Institutions and Other Bodies 2006: the Council).

The Decision-making process

There are three main decision-making procedures, or ways to adopt policies, in the EU. These procedures are regulated in the treaties. The three processes are:

- The Consultation procedure: The Commission makes a proposal to the European Parliament can comment, but not refuse. The final decision is made by the Council.
- The Assent procedure: This procedure implies that the European Parliament has adopted a proposal from the Commission before it reaches the Council which then takes the final decision. The European Parliament cannot amend the proposal, just reject or accept it.
- The Co-decision procedure: In the Co-decision procedure the European Parliament and the Council have equal possibilities to influence the decision-making again based on a proposal from the Commission. This is the most common way to make a decision, including questions concerning development issues, and is therefore described more thoroughly below.

The Co-decision process: The Commission makes a proposal and submits it to the European Parliament. The European Parliament makes a statement on the proposal and passes it on to the Council. The Council accepts the proposal and the amendments made by the European Parliament or it rejects the amendments and makes new adjustments. The Council can also reject the whole proposal. If the Council makes a new statement it is returned to the European Parliament. The European Parliament can reject the new proposal, they can accept the new proposal or they can make new amendments. If there are new amendments the proposal is returned to the Commission which accept or rejects the changes, either way the proposal is passed on to the Council. The Council can reject it or accept it with qualified majority voting or unanimously, depending on if it was rejected or accepted by the Commission. If the proposal is rejected a Consolidation Committee tries to find a compromise, if it does not the proposal is rejected. If it finds a compromise the proposal must be accepted by the Council in a qualified majority voting and in the European Parliament by a majority of the members of the parliament, otherwise the proposal is rejected.

When the proposal is accepted it is the Commission that supervises the implementation of the new policy. There is also a European Court of Justice that ensures that the EU law is followed in practice. When there are doubts if the EU treaties are followed or how they should be interpreted the Court is asked to make a judgement. The national tribunals must also ask the courts when they are in doubt how to apply the EU law (Tallberg 2004). Another important EU institution is the EU Court of Auditors which examines expenditure of EU funds and of the EDF and checks the legality of spending.

3 The history of the European Union's development cooperation

Development as an objective for the European Community

In the 1950s, when the first step to form a European Union (EU) were taken, one of the main objectives of European cooperation was to prevent future conflicts between France and Germany. Relations with developing countries were, in the first agreements, based on old colonial relations and development issues were not high on the agenda. A lot of things have happened during the fifty years that have passed since the first treaty was signed; many of the colonies gained their independence in the 1960's, the fall of the Berlin wall and the break up of the Soviet Union have, among other things, changed the objectives of EU relations with developing countries. From being a rather insignificant donor the EU is today one of the major actors providing for more than 50 per cent of global official development assistance (EU Donor Atlas 2006) if both European Community aid¹ and EU Member States bilateral aid is taken together. The objectives of European interest in developing countries, and the evolution of the European Community's relations with other parts of the world, is described below.

The European Community's relation with countries in Africa, the Caribbean and the Pacific

In 1957 the foundation of what was going to be the European Union was set when France, Germany, Belgium, the Netherlands, Italy and Luxemburg decided to form a European Economic Community (the EEC). Development issues were not a priority, but four of the Member States (namely France, Belgium, the Netherlands and Italy) had colonies or depending territories in Africa, the Caribbean and in the Pacific (the so called ACP countries) and the European interest in these areas needed protection in the new economic agreement. In the EEC treaty, also called the Treaty of Rome after the city where it was signed, the trade relations to the associated countries in the ACP area was regulated; the trade barriers in forms of taxations and quotas that European countries had set up to protect their own markets, were lowered and it was agreed that the EEC would promote economic, social and cultural development in these countries. A separate fund, outside the EEC budget, the European Development Fund (EDF) was created to assist developing countries with which the EEC Member States had colonial ties (Treaty of Rome (1957): Part four, Association of the Overseas Countries and Territories).

The Yaoundé Conventions: In the early 1960's many of the former colonies were winning their independence which also changed the relation between the EEC and the ACP countries. The former colonies needed access to the European market and the EEC countries needed labour and cheap commodities from those countries. Representatives from the EEC and from 18 former colonies in what was to become known as the ACP region (Africa, Caribbean & Pacific)², most of them francophone

¹ EC aid on its own accounts for about 11% of global ODA.

² 'ACP' came to be used as a name in the 1970s when the countries party to the Lomé Agreement signed the Georgetown Agreement (6 June 1975) and formed the ACP Group.

former French colonies, met in Yaoundé, the capital of Cameroon, to agree on a “package of measures” that should ease the trade between EEC and the ACP countries. A provision of development assistance was also set in Yaoundé and the, so called, Yaoundé Convention was signed on the 20th of July 1963. The agreement was renewed, and a Yaoundé II was signed in 1968 (Cox, Koning et al 1997). In theory this convention would enable former colonies to be independent from their former rulers without losing the benefits they had obtained in the Treaty of Rome (Berlin and Resare 2005, p 25).

The Lomé Conventions I-IV: In 1973 the United Kingdom, Denmark and Ireland joined the EEC and the community now had nine Member States. The UK had about 25 former colonies in the ACP region and initially these countries also benefited from the agreements in the Yaoundé convention. In 1975 this was formalised in an agreement signed in Lomé, the capital of Togo and the Lomé convention replaced the Yaoundé convention which expired in 1973. In the new agreement all duties on export goods, except meat and grain, were lifted on the export from ACP countries to the EEC. In addition the so called sugar protocol (a commonwealth inheritance) was annexed to the convention to benefit a selected number of sugar exporters (Cox, Koning et al 1997). In the sugar protocol the EEC consented to buy a fixed quantity of sugar from ACP producers to a high guaranteed price which was set according to EU's domestic price on sugar. This has been of certain importance for states that heavily depend on sugar export such as Mauritius, Fiji, Guyana and Barbados.

In its time the Lomé Convention was seen as a unique and avant-garde agreement between developed and developing countries. It included clauses about equality between partners, respect for sovereignty, mutual interest and interdependence. These principles were given tangible form in the principle of co-management which meant that all projects funded from the EDF, the financial protocol of the Conventions, had to carry two signatures: that of the EC and that of the ACP country. A further central element of the Lomé Conventions was the security they provided to the ACP countries in terms of a contractual agreement on the provision of agreed amounts of funding over each EDF period (5-7 years). Once agreed these funds remained available to the ACP state concerned even if they were not used as rapidly as originally intended. It was only towards the end of the Lomé era that certain conditionalities were introduced whereby if the receiving states did not achieve the things agreed upon the EEC had the right to withdraw the assistance (The European Commission 2006: the Lomé Conventions).

The Lomé convention was extended three times; 1980, 1985 and 1990. The first Lomé convention, from 1975, included 46 countries in the ACP region. Most of the thrust of EEC development cooperation was, at least until the 1980's, directed towards former colonies. By the end of the last Lomé convention 71 ACP countries achieved beneficiaries from the EEC agreement and it also included countries without a colonial history with the EEC Member States. In the third Lomé from 1984 the attention shifted from promotion of industrial development to self reliant development with the basis on self sufficiency and food security. Another major change during the era of the Lomé conventions occurred when the Lomé IV was signed in 1989. A stronger emphasis was now put on human rights, democracy and good governance. Other areas that also received attention was strengthening the position of women, the protection of the environment, decentralized cooperation,

diversification of ACP economies, promotion of the private sector and increasing regional cooperation. The fourth Lomé covered a period of ten years, but the financial protocol was set for five years. In Lomé four the political cooperation was reinforced; if the receiving country violated the agreed principles on human rights, democracy etc. their economic assistance could be suspended (The European Commission 2006: the Lomé Conventions).

The Cotonou agreement: By the end of the 1990s the situation in the world had become a lot different since the first Lomé convention was agreed upon in 1975. Major upheavals in the world politics, socio-economic and political changes in the ACP countries, the spreading of poverty and new conflicts in the world urged for a change in the way of thinking about international development cooperation. The Lomé convention expired in the end of February 2000 which gave an opportunity for an in-depth review of the future ACP-EU relations. The new convention was to be called the Cotonou agreement. In order to encourage reflection about the purpose and content of the proposed new convention the European Commission first issued a Green Paper on the Future of Lomé³ which created an intense public debate about EU's international development cooperation. Among other things, the Green Paper showed that generous trade agreements and the economic assistance had not been enough to create development in poor ACP countries but there was widespread agreement that cooperation needed to continue, be intensified and also simplified. The 'spirit of Lomé' enshrined in the principles of equality and independence of partners, co-management and security based on mutual obligations was to be retained. However, somewhat reluctantly because they saw it as an erosion of the principle of security, the ACP also agreed that joint performance based reviews would be introduced to make possible reallocations of funding at the mid-term of each EDF period, to take account of slower or faster progress. As well as being a measure to improve efficiency and effectiveness, this was seen as the best way to counter the growing backlog of unused funds that had accumulated by the end of Lomé IV and which had become an obstacle to getting further increases in EDF funding.

The negotiations for Cotonou started in September 1998 and the new ACP-EU agreement was signed on the 23rd of June 2000 in Cotonou, Benin. The Cotonou Partnership Agreement was concluded for a twenty year period; from March 2000 to February 2020, with a clause allowing revision every fifth year and, if it is necessary, smaller revisions can be made every year at the annual ACP – EC council meeting (The European Commission 2006: the Cotonou Agreement).

There are five issues that are given a central position in the Cotonou Agreement:⁴

A comprehensive political dimension: One of the key features in the Cotonou Agreement is the importance of a political dialogue between the ACP countries and the EC. The dialogue should allow the two parties to address all issues of mutual concern, to ensure consistency and increased impact of development cooperation. This will, among other things, address peace-building policies and conflict prevention. There is also a strong emphasis on good governance, human rights, rule of law etc.

³ A green paper is a discussion paper produced by the Commission with the intention to stimulate debates in the European Parliament and in the European Council.

⁴ ECDPM, 2001, Cotonou Infokit

Participatory approach: The role of the civil society, the private sector and other non-state actors (NSAs) is reinforced with the inclusion of a chapter on the Actors of the Partnership. NSAs are to be included not only in the implementation of projects financed under the EDF but also in dialogue aspects of the Agreement. This is intended to promote participatory approaches and partner country ownership.

A strengthened focus on poverty reduction: Poverty reduction is, in the Cotonou Agreement, confirmed as a central objective in the partnership. The poverty reduction strategy covers not only economic development, but also social and human development in terms of social sector policies, youth issues and cultural development. There are three “cross-cutting” themes which should mainstream the partnership; gender equality, environmental sustainability, institutional development and capacity building.

A new framework for economic and trade cooperation: the objectives of economic and trade cooperation are: to promote smooth and gradual integration of ACP economies into the world economy; to enhance production, supply and trading capacities; to create new trade dynamics and foster investment; and, finally, to ensure full conformity with WTO provisions. On the basis of these principles it was agreed to embark on negotiations to be completed by 2007 to define new economic partnership agreements (EPAs) between the EU and the ACP.

A reform of financial cooperation: One part of the Cotonou agreement is to decentralise parts of the administrative and financial responsibilities towards the receiving country. The aim is to make the development cooperation more effective. It also includes a rationalisation of financial instruments and a new system called “rolling programmes” based on the performance based reviews mentioned above. (The European Commission 2006: the Cotonou Agreement).

Funding for cooperation with the ACP countries: The development assistance, both in the Yaoundé and the Lomé conventions, was drawn from the EDF, but countries in the ACP area have also benefited from financial flows from the general budget of the EEC. Budget lines have been introduced in areas where there are needs for quick response, for example in case of humanitarian catastrophes. The first budget line was introduced in 1967 for food aid, the so called “food aid convention”. The trade relationship in both the Yaoundé and the Lomé conventions were based on preferential access to EU markets. In the Lomé conventions an arrangement was made for compensating ACP countries for losses in export earnings due to fluctuations in prices or supply of commodities. This system was called STABEX⁵. A special arrangement, SYSMIN⁶, was introduced in Lomé 2 which was made for the countries that were heavily relying on export of minerals (mining). Both the STABEX and the SYSMIN were financed with money from the EDF (Cox, Koning et al 1997, p 56 p; The European Commission 2006: the Lomé Conventions).

