



**Evaluation Study
on
The EU Institutions & Member States'
Mechanisms for Promoting
Policy Coherence for Development**

**Appendix II
Literature Review and Analysis of Country Profiles**

**Client: The Evaluation Services of
- French Ministry of Foreign Affairs, lead agency
- Germany, Belgium, the Netherlands,
and the European Commission**

May 2007

Study Team Members

James Mackie (Team Leader)	ECDPM
Gwen Corre	ECDPM
Marie-Laure de Bergh	ECDPM
Niels Keijzer	ECDPM
René Madrid	Particip GmbH

Advisory Group:

Paul Engel	ECDPM
Jean Bossuyt	ECDPM
José Antonio Alonso	ICEI
Christian Freres	ICEI

Contact Details

European Centre for Development Policy Management (ECDPM)

Onze Lieve Vrouweplein 21
6211 HE Maastricht
The Netherlands
info@ecdpm.org
<http://www.ecdpm.org>

PARTICIP GmbH, Consultants for Development

& Environment
Headquarters:
Hildastrasse 66,
D 79102 Freiburg, Germany
Brussels Branch:
Avenue des Arts 50 (5th floor), B
1000 Bruxelles, Belgium
info@particip.de
<http://www.particip.com/>

Complutense Institute of International Studies (ICEI)

Complutense University of Madrid
Finca Mas Ferré, Building A
Somosaguas Campus
28223 Pozuelo de Alarcón
Madrid
Spain
icei@sis.ucm.es
<http://www.ucm.es/info/icei>

Note:

This appendix contains the literature review and the analysis of country profiles, which were completed during the desk phase of this evaluation. They have also been included in summarised form in the final report.

The country profiles for the EU Member States and Institutions can be found in Appendix III to this evaluation.

Table of contents

1	<i>Review of the Literature on Policy Coherence for Development</i>	1
1.1	Origins, orientations and first steps in PCD literature	2
1.1.1	Provisions in the European Treaties	2
1.1.2	Putting the TEU provisions into practice	4
1.2	The PCD agenda in recent years	6
1.2.1	External influences: the MDGs and the DAC	7
1.3	Promoting PCD in practice	10
1.3.1	Understanding coherence the better to promote it	11
1.3.2	Ideas on how to promote PCD	13
1.3.3	Promoting PCD at the European level	15
1.4	Evaluating PCD	17
1.5	Conclusion	19
2	<i>Country Profiles and Comparison of Identified Mechanisms</i>	20
2.1	Updating the Scoping Study	20
2.2	Analysis of the Country Profiles.....	21
2.2.1	Progress on establishing mechanisms	21
2.2.2	Categories of mechanisms	22
2.2.3	Types of Mechanisms	23
2.2.4	Mechanisms established by Country.....	25
2.2.5	Responsibility for promoting PCD	28
2.3	Conclusions	30
	Annex 1: Bibliography	32
	Annex 2: Summary table of identified PCD Mechanisms.....	36

1 Review of the Literature on Policy Coherence for Development

An important underpinning of such a study as this is a review of literature to see what has previously been written about the purpose, value and origins of PCD mechanisms. When did European governments start to establish PCD mechanisms, what type of mechanisms did they chose and how did they fare?

Such a review quickly shows that the amount of literature produced on the subject was limited in the 1990s but increased considerably in the current decade. In Europe the debate on PCD is usually traced back to 1992 when the Maastricht Treaty (TEU) included an article on the subject. Taking this reflection further and looking not just at the literature but also at what it reflects in terms of action taken by member states in Europe, a picture emerges of four rough phases in the attention paid to PCD. These are outlined in the table below:

Box 1.1: Phases in the debate on PCD in Europe			
A	Up to 1992	First reflections	Debates on consistency in European external policies and first thoughts on PCD provides basis for articles in Maastricht Treaty
B	1992 – 1999	Making the case	TEU articles prompt highlighting of incoherence cases and debates on concepts and definitions. From mid-90s, importance of PCD is increasingly picked up in broader international circles. Concrete progress in Europe is slow.
C	Early 2000s	Wider recognition & search for solutions	OECD/DAC Peer Review system starts to cover PCD. Issue picked up in MDGs. Donors start to establish PCD mechanisms.
D	Mid 2000s on	Consolidation & knowledge sharing	More systematic and widespread attention paid to PCD. EU governments seeking to learn lessons from first experiences of promoting PCD.

This review also seeks to relate the literature to the main conclusions of our conceptual analysis completed during the evaluation study's inception phase. In particular it is interesting to note how, through these four phases, the incidence of the different types of PCD mechanism identified in the conceptual framework¹ expands and follows on from each other. Agreement on specific policy statements or legal provisions can of course be clearly dated and indeed our starting point is the approval of the TEU in 1992. Knowledge of cases incoherence and of experience on promoting PCD can be seen to play an important part in the evolution of the debate. At first this role is played out through informal work by NGOs and other interested actors but gradually the appearance of more formal sharing of knowledge and assessment can be seen to grow and one can start to talk about real mechanisms for knowledge sharing. Along the way institutional and administrative mechanisms also start to appear as governments.

¹ The 3 types of PCD mechanism identified in the Inception Note were:

- i. **Explicit Policy Statements** on coherence which translate external policy pressures into a declaration of what the government intends to do to, indicating intent, providing focus and guiding officials and other actors.
- ii. **Administrative and Institutional Mechanisms** (such as inter-departmental coordination committees in government, or a specialised coherence unit) to promote coherence in the definition and further refinement and mutual adjustment of different policies and the execution of the commitment
- iii. **Knowledge Input and Assessment Mechanisms** (information and analysis capacity) to support an evidence-based approach to policy formation which underpins and informs the need for policy coherence (ECDPM and ICEI 2005: 17, 18).

1.1 Origins, orientations and first steps in PCD literature

Policy coherence can be considered as both a political imperative which responds to the threat that obvious incoherencies can have serious electoral consequences, and an economic imperative that stems from the need to organise and conserve scarce public resources (Di Francesco 2000). In the case of policy coherence for development, the political imperative works in multiple directions for administrations of EU Member States and Institutions:

- Towards a national audience: (potential) cases of policy incoherence can be used by opposition parties and civil society actors to communicate an image of a government as uncommitted, unresponsive, inflexible, disunited and inefficient in their use of tax payers' money;
- Towards an international audience to whom cases of policy incoherence can be seen as indicative of a country's lack of commitment to the achievement and distribution of international and regional public goods, or even as a sign of selfishness, insincerity and the undermining of global policy processes.

Policy Coherence for Development is thus one response to critics who are neither convinced of the need nor of the effectiveness of development cooperation. It is also a response to developing countries who point at incoherencies to justify their demands for donors to make more serious efforts towards sustainable development. This is especially true now that ODA levels are on the rise again so that this argument can no longer be purely conducted in quantitative terms.

Most of the literature that is available on PCD has been published during certain moments in time when coherence was high on the agenda, or when efforts were made by institutions like the OECD to get it there. In these successive 'waves' of publications, newer publications often build on what has already been written about PCD, and a certain degree of uniformity can be seen in general publications on PCD (with some exceptions).

Besides these general publications on PCD, other publications have been more 'advocacy' oriented, and look at specific issues; most often to either illustrate cases of incoherence or to make a case for the importance of increasing policy coherence for development. These publications typically cover issues such as fisheries, intellectual property rights, migration, agricultural subsidies, the untying of aid, arms export, and the dumping of European products in developing countries.

1.1.1 Provisions in the European Treaties

While the Maastricht Treaty is the generally acknowledged starting point for most European debate on PCD the Treaty was not without ambiguity. Thus in some of the earlier literature, relating to the TEU, authors sought to explain the difference between coherence and consistency, words which are often used inter-changeably in policy documents, but can be seen to have different meanings. The following quote is perhaps the clearest in making the distinction:

'(...) coherence and consistency are by no means identical concepts: they in fact have very different meanings. Consistency in law is the absence of contradictions; coherence on the other hand refers to positive connections. Moreover coherence in law is a matter of degree, whereas consistency is a static concept. Concepts of law can be more or less coherent, but they cannot be more or less consistent – they are either consistent or not' (Tietje in Molina [undated]: 243).

However it has also been noted that the different translations of EU treaties have contributed to the obscuring of the difference between the two concepts. Examining the articles relating to EU external relations in general, and not just development, Simon Duke both highlights this problem, and at the same time minimizes its real importance, pointing out that the real issue is the overall sense of what is conveyed:

'The official English language versions of the Single European Act, the Treaty on European Union (TEU), and the Consolidated Treaty on European Union (CTEU), refer to the need for 'consistency.' The French and German texts however refer respectively to coh rence and Koh renz. (...)The difference between consistency and coherence has been the subject of legal scrutiny but, when viewed from a political perspective, the terms are not significantly at variance since they both point in the direction of co-ordinated activities with the objective of ensuring that the Union speaks with a 'single voice' ' (Duke 1999: 3).

There was also debate about whether the coherence or consistency was 'directional'. In other words, was it development policy that had to be coherent with and adjusted to other policies or the other way round (Hoebink & Molett 2004: 37). The Treaty on European Union from Maastricht onwards however does not appear to 'subordinate' development cooperation to other policy areas in any way. The 'consistency' article (Art. 3) in the Common Provisions was in fact quite neutral on this score and talked about the general need to '*ensure consistency of its [the Union's] external policy*'. The 'coherence' article (Art. 130v) on the other hand, despite relatively the weak wording on the strength of the requirement (noted by Hoebink & Molett, *ibid*), was in fact quite strong on the 'direction' and policy scope of the requirement stating that *all* Community policies '*likely to affect developing countries*' had to '*take account*' of the objectives of Community development laid out in Article 130u. What was also clear at that time (1992) was that this coherence requirement only applied to the EC and not to the broader EU. This debate on the strength, 'direction' and scope of the coherence article(s) in the treaty went on through the 1990s and right up into the discussion on the Draft Constitution in 2004 with NGOs in particular following it closely, though officials were often also sympathetic to the arguments².

In fact, the more or less original TEU language on *consistency* and *coherence* was carried right through the different up-datings of the TEU and into the drafting of the Draft Constitution with only one important change and that is the broadening of the scope to cover the EU and not just community policies. Even though the Draft Constitution never became law this broadening is now reflected in EU policy in the *European Consensus on Development* approved by Council December 2005.

Box 1.2: Coherence in the EU treaties & policy statements

TEU:
'The Union shall in particular ensure the consistency of its external activities as a whole in the context of its external relations, security, economic and development policies.'
 (Article C in TEU 1992, 1997 & Article 3 Consolidated TEU 2002)
 &
"The Community shall take account of the objectives referred to in Article 130 U (later Article 177) in

² In 2003 even the IGC Secretariat, in its editorial and legal comments on the Draft Constitution, argued for the creation of a set of new articles on *coherence* (Art III-1 to 5) which would have given far more strength to the need for all Union policies to be coherent with development cooperation policy. As an ECDPM report noted at the time they in fact 'upgraded' a sentence from a place in the development cooperation section, not just to the start of the external actions chapter, but right to the beginning of Part III of the Draft Constitution. If this had been passed the Draft Constitution would have given a higher status to the importance of coherence with development policy than in previous texts. (Mackie J, H Baser, J Frederiksen & O Hasse, October 2003 *Ensuring that Development Cooperation Matters in the New Europe*, ECDPM study for DFID)

the policies that it implements which are likely to affect developing countries.” (Article 130v & Article 178)

(Treaty on European Union, 1992³, 1997 & Consolidated TEU 2002)

Draft EU Constitution:

“The Union shall ensure consistency between the different areas of its external action and between these and its other policies” (Article III-292.3)

&

“The Union shall take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries” (Article III-316)

(Draft Constitution, OJ C310 16 December 2004)

European Consensus on Development:

“(…) the EU’s commitment to promoting policy coherence for development, is based upon ensuring that the EU takes account of the objectives of development cooperation in all policies that it implements which are likely to affect developing countries, and that these policies support development objectives” (Para 9,).

Quoted in European Commission, Commission Staff Working document SEC(2006) 335 final

While article 130v/178 of the Treaty on European Union (TEU) is frequently cited in development circles, in other policy fields this article is rarely referred to and reference is made instead to Article C of the Common Provisions and its provisions for consistency in EU external action (see for example Duke 1999). This does imply that, unless officials from other policy sectors happen to be directly familiar with the development cooperation articles of the Treaty, their understanding of the requirements on coherence will tend to be based on the *consistency* provisions which, though adequate, do not give quite the status to development cooperation than can be found in the specific PCD provisions later in the text. In addition the *consistency* article as it stands in the TEU only refers to consistency *within the area of external relations* and is therefore more about Europe speaking with a ‘single voice’ (as Duke 1999). The *coherence* article on the other hand goes much further and refers to coherence between *all policy sectors*. As the quotes in the box show however, the scope of the *consistency* article would have been broadened in the Draft Constitution.

The other important point to stress is that a key difference between the two Articles is that Article C of the Common Provisions refers to the Union, whereas Article 130v only refers to the Community. While it is commonly understood that this Article should also be respected by the Member States and the proposals for the Draft Constitution show that this was the direction in which the debate was moving, the fact that Article 130v only refers to Community policies means that it does not legally bind the Member States to action on PCD in their bilateral programmes. Nevertheless, the passing of the Treaty in 1992 does mark the acceptance by EU governments of the importance of taking account of the objectives of development cooperation in policies which are likely to affect developing countries, and therefore a clear step forward for development.

1.1.2 Putting the TEU provisions into practice

After the commitment to PCD became part of the Maastricht Treaty, both the European Member States and the European Commission did not act much on it. Part of this apparent inaction can probably be attributed to the fact that the European Union has a heavy decision-making system in which it is relatively easy to resist moves to reduce incoherence. In such circumstance substantial political commitment and drive would therefore be needed to further the PCD agenda (Hoebink 2004: 185, 186). Nevertheless, the Treaty of Maastricht clearly marked the acceptance of PCD as a concept, as well as the decision of the European Union to promote it.

³ Source: http://europa.eu/eur-lex/en/treaties/dat/EU_treaty.html

As is clear from much of the literature the drive to implementing PCD first came from outside the EU's formal institutions and members, with civil society organisations campaigning for concrete steps to implement PCD to be taken by the European authorities. Well researched and imaginative presentation of cases of incoherence proved fertile ground for attracting the public eye. Kapstein remarked that the PCD agenda could be 'sold' to a select but concerned audience: *'The PCD agenda had started to resonate with middle class voters, particularly in Northern Europe. (...) What has become increasingly visible and troublesome to voters is policy incoherence'* (Kapstein 2004b: 3).

Many of these cases of incoherence related to the Common Agricultural Policy and to the fisheries policy. In 1993, European NGOs started a campaign against EU-subsidised meat exports being dumped in West Africa. The subsidies were clearly shown to undermine European aid projects in the Sahel to encourage meat production. The follow up to this research, which showed the adverse effects of meat dumping, is summarised by Hoebink & Molett:

'Eventually, pressure mounted from Member States and the European Commission was forced to publish a report admitting the incoherence and make adjustments to the subsidies. Soon afterwards the Netherlands proposed that a mechanism be adopted for identifying present and future problems of incoherence. Belgium proposed holding joint sessions of the Agriculture and Development Councils. Neither suggestion has yet been acted upon.' (Hoebink & Molett 2004: 4).

Although an EC report proposed that a contact group should be set up to monitor the effort of beef export subsidies, this proposal was not implemented. Similar policy incoherencies resurfaced later, this time in the South-African region:

Box 1.3: Incoherencies in the South African region

'The inconsistency in EU exports of subsidised beef to the South African market (a net importer of meat) lies, again, in the fact that these European beef exports hinder trade from South Africa's neighbours, Namibia, Botswana and Swaziland, whose livestock sectors are supported by European aid. The extent to which the local market has been affected, hence the degree of inconsistency, is still hard to assess (because the South African market has been badly hit by drought and animal disease). In 1996, South Africa asked the EU to restrain its exports, which it refused to do, on the grounds of non-discrimination against South African importers. A further inconsistency identified by NGOs is that small black south African producers are being excluded from a market dominated by large white farmers. This is incoherent with the fact that the EU, like the present South African government, has been fighting apartheid for many years' (Koulaimah-Gabriel and Oomen 1997).

The fact that the EU Member States and Institutions did not translate their PCD commitments into action can partly be explained by the fact that doing so would often mean affecting a select, and often powerful group of stakeholders. As is mentioned by Grieg-Gran:

'(...) allocating a small percentage of tax revenue to development assistance is politically palatable, as the cost is shared between a large number of taxpayers. In contrast, measures such as removal of tariffs often affect a small but powerful group, which can mobilize opposition more effectively' (Grieg-Gran 2003: 136).

In 1996, two further cases were brought forward by civil society, respectively on fisheries and the so-called 'Chocolate Directive'. In the former case, the European Union was blamed for having simply exported its surplus fishing fleet problem by concluding fisheries agreements which allowed European fishermen free fishing rights in developing countries' waters at the Community's expense. Research was supported from inside the German ministry, which aimed at collecting evidence to support action at the EU level on increasing policy coherence for

development in the fisheries sector. In the case of the Chocolate Directive, with big industry lobbying for the lifting of the ban on cocoa butter alternatives, the Commission proposal was not passed as there was no unanimous vote from the Member States (Hoebink 2001: 21).

After these cases came to light, the Commission produced an internal working document (a “non paper”) which stated that the problem of coherence should indeed be given attention under several aspects (including coherence between development policy and external action, development policy and other EU policy fields, and coherence between the policies of the member states and the Commission’s policies). After several internal discussions in the Commission and Council working groups, a much more watered-down and tamer document made it to the agenda of the Council Meeting in May 2000 (Hoebink 2004: 204, 205). The alteration of the text clearly shows how the EC is in practice both mandated and censored by different EU Member States when it comes to PCD, and that the EU Members’ commitments and incentives towards policy coherence for development greatly depends on the stakes and interests involved in the specific ‘dossier’ which on the table at the time (e.g. fisheries, agriculture, cotton, security, ...).

1.2 The PCD agenda in recent years

Moving on to the current decade we may observe that some, albeit slow, progress has been made with advancing PCD on the EU level, at least at the level of explicit policy statements. This progress is perhaps best captured by comparing the 2000 European Commission’s Development Policy Statement with the 2005 European Union’s Consensus on Development:

<p>Box 1.4: Changing emphasis on PCD: The 2000 EC Development Policy Statement & the 2005 European Consensus on Development⁴ (emphases added)</p>	
<p>DPS 2000 - Article 39: <i>‘There must be greater coherence <u>between the various Community policies focused on sustainable development</u>. Efforts must be made to ensure that Community development policy objectives are taken into account in the formulation and implementation of other policies affecting the developing countries. The way to achieve this is to make a systematic and thorough analysis of any direct effects of measures in especially sensitive areas and to take development problems into account in the Commission decision-making process.’</i></p>	<p>EU Consensus 2005 Article 35: <i>‘It is important that <u>non-development policies assist developing countries’ efforts in achieving the MDGs</u>. The EU shall take account of the objectives of development cooperation in all policies that it implements which are likely to affect developing countries. To make this commitment a reality, the EU will strengthen policy coherence for development procedures, instruments and mechanisms at all levels, and secure adequate resources and share best practice to further these aims.’</i></p>

First of all, the greatest change between these two statements is that while the Development Policy Statement referred only to ‘Community policies’, the EU Consensus clearly intends that the complete European Union will take account of development objectives in all its policies that are likely to affect developing countries. Another important difference in these two policy statements is whereas the former speaks of a need for ‘greater coherence between policies focused on sustainable development’, the latter policy statement refers to a much broader category of ‘non-development policies’ which it sees as also needing to work to ‘assist developing countries achieve the MDGs’.

⁴ Sources: EC (2000) ‘The European Community’s Development Policy – Statement by the Council and the Commission.’ Brussels, 10 November 2000.
 EU (2005) The European Consensus on Development (December 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 on The European Union Development Policy.

1.2.1 External influences: the MDGs and the DAC

The European Consensus' reference to the MDGs also serves to illustrate, as discussed below, that a few years into the new millennium external sources had become an important reference point for European government action. Given the slow progress on PCD in the 1990s compared with movement in the current decade to further promote PCD and examining the literature it would indeed seem that the decisive agents of change were external rather than internal to the EU. Thus it is apparent that in addition to the UN discussions on the MDG, the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) played a crucial role in getting EU Member States to actually start establishing PCD mechanisms.

The *Scoping Study on EU mechanisms promoting PCD* concludes on the basis of its preliminary analysis that *'where action has been taken on policy coherence for development, however, the trigger seems to have been the UN Millennium Declaration, not so much the [Maastricht] treaty itself'* (ECDPM & ICEI: 48).

In its Millennium Declaration, the UN sets the need to 'develop a global partnership for development' as the eighth Millennium Development Goal. This objective covers the actions needed to increase coherence between the purposes of Official Development Assistance and other public policies that affect developing countries. Different EU Member States have produced MDG 8 progress reports, many of which refer to what is being done to further the PCD commitments made (such as Sweden, Belgium and the Netherlands). A certain amount of peer-pressure seems to have been exerted through the publication of these reports, for example as shown by the case of the UK where the UK House of Commons strongly argued for the production of a MDG8 progress report by DFID⁵ after noting that other European governments were producing such reports.

A recent OECD publication (OECD 2005a: 22) also underlines the importance of PCD as one of two main principles why rich countries should act on the commitments in MDG 8. Ensuring maximum effectiveness of development cooperation is essential to achieve a real impact on global poverty. It argues that if the MDGs are to be attained, the focus of the developed countries has to broaden beyond their Official Development Assistance:

'For many developing countries, ODA is an ever-shrinking proportion of their capital flows. Trade earnings, foreign direct investment, migrants' remittances, and grants from foundations and other nongovernmental organisations (NGOs) are substantially larger than ODA in many cases. Often, there is no oversight to ensure that these various flows work together for a common development goal' (OECD 2005a: 30).

Also on the multilateral level, the World Trade Organization has played a role in communicating the importance of PCD to non-development audiences. Thus it has emphasised the important role that is played by trade in promoting development and reducing poverty in the declaration which was adopted at the WTO Ministerial Meeting that was held in Doha in 2001 (Ashoff 2005: 33).

As for the OECD's Development Assistance Committee, in recent years it has scaled up its efforts to promote PCD. The first indication of their interest in PCD actually goes back to the previous decade. In 1996, the OECD strategy document, *'Shaping the 21st Century: the Contributions of Development Co-operation'*, referred to PCD as key to increasing the effectiveness of development cooperation. This document concluded with the commitment:

⁵ House of Commons International Development Committee (2005) "The Commission for Africa and Policy Coherence for Development: First do no harm." Government Response to the Committee's First Report of Session 2004–05

'We should aim for nothing less than to assure that the entire range of relevant industrialised country policies are consistent with and do not undermine development objectives' (OECD 1996: 22).

More proactively however, from 2000 onwards the DAC started to include a separate chapter devoted to PCD in the Peer Reviews of its members' development programmes. This decision led to an increase of exchanges between governments on the topic, and the public communication of both good and bad practices by different DAC members: cases of policy incoherence (such as arms exports) were brought out and good practices in promoting PCD were commended in the reports. These efforts were further consolidated in 2002, when the OECD approved a ministerial declaration, *'Action for a Shared Development Agenda'*⁶, in which the organisation committed itself to *'enhance understanding of the development dimensions of Member country policies and their impacts on developing countries.'*

The thinking on PCD going on it the DAC has in fact prompted a number of the most useful definitions of coherence (see Box 2.6 below). These also serve to confirm that it was *intra-government coherence*⁷, that became the central focus of attention among the different types of coherence identified in the literature.

Box 1.5: Definitions of coherence from the OECD DAC

"Policy coherence (...) involves the systematic promotion of mutually reinforcing policies across government department and agencies creating synergies towards achieving the defined objective"
(DAC Poverty Guidelines 2001)

"Policy coherence means different policy communities working together in ways that result in more powerful tools and products for all concerned. It means looking for synergies and complementarities and filling gaps, between different policy areas to meet common and shared objectives"
(DAC Journal of Development Cooperation 2002)

"Policy Coherence for Development means working to ensure that the objectives and results of a government's (or institution's) development policies are not undermined by other policies of that government (or institution), which impact on developing countries, and that these other policies support development objectives where feasible."

in McLean Hilker, L (2004) *"A comparative analysis of institutional mechanisms to promote policy coherence for development. Case study synthesis: The European Community, United States and Japan"*. Paper prepared for the OECD policy workshop *Institutional Approaches to Policy Coherence for Development*, 18–19 May

The OECD considered its role as being to deliver *'(...)the analytical underpinning that its members need to take informed policy decisions, provide a forum for dialogue on key policy issues, and monitor performance under agreed international commitments'* (OECD 2003: 1). In the same publication, the OECD states both clearly and strongly that when MDG 8 is not *'(...) regenerated'*, the other seven MDGs will also be out of reach (OECD 2003: 3).

Box 1.6: The OECD's Role

'The OECD is well placed to integrate developmental with other policy considerations due to its analytical capacity and the horizontal nature of its work. A combination of concrete analysis of the

⁶ The strategy and declaration can be found here: "Shaping the 21st Century: the Contributions of Development Cooperation" at: <http://www.oecd.org/dataoecd/23/35/2508761.pdf> and

"Action for a Shared Development Agenda" at :

http://www.oecd.org/document/46/0,2340,en_2649_33721_2088942_1_1_1_1,00.html

⁷ This name is derived from Picciotto's (2004) typology – discussed below

impacts of OECD country policies in priority areas on developing countries, policy recommendations—including identification of policy alternatives – and building the will for reform are needed. The peer review mechanism, supported by an analytical framework, can be instrumental to this end, not only through the DAC, but also through all other relevant policy committees. And OECD’s analytical work will seek measures by which progress can be monitored on a regular basis’ (OECD 2003: 7).

Of course both the UN and OECD are membership organizations and their priorities are driven by what member governments, EU governments among them, bring to the table. Thus although the literature seems to indicate that in the late 1990s the debate on PCD shifted away from the EU to the OECD and the UN, what is more likely is that one is witnessing a need among governments to better understand and exchange ideas on tackling incoherence, a subject that they were being regularly challenged on by NGOs and others. The DAC is thus probably the first place where the EU Member States turned to in order to ‘compare notes’ on PCD. The fact that OECD started to include PCD in the Peer Reviews, implies that the member governments were convinced of the importance of PCD, recognized that they were unsure how to best promote it, and were keen to exchange ideas, information and experiences on what worked and what didn’t work.

That said, at the same time while acknowledging all the positive efforts made, one can also observe a certain degree of inconsistency in the various issues taken forward by the DAC. PCD is clearly an important issue for the organization yet in its ‘*Development Co-operation Report 2005*’, where the DAC strongly promotes the agenda of the Paris Declaration on Aid Effectiveness, no reference to PCD can be found in either the DAC Chair’s Overview, nor in the two chapters devoted to the Paris Declaration. Furthermore, in the country overviews that compose a large part of the report, no links are drawn in either direction between MDG8, PCD, and the commitments in the Paris Declaration.