There were ten different cooperation instruments available in Lomé IV and these were divided into three categories; programmable aid where resources were allocated on a geographical basis; non-programmable aid where resources were allocated for a

⁵ From French: *Système de Stabilisation des Recettes d'Exportation*

⁶ From French: *Système de Stabilisation de Recettes d'Exportation de Produits Miniers*

special purpose (such as the STABEX and the SYSMIN); and loan finance which was credits from the European Investment Bank (EIB) in support of enterprises. The many ways of funding resulted in a fragmentation of projects since each of them had their own methods and procedures that needed to be accounted for (Cox, Koning et al 1997, p 56 p; The European Commission 2006: the Lomé Conventions).

In the Cotonou Agreement the EU, therefore, wanted to cut the number of instruments and make it more flexible. There are only two ways of funding in the Cotonou agreement; through grant facility and investment facility. The grant facility is a single package of funding for ACP countries and regions. The Commission makes national and regional allocations of funding from this facility, based on criteria of need and performance, upon which are then developed a series of NIPs and RIPs (National and Regional Indicative Programme). These resources could be used for a wide range of operations on micro, as well as on macro, economic levels. The programmable and non-programmable aid was thereby abandoned and so were the STABEX and SYSMIN instruments. The investment facility replaced the loan finance and focused on fields of intervention that could not be financed sufficiently from private capital or by local financial institutions. The funding to the ACP region is still not drawn from the general EU budget, instead the funding comes from the EDF⁷ (The European Commission 2006: The Cotonou Agreement).

European Community relations with Asian and Latin American countries

No tariff preferences or financial support for countries in Asia or Latin America were made when the 1957 Treaty of Rome was drawn up. It was only in 1973 when the UK became a member of the European Community, that relations with its former colonies in Asia started to be included in the EEC's international development effort. The European Commission and the Council of Ministers also felt it necessary to include the Latin American countries in their international development cooperation, but this only really started to take off after Spain joined the EEC in 1986. Out of these efforts emerged a special type of agreement with the European Community for the Asian and Latin American countries (the ALA countries). Such ALA agreement, which initially focussed primarily on trade relations and only gradually came to include provisions for development cooperation, were then signed individually with more and more countries in these two continents. The ALA countries were called "non-associated countries" in order to separate them from the Yaoundé and Lomé states.

In the 1970s the EEC introduced its General System of Preferences (GSP) for ALA countries. The GSP products imported from GSP countries either benefit from duty free access to the EEC market or tariff reduction, depending on each country's agreement. Today there are three kinds of general GSP agreements (Cox, Koning et al 1997, p 81pp):

- all beneficiary countries enjoy the benefit of the general arrangement;
- the GSP plus: a special incentive arrangement for sustainable development and good governance provides additional benefits for countries implementing certain international standards in human and labour rights, environmental protection, the fight against drugs, and good governance

⁷ More about the EDF and the budget later on

- a arrangement for the least-developed countries (LDCs), also known as the "Everything But Arms" (EBA) initiative, provides for the most favourable treatment of all, in the aim of granting the LDCs "duty-free and quota-free" access to the EU's market (The European Commission 2006: Trade Issues).

In 1976 a programme for financial and technical cooperation was set up. This cooperation was funded from the general EEC budget and it benefited around 40 countries in the ALA region. It was not until 1986, when Spain and Portugal joined the EEC that the partnership with low income countries in Asia and Latin America were formalised in what is called the ALA Regulations. The emphasis of the first regulation was on development support, including agricultural and rural development, as well as other social sectors. In 1992 a new regulation was signed. The most important difference in the 1992 regulation was an economic regulation for which a new special budget line was established. It also had an explicit concern for issues such as democracy, human rights, gender and environment (Eva-AU Association 2002).

Latin America: The EU relation with Latin America is of a bi-regional character between the EU and the countries in Latin America. The EU has developed a strategic partnership with the countries in Latin America and Caribbean (the LAC area) (Berlin and Resare 2005, p 34 p). In 1986 a group with representatives from the LAC countries formed a group, the so called Rio Group⁸, as an alternative body to the Organisation of American States. In the Rio Group the leaders of the LAC member state have political consultations and they coordinate their action in relation to the Organisation of American States, the EU and other regional institutions (Haglund 2004). In 1999 the first meeting with representatives from both the EU and the Rio group was held in Rio de Janeiro and since then two other meetings between the Rio group and the EU have been held; one in Spain 2002 concerning enhancement of multilateralism and one in Mexico 2004 focusing on social cohesion in Latin America. There are also sub-regional cooperation initiatives taken in the LAC region, such as the Mercado Común del Sur (Southern Common Market, Mercosur) including following countries; Argentina, Brazil, Paraguay and Uruguay (Berlin and Resare 2005, p 34 p). Mercosur has a free trade agreement with the EU concerning goods, services and investment. The Mercosur shall also work for an increased leverage for political dialogue between its Member States and the EU (Santander 2006, p 86).

Asia: The dialogue, and the development cooperation, with Asia are primarily held with three groupings of states in Asia: the Association of Southeast Asian Nations (ASEAN), the South Asian Association for Regional Cooperation (SAARC) and the Asia-Europe Meeting (ASEM) the first two are formal associations of states. ASEAN encompasses ten Southeast Asian countries while SAARC includes seven Asian countries (Berlin and Resare 2005, p 35 p). The third, ASEM, is an informal cooperation which also includes developed countries in Asia such as Japan and South Korea.

⁸ The Rio group includes following countries: Argentina, [Argentina](#), [Bolivia](#), [Brazil](#), [Chile](#), [Colombia](#), [Costa Rica](#), [Dominican Republic](#), [Ecuador](#), [El Salvador](#), [Guatemala](#), [Guyana](#), [Honduras](#), [Mexico](#), [Nicaragua](#), [Panama](#), [Paraguay](#), [Peru](#), [Uruguay](#) and Venezuela.

In 2004 a strategy for development cooperation was set between South East Asian countries and the EU. This agreement is called “New Partnership with South East Asia” and the six priority areas are:

1. Supporting regional stability and the fight against terrorism
2. Human Rights, democratic principles and good governance
3. Mainstreaming Justice and Home Affairs issues
4. injecting a new dynamism into regional trade and investment regions
5. continuing to support the development of less prosperous countries
6. intensifying dialogue and cooperation in specific policy areas

(source: DG External Relations 2003)

The aid assistance to ALA countries is drawn from the general EU Budget⁹. Because the EU Budget this does not operate on the basis of co-management the European Commission has greater autonomy and flexibility towards the ALA countries than they have with the ACP countries, which receive their assistance from the EDF (Cox, Koning et al 1997 p 81 pp).

The European Community's relation with Mediterranean countries

Aid to the Mediterranean countries (which are Malta, Cyprus, Turkey, Morocco, Tunisia, Egypt, Israel, Jordan, Syria and Lebanon) was mentioned in the Treaty of Rome (Treaty of Rome 1957, article 238). Europe and the Mediterranean countries have economic, social and political relations that date long back that goes beyond trade concerns and aid cooperation. In general no aid is provided for countries in the Middle East, but a special agreement is made for the Palestinian territories. Today there are three cooperation agreements that govern the relation between the European Community and the Mediterranean area (the Euro-Mediterranean partnership):

- the Barcelona Declaration: the Barcelona Declaration from 1995 is a region-wide strategy concerning free trade, a strengthened cooperation and a dialogue between the regions to increase tolerance and fight racism. One main perspective in the Barcelona Declaration is to ensure peace and stability in the Middle East (Barcelona Declaration 1995).
- MEDA 2: MEDA is the main EU instrument for the implementation of development cooperation with the Mediterranean region. The first MEDA was adopted in addition to the Barcelona Declaration 1995, and it was renewed and adjusted in 2000 in the MEDA 2. One objective for MEDA is to support sustainable economic and social development, and free trade is one way to achieve that end (Barcelona Declaration 1995; The MEDA System 2006).
- European Neighbourhood Policy (ENP) After the EU enlargement in 2004 a policy for the relation with the new boarding countries was introduced. The objective is to avoid the emergence of new dividing lines between the enlarged EU and its neighbours. Instead the relation should be strengthened with increased stability and security. The ENP is, among other things, built upon a relationship of commitment to democracy, rule of law, market economic principles and a sustainable development (European Neighbourhood Policy 2006).

⁹ Even if countries in Latin America and the Caribbean are cooperating they are funded in different ways; the Latin American countries get their funding from the general budget and the Caribbean countries get theirs from the EDF.

In the new EU Budget from 2007 to 2013 all assistance (including the MEDA and the ENP) has become a part of the so called European Neighborhood Partnership Instrument (ENPI)¹⁰ (APRODEV 2006).

The European Community's relation with Eastern Europe and Central Asia

During the cold war the aid relationship between Eastern Europe and the European Community was almost non-existent. The situation changed in the 1980's when the Soviet Union was dissolved and many of the former socialist countries became democracies. In 1988 a trade and economic programme, Phare, was set up to support the former planned economies in their transition to market oriented economies. In 1993 several of the Eastern European states applied for membership in the EU which also changed the direction of the Phare programme to strengthening public administration and institutions to ease their possibilities to become members of the European Union (Cox, Koning et al 1997). The Eastern European countries are also embraced by the European Neighbourhood Policy (ENP). There is today no regional framework for the Eastern Europe and central Asia region, but there are various forms of individual agreements called partnership and cooperation agreements (PCAs). PCAs are legal frameworks, based on the respect of democratic principles and human rights. The PCAs settle the political, economic and trade relationship between the EU and its partner countries. Each PCA is a ten-year bilateral treaty signed and ratified by the EU and the individual state. The PCA does, however, not cover some of the key areas such as issues concerning water, energy and boarder disputes (The European Commission 2006: Relations with Eastern Europe and Central Asia).

The Balkans: The EU aim with its effort in former Yugoslavia is to expand the peace, introduce stability and freedom in the area, to create an area where military conflict is unlikely. The policy framework for EU's work in the Balkans are called the Stabilisation and Association Process (SAP) and it prepares the area for a future EU membership through stabilisation and association agreements, autonomous trade measures and financial assistance (Berlin and Resare 2005).

The European Union's relation with developing countries

Today the international development cooperation, concerning both trade and aid assistance, is one of the three principal components of the EU's external relations, together with trade policies and political dialogue. The increasing interest for international cooperation within the EU has its roots in the more interdependent world. Environment, migration, the consequences of armed conflicts and pandemics are major concerns for everyone (The European Commission 2000: COM 2000/212). In addition to the regional programmes there is now also a general EU strategy for international development cooperation that concerns the EU's relation to all developing countries (EU Donor Atlas 2006).

In 1993 the situation changed when several of the former Soviet state applied for membership in the EEC. The fall of the Berlin wall and the economic crisis in the former communist countries forced the EEC to pay a lot of attention to Eastern Europe. From 1988 to 1999 the assistance to developing countries more than doubled. During the same period the countries in the ACP and ALA were also calling for more money and many countries in Europe wanted to retain their links with their

¹⁰ The new budget is more thoroughly described later o.

former colonies. In the early 2000's EU and its Member States became the largest provider of development assistance in the world (Berlin and Resare 2005, p 25).

The Maastricht Treaty: Until the Maastricht Treaty was signed in 1992, development cooperation programmes were not formally part of the EU objectives; instead they were considered as international agreements between the EU Member States and a third country. In the Maastricht Treaty, which also replaced the EEC with the EU and the European Community (EC), it was agreed to establish both a Common Foreign & Security Policy (CFSP) and a community policy in the sphere of development cooperation. The three objectives set for the latter were that it should foster:

- Sustainable economic and social development of the developing countries, in particular the poorest of them.
- The smooth and gradual integration of developing countries into the world economy.
- The fight against poverty in developing countries.

In addition it was agreed that all cooperation with third countries should encourage the observance of human rights and fundamental freedoms and the consolidation of democracy and the rule of law (Maastricht Treaty 1992, article 130u).

At the same time the TEU sought to encourage the effectiveness of European development cooperation by establishing the principle of the so called '3Cs'. The three Cs stand for *Coherence* between policies, for example between development and trade policies. It does not refer to coherence within a development policy. The second c stands for *coordination* between the EC and EU Member States in the field of development cooperation and the last C for *complementarity* between the bilateral development programmes of the Member States and that of the European Community. The 3 Cs are described more thoroughly in chapter X.

The European Consensus on Development: The single most important EU policy document on international development cooperation is the European Consensus on Development that was adopted in 2005 (The European Consensus on Development 2005). This replaced the first EC Development Policy Statement agreed in November 2000 (DPS 2000) which for the first time gave the EC a policy document on development that covered all developing countries. (The European Commission 2000: COM 2000/212). The 2005 Consensus goes further than the DPS 2000 because it not only renews and updates the development policy for the EC. It also includes a section that provides a development policy framework for the whole EU. This therefore, for the first time, sets a single policy framework, which is also to be applied by all EU Member States in their bilateral development programmes.

The Consensus is a policy statement that should guide the EU and its Member States in their international development cooperation. The statement was jointly adopted by the European Commission and the European Parliament and it aims to demonstrate the EU's willingness to "make a decisive contribution to the eradication of poverty in the world and to help build a more peaceful and equitable world" (The European Consensus on Development 2005). The European vision of development refers, above all, to poverty eradication, ownership, partnership, delivering more and better aid and promoting policy coherence for development. The Consensus also establishes how the EU will function as a delivery agent that shall promote policy coherence and best practice, as well as facilitating coordination and harmonisation. The vision

outlined in the Consensus is also derived from the United Nations (UNs) Millennium Development Goals (MDGs) and from the Paris Declaration.

The second part of the Consensus, the European Development Policy indicates how the policy should be implemented by the EC and provides for the Commission to have a monitoring and coordinating role to ensure that the Member States follow the policy. To reach the vision in the Consensus the Commission will put emphasise on the following actions:

- Policy coherence should be ensured between different sectors, such as trade, fisheries, agriculture and migration policies.
- That best practice for development is promoted; and to encourage more budget support, sector aid where needed, the untying of aid etc.
- Facilitating coordination and harmonisation between donors.
- The promotion of democracy, human rights, good governance, rule of law etc. in the developing countries.

4 Present day EU development cooperation

The EU and its Member States are today one of the major actors in international development cooperation, in total the European Union, that is the European Community and the EU Member States, contributes 52 percent of global official development assistance. The European Commission itself is responsible for ten percent of the total of this global effort (EU Donor Atlas 2006).

Major actors

Some of the major actors in the EU development cooperation are to be found in the Commission. It is the Commission that makes proposal for new policies and implements the policies that the EP and the Council have approved. In the Commission the Directorate Generals (DGs) for development, trade and external relations together with EuropeAid and the European Community Humanitarian Office (ECHO), form one of four cooperation groups in the Commission called the group for external relations or the RELEX group. The DGs write proposals for new policies and EuropeAid and ECHO are responsible for delivering the funds and the supervision of the implementation of the policies. The RELEX group is responsible for all questions concerning external relations, but cooperation with DGs from other groups is common (The European Commission 2006: European Union in the world).

DG Development (DG DEV)

The DG for development is responsible for policy formulation at a global and sector level. It initiates and formulates the EU's development policy for all developing countries, and it is the DG Development that was responsible for preparing the 2005 European Consensus on Development. It also coordinates the community's relations with the ACP countries and the Overseas Countries and Territories¹¹ (OCT). The DG Development follows all the political relations with these countries, it plans the overall goals for the use of the resources from the EDF as well as working with the European Commission Delegations in each country to prepare strategies for cooperation with ACP and OCT countries and the monitoring of their implementation. DG Development is responsible for the cooperation with the ACP region and it oversees the Cotonou Agreement and ensures that it is followed. Besides the cooperation with the other DGs of the RELEX group DG Development works with DG Fisheries and DG Agriculture since many of the developing countries have interests in these areas.

In policy formulation as per the EU Consensus on Development, DG Development puts emphasis on the following issues:

- Linking trade with development
- Regional integration and cooperation
- Support for macroeconomic policies and access to social service from general budgets
- Supporting transport (expansion of the infrastructure in developing countries)
- The promotion of food security and sustainable rural development
- Support for institutional capacity building

¹¹ Overseas Countries and Territories are some 20 dependent territories that European countries are still legally linked to on other continents, such as Greenland (Denmark), the Falkland Islands (the UK), the Netherlands Antilles (Netherlands) and French Polynesia (France) – full list available in the Cotonou Agreement.

In addition to these issues there are also cross-cutting concerns such as gender in development and thematic policies in such areas as food aid and food security, environment and tropical forests, health and NGO co-financing (DG Dev 2006).

DG Enlargement

In development related issues DG Enlargement (DG ENLARG) is involved in actions concerning countries in Eastern Europe. The aim is to assist new Member States and the transition in countries that not yet are member of the EU but are applying for membership. Decisions concerning enlargement are taken unanimously in the European Council. In issues concerning development DG Enlargement also works closely with the DG for agriculture and rural development. In 2006 the European Council adopted new strategic guidelines for rural development for 2007 to 2013. These guidelines set out a strategic approach and a range of options which Member States could use in their national strategy plans and rural development programmes. In the new EU Member States and in the states that are applying for membership, a major part of the population is involved in agricultural activities. The rural development policy 2007-2013 focuses on three areas: improving competitiveness for farming and forestry; environment and countryside; improving quality of life and diversification of the rural economy (DG Enlargement 2006).

DG External Relations

DG External Relations or DG RELEX¹² as it is also known is responsible for the EU's relation with international organisations such as the United Nations and with the countries outside the ACP and OCT areas. Furthermore the DG External Relations is in charge of the Organisation for Security and Cooperation in Europe and with the Council as well as the Commissions participation in the Common Foreign Security Policy. DG External Relation manages all the bilateral relations between the EU and countries outside the Union. The DG External Relations formulates the policy for the EU's external actions that fall under the first 'community' pillar of the Union and it enables the EU to assert its identity on the international scene. It is, moreover, responsible for the European Neighbourhood Policy (briefly described in the history chapter) (DG External Relations 2006). DG RELEX is, however, not responsible for the second pillar, Common Foreign & Security Policy (CFSP), aspects of EU external relations which have remained inter-governmental in competence terms and are therefore managed by the Council Secretariat under the High Representative for CFSP, Javier Solana.

DG Trade

EU trade policy is the responsibility of DG TRADE but is closely followed by DG Development for the ACP countries and DG RELEX for the other parts of the world. Trade has, in the European Community, traditionally been considered as an important tool in development work, and in particular in the prescribed goal of seeking to integrate poor countries in the world economy. The EU aims to contribute to a more equitable integration of developing countries into the international trading system through coherent actions on three levels.

The first level is at a global, multilateral level. This is the key area of EU trade policy and it contains five areas that are of special interest in the EU:

1. The EU supports the World Trade Organisation's (WTO) international agreements on trade. On the multilateral level the EU works for market access for industrial products from developing countries through eliminating tariffs, agricultural products excepted.
2. Further opening and expanding the trade on agricultural products.

¹² DG for external relations is sometimes called DG RELEX, not to be mistaken as the RELEX group.

3. Facilitating the opening up of international trade in services such as technical services, financial services, telecommunication and transport.
4. Trade facilitation, which here means influence the WTO in a direction that is favourable for developing countries.
5. Capacity building and improved market access and rules.

The second level is in bilateral level agreement where the EU is one party and developing countries the other party. The proposal here is to build up this relationship on the basis of Economic Partnerships Agreements (EPAs) in which the intention is to strengthen local regional integration, to build markets rather than open markets (DG Trade 2006).

The third level is on an autonomous level where the relationship is based on Generalised System of Preferences (GSPs) where all the beneficiary countries enjoy the benefit of a general agreement. In 1971 the EU's GSP began reducing and removing tariffs and quotas on its imports from developing countries. A special trade and aid relationship between the EU and its, now 78, partners in the ACP region was introduced in 1975 and was then considered to be a model for how rich countries can help poorer countries. The GSP+ gives extra benefits to countries that live up to certain international standards in human and labour rights, environmental protection, the fight against drugs, and good governance. One of the most recent trade preference systems, the EBA or *Everything but Arms* initiative, was established unilaterally by the EU in 2001 when it granted all the 49 UN designated Least Developed Countries free access to the EU market for all their products except weapons (DG for Press and Communication 2004).

EuropeAid Cooperation Office

EuropeAid, or AIDCO as it is also known, is the department of the European Commission that is responsible for the implementation of all external assistance outside the EU, except for humanitarian aid. It has been involved in development projects in more than 160 countries all over the world. It was established in 2001 on an initiative taken by the DG External Relations and DG Development and it works on their mandate. While the latter two DGs are thus responsible for external action policy towards their respective countries, it is EuropeAid that is responsible for the execution of this policy and therefore the full cycle of management from programming, through implementation and on to evaluation and auditing.

The European Community's external aid is given by means of either contracts to provide services, supplies or works to beneficiary countries or loans. The assistance is usually provided in one of the European Community's external aid programs and instruments. EuropeAid distributes assistance to countries in the ACP region with money from the EDF (the country allocations of money from the EDF is made by DG Development) and assistance to the rest of the world is drawn from the general EU Budget (the allocations of money for non-ACP countries from the general budget is made by the DG External Relations). The main areas in where EuropeAid is active are water, health, education, economic development in terms of trade and in the private sector, freedom and security (EuropeAid 2006). EuropeAid produces an Annual Report on EC development cooperation which is presented to the Council and the European Parliament and provides a good overview of sector and geographic allocations of EC aid as well as progress achieved and evaluations conducted.

Humanitarian Aid - ECHO

The aim of the European Commission's Humanitarian Office (ECHO) is to make the EU aid to third countries struck by natural disasters or conflict more effective and more humanitarian. The ECHO was founded in 1992 to make the European Community's aid more efficient and more accurate to the existing needs in the world.

ECHO does not implement humanitarian assistance programmes itself, but channels aid to different partners such as non-governmental organisations and different United Nation agencies. The funding for the ECHO is drawn from the general EU budget and from the EDF. Money from the EDF budget is distributed to countries in the ACP region and money from the general budget to the rest of the world. The funds are supposed to cover financing for all humanitarian operation, but since it is an unpredictable area ECHO has an extra funding option in the budget, which is referred to the emergency aid reserve. In practice the Commission applies the same guidelines for emergency aid funds from the budget as for those from the EDF (ECHO 2006).

5 Implementation of the European Community's International Assistance

As mentioned above, it is EuropeAid that is responsible for the implementation of the European Community's international assistance. This work is divided into different sectors, geographical areas and cross-cutting issues. The most important implementation tools are geographical programs and sector aid and the Country Strategy Papers. Since the signing of the Treaty of Maastricht in 1992 the European Community has also sought to follow the '3Cs' principles of coordination, complementarity and coherence as laid down in the Treaty in its approach to development cooperation. The 3Cs will be described in this chapter.

Geographical programmes and sector aid

EU conducts international development cooperation with over 160 countries around the globe (for the distribution by region see figure 1). The development assistance is distributed through different programmes and to which there have been some adjustments at the start of 2007 with the introduction of the new 'Financial Perspectives' of EU budget structure for 2007-2013. The following geographical areas can be distinguished:

- The European Development Fund (EDF) for the ACP countries
- The programme for South Africa, the Trade and Development Cooperation Agreement (although South Africa is a signatory to the Cotonou Agreement it does not benefit from the EDF, but has its own funding agreement with the EC)
- External assistance to the Asian and Latin American (ALA) countries
- The support to the EU's neighbours to the immediate South and East under the European Neighbourhood Programme (ENP). This consists of two major areas:
 - o The Mediterranean and Middle East countries covered by MEDA and the 'Barcelona Process' of political dialogue, and
 - o The technical assistance programme (formerly called Tacis) for the Eastern Europe and Central Asian countries not seen as EU candidate Member States.
- The Pre-Accession Programme (formerly called Phare) for countries that are seen as potential future members of the EU. Again one can distinguish two principle groups
 - o Eastern European Countries.
 - o The Balkans which benefits from the Community Assistance for Reconstruction, Development and Stabilization or CARDS programme.