It is also evident from the literature (Hoebink, Ashoff, OECD, Picciotto, etc) that during the 2000-2006 period, several EU Member States increased their efforts in promoting PCD. These efforts on the one hand translated into increased action on the OECD and UN level, but also led to an increased presence of PCD on the European agenda. The subject was for instance picked up in the Convention and the IGC preparing the Draft Constitution (see box above) and in a number of Communications from the Commission to the Council

In 2005, the European Commission produced an important, but relatively overlooked communication entitled ‘*Policy Coherence for Development Accelerating Progress towards Attaining the Millennium Development Goals*’. A recent report from the UK House of Lords commended the EC for this, and commented that this was the first time that such a document had been adopted at the Council level:

‘The Communication was welcomed by the Council on 24 May which agreed to take account of the objectives of development co-operation in all policies that it implements which are likely to affect developing countries’ (UK House of Lords 2006: 106).

The European Parliament also worked to promote PCD in a number of their reports and resolutions from this period. Two quotes, reproduced below in the following box, give a sense of this work.

Box 1.7: The European Parliament and PCD

15 February 2000: Joint motion for a resolution

The motion refers to the several commitments made on PCD, the lack thereof in practice, and mentions that there cannot be any sustainable development without PCD.

Among other actions, the motion argues for an EC annual report on policy coherence in connection with development cooperation, the establishment of an inter-service working group on coherence, comprising the Directorates-General of the European Commission whose policies are likely to impact on European Union development policy, and the setting up of a complaints procedure open to governments and civil society organisations. (EP, RC-B5-0117/2000)

This joint motion led to a European Parliament resolution on the coherence of various policies with development policy that was adopted on 17 February 2000.⁸

EP Committee on Development, 15 September 2005

In a draft report on the proposal for a Joint Declaration by the Council, the European Parliament and the Commission on the European Union Development Policy "*The European Consensus*", the EP's Committee on Development demands stronger action on PCD:

'Supports efforts towards policy coherence which should be managed so that the objectives and outcomes of development policies, rather than being undermined, are supported by other policies; calls for urgent action on EU policies that are particularly negative, such as trade, CAP and fisheries agreements; further asks for a time-table to be agreed upon for the elimination of agricultural export subsidies' (EP Committee on Development 2005: 6).⁹

The final version of the *European Consensus on Development* is relatively specific about the promotion of PCD. In the document, the commitment statement that is made in article 35 is operationalised into more concrete commitments on issues including trade capacity building, removing trade distortions, security and development, and the environment. These specific issues were prioritised earlier that year by the Council of the European Union, and accepted in its conclusions of 24 May 2005. The Council specifically identified twelve key policy areas where it was going to seek action on PCD (listed in Annex 4). These were repeated in a Commission Staff Working Paper that was released on 7 March this year, in the context of its Work Programme 2006–2007. As a result the debate at the European level has become far more specific.

In sum while the literature usually chooses the date of the Maastricht Treaty (1992) as the most convenient moment to set the start of a concern with PCD in Europe, it also notes that very little practical progress was made on promoting PCD during the rest of the decade. Instead that period is more marked by discussion on examples of incoherence and on debates about the nature of coherence. It is only as from about 2000 that a more regular debate emerges in DAC circles about what member governments, European and other, are actively doing to promote PCD. Recent literature thus provides more analysis of particular measures taken by EU governments and at the EU level the member states and EU Institutions start to approve more specific practical measures to promote PCD.

1.3 Promoting PCD in practice

Although Hoebink's work in the 1990s is important in terms of keeping the debate on the need for PCD moving, various other authors have made important contributions on both understanding the nature of PCD and on how to promote in practice. The DAC has also played a role in encouraging work through seminars and publications. In particular, Robert Picciotto, Guido Ashoff and Lyndsay McLean Hilker have all added important contributions. While Hoebink and Ashoff give detailed descriptions about the origins and developments of the PCD debate and mostly stick to the EU level, Picciotto looks at the wider group of OECD donors and

⁸ http://eur-lex.europa.eu/LexUriServ/site/en/oj/2000/c_339/c_33920001129en02580260.pdf

⁹ <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P6-TA-20050446+0+DOC+XML+V0//EN&language=EN>

McLean Hilker's work has focused more on systematizing experience from across the OECD members.

1.3.1 Understanding coherence the better to promote it

Central to the work of Hoebink and Picciotto, and often cited, are the various typologies for different levels or types of coherence which they identify. Hoebink (2004) presents five different typologies for classifying coherence:

Box 1.8: Classifying Coherence 1 – following Hoebink (2004)

1. *Between three types of coherence:*
 - a. restricted [1] coherence: within the policy itself;
 - b. restricted [2]: in external action; and
 - c. a broad type of coherence which includes also national and European policies;
2. *Between different sectors of policy*, that is between
 - a. external [1] (EU foreign policies);
 - b. external [2] (EU level policies) and inter-European (EU MS individual policies);
3. *Between horizontal and vertical coherence*
 - a. Horizontal: coherence and incoherence of the different EC DG's) and
 - b. Vertical between the MS and developing countries, the EC and international institutions;
4. *Between intended and unintended coherence.*
Intended coherence would be 'a form in which an authority consciously accepts that the objectives of policy in a particular field cannot be achieved because the policy involves conflicting interests.' (page 193);
5. *A classification based on the various causes or reasons of coherence that can be identified* (Hoebink 2004: 195).

Another commonly used typology is featured in the work of Picciotto, in which five levels of PCD are distinguished:

Box 1.9: Classifying Coherence 2 – following Picciotto (2004)

1. *Internal coherence.*
This refers to the development policy itself, which should be drawn up to achieve consistency between its goals and objectives, modalities and protocols.
2. *Intra-government coherence.*
More consistency is needed across all of the policies and actions of an OECD country in terms of their contributions to development. The strategic options in the policies most relevant for developing countries should be reviewed to prevent, or make up for, any decisions that go against development objectives.
3. *Inter-governmental coherence.*
Policies and actions should be consistent across different OECD countries in terms of their contributions to development, to prevent one from unnecessarily interfering with, or failing to reinforce, the others in the same environments or countries.
4. *Multilateral coherence.*
Consistency should be promoted across the policies and actions of bilateral donors and multilateral organisations.
5. *Donor-recipient coherence.*
Countries receiving donor contributions should be encouraged to set up policies that allow them to take full advantage of the international climate to enhance their economic and social progress

(Picciotto 2004).

Both typologies are useful in improving our understanding of the complexity of promoting policy coherence, in illustrating the number of actors involved and in pointing at inter-linkages between different levels.

Out of this selection Piciotto's *intra-governmental coherence* (akin to Hoebink's type 2 – between different sectors of policy), has emerged as the most important area for further work. This is the type that has become the focus of the drive for PCD. It is also the most visible and concrete form of coherence, where collective action is possible (such as committed to by the EU Member States during the April 10 2006 Council conclusions). Improvement here also provides a base on which to build political momentum to invest in multi-lateral coherence. It is the form that is usually sought after when cases of incoherence come to public attention and therefore also the most clearly communicable type of PCD, as shown by the NGO campaigns during the period of 1992-2000 referred to above.

Analysing the German case in particular, Ashoff (2005: p.18) makes the useful point that as globalization intensifies and cross-frontier societal interactions diversify, increase and speed up the need for PCD becomes more acute as more and more areas of government policy tend to have external effects which can impact negatively on developing countries. He also examines the causes of incoherence in some depth and suggests (2005, pp.34-40) a limited list of four different types of **causes of incoherence**:

1. *Causes in the societal and political norms of a country*
2. *Causes in the area of political decision-making*
 - a. Divergences of political interests at national level
 - b. More complex political decision making processes as a consequence of globalization and decentralization
 - c. Divergent political interests at an EU level
 - d. Weakness of development policy in the political play of forces
 - e. Failure of partner countries to take countermeasures
3. *Causes in the area of policy formulation and coordination*
 - f. Shortcomings in policy formulation
 - g. Shortcomings in the structure and process of policy coordination
 - h. Information shortages
4. *Causes at the conceptual level*
 - i. Increasing complexity of the development agenda
 - j. Knowledge gaps
 - k. Complexity of the development process

This list provides a number of useful reminders which are of value in studying specific cases of incoherence. PCD mechanisms clearly need to be geared to counter as many as possible of these causes.

Besides making this useful distinction between the four causes of incoherence, Ashoff also differentiates between three separate justifications for pursuing policy coherence for development. This typology helps us to analyse and understand the multiple motivations governments may have in deciding to pursue PCD.

- i. **The negative justification:** *incoherence between development policy and other policies.*

The 'traditional' and most commonly used justification for pursuing PCD is often motivated by collecting evidence on how other policies undermine or even negate the work of development programmes. These incoherencies can be caused in two ways: (1) because other policy interests – such as foreign policy or export promotion – eclipse development objectives leading to inconsistencies between declared objectives and development cooperation in practice; and (2) because development cooperation, implemented in

accordance with declared objectives, is directly impaired by other policies whose objectives run counter to development cooperation's intentions.

ii. **The strategic justification:** *policy coherence as a response to globalisation and as a requirement of global governance.*

An essential and widely recognised aspect of global governance is that various domestic policies will (have to) interact internationally more closely than in the past. Even those policies that were intended and formulated as inward-oriented are acquiring an international dimension due to the effect of globalisation. The traditional distinction between domestic and foreign policy is rapidly losing its analytical and empirical legitimacy.

iii. **The substantive-programmatic justification:** *the guiding concept of sustainable development and the Millennium Declaration.*

The author remarks that the first two justifications do not necessarily indicate the direction which the goal of coherence needs to take. On what basis may development policy expect the subordination of other policy areas to its goals? For example, he points out that German development policy, like any national policy, is required by the Constitution to promote German interests and employment. However, there are regional and global agreements which override this objective and guide the direction of coherence, such as the conferences during the 1990s which shaped the concept of 'sustainable development cooperation', and the 2000 United Nations' Millennium Declaration. (Ashoff 2005: 14–19)

1.3.2 Ideas on how to promote PCD

A separate issue is the practical question of precisely how to promote PCD. In the literature, reviewed, authors commonly identify certain 'solutions' to promote PCD. Some of these have gradually become referred to as 'mechanisms': formal and systematic efforts that can drive and set in motion movements towards PCD in a given context, and by now the need to establish such mechanisms has become formally recognized. Thus in the European Union Council Conclusions of April 10 2006, the importance of the joint responsibility of the Commission, the Council and the Member States in promoting PCD is underscored. In the Conclusions, the Council invites: '(...) *the Commission and the Member States to provide for adequate mechanisms and instruments within their respective spheres of competence to ensure PCD as appropriate.*'

In practical terms one of the simplest and most straightforward descriptions on what is required to promote PCD is proposed in a recent report (2005), from the UK House of Commons International Development Committee (IDC). This identifies five different steps on the road to promote PCD:

Box 1.10: Five Steps needed to promote Policy Coherence for Development

- **Recognise** the importance of policy coherence in a world of interdependent challenges and issues;
- **Understand** better the nature and strength of relationships between issues;
- **Specify** the impacts of the developed world's policies on developing countries;
- **Assess** the scope for enhancing policy coherence;
- And, **modify** objectives and policies so that there is more coherence.

(UK House of Commons International Development Committee (2005) "The Commission for Africa and Policy Coherence for Development: First do no harm." Government Response to the Committee's First Report of Session 2004–05, p.3/4)

However, behind these apparently simple steps still lie complex issues of how to implement them in practice in complex government systems.

Although it acknowledges that there are no 'magic formulas' to promote coherence, the OECD has done quite some work on developing tools and checklists which can help its members to operationalise and promote PCD. An often cited and influential list, dating back from when it first started taking a systematic interest in PCD, was published by the OECD/PUMA in 1996:

Box 1.11: OECD/PUMA Tools for Coherence

Commitment by political leadership is a necessary precondition to coherence, and a tool to enhance it.

Establishing a **strategic policy framework** helps ensure that individual policies are consistent with the government's goals and priorities.

Decision makers need **advice based on a clear definition and good analysis** of issues, with explicit indications of possible inconsistencies.

The existence of a **central overview and co-ordination capacity** is essential to ensure horizontal consistency across policies.

Mechanisms to **anticipate, detect and resolve policy conflicts** early in the process help identify inconsistencies and reduce incoherence.

The decision-making process must be organised to achieve an effective **reconciliation between policy priorities and budgetary imperatives**.

Implementation procedures and monitoring mechanisms must ensure that **policies can be adjusted** in the light of progress, new information and changing circumstances.

An administrative culture that promotes **cross-sectoral co-operation** and a **systematic dialogue** between different policy communities contributes to the strengthening of policy coherence.

Source: OECD/PUMA 1996 in OECD 2005a: 44

Over the years the DAC has produced several publications which focus on institutionalised approaches to promote PCD, and has organised workshops to stimulate policy dialogue between its members and the sharing of best practices. During a 2004 workshop, Lyndsay McLean-Hilker presented an overview of mechanisms to promote PCD:

Box 1.12: Institutional Mechanisms To Promote Policy Coherence for Development¹⁰

1. Government/institutional structures: Whether the structure, form and system of the government/institution, the interaction of its different parts and the designation of responsibilities facilitates achievement of policy coherence.

2. Political context, commitment and leadership: The priority given to development issues on an ongoing basis at the highest level of a government or institution.

3. Policy frameworks/statements: Whether the government / institution has a clear policy (and legal) framework to ensure implementation of commitments to development, poverty reduction & policy coherence.

¹⁰ Source: (in McLean Hilker, Lyndsay (2004) "A comparative analysis of institutional mechanisms to promote policy coherence for development. Case study synthesis: The European Community, United States and Japan". Paper prepared for the OECD policy workshop Institutional Approaches to Policy Coherence for Development, 18–19 May: 11,12

4. Stakeholder analysis/consultation: The ability and willingness of the government or institution to identify, consult and balance the interests of all possible stakeholders in a policy decision or change.

5. Analytical capacity and knowledge management: The capacity of the government or institution to clearly define the development issues at stake, gather relevant knowledge and data to fill information gaps, analyse this effectively and feed it into policy processes at the correct stage.