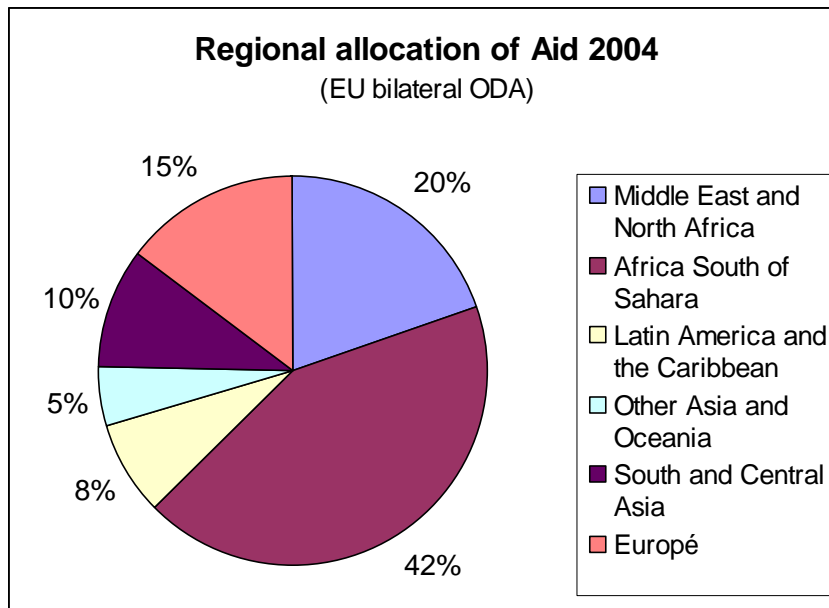


Figure 1. Source: EU Donor Atlas 2006

Each programme has its own regulation and agenda to follow. The ACP countries are financed through the EDF whilst assistance to the rest of the world is drawn from the general budget (more about the pros and cons of this division later on in this chapter). There are also programmes that focus on thematic areas rather than geographic regions, such as human rights, gender, democracy and environment (Berlin and Resare 2005). Until 2006, each geographical programme and sector were funded from different budget lines, but from the first of January 2007 the budgets for the geographical programmes have been rearranged. For example the CARDS and Phare programmes are now funded from the same funding part of the budget: the European Neighbourhood and Partnership Instrument (ENPI). The structure of the new budget is described later in this chapter.

Country Strategy Papers

In consultation with each partner country the Commission prepares a Country Strategy Paper (CSP) which more explicitly describes how the partner government and the Commission agree to collaborate on development. The CSPs were introduced in 2000 to improve coherence and quality of the external aid programming, to make it more effective and reliable and to promote greater complementarity between the Member States and the European Community. The actors that are involved in the implementation of the CSPs are the government of the partner country and the European Commission Delegation¹³. The baseline analysis in the CSPs is expected to as far as possible link up with the country's PRSP analysis and programme and should therefore match up with other assistance expected from the donor community including all EU Member States. The CSPs provides the different actors with an overview of the distribution of different tasks among the actors, including what the European Commission should do, and the agreed priority areas of work and, type of assistance programme which might be the most suitable. The CSP is formulated by each partner country, but what form it should have is decided by the European

¹³ The European Commission has delegations in the countries or regions that are receiving international assistance from the European Community.

Commission and its final version is approved by a meeting of EU member state representatives in Brussels.

The CSP should:

1. Keep the strategy up to date with developments in the country brought about by international, regional or external events. It should be based on the Poverty Reduction Strategy Process where it exists.
2. Take into account and operationalize, as far as possible, the EU policy initiatives and commitments that have an impact on third world countries.
3. Provide the European Commission with the basis for reports on results and for the monitoring of performance.

The first CSPs were from 2001 to 2006. In the second generation CSPs, from 2007 to 2012, the countries improved the quality of strategy documents, in particular to correct some weaknesses which had not been taken into account in the earlier CSPs (GAERC 2006).

Priority areas

As mentioned before the EC (European Commission) should engage in development areas where it has a comparative advantage in relation to its Member States due to its position in the world economy, experience of cooperation and regionalisation etc. Therefore six priority areas were agreed in the EC Development Policy Statement of 2000:

1. Macroeconomic policies and the promotion of equitable access to social services
2. Food security and sustainable rural development
3. Transport
4. Trade and development
5. Regional integration and cooperation
6. Institutional capacity building particularly for good governance and the rule of law.

It is in these areas the EC should give priority to within its geographical programmes and sector aid (OECD 2002, p 51 pp; Berlin and Resare 2005, p 30) yet in practice it was found that the EC came under regular pressure from different sources, including EU Member States, to consider a much wider range of areas of work (Mackie et al, 2005).

The priority areas focus on sectors where it is felt the EC can add value. The EU is the main trading partner and market for many of the developing countries. By linking trade with aid the EU should be able to offer developing countries market opportunities, capacity building for international trade negotiations, trade promotion schemes to support development efforts made in these areas. Regional integration and cooperation is also one way to ease the trade relations to developing countries by establishing free trade zones and regional economic integration. Another area where the EU is considered to have a comparative advantage is in building democracy and democratic institutions. The EU is, compared to its Member States, often considered to be more neutral politically and therefore a better basis from which to dialogue on sensitive issues such as countries that are not living up to agreed democratic standards (Berlin and Resare 2005, p 41 p).

Cross-cutting issues

In addition to the priority focus areas and the geographical priorities all EU development cooperation should promote human rights, gender equality and the protection of the environment. These 'cross-cutting issues' should also be integrated in the dialogue with different partners, in policy making as well as in the implementation of the development efforts. At the same time it is recognised that policy and institutional constraints have made it difficult to implement the cross-cutting issues at a country level. The pursuit of a country ownership for development policies increases the promotion of the issues when the EU should not interfere too much in each country's development strategies (OECD 2002, p 51 p).

The Treaty of Maastricht and the 3Cs

The CSPs (the Country Strategy Papers) are meant to be in line with the development cooperation objectives the EC and EU Member States have agreed to follow in the Treaty of Maastricht. In order to improve the European Community's international development cooperation and make it more effective the Treaty of Maastricht laid down the so called 3Cs precepts: coordination, complementarity and coherence. The 3Cs are seen as fundamental factors to encourage the effectiveness of European development cooperation, similar to the principles of alignment and harmonization that are part of international agreements such as the Paris Declaration and the United Nations Millennium Development Goals (the UNs MDGs). Since the 3Cs are a part of the Maastricht Treaty, which all Member States have agreed upon, the Member States are also expected to act on them.

Coherence: This is the most debated of the 3Cs and maybe the most sensitive area in international development cooperation. The main definition of coherence is that development policies should not be undermined or opposed by other EU policies for Member States activities. For example the development efforts should be linked to the EU Common Agricultural Policy (CAP) and to the Common Fishery Policy (CFP) where greater respect needs to be paid to development concerns. There is no hierarchy among the policies, but there are groups and interests in the society that make themselves heard and demonstrate their opinion with more intensity than others. Member States and interest groups tend to drown the development arguments. In order to achieve coherence the Council of Ministers has agreed to make a special effort to encourage Policy Coherence for Development (PCD). The objective is that non-development EU activities in particular in 12 identified areas¹⁴ shall take account of the objectives of the development cooperation. Instead of being in conflict the policies should reinforce each other (PCD 2006).

Coordination: increased coordination means that donors should increase their cooperation, jointly mobilize their resources, and harmonize their policies, programs, procedures and practices so that the development efforts can be more effective. Lack of coordination can lead to a donor driven agenda where the receiving country have to adjust to a multitude of donor requirements. One example of lack of coordination was in Tanzania in the beginning of the 2000's where the government had to manage over 2000 reports to different donors and had over 1000 delegations inspecting their work. Ultimately increased coordination should ideally lead to complementarity.

¹⁴ The 12 sectors for priority attention on PCD agreed by Council are: Trade, Environment, Climate Change, Security, Agriculture, Fisheries, Social dimension of Globalisation, Migration, Employment & decent work, Research & innovation, Information society and Transport & energy

Complementarity: The TEU specifies that development efforts by the European Commission and each member state should be complementary. Each party shall do what it is best at and that the development efforts should not be contrary. In the 1990s however there was discussion on how to implement this precept. In the Development Policy Statement of 2000 it was suggested that the distribution of tasks between donors should be centered on the notion of comparative advantages where the European Community should focus on the six priority areas mentioned above (Hoebink 2004), namely: the link between trade and development; support for regional integration and cooperation; support for macroeconomic policies; transport; food security and sustainable rural development; and capacity building (Berlin and Resare 2005). Since 2006 the discussion on complementarity has intensified and in May 2007 the Council agreed a new Code of Conduct on Division of Labour and Complementarity.

The 3Cs principles are intended to promote aid effectiveness and in many respects they work in the same direction as the Paris Declaration on the Effectiveness of Aid. It is not surprising therefore that the international debate on the latter gains in intensity the EU falls back on these principles already formulated some 15 years ago in the Maastricht Treaty even though in the intervening years progress on their implementation has been slow. Thus policy *coherence* is promoted by the Paris Declaration and *coordination* and *complementarity* closely support the harmonisation agenda of Paris. The Paris agenda, in its support for alignment of donor country programmes to partner country plans, goes further than the 3Cs, but at the same time EU donors increasingly recognise that alignment may in fact be one of the most effective paths to complementarity. Progress on the implementation of the 3Cs is presently the subject of a joint evaluation and knowledge sharing process being conducted by the Heads of Evaluation Services of the EU Member States and the Commission (www.three-Cs.net). A major problem to be handled in the evaluation is which tools to use and how to measure the implementation (Hoebink 2004).

Funding of the EU's external actions

The general EU budget is funded by the Member States contributions, a form of membership fee of the EU. Each Member State is obliged to pay around 1 percent of the gross national product. This is equivalent to around € 235 per person living in a Member State of the EU per annum. Most of this money is spent on programmes within Europe. Areas that receive money are among others, agricultural activities, fisheries and infrastructure in Europe¹⁵. In 2005 ten percent of the budget, or € 11 364 million, was spent on external assistance, including both assistance from the EDF and from the general budget (see table 1). As already mentioned, the EU has two funding mechanisms for distributing its international development assistance: through the European Development Fund (the EDF) the assistance to developing countries in the ACP region is channeled. Assistance to the rest of the world is distributed via the EU's general budget (Financial Programming and Budget 2006).

¹⁵ For numbers see http://ec.europa.eu/publications/booklets/move/21/txt_en.pdf

Table 1 EU external assistance 2001-2005 (commitments in € billions)

	2001	2002	2003	2004	2005
EC budget	3823	3898	3922	7241	7853
EDF	1554	1768	3728	2971	3511
Total	5377	5666	7650	9888	11364

Source: European Commissions annual reports 2003-2006

Assistance from the general budget

From the general EU budget (also called the Commission Budget since it is the European Commission that is responsible for the implementation of the actions that the European Council has made decisions on) development assistance is allocated to developing countries outside the ACP region, namely to Asia and Latin America; the Mediterranean; Eastern Europe and Central Asia; and to the Balkans. The assistance from the general budget provides for about 60 percent of the total development assistance managed by the EC (European Commission). The money is managed by the DG External Relations, DG Enlargement and the EuropeAid. From the general budget are horizontal issues such as democracy, human rights and environment are also funded (Financial Programming and Budget 2006).

A new financial instrument for development – the EU budget 2007-2013: A new long term EU budget framework came into force on the first of January 2007 and will run until 2013. In the new financial framework the former 30 programmes and 90 budget lines concerning development were replaced with eight new financial instruments. Three of the financial instruments cover different geographical areas (1-3), four covers thematic areas that shall complement the geographical areas (4-7) and one concern the relation between developing and industrialized countries (8):

1. Instrument for Pre-accession (IPA): for funding to the Balkans and Turkey
2. European Neighborhood Partnership Instrument (ENPI): Funding from ENPI is directed to Eastern Europe, Caucasus and to Mediterranean Countries.
3. Development Cooperation Instrument (DCI): The DCI funds development assistance in countries not covered by the EDF, the ENPI or the IPA and the thematic programmes available in all developing countries (including the ACP).
4. Stability Instrument (SI)
5. Humanitarian Aid (HA)
6. Macro Financial Assistance
7. European Instrument for Democracy and Human Rights (EIDHR)
8. Cooperation with industrialized countries

The three geographical instruments are completely new financial tools and the DCI is the largest of these instruments, covering the countries in Latin America, Asia, Central Asia, Middle East and South Africa. Through the DCI the implementation of the development efforts should be done through both geographical and thematic programmes in the concerned regions. The DCI is based on article 179 in the Treaty of Rome and its budget is set to 16,9 billion Euro (APRODEV 2006; Regeringskansliet 2006)

The European Development Fund

The EU Member States make direct contributions to the European Development Fund (the EDF). The money for this fund is therefore not drawn from the general budget but is instead based on an agreement between the Member States. The Member States determine the EDF budget in Council agreements that are subsequently ratified by the national Parliaments of each Member State. The EDF budgets are done in five to seven year intervals and the tenth EDF runs from 2008 to 2013. The EDF finances cooperation in developing countries in the ACP region. The money is managed by DG Development and EuropeAid (European Development Fund 2006).

The 10th EDF 2008-2013: The budget for the 10th EDF is set to 23 966 billion Euros. Of these Euro 2 Billion is to provide resources for the EIB and the rest is the main grant facility. The bulk of the grant facility (just under Euro 18 Billion) is to go into the envelope for national and regional allocations and the rest is split up into an intra-ACP envelope and an Investment Facility. Negotiations on the country and regional allocations are under way and will result in a series of National and Regional Indicative Programmes (NIPs and RIPs) associated with Country and Regional Strategy Papers that indicate both the level of funding to each partner country or region and the main priority areas for expenditure. It is also expected that as with 9th EDF some provision will be made for cooperation with the African Union (probably from the intra-ACP envelope) and the cost of implementation of the planned European Partnership Agreements (EPA) will receive specific support (ECDPM 2006).

The Budgetisation of the EDF

There is a long-standing but intermittent debate in the EU whether the EDF should in the future be included in the general budget or not. The main arguments of the debate have predominantly concerned democratic control and transparency on the one hand (aid delivery and quality of assistance; security of aid; and coherence of the EU's external relations) and the old Lomé-Cotonou principle of joint-management on the other. On past occasions, that is whenever each EDF cycle reaches its conclusion, the European Parliament and Commission have both advocated budgetisation whereas the ACP Group have been opposed to it. So far however EU Member States have always decided to keep the EDF separate from the EU budget though largely for reasons of political expediency at the time rather than on the basis of more principled arguments. In summary, the main arguments for a budgetisation of the EDF are however as follows:

- Democratic control and transparency: The EDF is the only financial instrument that is not under the democratic control of the European Parliament, instead it is governed by the European Commission and the EDF Committee of EU Member States representatives and only under indirect control by more democratic institutions such as the ACP-EU Joint Parliamentary Assembly¹⁶. Some of the ACP countries wonder whether the European Parliament would be more development sensitive and support their cause more strongly if the EDF was budgetised. It is suggested that the legitimacy of the development activities in the ACP region would be

¹⁶ The ACP-EU Joint Parliamentary Assembly brings together twice a year for one week one MP from the 78 national parliaments of the ACP countries and an equivalent number of MEPs from the European Parliament. The JPA does not control the EDF in a formal sense but it does have a formal right to question the European Commission and the Council of Ministers of both the EU and the ACP on the use of EDF funds and the general progress of the implementation of the Cotonou Agreement. It also has three standing committees that meet more frequently on trade & economic issues, political affairs and social issues.

reinforced in the EU Member States if the funding would come from the general budget. Moreover the transparency would increase if there were only one institution, and one document, that were supervising the entire funding to developing countries.

- Aid delivery and quality of assistance: The EDF is often considered to be slow in its implementation of assistance, but in real terms it has been proven that aid delivered from the EDF is more effective and projects are implemented than those funded from the general budget.
- Security of aid: EDF is based on a spending guarantee which means that there is a predictability of how much a developing country will receive from the Fund. But that also includes problems with management (closure of projects, reprogramming etc) and there is a need for greater flexibility in the EDF.
- Coherence: A budgetisation of the EDF could increase the ACP cooperation with other regions and development initiatives and lead to a broader EU foreign policy. For example could the Caribbean countries cooperate more easily with countries in Latin America, South Africa with countries in Africa etc.
- If the EDF was budgetised, the long-standing joint-management principle of Lomé would be lost because the EC budget can only be controlled by the EU institutions and ACP actors fear that the partnership basis of the agreement would therefore be even further eroded.

The budgetisation debate is however not just a question of resolving the above arguments, but is also a question of relative institutional power and the relations between the European Parliament, the Commission and what position the Member States and the receiving countries have in the decision-making process. Relations with the ACP countries are regulated in the Cotonou Agreement and the future form of ACP-EU relations and agreements is therefore an important underlying issue (Mackie et al 2004).

European Investment Bank

The European Investment Bank (EIB) was created under the Treaty of Rome in 1957 to give credits to countries in the EEC as well as to developing countries. The EIB has its headquarters in Luxemburg and provides credits developing countries in the ACP, the ALA and the Mediterranean regions. The credits have, compared to other international credit institutions, long maturity and interest rates that closely follow the interests on the capital market. The credits from the EIB should be an increment to the general development assistance and should be coherent with other development efforts. In particular the EIB supports international development cooperation through financial assets, such as loans and guarantees. While the European Commission mainly uses grant funding and often to finance budget support the EIB is more project oriented. The EIB expertise is in fields such as infrastructure, environment and in small and medium sized enterprises where it seeks to encourage the transfer of technical and economic know-how. Predominantly the EIB deals with private sector development (EIB 2006).

The EIB does not have a general mission outside the EU, but it operates on mandates decided by the Council of Ministers and the European Parliament. The Member States are joint owners of the EIB and are represented on the board by their Ministers of finance. The ministers of finance prepares issues discussed in the board meetings and questions concerning poverty reduction, the environment or openness the ministry of finance takes a stand point in dialogue with concerned NGOs. The overarching aim is to look so that the banks work is efficient and suited to the purpose (EIB 2006).

6 Interlinkages EU – Member States

The intention with European Commission international development cooperation is that it should complement the bilateral aid programmes of the Member States in developing countries and build on the comparative advantages of the European Community as compared to the Member States. To make the development cooperation more effective it is necessary that the Member States and the European Community coordinate their development activities. The Member States decide how the European Community should act in development issues through decisions made in the European Parliament and in the Council (Berlin and Resare 2005). In the TEU (article 177) it is stated that EC development cooperation should be complementary to the Member States' development efforts. The fact that both the Member States and the EC have some responsibility for development cooperation means that is referred to as a field of "shared competence". This "shared competence" differs from other areas such as trade, where the EU has the exclusive right to formulate policy and make laws that all Member States must follow (TEU Art 177, 1992). There is an ongoing debate within the EU on how to ensure that European Community development cooperation and Member States' bilateral aid might be brought closer together which some observers would like to see progress towards an ultimate objective of creating one common fund to increase the complementarity where the EU has the legislative power in decisions concerning international development cooperation. Most of the Member States (among them Sweden), however, have opposed this proposal and will continue with their bilateral development cooperation (Cedergren 2006).

Since the European Commission in many ways is acting like a bilateral donor it is not always considered to be a multilateral organisation even though it receives its funding from many countries. The EC funding is also limited to come from states that are members of the EU and it is not open for all countries to join as other major multilateral organisations such as the UN and the Bretton Woods institutions.

Formal Influence

The Member States can influence the decision making on two levels: in the Parliament and in the Council, though only in the case of the Council can this be considered a government view. The country that holds the EU Presidency also has the possibility to influence what should be discussed in the Commission since the country that holds the Presidency works closely with the Commission in setting the agendas (Berlin and Resare 2005, p 67 ff).

The European Parliament: In the Parliament the elected representatives from each Member State can express their opinion and participate in the decision making, although their views do not necessarily reflect the view of their national governments. The European Parliament has however a reactive role in the decision making rather than proactive: it reacts on proposals made by the Commission and can only amend, approve or reject the proposals.

The European Council: How the concerned Ministers should act in the European Council is discussed in each government and in Member States national parliaments. Many Member States have established an EU committee in their Parliament at home that examine and discuss EU policies and consider what national positions should be on particular EU policies. The government then decides upon a common standpoint in the issue that will be pursued to the Council by the responsible Minister.

Before an issue reaches the Council of Ministers itself it has been discussed in Council working groups and in the Coreper, the committee of Member State permanent representatives in Brussels. There are over 300 working groups that work for the Council and 20 of them relate to development cooperation issues. The most central is the Working Group on Development Cooperation (CODEV) but there are also working groups that focus on regions (eg. Africa Working Group – COAFR) or sectoral issues (eg. the Political and social committee – PSC/COPS). The working groups prepare the issues to minimise discussions and negotiations in the Council. The working groups consist of representatives from the Member States permanent representation in Brussels or sent from national capitals. When the issues have been discussed and basic agreements reached in the working groups the Coreper takes over the remaining questions. The issues on which the Coreper cannot come to a conclusion are handed over to the Council. At every level there are attempts to reduce the number of issues so that the Council can spend time on the most important issues – in particular such issues for which diverging views have been expressed. The Ministers responsible for foreign affairs issues meet once a month in the General Affairs & External Relations Council (GAERC) while the Coreper meets once a week. Most questions are consequently resolved in the Coreper. The Members States' representatives of Coreper acts upon guiding principles they have received from their governments and Ministries of Foreign Affairs (Consilium Europa 2006). The GAERC deals with development issues on a regular basis but twice a year an attempt is made to cluster development issues into two specific GAERC meetings (usually in May and November) so as to encourage development Ministers to attend rather than foreign affairs Ministers.

The European Commission: Before the Commission makes a policy proposal to Council it first has to be adopted internally in the weekly meetings of the College of Commissioners. This is done on the basis of a paper that has been drafted in the appropriate DG and discussed with other relevant Commission services and at a minimum passed through the formal 'inter-service consultation system'. Before finalising its proposals the Commission may also choose to consult Member States through an appropriate expert committee where the Member States are represented. There are advisory committees, management committees and regulatory committees that work with the commission.

Informal influence and influence from international organisations

Informal relations are an important part of the decision-making process in the EU. There are a number of strategies a member state can apply in order to influence the decision making. The most efficient way is to influence the Commission; it is easier to influence a new decision than change an already made proposal. There are, at least, seven strategies a country can adopt to influence the European Communities development cooperation (see Berlin and Resare 2005, p 96).

1. Influence the European Commission before a proposal is formulated
2. Collaborate with other Member States. For a small country such as Sweden it is especially important to collaborate with big countries such as UK or Germany,
3. Through the members of the European Parliament
4. Publish reports in the area the policy concerns
5. Influence the Commission's delegations in the field
6. Send national civil servants to the Commission and other European institutions.
7. Do advocacy work on the topic outside the European Council and the Commission, e.g. through media.

It is not only the Member States that have an informal influence on EU decision making, NGOs and other organisations also work to get their voices heard, through lobbying, in the decision making process. Many NGOs that work with development issues are cooperating in networks such as CONCORD (European NGO Confederation for Relief and Development) and Eurostep (Berlin and Resare 2005).