6. Policy co-ordination mechanisms: The existence and effectiveness of inter-government /cross-institutional coordination mechanisms to coordinate policy, consult on policy options, and anticipate, detect, analyse and resolve policy conflicts or inconsistencies.

7. Working practices and policy-making processes: Whether the government or institution has an administrative culture that promotes cross-sectoral cooperation, systematic information exchange/dialogue between different policy communities in informal day-to-day working practices.

8. Monitoring, accountability and lesson learning: The existence of policy monitoring mechanisms so policies can be adjusted in the light of new information, changing circumstances and feedback on their impacts.

These eight mechanisms were later used in the ECDPM & ICEI (2005) *Scoping Study on EU mechanisms to promote Policy Coherence for Development*, as a basis to propose the categorisation of just three different types of mechanism used in the current study:

- i. Explicit **Policy Statements** on coherence which translate external policy pressures into a declaration of what the government intends to do to, indicating intent, providing focus and guiding officials and other actors.
- ii. **Administrative and Institutional Mechanisms** (such as inter-departmental coordination committees in government, or a specialised coherence unit) to promote coherence in the definition and further refinement and mutual adjustment of different policies and the execution of the commitment
- iii. **Knowledge Input and Assessment Mechanisms** (information and analysis capacity) to support an evidence-based approach to policy formation which underpins and informs the need for policy coherence (ECDPM and ICEI 2005: 17, 18).

Whereas initially the mechanisms that were proposed were mostly of a particularistic nature and proposed specialised units in charge of taking the PCD agenda forward, several OECD governments have in more recent years moved towards more 'whole of government' approaches which aim at promoting coherence policy coherence across different sectors. The Swedish, Policy for Global Development, being the most far reaching case to date. The experience from the Development Assistance Committee research suggests that the success of these whole of government approaches depends on effective dialogue with a range of policy communities, as well as willingness to engage with policy making lessons and experiences from other sectors. This is sometimes referred to as a 'two-way street' of PCD (OECD 2005a: 39).

During the current evaluation, information was gathered on the mechanisms to promote PCD put in place by EU Member States and Institutions. Information on these mechanisms that was synthesised from official public sources was verified and expanded through a targeted mailing, and enabled a comparison with the data that was collected during 2004 and 2005 for the Scoping Study.¹¹ The individual profiles for each Member State and EU institution that resulted out of this assessment can be found in Volume II of this Report, and are analysed in the third chapter of this Report.

1.3.3 Promoting PCD at the European level

A lot of the early discussion on promoting PCD focused on institutionalised approaches towards promoting PCD that could be used at the EU level. Most of these usually cover one or two of the different steps identified by the UK's IDC. Thus in an earlier document from 2000 that was published electronically on Europe's Forum on International Cooperation (Euforic), the Dutch

¹¹ ECDPM and ICEI (2005) EU mechanisms that promote policy coherence for development. A scoping study. Amsterdam: Aksant Academic Publishers

Ministry of Foreign Affairs lists a series of potential PCD mechanisms for use at the European level suggested by different bodies:

Box 1.13: Proposed instruments to promote PCD (reproduced from Euforic 2000)¹²	
Suggested by:	Instruments:
National Advisory Council (NL)	Report annually to the EU Council and the EP
National Advisory Council (NL)	Complaints procedure / Inspection Panel
National Advisory Council (NL)	Screening Test
Solagral (French Research Institute)	Working group of civil servants of different DGs
Solagral (French Research Institute)	Group of experts for assessment studies
Church Conference (Germany)	Regular consultations between European and ACP ministers
Government of Denmark	Discussions in Council
Government of the Netherlands	Complaints procedure Commission
Government of the Netherlands	Discussions on coherence in every Council meeting
European Commission	Focal Point for coherence issues

Most of these mechanisms take the House of Commons' first two steps as a given and focus on assessing the scope for enhancing PCD, evaluating what is done to promote PCD, and registering cases of incoherencies that can be dealt with. One could conclude that, in the period from 1992-2000, most organisations and researchers who did research on PCD assumed that the commitment made in the Maastricht Treaty was sufficient, and that no further explicit policy statements were required to ensure that the need for PCD was acted upon.

Besides forging EU wide decisions on PCD, such as taken in April this year, the Council of the European Union also works itself to promote coherence in various fields. In a recent study by the Centre for European Policy Studies (CEPS), the various Council PCD working groups were evaluated in detail. Basing itself on studies of the 12 thematic areas identified in the May 2005 Council Conclusions on PCD, the study makes the general observation that:

'(...) it seems easier to ensure policy coherence in general, and by extension policy coherence for development, in the policy-making processes in the European Commission than in the Council. The main reason is that decisions are ultimately taken by the Commission as a whole, thereby allowing all interests to be represented and cleared at the central level, i.e. the college of Commissioners, whereas decision-making in the Council must navigate then nine sectorally-divided ministerial formations and numerous subordinate bodies, where the majority of decisions are taken' (CEPS 2006: i).

Among the study's general conclusions on PCD in the EU is that the role played by EU presidencies are absolutely fundamental to promoting PCD, as they set the agenda of the Council meetings. The presidencies also further steer PCD through representing the EU Council vis-à-vis the other EU institutions and externally. It has therefore often been through the involvement and commitment of individual Member States that the PCD agenda was taken forward on the EU level. The most recent example is the Finnish presidency of 2006, which has emphasised the importance of PCD (CEPS 2006: 11).

The CEPS study also partly covered the European Commission's role in PCD in relation to that of the Council, and concluded that development implications of a proposal are properly understood and taken into account when non-development DGs are in the lead. It also concluded that legitimate concerns that are expressed by a variety of stakeholders are not always incorporated in the final decisions (including the developing countries, who in the case of the ACP have a legal right to do so per the Cotonou Partnership Agreement). The EC has however different mechanisms in place, such as Country Teams or the Impact Assessment

¹² http://www.euforic.org/iob/publ/workdocs/evaluation_7.html

system, which if sufficiently employed could be very effective in promoting coherence (CEPS 2006: 18).

Whereas the Council plays a role in promoting intra-governmental coherence of the EU Member States and the European Commission, on the level of EU policies it has to promote inter-governmental coherence. This is a complex task given the institutional structure with nine different Council formations (reduced from twenty-one through successive reforms in 1999 and 2002); two forms of the Committee of Permanent Representatives; twenty-five Member States and the European Commission, each with different policy priorities; seven Senior Committees; and ten Working Parties (CEPS 2006: 9, 10).

1.4 Evaluating PCD

Many of the publications on PCD follow a more or less common structure: they take what has been pledged by the European Member States and the EU institutions as a given, and examine how PCD is being implemented and promoted. Most of these publications therefore use a fairly comparative, evaluative approach.

As a result of the many commitments that are made to promote PCD, it has also increasingly become an aspect covered in evaluations of the development aid of the European Commission and the Member States. It is interesting to compare some of these evaluations and examine whether PCD has been included as the subject of a specific evaluative question or whether any reference is being made to mechanisms for promoting PCD.

In the following table, some excerpts are reproduced from a random selection of thirteen evaluation reports, for three selected Member States and the EC from EuropeAid's 'Data Base of Evaluation Studies Undertaken by EU Member States and the European Commission in External and Development Cooperation'.¹³ The Member States which we examined were Denmark, the Netherlands and the United Kingdom. For this comparison, only the final consolidated reports were examined, while annexes and country notes were not analysed.

From this selective assessment, we can conclude that most evaluations stick to their categorisation as 'evaluations of development assistance'. Where an evaluation refers to coherence, it most often concerns internal coherence (coherence between the different development interventions of a Member State in a given geographical or thematic area), and sometimes on coherence of these interventions with those undertaken by other donors. In the case of the evaluations which are managed by the European Commission, there is often a separate evaluative question that focuses on the 3Cs. In the case of the European Commission's Country Strategy evaluations, for example, an analysis is often included on how the Commission's strategy and interventions have been affected by other EU policies. This sometimes leads to important findings, such as in the 2005 Ghana Country Strategy Evaluation which concluded that conflicts or synergies with other EU policies could not be confirmed because policy and programming documents do not identify possible linkages between the cooperation strategy for Ghana and other EU policies. Besides this fundamental point, the evaluation also includes some 'dossier-specific' information on PCD. As one of the focal sectors in the Country Strategy Papers concerned rural development, the evaluation made note of the following:

'Ghana is now Africa's largest importer of tomato concentrate from southern Europe (...) which is principally processed from fresh subsidised tomatoes. Imports of such products (...) from the EU indeed represents 2,5% of total imports from the EU and ranks as the fifth item in importance (the first one being

¹³ http://ec.europa.eu/comm/dg/aidco/ms_ec_evaluations_inventory/evaluationslist.cfm

In October 2006, the database contained 625 entries.

imports of motor cars and other motor vehicles which represents 5,1% of total imports from the EU). This has contributed to the breakdown of the country's tomato canning industry and all related up and down-stream activities (e.g. producers, transporters)' (EC 2005: 69).

In the reports examined from the three Member States the coverage of coherence is sometimes good, but in many cases the analysis is not very comprehensive. 'Not coherent' is also often used as a synonym for 'not-well thought out' and often coherence is viewed as a positive outcome of policy coordination with other donors. All these reports suggest that development evaluations are currently not well equipped to evaluate progress made on intra-governmental policy coherence for development, the main reason would seem to be that they are often budgeted within (clusters of) projects or programmes. As evaluations are complex studies that need to cover an intensive amount of issues over a short period with limited resources, the issue of PCD is often not systematically and comprehensively addressed, although it should be noted that the EC evaluations are a step ahead of these three Member States in this respect. The formal recognition by EU Member States of the importance of (intra-governmental) PCD, such as stated in the April 2006 EU Council Conclusions or in the December 2005 EU Consensus on Development therefore still needs to be translated in adequate resources for evaluation.

The need for development evaluations to systematically cover issues that are strictly speaking not part of development assistance was also recently made clear by Robert Picciotto (Box 2.14)

Box 1.14: Picciotto's on 'The Global Dimension of Development Evaluation'

In his presentation at a recent workshop at the University of Sussex, Robert Picciotto¹⁴ argued that development evaluation should also address non-aid policies, and illustrated this need with some quantitative data:

*'Aid (\$77 billion, 2003) matters but it is not enough to achieve the MDGs
 Merchandise exports (\$1,996b, 2003) = 26 times aid levels
 Remittances (\$117b, 2003) = 70% more than aid and growing.
 FDI (\$233b) = 3 times aid levels
 Cost of global warming to developing countries: 4-22% of GNI vs. 7% aid'
 (Picciotto 2006: 6)*

The example of Bangladesh further illustrates the increasing importance of non-aid policies in development countries as a result of the ongoing globalisation process:

Comparison of international financial flows to Bangladesh in 1991 and 2001:

	\$ billion		Increment
	1991	2001	%
Exports	1.7	6.0	325
Imports	3.5	9.4	270
Remittances	0.8	1.9	246
FDI	0.01	0.16	1,580
Aid	1.6	1.4	- 18
GDP	31.0	47.8	154

Source: Picciotto, R. (2006) 'The Global Dimension of Development Evaluation' Presentation at the Workshop 'Current Challenges in Development Evaluation', University of Sussex, October 2-3 2006.

Some of the aforementioned effects of non-aid policies on development are increasingly addressed in a multilateral context, in particularly through the Organisation for Economic Co-

¹⁴ Presentation by Robert Picciotto at a seminar on 'Current Challenges for Development Evaluation', University of Sussex, October 3 2006.

operation and Development. In their recent book on *'PCD: Promoting Institutional Good Practice'* the OECD (2005 pp.131-137) explains what they have done to draw lessons on PCD from the country peer reviews that they have conducted since 2000. They note that in the 1990s, while donors were preoccupied by the impact of their aid and concerned about policy coherence, the lack of clear evidence on the impact of global policies on developing countries made it hard to move forward on PCD. This they feel started to change by the end of the decade prompted among other things by the new DAC Guidelines on Poverty Reduction in 2001, when the OECD called upon its members to invest more in (i) analytical capacity on coherence in development agencies; (ii) work with other ministries to look at development issues in broader policy making; and (iii) work with non-state actors to draw on their knowledge on PCD.

The book further notes that the DAC Country Peer Reviews have authority and credibility which makes them a useful tool for moving reflection forward. Moreover, their analytical and comparative approach allow them to do certain things well such as "... *analyse concrete examples of actual or potential policy conflicts, as well as political commitment and efforts deployed...*" which provides a good basis for sharing experience, but they also have limitations. In particular they are not well suited to ranking performances and because the Peer Reviews cover a variety of subjects they cannot do in depth assessments of PCD efforts.

Relevant excerpts on PCD from the DAC Peer Review reports are included in the Country Profiles in annex to the current study. A quick reading of these demonstrates the wide range of experience and progress achieved on PCD across the 25 EU Member States. The OECD's own conclusion on the overall picture (for all their 30 members) conveyed by these comments is that:

"While there is a growing number of policy coherence commitments and an emphasis on development results, DAC members need to do further work on setting up action plans, specific timeframes and results-based frameworks for policy coherence." (2005, p.137)

1.5 Conclusion

The literature on PCD often exhibits an interesting similarity with the promotion of PCD in practice: whereas it is found relatively easy to theorise on PCD, make strong statements and advocate for the need to further promote it, the literature (including the evaluation reports examined) has the same difficulties as the policy- and decision-makers when it comes to putting it into practice. Probably the main reason for this is that the concrete practice of PCD is much more controversial and sensitive than the theory. Besides the political sensitivity of the subject matter, both for politicians and civil servants, the 'promotion activities' are in essence on-going negotiations with a diverse group of stakeholders, of which the development sector is only one. Such a process of continuous negotiation progress is usually slow and often contested. At the same time the debate in the literature is clearly progressing. Gradually it is becoming less preoccupied with political statement and basic concepts and moving more towards the practical 'how' and methodology questions. Equally there is starting to emerge a degree of coverage in evaluation reports of the question whether PCD is being achieved and, particularly significant, through the DAC Peer Review system, PCD has become an established part of the good governance debate on aid management and effectiveness.