Other ways to influence the EU include through international organisations such as the World Trade Organisation (WTO), the UN or other major international institutions. Sweden has, as one example, through the WTO promoted a reform concerning sugar production in the EU (Regeringens Skrivelse 2005/06:204, p 52).

Complementarity

In the Maastricht Treaty (1992) the 3Cs (coherence, coordination and complementarity) were introduced with the aim to improve the effectiveness of international development cooperation (see previous chapter). In the part concerning complementarity the relation between the EU and its Member States are established, as well as the relationship between the EU member states (Evaluation Service of the European Union 2005):

The positive sides of increased complementarity are

1. The shared experience of successful and unsuccessful projects, the same mistake should not be committed twice.
2. Special partner countries and shared competence between the donors.
3. Incentives for local donor group and partner country dialogue. The EU also promotes a local ownership of the development projects.
4. Reduced transaction costs (Evaluation Service of the European Union 2005).

Member states and the European Union

In this part examples are given of a few EU Member States and how they sought to influence the EU. Member States' possibilities to influence the decision-making increases during their presidencies when they have the opportunity to direct the agenda.

The Swedish Presidency 2001: During the Swedish Presidency in 2001 Sweden paid a lot of attention to the connection between peace and development: without peace no development and without development the peace is often threatened. Sweden put conflict prevention on the agenda and was active in trying to introduce conflict prevention as a part of the European treaty. This encouraged the Commission to

produce a Communication on Conflict Prevention (2001). A Common Position on Conflict Prevention in Africa was agreed in Council in May 2001 and the Göteborg Summit of June 2001 approved the EU Programme on the Prevention of Violent Conflict (Bayne 2003; EPLO 2006).

The United Kingdom's Presidency 2005: The United Kingdom (UK) held the Presidency during the second half of 2005. One of the priorities during the UK Presidency concerning development issues was the resource allocation criteria. The UK highlighted the fact that a big part of the EU's development efforts are not directed to the least developed countries, but to the middle income countries in Eastern Europe, Central Asia and the Mediterranean region. Instead the UK wanted to redirect the international development efforts towards poorer regions in Sub-Saharan Africa and South Asia (Morrissey 2005, p 181). During the UK Presidency the European Consensus on Development were discussed and the UK, in force of its Presidency, re-drafted the European Commissions proposal for a new development agenda which is now more directed towards the eradication of poverty (BOND 2005). In the European Consensus on Development special attention is paid to the least developed countries and the needs criteria are based on income per capita and the extent of poverty, income distribution and the level of social development. There should be a standard, objective and transparent resource allocation criteria based on needs and performances (European Consensus on Development 2005, p 21).

Finland's Presidency 2006: During the Finnish Presidency the central issues in the area of international development cooperation were increased effectiveness in terms of complementarity and a shared competence in the field of development. In practice this means that the donor countries should limit the number of countries where they are involved in development cooperation. The Finnish Presidency has resulted in a stronger debate on how to increase complementarity in the field of international development cooperation (Regeringen 2006). Another thing that the Finns achieved was to include experts from the Member States earlier in the decision-making process. In issues concerning international development cooperation experts are consulted when the first Communication is drafted, which is much earlier compared to earlier decisions. When, for example, the European Consensus on Development was developed experts were consulted when the first communications were already written. The present (first six months of 2007) German Presidency will continue to work in the same way as the Finns (interview JR).

French and Italian development cooperation and the EU: The three countries mentioned above (Sweden, Finland and the UK) belong to the so called group of "like minded countries" that have similar attitude towards developing countries and who priorities questions concerning development issues within the EU. Other countries, such as France and Italy focus on other policy areas in the EU, such as agriculture and trade. The international development cooperation in both France and Italy has other characteristics than the like minded countries. The greater part of the French aid is distributed to former francophone colonies and there is also a close connection between public authorities, private interests and the role that the French government wants to play on the international stage. French aid is to a larger extent distributed through (French) NGOs, many of them with social and solidarity objectives. (Gabas 2005, p 242 pp; Hoebink and Stokke 2005).

Italy is, in relative terms, one of the smallest donors in the EU and a greater part of its international development assistance is directed to countries in the Italian vicinity, such as countries on the Balkan and in the Mediterranean basin. Like France, the Italian aid is to a large extent distributed through NGOs, but also private companies are hired to implement the Italian development efforts (Rui-Sansi and Zupi 2005, p 369 pp). Many of the European NGOs involved in development issues are members of the European NGO Confederation for Relief and Development (CONCORD).

7 Swedish development cooperation and the European Union

In this chapter the Swedish development cooperation and its relation to the EU will be given as an example of how a membership in the EU can affect a Member States development policy and how a member state can influence the EU international development cooperation. The chapter starts with a brief description of how Sweden works with EU policies and how it can influence the decision making in the EU.

The decision-making process from a Swedish perspective

There are differences in the way the EU Member States coordinate their domestic work as regards issues concerning EU policies. In some countries, such as the UK and Italy, a single ministry has the responsibility for the overall relation with the EU on each policy area, and therefore has a great influence in the decision-making process. In other countries, Greece for example, all the ministries go through all the policies. When Sweden became a member of the EU in 1995 it had to reform its policy making system in order to adjust to the work in the EU. The result of the reform is a procedure where concerned ministries are consulted and the opinion of the government and the Parliament are coordinated at the Prime Ministers Office (Statsrådsberedningen) (Larue 2006, p 121 p).

In Sweden EU affairs are dealt with at the ministries and Parliament in Stockholm and at the EU representation in Brussels. The government receives proposals and distributes them to concerned ministries. The proposals are compiled by the Ministry for Foreign Affairs (MfA) which assists the Prime Ministers Office in issues about the EU. The Prime Ministers Office in turn informs the Swedish Cabinet about the result from the consultation with the ministries and it coordinates the Swedish actions in the EU. The MfA is responsible for Sweden's international development cooperation and therefore of issues concerning the EU development policies (UD 2006). The MfA is also accountable for the communication with the EU permanent representation in Brussels. In the EU representation 110 persons are working in Council groups and in the Coreper (the Committee of Permanent Representatives) which both works under the European Council. At present the Ambassador for the Swedish EU representation is Sven-Olof Petersson. The Swedish representation has a special unit for external relations working with development related issues and relations with developing countries. In total around 20 people at the Swedish representation are working with development and external relations (Sveriges ständiga representation i Bryssel 2006). The EU representation represents the Swedish government and work to protect Swedish interest in the EU. The representation is the Swedish governments contact with the EU and its institutions and it provides the government with reports and analyses concerning the every day work in the EU (Regeringen 2006c).

The European Commission: Sweden has a number of officials employed in the European Commission and at the highest level each Member State has a Commissioner. In time of writing Margot Wallström is the Swedish Commissioner. She is responsible for

institutional relations and communication strategy and she is also the vice president of the European Council. Margot Wallström and the other Commissioners work in the interest of the EU and not for their home countries (Berlin and Resare 2005, p 90 pp). When a proposal that concerns issues that could effect the Swedish legislation or interfere with Swedish interests, the responsible ministry writes an explanatory memorandum (faktapromemoria) to inform the Parliament. In the memorandum it is explained how the Swedish government intend to position itself with regard to the issue and how it relates to Swedish legislation. In the process of formulating proposals at the Commission, expert groups are consulted at an early stage in the process to get the Member States opinions and standpoints in the concerned area. These expert groups consist of civil servants from the Member States that specialise in different areas. Experts from Sida and UD can for example represent Sweden in the Expert committee on development issues. In the implementation committees, that handles and adopts policies Sida is representing Sweden in the international development committees (UD 2006).

One of the main tasks for the Swedish MfA is to prepare the meetings in the Committee of Permanent Representatives (Coreper) in Brussels. As mentioned earlier, the Presidency of the EU changes every sixth month and for every new Presidency a new agenda is written that covers the period of that Presidency. For every new agenda the Swedish government makes priorities and chooses which questions Sweden has an extra interest in. Each ministry is responsible for issues concerning its field and all the ministries work in close contact with the MfA which communicates their standpoints to the Swedish EU representation in Brussels. The Coreper is the institution that sets the agenda for the meetings in the European Council, it decides which issues needs to be debated or not in the Council meeting and therefore it is a significant agent in the decision making process in the EU. The Coreper is made up by civil servants from Sweden and the other Member States. In issues concerning development the Swedish representatives get their instructions from the MfA. If other ministries are involved, such as the Ministry of Agriculture or Finance, the MfA coordinates the instructions to the Coreper. Meetings in the Coreper are held once a week and the preparation of the Swedish standpoint for the Coreper is done on a weekly basis and it must reach the Coreper at least two days before the meetings (in most cases the instructions from the foreign affairs are handed over the Monday before the meetings) (Larue 2006; UD 2006). The European Council makes the final decisions after the Coreper has prepared the agenda and made priorities of questions that are of extra importance.

The EU membership and Swedish development cooperation

Since Sweden became a member of the EU in 1995 many things have happened in the field of international development cooperation, both on a Swedish level and on an international level. The most visible and immediate consequence of Swedish EU membership is that a substantial part of the Swedish aid budget is handed over to the aid budget of the Commission (Danielson and Wohlgemuth (2005, p 528). But the Swedish membership in the EU has also had a major impact in how Sweden understands and influences, the international development processes and policies. Gun-Britt Andersson, former State Secretary of Development Cooperation, declared the following in an interview

As donors, we continuously have to develop our capacity for analysis in order to better understand the world, relations between people as well as the development process. In order to do this, we have broadened our work on policies and strategies. The Swedish Foreign Ministry is presently following up on its policies towards Africa. Important tools in this process are the international work on norms and strategies brought up in connection with UN Conferences on different important issues. Preparing these conferences all countries (developed as well as developing) work together, creating a common understanding on central issues. We see this multilateral work, which lately has been supplemented by the extensive work within the European Union, as central for improving development in all countries /.../ with this kind of preparation, we create legitimacy. When we get into any development discussion – or dialogue – we can legitimate our issues by referring to joint understandings built on agreed norms and conventions within the fields of, for example human rights, rights of the child or environmental issues. Even when common values are not present, these norms still act as good starting points” (cited in Wohlgemuth 2003, p 51-60).

According to Gun-Britt Andersson the international agreements made in the area of the European cooperation are important guidelines for Swedish development cooperation. The Cotonou agreement, as an example, is normative even for bilateral relations. Sweden, and the other Member States, is party to those agreements and in the formation of all EU policies and a single Member State can not act independently from decisions taken in the EU and must, therefore, act according to the Cotonou agreement and other contracts that have been adopted in the EU (Wohlgemuth 2003, p 61). The cooperation between the individual Member States and the EU has been enforced with the signing of the European Consensus on Development in 2005. In the European Consensus a common European vision of development is stated, as well as how the European development cooperation shall be conducted. There are, however, differences in how Sweden and the EU view international development cooperation and the partner countries. The Swedish aid has always rested on solidarity and so called “enlightened self interest” while the EU’s, and many of the other Member States’ relation to developing countries have been dominated by colonial heritage. This means that the aid from the EU not always is directed towards the poorest countries but to those who have colonial relations with Europe (Haglund 2004; Danielson and Wohlgemuth 2005).

Until today Sweden has not had a strategy for its assistance to the multilateral development organisations the EU, the UN and the international financial institutions. A called multi strategy is has now been published which, among other things, states that Sweden should attempt to get more influence in the decision-making in all the multilateral organisations that Sweden co-operates with in order to reach both the UN millennium goals as well as the development goals that Sweden has set for its international development assistance. How well the multilateral organisations goals cohere with Sweden's policy for global development should set the standard for the size of the contribution, as well as how efficient the organisation is in terms of how the results correlates to the goals set by the organisation. To get more influence Sweden should cooperate more with other countries (Cedergren 2006).