The literature also signals that there is an increase in explicit policy statements which contain commitments by individual Member States or on an EU level to further the promotion of PCD. Furthermore, these commitments are strengthened by the individual Member States' and the Union's dedication to achieve the MDGs. There is now a need to further study the institutional mechanisms that have been put in place, or are in the process of being set up, so as to ensure that the many commitments made on achieving PCD are really being met.

2 Country Profiles and Comparison of Identified Mechanisms

As indicated in the Terms of References for this evaluation study, a key objective of the desk study for this evaluation concerns providing a '(...) *deeper insight of the existing PCD mechanisms, by building on the scoping study. An elaboration of the analytical and comprehensive overview will allow for a better international comprehension and comparison. This phase will also lead to the final selection of the mechanisms for the case studies.*'

Using the approach outlined in the Inception Report, a series of PCD profiles for each Member State have been prepared, as well as a separate profile for the EU institutions. These are provided in Volume II of the Desk Study. An overview table at the end of this chapter summarises the different mechanisms identified and the groups into which they have been classified. The analysis in these profiles was subsequently verified and, where possible, enriched in consultation with key officials in EU Member States and Institutions.

2.1 Updating the Scoping Study

In total some 85 PCD Mechanisms are now identified in these Country Profiles, representing an increase of some 15% on those noted in the *Scoping Study* (ECDPM and ICEI 2005: pp.45 – 47). Half of the new ones identified are in new member states.

Box 2.1: Comparison of identified mechanisms: Scoping Study (2005) and Desk Study (2006)		
	Scoping Study	Present Desk Study (relative growth)
Total identified mechanisms	74	85 (+15%)
Of which numbers by types of PCD Mechanisms		
1. Explicit Policy Statements	28	31 (+11%)
2. Administrative / Institutional	38	45 (+18%)
3. Knowledge Input and Assessment	8	9 (+13%)
Of which:		
Those identified in new EU Member States	3	8 (+166%)

As we cannot be absolutely sure all mechanisms have been identified on either occasion, it is not possible to conclude that all the new mechanisms identified in the present study can be ascribed to new growth in the intervening years. However, in the current study the exchange of information back and forth with government officials in just about all EU Member States over a period of several months indicated a high degree of interest in the subject of PCD and a generally strong willingness to engage with the study team to complete the Country Profiles. This experience alone suggests a growing concern with PCD which is also translating through into government officials reflecting on what mechanisms they have available or need to create to promote PCD. The positive feedback from officials also provides reassurance that a relatively complete and accurate inventory of PCD mechanisms has been established in this survey.

Perhaps the most importance new development evident since the data for the *Scoping Study* was collected in 2004, concerns the significant steps that have been taken by some of the new EU Member States in recognising and promoting policy coherence for development. In 2004, these had just joined the Union, but in the two years since then they have clearly felt the pressure to move forward on PCD at least in terms of recognizing a commitment to it in their statements and texts. Various new member states officials also told us about their plans to

establish new mechanisms. While, for methodological reasons, these could not be listed in the Country Profiles before they were operational, this does also confirm the growing concern with this issue and underlines the value of exchanging information on what mechanisms work and how at this juncture.

Overall it is also evident from the data on the higher percentage increase of new Administrative/Institutional mechanisms than in the other categories, in the current survey, that over the past couple of years more reflection and follow-up action has taken place on operationalising the commitments to promote PCD rather than in restating commitments. Not surprisingly, most of the new policy statements identified were in new member states.

At the same time, despite these variations in the growth in the different types of mechanism, the proportions of the three groups of mechanisms have remained more or less constant: the biggest group is the institutional and administrative mechanisms, followed by the group of explicit policy statements and, at some distance, the knowledge input and assessment mechanisms

2.2 Analysis of the Country Profiles

The dialogue with the member states over the drafting of the Country Profiles allowed for the collection of new information on the different countries' and institutions' approaches to promoting PCD.

2.2.1 Progress on establishing mechanisms

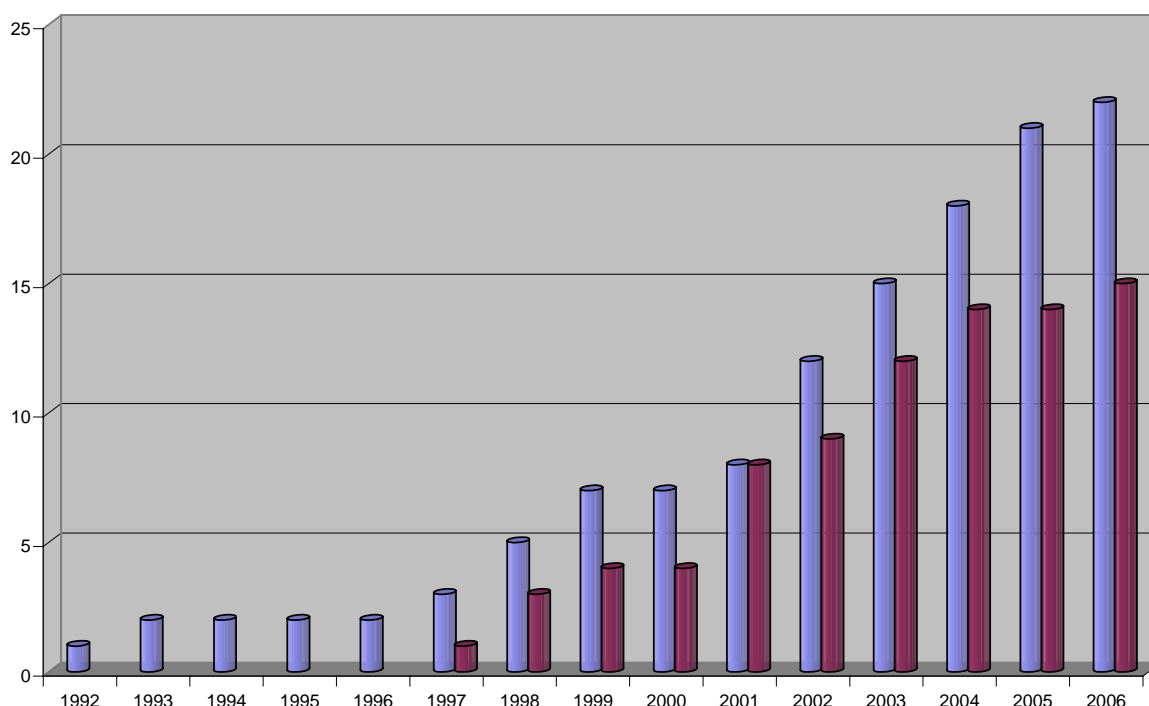
The first new element that emerges from the new data collected is some indication of the overall progress governments have made in passing two crucial thresholds in their pursuit of PCD. The first of these dates is the year when countries first acknowledged explicitly the importance of PCD in a policy statement, law or other official document. The second threshold is the date of the first sign of movement on putting this commitment into action by establishing one or other more operational mechanism to promote PCD. The data yielded by these questions is analysed below both in tabular form and as a cumulative graph.

Box 2.2: Practical steps to Operationalising PCD		
New entrants in the Graph	First Explicit Reference to Commitment to PCD	Year PCD first Operationalised & put into Practice
1992	European Commission	
1993	Finland	
1994 – 96		
1997	United Kingdom	United Kingdom
1998	Spain, Denmark	France, Spain
1999	Portugal, Belgium	Portugal
2000		
2001	Germany	Finland, Denmark, Germany, European Commission
2002	Netherlands, Ireland, Czech Republic, Austria	Netherlands
2003	Sweden, Slovakia, Poland,	Ireland, Austria, Sweden
2004	Luxembourg, Italy, Greece	Czech Republic, Luxembourg
2005	Slovenia, Hungary, France	
2006	Latvia	Latvia
Note: The data on explicit references to PCD is based on the official publication dates of policy		

statements by EU Member States and Institutions. For the data on when PCD was operationalised and translated into practice, we have relied on information from key officials in the context of the exchanges on Country Profiles, as well as on document research.

Both the table and the graph show that the coherence article in the Maastricht Treaty was an early forerunner in terms of policy statements on PCD. Only one member state, Finland, followed suit the next year. After that promising start it is really only half a dozen years later, in 1997-99, that other member states start making similar statements and about the same time we also see the first few starting to take clear steps to put their commitments on PCD into practice. Progress thereafter in the first years of the current decade is relatively steady with other member states making new statements and establishing their first new operational mechanisms. In 2004, the year of EU enlargement, and since there has been a surge once again in new statements on PCD. However, the rate at which the member states have been operationalising these statements started to stagnate again and will probably only pick once the new member states have had some time to put their commitments to action. By 2006, 21 member states have issued policy statements on PCD, but only 14 have put in place mechanisms for administrative and institutional mechanisms, or knowledge input and assessment mechanisms.

Blue: Number of EU MS and Institutions who have referred to PCD in official documents.
Purple: Number of EU MS and Institutions who have operationalised PCD and put in practice



2.2.2 Categories of mechanisms

Section 6 of Country Profiles categorised the PCD mechanisms on the basis of the four different groups which were identified in the Inception Note's conceptual framework. The overall statistics for this categorisation are displayed in Box 3.3.

As is shown in this table (Box 3.3), among the mechanisms that were identified more than eighty percent belonged to either group 2 or group 4: mechanisms of respectively political and technical competence that focus on PCD as well as on other issues. A smaller number of

mechanisms have a technical competence with a pure PCD specialisation, while an even smaller group have a political competence combined with a specialised PCD mandate.

Box 2.3: Groups of PCD Mechanism by Characteristics						
PCD Mechanisms	Political mandate	Technical mandate	PCD specific	PCD & others	Total identified	% of total
Group 1	X		X		6	7%
Group 2	X			X	36	39%
Group 3		X	X		12	13%
Group 4		X		X	38	41%
Total¹⁵					92	100%

It is thus a relatively small group of EU Member States (Finland, Germany, Ireland, Luxembourg, The Netherlands and the UK) who have set up dedicated PCD mechanisms in any form. In all cases these countries also have mechanisms in categories 2 and/or 4 which promote PCD alongside other objectives. All other Member States have preferred to stick to the latter option which suggests also that many have opted to adapt existing mechanisms for policy formation and coordination and add a PCD mandate to the other tasks these mechanisms already had. Such an approach obviously has merits in terms of ensuring that the mechanisms are well integrated into the government machinery. On other hand setting up a completely new and PCD dedicated mechanism more clearly signals a break with the past and the introduction of a new approach.

2.2.3 Types of Mechanisms

As indicated in Box 3.1 above the bulk of mechanisms identified are in the first two categories of Explicit Policy Statements and Administrative Institutional. Only 10 mechanisms were identified in the Knowledge Input & Assessment category.

a. Explicit Policy Statements

The most usual form of this type of mechanism is an official policy statement or strategy paper and this is found in many EU member states. There are only a few cases where the authorities have gone further and passed a legal instrument of some form. The first of these is of course the Maastricht Treaty applying to the European Commission. The Austria, Spain and the UK have adopted Acts on international development which refer to PCD. In the British case this also requires the Minister to report on steps taken to achieve the MDGs (including MDG8 and its PCD requirement). Sweden has passed its Bill which makes it incumbent on all ministers to ensure the policies of their department support global development.

Some governments have, in addition, to a general policy statement or act taken a more sector-by sector approach concluding inter-ministerial agreements of different forms with ministries responsible for policy areas that can have a significant impact on development. Thus Denmark promotes intra-governmental PCD through the formulation of 'integrated policies' agreements between development and other policy sectors such as trade. This approach is also followed by the Netherlands with its '*Memorandum on coherence between agriculture and development policy*'.

¹⁵ As a total of seven mechanisms were categorised as belonging to two different groups – as their competence and degree of specialisation didn't allow for them to be classified as belonging to one group – these mechanisms were counted for both groups. This is why the total of 92 in this table is higher than the total of 85 mechanisms that were identified.

b. Institutional & Administrative Mechanisms

Inter-ministerial or departmental committees which promote policy coherence are a common institutional mechanism. Many countries have such committees in one form or another for development cooperation (e.g. France, Portugal, Spain, Italy, Greece, Ireland and Luxembourg). Such committees are of course logically a valuable tool for encouraging internal debate and decision making on PCD. Indeed, in some countries (e.g. Finland and Netherlands), while no such committee exists for development cooperation or even less for PCD matters, respondents did identify the national EU affairs committee as an important place for general policy coherence debates to take place.

In some countries such committees exist on a more sector by sector basis to ensure policy coherence between a sector such as trade and development or conflict and security and development.

There are also several cases of parliamentary development committees performing semi-institutional roles on PCD outside government but nevertheless inside the national governance institutions. The Irish and British cases are the most recognised examples of this, but in Scandinavian countries parliamentary committees apparently also perform a role of monitoring policy coherence and encouraging reflection in government. The European Parliament's development committee has also performed such a role from time to time although this is not formally recognised.

c. Knowledge & Assessment Mechanisms

The relative paucity of Knowledge and Assessment mechanisms is potentially a worrying sign. This could mean that EU Member States and Institutions have not yet understood the importance of making substantial investments in their capacity to analyse and assess issues concerning policy coherence for development. Underinvestment in this area could also mean that only well known cases of incoherence really receive sufficient attention in terms of analysis and learning lessons, while other less well known cases or those where the negative impacts of incoherence has not yet been recognized are not sufficiently identified or properly analysed.

At the same time however it should also be noted that in some Member States, there is a preference for organising the knowledge input and assessment function in a more informal manner. Whereas this has often been very efficient and effective, it does not guarantee that sufficient staff time and capacity is allocated to securing sufficient knowledge input and assessments of PCD.¹⁶

Several recent DAC Peer Reviews have recommended to EU Member States that they should reserve more resources and manpower for analyses of interactions between different policy areas with a view towards identifying opportunities to increase PCD.

The Knowledge Input & Assessment mechanisms identified are of a few different types. There are just a few countries that have set up multi-stakeholder reference groups of different types (e.g. The Czech Development Centre, the Finnish Development Policy Committee, the German BMZ Dialogue Forum). The Netherlands and Sweden take a more academic approach in this respect with the Dutch having an Advisory Council on International Affairs and the Swedish a section in the MFA coherence dedicated to know commissioning academic studies on PCD as well as

¹⁶ It can also be argued that part of this knowledge input and assessment work can be outsourced to other stakeholders in society, such as CSOs and academics. From the literature analysis, it can however be concluded that these stakeholders also tend to concentrate on known cases of policy incoherence. Moreover, their access to officials and 'bargaining power' is often lower than those of professional lobby groups. A key asset of governmental knowledge and input assessment mechanisms is that they are well placed to work in a non-partisan manner.

other matters. The use of evaluations to assess PCD did not come out strongly in the survey which reinforces the similar conclusion reached in the sampling of evaluation reports done in the Literature Review in the previous chapter.

d. Informal Approaches to promoting PCD

A further category of mechanism which was not included in our survey was however highlighted to the study team by various officials contacted who stressed the importance to them of informal mechanisms to promote PCD such as internal networks and informal working parties. Respondents in Denmark were particularly keen on the importance of such informal approaches.

2.2.4 Mechanisms established by Country

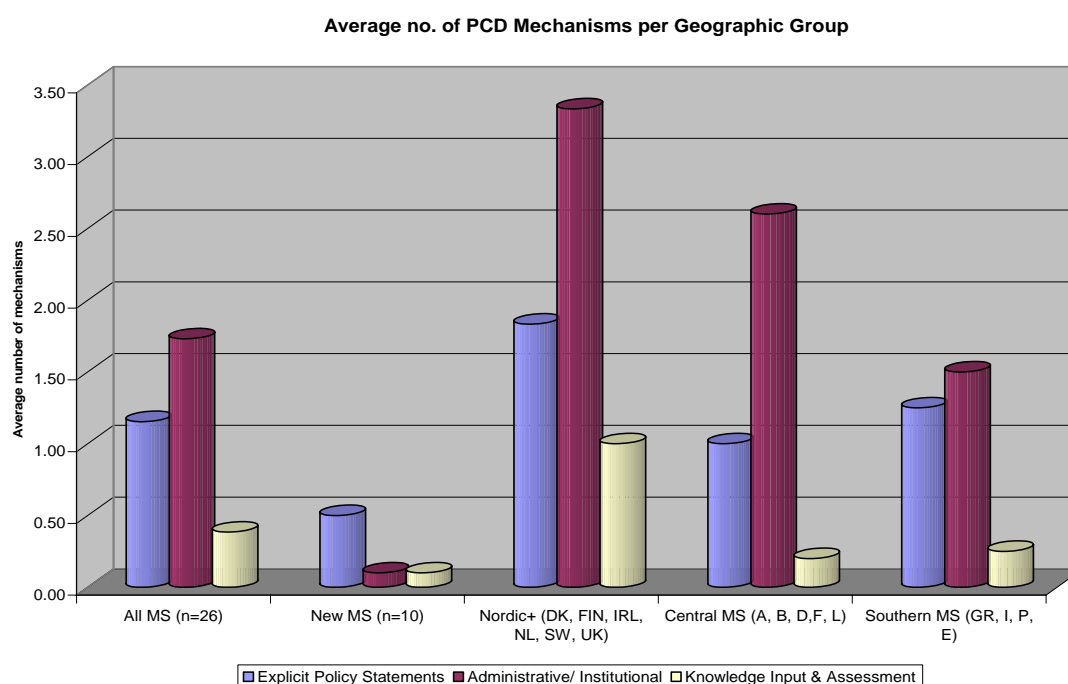
The Annex at the end of the Chapter gives a full list and the names of the PCD mechanisms established by each EU Member State based on the Country Profiles. In summary however the number of mechanisms per Member State date is given in the table below.

Box 2.4: PCD Mechanisms established per Member State			
	Explicit Policy Statements	Administrative/ Institutional	Knowledge Input & Assessment
Austria	1	2	
Belgium	1	1	
Cyprus			
Czech Republic	1	1	1
Denmark	2	1	
Estonia			
EU Institutions	4	5	1
Finland	2	3	1
France	1	3	
Germany	1	4	1
Greece	1		
Hungary			
Italy	1	1	
Ireland	1	4	1
Latvia	3		
Lithuania			
Luxembourg	1	3	
Malta			
Netherlands	3	5	1
Poland	1		
Portugal	1	2	
Slovakia			
Slovenia			
Spain	2	3	1
Sweden	1	1	1
United Kingdom	2	6	2
Total	30	45	10

In an attempt to discern patterns in this data a first grouping of countries can be done geographically by region and comparing the average number of different types of mechanism established by the countries in each region with the overall averages. Overall this gives the following table (Box 3.5).

Box: 2.5: Grouping countries by Region			
Average Number of Mechanisms	Explicit Policy Statements	Administrative/ Institutional	Knowledge Input & Assessment
All MS (n=26)	1.15	1.73	0.38
New MS (n=10)	0.50	0.10	0.10
Nordic + (DK, FIN, IRL, NL, SW, UK)	1.83	3.33	1.00
Central MS (A, B, D,F, L)	1.00	2.60	0.20
Southern MS (GR, I, P, E)	1.25	1.50	0.25
European Institutions	4.00	5.00	1.00

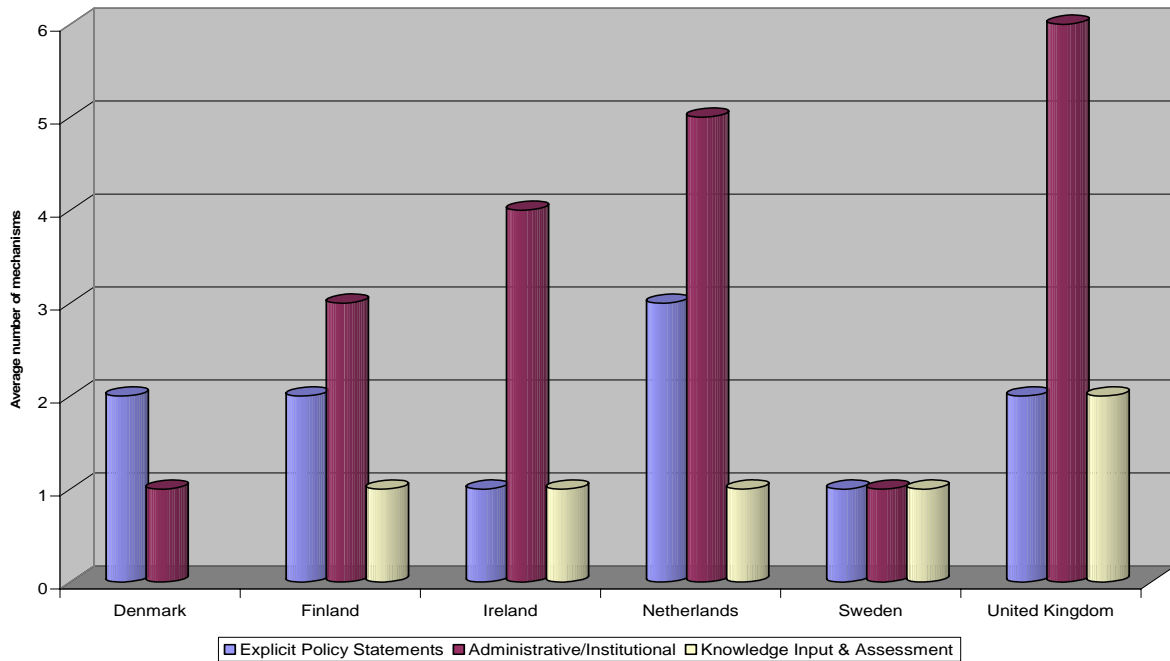
This same data can be displayed as a graph:



From this it is apparent that the Nordic+ group are the most active and well above average in the number of identified mechanisms established of each type. The new member states are clearly very much at the beginning with more explicit policy statements than anything else and a long way to go in terms of establishing more operational mechanisms. The Southern European group of countries is however closest to the overall EU average in its combination of average numbers of mechanisms of each type.

At the same time analysing the members of the last group, the Nordic+ Group, a bit more carefully in the following graph we can see that they do not in fact all behave in exactly the same way:

PCD Mechanisms: Nordic+ Group



Thus Sweden has made only one policy statement, albeit an all encompassing one, and it relies on a limited number of operational mechanisms of the other two types. The UK, Netherlands and Ireland however are more dispersed in the action and can identify quite a long list each of Institutional & Administrative type mechanisms.

To continue the analysis it is important to move beyond this rather unhelpful geographical distribution and seek a grouping that is linked more closely to behavioural factors. By looking at other aspects of the data in the Country Profiles it is possible to suggest a grouping of member states into groups of countries having reached stages of achievement in progress on promoting PCD. A possible grouping would be as follows.

1. No explicit reference to PCD

A first group would consist of countries which do not make reference to policy coherence for development in their official policy documents. These countries are Cyprus, Hungary, Lithuania, Malta and Slovenia. All of these countries have only recently joined the European Union and some of them are still in the process of elaborating development policies and professionalizing their institutions to deliver on them;

2. Recognise PCD but limited implementation

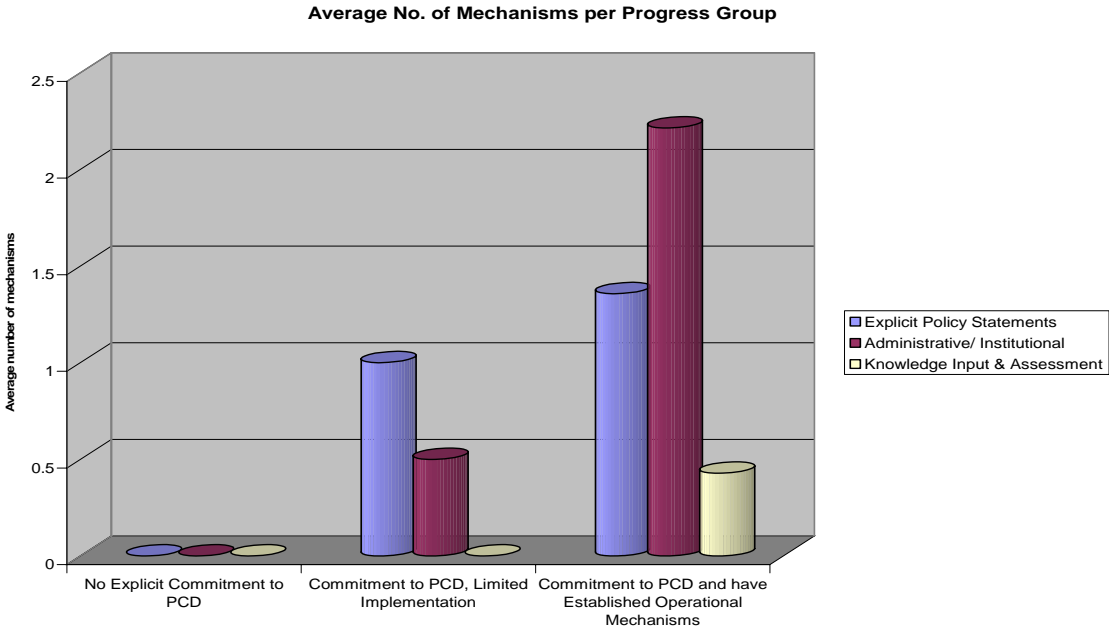
A group of six Member States (Belgium, Estonia, Greece, Italy, Poland, Slovak Republic) who have adopted explicit policy statements which refer to PCD, but who have not yet translated this commitments into Institutional & Administrative mechanisms to promote PCD. Although all of these explicit policy statements do refer to PCD, they do not always explicitly refer to intra-governmental PCD;

3. Recognise PCD & have established operational mechanisms

A total of 14 EU member states (Austria, Czech Republic, Denmark, Finland, France, Germany, Ireland, Latvia, Luxembourg, Netherlands, Portugal, Sweden, Spain, UK) have operationalised and put in practice mechanisms which aim to promote intra-governmental PCD. A limited number of additional member states use informal approaches to further the PCD process, or have institutional mechanisms which play a role in promoting PCD which is not recognised and registered in an official policy document or terms of references.

The European Institutions form a somewhat distinct group which is similar to the third group. Both the two European Institutions to be covered by case studies in the present evaluation (The European Parliament and the European Commission) have a strong policy underpinning by means of the Treaty on European Union, and in addition the constitutional treaty, when adopted. They have also put in place different mechanisms which can promote PCD, including the Impact Assessment Tool, the Inter-service Quality Support Group (iQSG), the Inter-Service Consultation (ISC or CIS) process and the Development Committee of the European Parliament.

The same data collected in these groups by progress on PCD gives the following graph:



This presentation shows that grouping the member states in this way achieves groups with clearly distinguishable patterns of behaviour that can be seen as different stages in progress towards establishing a full range of PCD mechanisms. The first group are literally at the start of the process with no mechanisms established at all. In the second group a major effort has been made first on Explicit Policy Statements and some first steps taken towards establishing Institutional & Administrative mechanisms. In the final group, member states have, on average, only a few more Explicit Policy Statements but on the other hand they have put considerable effort into the Institutional & Administrative mechanisms and they have also made a start at setting up Knowledge Input & Assessment mechanisms.

2.2.5 Responsibility for promoting PCD

Another observation to be made from the Country Profiles is that there are major variations in the way EU Member States assign responsibility for development cooperation between Ministries and even more so the responsibility for promoting PCD.