During the negotiations for a new European Constitution it was suggested that EU in the future should have a 'European Foreign Minister' responsible for foreign and security policy rather than the current High Representative for CFSP, Javier Solana. The difference would be that this new Minister would be 'double-hatted' by which is meant he or she would be both an official of the Council of Ministers and a Vice-President of the Commission with responsibility for External Relations. In other words the post would combine the posts currently held by Javier Solana and Benita Ferrero-Waldner. In the Commission the person would also chair the group of external relations Commissioners including the Commissioner for Development. The chair of this group is currently held by Commission President Jose Manuel Barroso. The objective of this 'double-hatting' would be to ensure greater coherence between the EU Institutions on foreign affairs and provide a bridge between the two institutions and the competences held by each one. In the recent European Council meeting of June 2007 the question of the Draft Constitution was discussed and it was agreed to proceed with an EU Inter-Governmental Conference (IGC) to update the TEU and bring in many of the proposals of the Draft Constitution. Among other things it was agreed that the idea of the 'double-hatted' foreign Minister should be retained but with a different title: High Representative of the Union for Foreign Affairs & Security Policy.

The Draft Constitution proposal for the 'double-hatted' Minister for Union foreign affairs has some definite advantages as it should help the Council Secretariat and the Commission to work much more closely together in external affairs and help bridge the gap created by the current two pillar structure with some policy areas, such as development cooperation or trade, in one pillar and CFSP in the other. However, it is clear that managing these different systems and asking the person to be responsible to both the EU Member States of the Council and the President of the Commission will be a demanding job. The post is intended to also be supported by a single European External Action Service (EEAS), or European diplomatic service, which would include civil servants from the two EU institutions and seconded personnel from National Member state diplomatic services.

There is no doubt that the increasing concentration of foreign policies toward particularly countries in crisis has led to increased cooperation between EU countries in the field. Also as a result of development cooperation in accordance with the Paris Agenda is becoming more and more coordinated and via an increased concentration on budget support being based on political and economic reforms the political dialogue has become increasingly important. As case in point is the relations with

Zimbabwe Sweden's bilateral dialogue with Zimbabwe is limited to practical details. Also in non-crisis countries the dialogue made jointly lead by country which represents the Presidency. In Tanzania for example where a major part of assistance today takes the form of budget support and where the measures for success i.e. indexes agree to be fulfilled are of political nature most of the dialogue takes place by the EU countries jointly.

How Sweden relates to EU the budgetisation of the EDF

The membership in the EU implied that Sweden is obliged to contribute to the common EU budget and to the European Development Fund which means that Sweden became a part of the EU international development cooperation (Haglund 2004, p 186). In the negotiations for the 10th European Development Fund¹⁷ it was decided that the EU shall distribute 22.7 billion Euros during the next five years. The Swedish contribution makes up approximately 2.74 per cent of the total budget. As mentioned before, there is an ongoing debate within the EU of a budgetisation of the EDF and Sweden has positioned itself in favour of a fusion of the budget and the EDF in order for the Parliament and the other institutions to get more influence in the decision-making. Therefore a budgetisation of the EDF would increase the democratic influence in the development cooperation (Regeringen 2006).

Swedish policy for global development and the EU's trade relations

Sweden can in many areas act as an independent bilateral donor, but the trade relations to developing countries are completely governed by the EU (the EU has the exclusive competence in trade issues). Among other things, Sweden had to adjust to the special free trade agreements the EU has with countries in the ACP region when it joined the EU in 1995 (Haglund 2004, p 186). The EU trade policies are not always in line with the general Swedish trade policy. One of the priorities within the Swedish development cooperation in the EU is to increase the coherence between different policy areas so that they should be more in line with the development policies. Since Sweden became a member of the EU in 1995 it has promoted an abolishment of export subventions and after discussions other Member States have joined the Swedish line. In 2004 the EU accepted the rules set up by the World Trade Organisation (WTO) that the export subventions should be abolished in 2013. The pressure on the EU to fulfil its obligations increased at the WTO top meeting in Hong Kong in December 2005 when Sweden, together with other Member States and non-European countries, assisted in making the EU to set a stop date for the export subventions. Some of the issues that were discussed in Hong Kong concerned were to open up the European market for trade with cotton and for processed fish products from developing countries. The agreement in Hong Kong is, by the Swedish government, also considered to be a step in the right direction in order to make the agricultural policies in the EU more coherent with the development policies. At the General Affairs and External Relations Council's (GAERC) meeting in October 2006 a working programme towards greater policy coherence was adopted. Sweden has been actively working with this programme which has been a method to transfer the Swedish policy for global development into the EU context of international development cooperation (Regeringen 2006; Regeringens Skrivelse 2005/06:204, p 16 and 52 p).

¹⁷ The EDF, from where money to the ACP countries is distributed.

Implementation of development projects and practices

Donor coordination is an important objective of the 3C strategy that was set in the Treaty of Maastricht. Major efforts have been made within the Commission to operationalize the objective of increased coordination and coherence between the Member States. This has been a very difficult and uphill battle. After considerable discussions, and in order for the Member States and the European Commission to be more coordinated in their work concerning development issues, the EU developed a guideline for operational cooperation that was published in 2001. The purpose of the guideline was to harmonise the development procedures in the field for the Commission and for all Member States. This was supposed to be implemented through country strategies in each of the receiving countries and an open dialogue between the Member States and between donors and recipients. Sweden, as well as a majority of the other Member States, has however not accepted the idea of joint guide-lines and therefore not been following these guidelines and the Country Strategy Papers (CSPs, for more information see previous chapter) when it comes to implementing development projects and programmes. Sweden has instead developed its own country strategies together with its partner countries. There is a general understanding among many of the EU Member States that the EU is inefficient when it comes to international development cooperation and therefore they chose to make their own development strategies instead of following those set by the EU (Danielson and Wohlgemuth 2005, p 530). Even though there has been very little cooperation between EU Member States within aid projects and programmes there has been a change in the overall development dialogue. The EU Member States meet to discuss and consult each other more often, particularly in the field and in many situations they act in a united way.

Swedish influence in the EU development policies

Sweden is considered to be a donor who listens to recipient's request, who designs development projects so that they can have a large impact on poverty reduction. Sweden and the so called likeminded countries (the Nordic countries, the Netherlands, the UK and Ireland) are in their policies distinguished by large amounts of aid, little tying and basically no other objectives with their aid apart from the reduction of poverty. In reality, however it is difficult to say if the likeminded countries de facto are different then any other of the major donors (Danielson and Wohlgemuth 2005; Odén and Wohlgemuth 2006, p 2). Sweden has a long experience of international developing cooperation compared to other European countries. In general the aid administration in the EU considers Sweden to have a lot of knowledge to share in the areas of poverty reduction, gender equality, environmental issues, democratic development and human rights. Sweden has actively tried to influence the EU and its Member States in these areas but, it is hard to say to what extent Sweden has had influence (Danielson and Wohlgemuth 2005, p 523). As one of the smaller countries in the EU, Sweden has to find partner countries to achieve changes and to affect the decision-making in the EU. In many areas Sweden cooperates with the like minded countries (see for example Regeringens Skrivelse 2005/06.204).

In Sweden the aid distributed through the European Commission is generally considered to be old fashioned, ineffective and driven by the donor rather than the recipient and the evaluations made of EU development cooperation often show the same results (see Globkom 2001). In the late 1990s a special committee was set up to review the Swedish development cooperation for the 21st century. The committee

was called Globkom and it consisted of representatives from the different political parties in Sweden. Although Globkom saw the opportunities with European Commission's international development cooperation it came to the conclusion that Sweden should consider to channel its aid in other, more efficient and appropriate, ways if Sweden were to give more money to multilateral development actors (Globkom 2001). However, The Swedish government was, and still is, certain that it can improve the European Commission's development cooperation through active participation in the decision-making (Danielson and Wohlgemuth 2005, p 528).

The Swedish membership of the EU has led to major changes in Sweden's international development cooperation regarding policy and day-to-day activities. Whether it has led to changes in its national development cooperation is on the other hand doubtful (Danielson and Wohlgemuth (2005, p 530).

Influence in policy making

Sweden was actively participating in the discussions leading to the 2005 European Consensus on Development. Areas where Sweden was particularly active in were the following:

- to collect all EU policies concerning international development cooperation in one document and thereby strengthen the EU developing efforts on a policy level
- to create a more precise declaration of in which areas the European Community has operating mandates.

Other areas that were acknowledged by Sweden in the discussions about the Consensus were poverty eradication and to focus on the least developed countries, coherence in EU policies, harmonisation, and cross-cutting issues e.g. human rights, equality between the sexes and the environment (Regeringens Skrivelse 2005/06:85, p 46 pp).

Other issues that Sweden has promoted and gained hearing for are partner country ownership and the implementation of the Paris agenda to increase the aid effectiveness and the quality of the development efforts (Prop 2006/07:1, p 27)

8 Challenges in the EU development cooperation

This concluding part consists of a short analysis of challenges and problems that presently confront the EU development cooperation. During the past years many things have happened in the EU international development cooperation on a policy level but still much is to be done in order to reach the goal with the international development cooperation.

The low effectiveness of the EU external assistance

If the EU are to live up to the high set development agenda the discussions in the EU need to focus on how to improve the effectiveness of the EU aid. A part of this debate concerns increased complementarity, joint programming, policy coherence and with EC aids the transition from old to new financial instruments. Many of the core ideas for this debate are already to be found in the EU agreements, for example in the articles about the 3C in the Maastricht Treaty, in the European Consensus on Development and in the Cotonou agreement, but still have not enough been done to implement the agreements in the everyday work on the ground. A shift in emphasis is also on the move within the EU and among its Member States where there is a growing acceptance of the idea that the EU can achieve more on development issues and take a leading standpoint in development matters in the world if the EU is prepared to act as one and not as 27+1 different donors and if the Member States let the EC take a leading role (Mackie and Zinke 2006, p 3).

Another way to increase the effectiveness of the EU external assistance is to encourage the partner countries to guide the donors to find the best solutions for development efforts and an increased dialogue between partner countries, donors and the EU institutions could lead to better understanding of development problems and increased the complementarity between different donors (see Mackie and Zinke 2006).

The lack of policy coherence

The EU has received a lot of criticism due to lack of coherence between its development policies and its policies in other areas such as trade, agriculture and fisheries. In many cases the development efforts are undermined or obstructed by activities in other fields that often are better funded and which have an immediate impact on the lives of the European citizens. One of the major impediments for development is the subsidies in European agriculture which makes it almost impossible for farmers from other parts of the world to enter the European market with their products (3Cs 2006). At the same time the EU has long highlighted the connections between trade and development and since the start of European cooperation the EU has had special non-reciprocal free trade agreements with developing countries.

The Economic Partnership Agreements (EPAs) are currently much discussed in the EU and in the negotiations with the ACP countries. The main area of debate is if the EPAs can ever be turned into genuinely development friendly trade agreements. In the Cotonou Agreement it is stated that the EPAs need to be compatible with the WTO rules and the multilateral discussions that were supposed to lead up to agreements within the WTO. But when the Doha development round of WTO collapsed in July 2006 it meant that no such a foundation was available to build the EPAs upon. The criticism of the EPA from the ACP parties and from non-state actors have increased and this can be expected to have a negative impact on trade relations between EU and the ACP in the future (Mackie and Zinke 2006, p 8 p).

International development cooperation in the European Constitution

The European Constitution, which at the moment is put on ice after the negative results in referendums held in France and in the Netherlands in 2005, would have had a great impact on the EU's external relations and thereby also on the international development cooperation. The not ratified constitution includes, among other things, the creation of a post of a European Foreign Minister who will be responsible for all EU external action. The foreign Minister would be a part of both the European Commission and the Council Secretariat and would therefore be well placed to bring greater coherence to EU's overall external policy. This can be of value in ensuring that the development policy is better coordinated with other policies (such as security and migration) (Mackie and Zinke 2006).