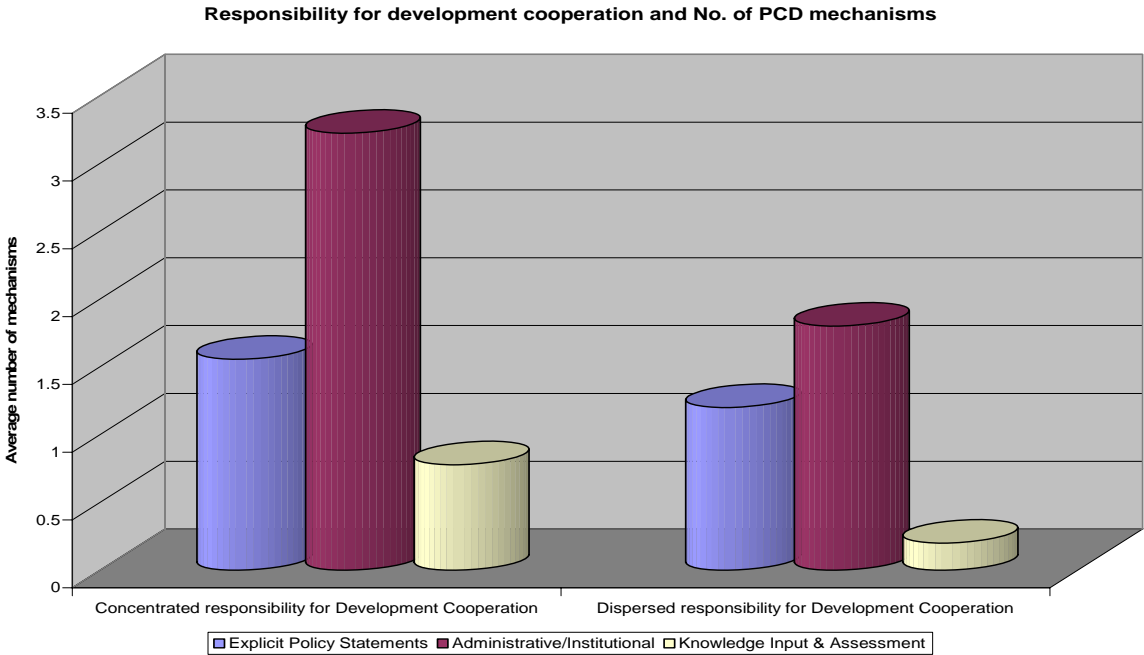
In nearly all member states development policy is the responsibility of the Ministry of Foreign Affairs. Only in the UK is this not the case where DFID is a separate ministry with a minister of Cabinet rank. Equally just about all member states responded that the prime responsibility for promoting PCD rested with the Ministry of Foreign Affairs (or DFID in the UK case) and it is

only in Sweden where it is clearly stated that PCD is the responsibility of all ministers in the government.

These overall similarities however hide some major differences which become apparent when a more detailed examination is conducted. If one sets aside the new EU Member States from 2004, where there is still a certain fluidity, as new government departments are being established, two major groups of member states emerge.

- The first of these all have a particular unit or desk within the ministry which has specified responsibility to encourage PCD. In most cases this is a department for development policy (Sweden, Germany, Ireland, Finland, Denmark, UK, Austria), but in a few cases the attribution is even more specific and PCD appears in the actual title of the unit or desk (Netherlands, Luxembourg). As is evident this group corresponds more or less to the Nordic+ Group that co-operate on development policy issues.
- A second group of member states exhibit a very different feature and that is a greater distribution of responsibility for development cooperation over a whole group of ministries even though the ministry of Foreign Affairs has the lead. In this system which is evident in differing forms in most Southern European countries (Greece, Italy, Spain, Portugal and even France) an important role is ascribed in each case to an inter-ministerial committee on development cooperation which is recognised as the prime focus for discussion on PCD. However, in most of these cases it is also understood that each ministry retains a high level of prerogative in their respective policy area and the debate is far more often about coordination within the overall national development cooperation programme than about coherence between policy areas.

It is also evident from the material collected that in some of this second group of countries (France, Spain) efforts are underway to consolidate the development cooperation programme more in the ministry of foreign affairs and that in so doing consideration is being given to assigning a clearer PCD promotion role to this ministry.



In sum, while virtually all EU Member States recognise the leadership of the Ministry of Foreign Affairs on development cooperation issues, their manner of organising responsibility for encouraging PCD appears to be strongly affected by the degree of consolidation of their development cooperation systems within government. Where this is concentrated in a single ministry the tendency then seems to be to ascribe to a department of development policy, or occasionally a more specific unit, the main responsibility for encouraging PCD. In other words it would seem that as responsibility for development cooperation becomes more tightly consolidated in a single ministry it then becomes more possible to strengthen the development policy function and specifically the promotion of PCD.

On the other hand where responsibility is more dispersed, the priority in achieving greater policy coherence is first to tackle internal coherence between different parts of the development cooperation programme. While it is not impossible to encourage intra-governmental PCD between policy sectors in these circumstances it is clearly more difficult. On the other hand one may postulate that there may be a secondary coherence effect simply through the fact that development cooperation is a shared responsibility that brings several ministries together into regular policy dialogue. However, our profiling exercise does not offer adequate evidence to support such a conclusion.

2.3 Conclusions

This first comparative analysis of the data collected in the Country Profiles enables us to reach a number of conclusions about the rate and manner in which EU member states are establishing and identifying mechanisms for PCD as well as about the type of mechanism they are choosing. The data is also strong enough to support the testing of different groupings of member states into a number of simple categories relating to their practice in this area.

The first important conclusion is that progress continues to be made in the two years since the data for the *Scoping Study* was collected in 2004. What is more the responses we got from the new member states indicate they are also attached to tackling PCD and in some cases have already started to do so. A graph was constructed with two curves showing the progression over the past 15 years of member states gradually putting in place first a policy statement on PCD and then their first institutional mechanisms.

The mechanisms were also categorised according to their characteristics using the typology prepared in the Inception Phase of the study. From this it was quickly apparent that only a very small group of countries had chosen to put in place 'PCD dedicated' mechanisms representing about 20% of the total number of 85 mechanisms identified. In other words most countries seek to adapt existing policy mechanisms or create new ones with multiple uses among which the promotion of PCD.

The incidence of the three different types of mechanisms was also examined and it was noted that more than half the mechanisms were of the Institutional & Administrative type. A third were of the first type, Explicit Policy Statements, and only ten Knowledge Inputs & Assessment mechanisms were found. Understandably the Policy Statements were usually the first to be established and these were typically followed a few years later with several Institutional & Administrative mechanisms. The relative paucity of the Knowledge and Assessment mechanisms is potentially worrying particularly as several sources, including the DAC Peer Review, has regularly commented on the importance of this type of mechanism to generate adequate knowledge of what PCD involves in practice.

Finally an effort was made to try and group the member states in different ways so as to identify patterns of behaviour which would help our understanding of why different countries have approached the practical task of establishing PCD mechanisms in very different ways. A

first analysis confirmed the two stage process identified earlier that showed a first recognition of the importance of PCD and then moves towards practical steps to set up operational mechanisms. The Nordic+ Group of countries were identified as particularly active in setting up mechanisms though among them there were some very different approaches. In the end however it was observed that the most active states fell basically into two groups with an enlarged Nordic+ Group on one side that tended to have well consolidated development cooperation services in single ministries. These tended to have more PCD specific mechanisms and indeed frequently establish or identify development policy units or dedicated PCD units or desks to push the PCD agenda. On the other side there was a group of Southern European member states with the common characteristic of more dispersed development cooperation programmes over several ministries. This group relied heavily on existing inter-ministerial committees for development cooperation as their main tool to promote PCD. This group also faced the additional and if not more urgent challenge of ensuring coherence of the development programme itself in addition to the intra-governmental PCD concern of this evaluation. Inevitably the former then tended to be seen as a more important priority to tackle first ahead of PCD.

These different approaches will however be tackled further in the case studies which includes cases from these different groups which should allow the study to reach more definite conclusions on the patterns of behaviour that are already starting to emerge from this country profiling exercise.

Annex 1: Bibliography

- Akyüz, Y. (2003) "Some Observations on the Question of Coherence and Development." presented at the seminar on "The Coherence and Impact of Rich Countries' Policies on Developing Countries", OECD Development Centre, Paris, 23-24 June 2003.
- Alonso, J.A. (2003) "Coherencia de políticas y ayuda al desarrollo: el caso español", in J.A. Alonso and V. Fitzgerald (eds), *Financiación del desarrollo y coherencia en las políticas de los donantes*, Ediciones Catarata, Madrid.
- Alonso, J.A. and V. Fitzgerald (eds) (2003) *Financiación del desarrollo y coherencia en las políticas de los donantes*, Ediciones Catarata, Madrid.
- Arrow, K.J. (1963) *Social Choice and Individual Values*, Wiley, New York.
- Ashoff, G. (1999) "The coherence of policies towards developing countries: The case of Germany", in Forster y Stokke (eds), *Policy coherence in development Co-operation*, EADI Book Series 22, Frank Cass, London.
- Ashoff, G. (2005) *Enhancing Policy Coherence for Development: Justification, Recognition and Approaches to Achievement*. DIE Studies No. 11 German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE), Bonn.
- Box, L. and Koulaïmah-Gabriel, A. (1996) Towards Coherence? Development Cooperation Policy and the Development of Policy Cooperation' ECD Working paper No. 21. Maastricht: ECDPM
- Chaddad, F.R., Jank, M.S. (2006) "Policy Coherence for Development: Issues for Brasil" Paper prepared for the *Global Forum on Agriculture: Policy Coherence for Development* (30 November – 1 December, Paris 2005)
- Coopération Internationale pour le Développement et la Solidarité (CIDSE) (2005) 'Europe: A True Global Partner for Development? CIDSE Shadow Report on European Progress towards Millennium Development Goal 8.' Brussels: CIDSE
- Dahlsten, S. (2004) "Key Policy Coherence Issues in Agriculture and Migration". Paper prepared for the OECD policy workshop *Institutional Approaches to Policy Coherence for Development*, 18–19 May.
- Directoraat Generaal Internationale Samenwerking (DGIS) "Enhancing Policy Coherence for Development in the EU: From Concept and Legal Obligation to Concrete Results on the Ground" Discussion Paper for the Informal Meeting of EU Development Ministers St Gerlach, 27 October 2004
- Duke, S. (1999) 'Consistency as an Issue in EU External Activities' Maastricht: European Institute for Public Administration (EIPA) Working Paper 99/W/06
- ECDPM and ICEI (2005) *EU mechanisms that promote policy coherence for development. A scoping study*. Amsterdam: Aksant Academic Publishers
- European Commission (2005) *Communication to the Council, the European Parliament and the European Economic and Social Committee – Policy Coherence for Development Accelerating Progress towards Attaining the Millennium Development Goals – COM/2005/0134 final*.
http://europa.eu.int/eur-lex/lex/LexUriServ/site/en/com/2005/com2005_0134en01.pdf
- European Commission (2001) Guidelines for Implementation of the Common Framework for Country Strategy Papers.
http://europa.eu.int/comm/external_relations/reform/document/iqsg_04_01.pdf
- European Commission (2006) Communication from the Commission to the European Council of June 2006. Europe in the World – Some practical Proposals for Greater Coherence, Effectiveness, and Visibility.

http://ec.europa.eu/comm/external_relations/euw_com06_278_en.pdf

- Forster, J. and O. Stokke (eds) (1999) *Policy coherence in development Cooperation*, EADI Book Series 22, Frank Cass, London.
- Fresco, L.O. (2004) *Policy coherence for agriculture and development*. Food and Agriculture Organisation of the United Nations (FAO)
<http://www.fao.org/AG/magazine/0406sp.htm>
- Fukusaku, K. and A. Hirata (1995) "The OECD and ASEAN: Changing economic linkages and the challenge of policy coherence", in *OECD and the ASEAN economies: The challenge of policy coherence*, Development Centre Documents, Paris.
- Fukusaku, K. and A. Hirata (1995) *OECD and the ASEAN economies: The challenge of policy coherence*, Development Centre Documents, Paris.
- Grieg-Gran, M. (2003) "Policy coherence and the Millennium Development Goals" in: Satterthwaite (ed.) (2003) *The Millennium Development Goals and Local Processes: Hitting the target or missing the point?* International Institute for Environment and Development (IIED).
- Henderson, D. (2003) "Policy Coherence, Liberalisation and the Role of the OECD." Westminster Business School, London.
- Hoebink, P. (1999) "Coherence and development policy: The case of the European Union", in Forster y Stokke (eds), *Policy coherence in development cooperation*, EADI Book Series 22, Frank Cass, London.
- Hoebink, P. (2004) 'Evaluating Maastricht's Triple C: The 'C' of Coherence' in: Hoebink, P. [ed.] (2004) *The Treaty of Maastricht and Europe's Development Cooperation*. Amsterdam: Aksant Academic Publishers
- Hoebink, P., Molett, H. (2004) "Chapter Four Coherence and consistency in Europe's foreign policy." BOND: <http://www.bond.org.uk/pubs/eu/eucoher.pdf>
- Hoebink, P. (2005) *The coherence of EU Policies: Perspectives from the North and the South*. Commissioned Study: REF: R02CS007 (European Union's Poverty Reduction Effectiveness Programme)
- House of Commons International Development Committee (2005) "The Commission for Africa and Policy Coherence for Development: First do no harm." Government Response to the Committee's First Report of Session 2004–05
- Interdepartementaal Beleidsonderzoek (1998?) '5 Mechanisms for Promoting Coherence'
http://www.euforic.org/iob/publ/workdocs/evaluation_7.html
- Interdepartementaal Beleidsonderzoek (2003) "Effectiviteit en coherentie van ontwikkelingssamenwerking." Eindrapport van de werkgroep Effectiviteit en coherentie van ontwikkelingssamenwerking.
- International Organisation for Migration (IOM) (2005) "Pursuing policy coherence in migration and development policy agendas" *Workshop on Migration and Development Mainstreaming Migration into Development Policy Agendas* 2-3 February 2005, Geneva
- Kapstein, E.B. (2004) "The Politics of Policy Coherence" Paper prepared for the OECD policy workshop *Institutional Approaches to Policy Coherence for Development*, 18–19 May.
- Kapstein, E.B. (2004b) "Promoting Policy Coherence for Development: Report on the High-level Workshop sponsored by the Government of the Netherlands and the German Marshall Fund of the United States." 1 October 2004, Washington DC.
- Koulaiimah-Gabriel, A., and A. Oomen. (1997) *Improving Coherence: Challenges for European Development Cooperation*. (Policy Management Brief No. 9). Maastricht: ECDPM.

- Lijphardt, A. (1999) *Patterns of democracy. Government forms and performance in thirty six countries*. New Haven and London: Yale University Press
- Loquai, C. (1996) 'The Europeanisation of Development Cooperation: Coordination, Complementarity, Coherence' (ECDP Working Paper No 13). Maastricht: ECDPM
- Mackie J, H Baser, J Frederiksen & O Hasse, (October 2003) *Ensuring that Development Cooperation Matters in the New Europe*, ECDPM study for DFID
- Matthews, A. (2005) Policy Coherence for Development: Issues in Agriculture: An Overview Paper. Department of Economics, Trinity College Dublin.
- McLean Hilker, Lyndsay (2004) "A comparative analysis of institutional mechanisms to promote policy coherence for development. Case study synthesis: The European Community, United States and Japan". Paper prepared for the OECD policy workshop *Institutional Approaches to Policy Coherence for Development*, 18–19 May.
<http://www.oecd.org/dataoecd/0/31/31659769.pdf>
- Molina, P. A. [undated] 'Enlargement, coherence and development policy'.
http://selene.uab.es/cs_iuee/catala/obs/working_ocasionals_archivos/beyond%20the%20enlargement/m_aguiar.pdf
- Nicod, M. (2004) "Institutional approaches to promote policy coherence for development: Findings and lessons from DAC peer reviews". Paper prepared for the OECD policy workshop *Institutional Approaches to Policy Coherence for Development*, 18–19 May.
<http://www.oecd.org/dataoecd/28/59/31664293.pdf>
- Ocampo, J.O. (2005) "The challenge of policy coherence on migration: the development perspective" Keynote Address to the IOM International Dialogue on Migration, "Towards Policy Coherence on Migration" (Geneva, Switzerland, 29 November 2005)
- O'Driscoll, A. (2001) *Reform of the CAP and the challenge of coherence for Ireland*. Irish Aid Advisory Committee, Discussion Paper Series, No 4, February 2001
- OECD (1996) *Shaping the 21st century: The contributions of development cooperation*, Paris, DAC.
- OECD (1999) *Échanges, investissement et développement. Pour la cohérence des politiques*, Paris, OECD.
- OECD (2000) "Governance and coherence: The PUMA mandate, the challenge and the concept. In mimeo, OECD, Paris.
- OECD (2003) *Policy coherence: Vital for global development*. OECD observer Policy Brief, July. Paris, OECD.
- OECD (2004) *The Impact and Coherence of OECD Country Policies on Asian Developing Economies – Draft Summary*.
- OECD (2005a) *Policy Coherence for Development: Promoting good Practice*. Paris: OECD
- OECD (2005b) *OECD Journal on Development. Development Co-operation Report 2005*. Paris: OECD Publishing
- Picciotto, R. 'Summary of Discussions. Experts' Seminar on the Coherence and Impact of Rich Countries' Policies on Developing Countries. OECD and Global Policy Project
- Picciotto, R. (2004) "Policy coherence and development evaluation. Concepts, issues and possible approaches". Paper presented at the OECD policy workshop *Institutional Approaches to Policy Coherence for Development*, OECD, Paris.
- Picciotto, R. (2005) "Striking a balance. Policy Coherence and Development cooperation in difficult environments". For distribution to participants of the Senior Forum on Development Effectiveness in Fragile States

Pratt, C. (1999) "Greater policy coherence, a mixed blessing: The case of Canada", in Forster and Stokke (eds), *Policy coherence in development cooperation*, EADI Book Series 22, Frank Cass, London.

Wijmenga, P., Plaisier, N., Maare, L. van (2005) Evaluatie van de DGIS Coherentie Eenheid – Eindrapport. ECORYS-NEI Macro- & Sectorbeleid

United Kingdom House of Lords, European Union Committee (2006) 'The EU and Africa: Towards a Strategic Partnership 34th Report of Session 2005–06' London: The Stationary Office Limited.

United Nations Conference on Trade and Development (2004) *Trade and Development Report, 2004. Policy Coherence, Development Strategies and Integration into the World Economy*. UNCTAD/TDR/2004

Annex 2: Summary table of identified PCD Mechanisms

The following table synthesises the different PCD mechanisms which were identified through our analysis, as well as the groups to which they belong¹⁷:

EU Member State or Institution	Year when PCD became an Issue	Explicit Policy Statements	Group	Administrative / Institutional	Group	Knowledge Input and Assessment	Group
Austria	- 2002 (Federal Act)	- Federal Act	2	- Inter-ministerial Private Sector and Development Platform - Joint working group with Ministry of Finance	4 4		
Belgium	- 1999 (Law on Development Cooperation)	- Policy Outline for Development Cooperation	2	- Inter-Departmental Committee on Central Africa	4		
Cyprus	- Not yet						
Czech Republic	- 2002 (Foreign Aid Programme)	- Concept of Foreign Aid Programme for the period of 2002-2007	2/4	- Inter-Ministerial Working Commission	4	Development Centre	4
Denmark	- 1998 (adoption of Act on International Development Cooperation)	- New Africa Policy - Danish Strategy for Trade, Growth and Development	2 2	- Department for Development Policy	4		
Estonia	- Not yet						
EU Institutions	- 1992 (Maastricht Treaty)	- Maastricht Treaty (art. 177) - 2000 Development Policy Statement, 2005 EU Consensus on Development. - Commission's Communication (2005) 134 on PCD - European Council conclusions	2 2 2	- CSP/ RSP programming - Country teams - Inter-Service Working Group - Inter-service Consultation - Development Committee (European Parliament)	4 4 4 2	- Impact Assessment	4
Finland	- 1993 (Strategy Paper)	- Development Policy 2004 focuses on coherence - Development issues discussed in other policy documents ¹⁸	2/1 2	- Inter-Ministerial theme-based groups at ministerial and civil servant level - Cabinet Committee and Government Secretariat for EU Affairs	4/ 3 2	- Development Policy Committee	4/ 1

¹⁷ As defined in the study's conceptual framework:

Group 1: Mechanisms with a political competence and specialised in PCD; *Group 2:* Mechanisms with a political competence and non-specialised; *Group 3:* Mechanisms with a technical competence and specialised in PCD; *Group 4:* Mechanisms with a technical competence and non-specialised

¹⁸ e.g. Finnish Security and Defence Policy 2004; Government Report on the Human Rights Policy of Finland 2004;

EU Member State or Institution	Year when PCD became an Issue	Explicit Policy Statements	Group	Administrative / Institutional	Group	Knowledge Input and Assessment	Group
				- Integrated bilateral negotiations with partner countries	4/3		
France	- 2005 (cross-cutting document)	- 2005 <i>Cross-cutting document on the French Policy for Development</i>	2	- <i>Inter-Ministerial Committee for International Cooperation and Development</i>	4		
				- <i>Inter-Ministerial Committee for European Economic Cooperation</i>	4		
				- Interministerial mission " <i>Official Development Assistance</i> "	4		
Germany	- April 2001 (<i>Program of Action 2015</i> approved)	- <i>Programme of Action 2015</i>	2	- <i>Policy coherence dialogue between DGs of ministries</i> (as part of the <i>Programme of Action 2015</i>) - <i>Inter-departmental committees</i> (export, security) - <i>Task Force 2015</i> - <i>Specific divisions in BMZ</i>	1 3 4 3/4	- <i>BMZ Dialogue forum</i>	1
Greece	- 2004 Action Plan refers to coherence	- <i>Hellenic Action Plan</i>					
Hungary	- 2005 (Summary of Activities)						
Italy	- 2004 (Publication of the guidelines)	- <i>Policy debates in the Council of Ministers</i>	2	- <i>Inter-Ministerial Committee on Economic Planning (CIPE)</i>	4		
Ireland	- 2002 (report of the <i>Ireland Aid Review Committee</i>)	- <i>White Paper on Irish Aid</i> (September 2006)	2	- <i>Inter-departmental Committee on Development</i> , chaired by the Minister for Foreign Affairs, to strengthen coherence in Government approaches to development	1	- <i>Technical and Specialist Section within Irish Aid</i> (which includes a coherence unit)	3
				- <i>Parliament's Joint Committee on Foreign Affairs</i>	2		
				- <i>Inter-departmental trade and development coordination committee</i>	3		
				- <i>Coherence meetings within Irish Aid</i>	3		

Finland's Trade Policy 2005; Government Paper on Global Governance and Finland 2005

EU Member State or Institution	Year when PCD became an Issue	Explicit Policy Statements	Group	Administrative / Institutional	Group	Knowledge Input and Assessment	Group
Latvia	- 2006 (publication of the Policy Programme)	- <i>Basic Principles for Development Cooperation</i> (with reference to the need to 'harmonise' with EU development policy objectives)	2				
		- <i>Development Cooperation Policy Programme of the Republic of Latvia 2006 – 2010</i> (refers to coherence)	4				
		- <i>Annual Development Cooperation Policy Plans</i>	4				
Lithuania	- Not yet						
Luxembourg	- 2004 (Declaration)	- <i>Declaration on the policy for development cooperation and humanitarian action</i>	2	- <i>Inter-Ministerial Commission for Development Cooperation</i>	4		
				- <i>Inter-ministerial working groups between Foreign Affairs and Agriculture, Environment and Health</i>	4		
				- <i>Policy Coherence Desk (2004) in Development Cooperation Directorate</i>	3		
Malta	- Not yet						
Netherlands	- 2002 (Policy Memorandum on coherence)	- <i>Dutch foreign policy (promotes coherence between development trade, agriculture, product standards, fisheries, etc.)</i>	2	- <i>Directorate General for European Cooperation (DGES)</i>	4	- <i>Advisory Council on International Affairs</i>	4
		- <i>Memorandum on coherence between agriculture and development policy</i>	1	- <i>Inter-departmental coordination mechanisms on EU policies</i> (e.g. trade at the Ministry of Economic Affairs)	4		
		- <i>Annual budget memoranda and that on the state of the (European) Union</i>	2	- <i>Policy Coherence Unit</i> to represent interests of developing countries in national policy formulation	3		
				- <i>EU Coordinating Committee</i>	4		
				- <i>EU screening committee</i>	4		
				- <i>Informal EU policy</i>	3		

EU Member State or Institution	Year when PCD became an Issue	Explicit Policy Statements	Group	Administrative / Institutional	Group	Knowledge Input and Assessment	Group
				<i>coherence for development network</i>			
Poland	- 2003 (Strategy Document)	- <i>2003 strategic plan</i>	2				
Portugal	- 1999 (publication of the strategy paper)	- Reference to various types of coherence in <i>1999 strategic plan</i>	2	- <i>Inter-Ministerial Commission for Cooperation and its Permanent Secretariat</i>	4		
				- <i>Inter-Ministerial Commission for European Affairs</i>	4		
Slovakia	- 2003 (publication of the <i>Medium-Term Strategy</i>)						
Slovenia	- 2005 (reference in <i>Report Slovenian International Development Cooperation 2002-2004</i>)						
Spain	- 1998 (signing of the Act)	- <i>Master plan for Cooperation 2005–08</i>	2	- <i>Inter-Ministerial Committee for International Cooperation</i>	4	- <i>Development Cooperation Council</i>	4
		- Article 4 of the <i>International Development Cooperation Act (1998)</i>	2	- <i>Inter-Territorial Committee for International Cooperation</i>	4		
				- <i>The Cooperation Council</i>	4		
Sweden	- 2003 (publication of the Government Bill)	- <i>Policy for global development</i>	2	- <i>Department for Development Policy</i>	4	- <i>Special unit for follow-up and review of, and reporting on Policy for Global Development</i>	4
United Kingdom	- 2002 (adoption of the <i>International Development Act</i>)	- <i>White Paper, International Development Act and the International Development (Transparency and Reporting) Act</i>	2	- <i>Cabinet Committees on Foreign Affairs and Defence, and sub-committees on conflict and EU trade policy</i>	2	- <i>House of Commons International Development Committee</i> The Commission for Africa and Policy Coherence for Development: First Report of Session 2004–05	3
		- <i>Shared Public Service Agreement targets with the Department for Trade and Industry, The Ministry of Defence, The Treasury and The</i>	2	- <i>Inter-departmental Working-Group on Development (IWGD), chaired by DFID</i>	4	- <i>Commissioning of studies that focus on PCD</i>	3/ 4

EU Member State or Institution	Year when PCD became an Issue	Explicit Policy Statements	Group	Administrative / Institutional	Group	Knowledge Input and Assessment	Group
		Foreign Office		- <i>International Development Committee</i> of the UK Parliament	2		
				- <i>Cabinet Ministerial Committee on asylum and migration</i> with senior official level sub committee on migration	2		
				- <i>Remittance Task Force</i>	2		
				- <i>Overseas Corruption Unit</i>	2		
Total identified mechanisms	PCD recognised as an issue	Number of explicit policy statements		Number of administrative / institutional mechanisms		Number of knowledge / advisory mechanisms	
85	22 of 26 EU MS and Institutions (85%)	30		45		10	