The EU and new donors

The growing importance, and influence, of new donors (i.e. China, Brazil, Venezuela and India) will challenge the international development cooperation especially in how these new donors could be engaged in donor dialogue on standards on external assistance. China has, for example, given soft loans to countries in Africa which has raised fear of new rounds of unsustainable debts and undermining of earlier development efforts. There are also concerns about divergent approaches to human rights and democracy, in particular between the EU and China.

New financial system – trust funds

At the UN conference in Monterrey in 2002 the EU and its Member States committed themselves to increasing Official Development Assistance (ODA) to 0.7 percent of the EU's GNI (national gross income) by 2015. So far the Member States have stuck to the plan, but in order to reach the target the governments in Europe must continue their commitment and increase their ODA. Recently it appears that some Member States (eg Germany and Italy) are starting to fall behind on the planned increases. Moreover, with the changes of government in two other the major European states, France and the UK, it is still unclear whether these will have the political commitment to continue to pursue the 0.7 percent target.

Another issue is how the increased funds will be channelled to the developing countries since they are not all covered in the new budget system and in the EDF. One way to distribute them could be through the Member States bilateral programmes. There has also been an increased interest to create new European co-financing systems where the EU Member States agree to pool funds for specific developing efforts and purposes and ask the European Commission to administer the fund on the behalf of the whole group. There are already funds of this kind existing, for example the EU-Africa Infrastructure Partnership (Mackie and Zinke 2006). In

Sweden, and in some other Member States, these funds have been received with scepticism. It is still unclear how these funds will be operated and how the decision making process will look like. The funds are also criticised for being too “narrow”, for not consider other development projects or programmes and therefore lack the sustainability that other developing programmes strives to reach.

References

APRODEV (2006) http://www.aprodev.net/devpol/funding_instruments.htm 2007-01-11

Barcelona Declaration (1995)
http://ec.europa.eu/comm/external_relations/euromed/bd.htm 2007-01-02

Bayne, Sarah, International Alert and a Saferworld (2003?) “Conflict Prevention and the EU. From rhetoric to reality” in Jackson, Ben/ACTSA *EU Conflict*, BOND, the UK. (<http://www.bond.org.uk/pubs/eu/euconflict.pdf> 2007-01-09)

Berlin, Anders and Nils Resare (2005) *The European Community's External Actions*. Sida, Stockholm.

Blomberg, Elizabeth and Alexander Stubb (eds.) (2003) *The European Union: How Does it Work?* Oxford University Press, Oxford.

BOND (2005) <http://www.bond.org.uk/eu/Presidency/monthlyhighlights.htm> (2007-01-09)

Bryder et al (eds) (2004) *Svensk Politik och den Europeiska Unionen*. Liber Ekonomi, Malmö.

Cedergren, Jan (2006) Strategi för multilateralt utvecklingsarbete (2006-09-22) (unpublished)

Consilium Europa (2006) http://www.consilium.europa.eu/cms3_fo/index.htm 2006-12-27

Cox, Aidan and Antonique Koning with Adrian Hewitt, John Howell and Ana Marr (1997) *Understanding European Community Aid – Aid Policies, Management and Distribution Explained*. ODI, London and the Commission, Brussels.

Danielson, Anders and Lennart Wohlgemuth (2005) “Swedish Development Cooperation in Perspective” in Hoebink, Paul and Olav Stokke (eds.) (2005) *Perspectives on European Development Cooperation: Policy and performance of individual donor countries and the EU*. Routledge Research EADI studies in Development, London and New York.

DFID (2004) <http://www.dfid.gov.uk/news/files/pressreleases/pr-europeintdevaid13oct04.asp> 2007-01-08

DG Dev (2006) <http://www.eurocean.org/contents.php?id=374> 2006-11-30

DG Enlargement (2006) http://ec.europa.eu/enlargement/index_en.htm 2006-11-30

DG External Relations (2006)

http://ec.europa.eu/comm/external_relations/index.htm 2006-11-30

DG for Press and Communication (2004) *A World Player – the EU's external relations*

http://ec.europa.eu/trade/issues/global/gsp/index_en.htm 2006-12-05

DG Trade (2006) http://ec.europa.eu/trade/index_en.htm 2006-12-05

ECDPM (2006) *Background Note: The 10th European Development Fund: Where do we stand?*
ECDPM, Maastricht and Brussels.

ECHO (2006) http://ec.europa.eu/echo/presentation/background_en.htm 2006-11-30

EIB (2006) <http://www.eib.org/> (2006-12-20)

EPLO (2006) <http://www.eplo.org/> (2007-01-09)

EU Donor Atlas (2006)

http://ec.europa.eu/development/body/tmp_docs/Donor_Atlas.pdf 2007-01-02

EuropeAid (2006) http://ec.europa.eu/europeaid/general/index_en.htm 2006-11-30

The European Commission 2000: COM 2000/212 *Communication from the Commission to the Council and the European Parliament: The European Community's Development Policy.*
Brussels 26.4.2000

European Commission, Annual Report (2006) *Annual Report 2006 on the European Community's Development Policy and the Implementation of External Assistance in 2005.*
European Commission, Brussels.

European Commissions annual reports (2003-2006)

http://ec.europa.eu/europeaid/reports/index_en.htm 2007-01-29

The European Commission 2006: the Cotonou Agreement

http://ec.europa.eu/comm/development/body/cotonou/index_en.htm 2006-11-21

The European Commission 2006: European Union in the world

http://ec.europa.eu/world/what/external_relations/index_en.htm 2007-01-03

The European Commission 2006: the Lomé Conventions

http://ec.europa.eu/comm/development/body/cotonou/lome_history_en.htm
2006-11-21

The European Commission 2006: Relations with Eastern Europe and Central Asia

http://ec.europa.eu/comm/external_relations/ceeca/pca/index.htm 2006-11-21

The European Commission 2006: Trade Issues

http://ec.europa.eu/trade/issues/global/gsp/index_en.htm 2006-11-24

The European Consensus on Development (2005) Joint Statement by the Council and the Representatives of the governments of the Member States meeting within the Council, the European Parliament and the Commission

http://ec.europa.eu/development/body/development_policy_statement/index_en.htm 2007-01-02

European Development Fund (2006)

<http://europa.eu/scadplus/leg/en/lvb/r12102.htm> 2006-12-05

The European Neighbourhood Policy (2006)

http://ec.europa.eu/world/enp/policy_en.htm 2006-11-24

The European Parliament (2006)

http://europa.eu/institutions/inst/parliament/index_en.htm 2007-01-02

European Union Institutions and Other Bodies 2006: the Commission

http://europa.eu/institutions/inst/comm/index_en.htm 2006-12-05

European Union Institutions and Other Bodies 2006: the Council

http://europa.eu/institutions/inst/council/index_en.htm 2006-12-05

European Union Institutions and Other Bodies 2006: the Parliament

http://europa.eu/institutions/inst/parliament/index_en.htm 2006-12-05

Eva-AU Association (2002) *Synthesis Report Annex: Evaluation of ALA regulation 443/92* May 2002

(http://ec.europa.eu/europeaid/evaluation/reports/ala/951614_annex.pdf)

Evaluation Service of the European Union (2005) *Triple C Evaluations No. 3: Evaluating Co-ordination and Complimentarity of Country Strategy Sapers with National Development Priorities*. <http://www.three-cs.net> 2007-01-02

Financial Programming and Budget (2006)

http://ec.europa.eu/budget/index_en.htm 2006-12-06

Gabas, Jean-Jacques (2005) “French Development Cooperation Policy” in Hoebink, Paul and Olav Stokke (eds.) (2005).

GAERC (2006) http://ec.europa.eu/comm/external_relations/sp/gac.htm 2006-12-05

Haglund, Anne (2004) “Biståndspolitik” in Bryder et al (eds) (2004) *Svenske Politik och den Europeiska Unionen*. Liber Ekonomi, Malmö.

Hoebink, Paul (2004) *Triple C Evaluations No. 1: The Treaty of Maastricht and Europe's Development Cooperation*. <http://www.three-cs.net> 2007-01-02

Hoebink, Paul and Olav Stokke (eds.) (2005) *Perspectives on European Development Cooperation: Policy and performance of individual donor countries and the EU*. Routledge Research EADI studies in Development, London and New York.

Larue, Thomas (2006) *Agents in Brussels – Delegation and Democracy in the European Union*. Department of Political Science, Umeå University.

The Maastricht Treaty (1992) *The Treaty on European Union*
<http://europa.eu.int/en/record/mt/top.html> 2007-01-02

Mackie, James, Jonas Fredriksen and Céline Rossini (2004) *Improving the ACP-EU Cooperation – Is “budgetising” the EDF the answer?* ECDPM Discussion Paper No. 51. European Centre for Development Policy Management, Maastricht and Brussels.

Mackie, James and Julia Zinke (2006) “Delivering the goods: Challenges for the ACP-EU relations in 2007” in *In Brief* No. 17 December 2005. ECDPM, Maastricht.

The MEDA System (2006) *The Euro – Mediterranean Partnership*
http://ec.europa.eu/comm/external_relations/euromed/meda.htm 2006-11-24

Morrissey, Oliver (2005) “British Aid Policy in the 'Short-Blair' Years”. In Hoebink, Paul and Olav Stokke (eds.) (2005) *Perspectives on European Development Cooperation: Policy and performance of individual donor countries and the EU*. Routledge Research EADI studies in Development, London and New York.

Odén, Bertil and Lennart Wohlgemuth (2006) *Perspectives No. 1 – Svensk biståndspolitik i ett internationellt perspektiv*. Centre for Africa Studies, Göteborg University.

OECD (2002) *Sectors and cross-cutting issues*. OECD Journal on Development, Volume 3, Number 3, November 2002,

Olsson, Jan and Lennart Wohlgemuth (eds.) (2003) *Dialogue in Pursuit of Development. Expert Group on Development Issues* (2003:3), Stockholm.

PCD (2006) http://ec.europa.eu/comm/external_relations/sp/gac.htm 2006-12-05

Prop (2006/07:1) *Budgetpropositionen för 2007*. Finansdepartementet, Stockholm.

Regeringen (2006) *Regeringens Årsbok 2006*. Stockholm.

Regeringen (2006b) EU:s Gemensamma Utrikes- och Säkerhetspolitik. Stockholm

Regeringen (2006c) EU-representationen. <http://www.regeringen.se/sb/d/2208>
2007-01-25

Regeringens Skrivelse (2005/06:204) *Sveriges Politik För Global Utveckling*. Utrikesdepartementet, Stockholm.

Regeringens Skrivelse (2005/06:85) *Berättelse om EU's verksamhet under 2005*. Utrikesdepartementet, Stockholm.

Regeringskansliet (2006) *Faktapromemoria 2006/07:FPM23 Nytt utvecklingsinstrument I EU:s långtidsbudget*. Regeringskansliet, Stockholm.

Rui-Sausi, José Luis and Marco Zupi (2005) “Trends in the Debate on Italian Aid” in Hoebink, Paul and Olav Stokke (eds.) (2005)

Sveriges ständiga representation i Bryssel (2006) *Personalförteckning*
<http://www.regeringen.se/content/1/c6/01/83/24/1b82d44c.pdf> 2007-01-29

Tallberg, Jonas (2004) *EU:s Politiska System*. Studentlitteratur, Lund.

TEU Art 177 (1992) *Treaty on the European Union*, Article 177

Three-cs (2006) <http://www.three-cs.net> 2007-01-27

Treaty of Rome (1957) *Treaty establishing the European Community as Amended by Subsequent Treaties*. <http://www.hri.org/MFA/foreign/treaties/Rome57> 2007-01-02

UD (2006) *Cirkulär med riktlinjer för handläggning av EU-frågor*. Utrikesdepartementet - Enheten för Europeiska unionen, Stockholm.

Wohlgemuth, Lennart (2003) “Dialogue in Pursuit of Development: Interviews with Four Nordic Policy Makers in Development Cooperation” in Olsson, Jan and Lennart Wohlgemuth (eds.) (2003) *Dialogue in Pursuit of Development*. Expert Group on Development Issues (2003:3), Stockholm.

