

STATE REHABILITATION

Building effective and engaged states from the bottom-up

“Without peace there can be no lasting development. Without African leadership to end African conflicts there can be no lasting peace.”

European Consensus, 2005.

Summary

During the 1990s, the pendulum swung back in favour of recognising the vital role of the state in development. This, in turn, brought the issue of state rehabilitation to the forefront of the agenda, especially as several African states have been seriously eroded (in terms of legitimacy and capacity) or in some cases virtually destroyed (as a result of conflict and war). State rehabilitation demands the mobilisation of public and private actors at all levels, as well as innovative forms of donor support. The roundtable will take stock of lessons learnt in state rehabilitation in post-conflict and fragile environments. Discussions will focus on adequate engagement strategies, on the appropriate division of labour between African, European and international actors, on relevant strategies in support of local reform and on the crucial contribution of decentralised levels of government.

Main issues and challenges ahead

On the one hand the development community has committed itself to improve the effectiveness of aid so as to achieve the Millennium Development Goals. On the other hand there is a realisation of the imperative to stay engaged with ‘poor performers’, countries where the goal of sustainable poverty reduction remains a distant prospect. Unlike in a somewhat distant past, donors have since the early nineties undertaken a wide range of activities in countries in conflict, in countries that are slipping back into instability, or in countries that are trying to rebuild after periods of violent conflict or state collapse. The Commission, for instance, has made it clear that it will improve its response to difficult partnerships and fragile states ‘where a third of the world’s poor live’ (Joint EU Development Policy Statement (December 2005)). In the Paris Declaration, development partners have even committed themselves unambiguously to deliver their assistance in such fragile environments with the long term vision to ‘build legitimate effective and resilient state and other country institutions.’ Efforts are ongoing to better define the different challenges of this high-level commitment to state building or rehabilitation, as well as the opportunities for engagement.

At the conceptual level, the Fragile States Group of the Development Assistance Committee seeks a common definition of the core state functions, and answers to the question how to conceive of state building in fragile contexts. At a more practical level, there are numerous initiatives to capture the lessons from experiences in fragile states. At this level, there is broad agreement on basic ‘principles for good engagement in fragile states’, to which the European Commission has subscribed. These principles can also be applied to state rehabilitation. By and large, these principles are the same as the ones applied for delivering effective aid. Only weak ‘ownership’ and capacities in fragile states compound the complexities in the implementation.

The first principle is to start from the country specific context. Fragility takes on many forms. The capacity of the state structures to perform core tasks and functions, their legitimacy and accountability, and the ability to provide an enabling environment for development differ considerably from country to country. In ‘difficult partnerships’ – where there is a lack of political commitment to good governance – there are less opportunities for donors to align behind country owned policies than in ‘weak states’ where there is willingness but lack of

capacity to improve governance. A thorough understanding of the capacities, strengths and weaknesses of civil society actors is required, as well as the potential of reform coalitions. Often, region specific dynamics have to be factored in (e.g. the threat or spread of violent conflicts or the presence of conflict management capacities). This principle calls for common diagnostics – involving as much as possible domestic expertise or reformers – to develop a more harmonised and deeper understanding of obstacles to reform and entry points for engagement.

A second principle highlights the importance of the right type of engagement, the appropriate mix of development instruments, and an adapted sequencing for each country. It also calls upon donors to take a deep breath and stay engaged. In the case of fragile states where the political will is lacking to commit to basic principles of democratic governance and poverty reduction, aid may have to be redirected fundamentally, except for those pockets in government that are not prone to capture by ruling elites. Traditional support for service delivery may have to be adapted. Reform of the security system is one particular area that is critical for state rehabilitation and where donors, such as the EU, have committed themselves to make a difference. Engaging with institutions of the security system (such as the police and army) often pose risks, but these have to be weighed against the risks of doing nothing, and the longer term costs for society as a whole. Although there is a stronger international commitment to engage in such domains, opportunities for early engagement are not always assessed or ceased properly. In all these cases, there should be a strong focus on the demand side for improved governance by civil society.

Problems in fragile states are a mixture of economic, social, political and security related dynamics. Therefore, the third principle requires from development actors to engage with the political, security and economic actors in donor countries to determine coherent response strategies and policies. In order to build locally grounded support coalitions among donors and international organisations, the fourth principle demands a better division of labour, based on a jointly developed strategy for long term engagement. Improved coordination mechanisms should result in a more effective cooperation with national reformers in government and civil society. It should also enable stronger coalition building with regional players such as the African Union, and its sub-regional conflict prevention structures.

Possible questions for debate:

- How can donors shape up their work along the guiding principles for ‘good international engagement in fragile states’?
- Is there a special role for the EU in fragile states given the multiple dimensions the EU covers in its External Relations?
- How can the knowledge base about the nature of country specific fragility and the opportunities for state building be enhanced?
- Is the potential and capacity of non-state actors and regional stakeholders sufficiently mobilised or supported? To what extent are opportunities for state rehabilitation in crucial areas such as security sector reform utilised?

IMPROVING GOVERNANCE IN MANAGING NATURAL RESOURCES

Linking environmental protection and human rights: a necessary link to alleviate poverty, injustice and violence?

Critical to any success is the need to understand that the environment is intimately linked with social, economic and, increasingly, political issues. This is not easy when dealing with uncertain planning horizons and urgent national priorities.

Acting together a common commitment to the global environment, EC 2006

Context

The debate on environmental change in Africa has to a large extent focused on the declining productivity of the natural resource base. This decline has resulted in increased poverty and vulnerability for large segments of the population. The roundtable will therefore focus on more effective natural resource management as a pivotal component of economic governance and as a rights-based approach to poverty reduction. Better management of resources (like water, soil, forest, oil and mining) is only possible by including considerations of how political, economic and social forces impact on the use and over-use of these resources, and how in turn the declining resource base affects them. The roundtable will also focus on 'conflict diamonds' and the lessons learnt from the Kimberley Process, and the initiatives of the extractive industry.

Main issues and challenges ahead

In Africa, outstanding issues like rapid rates of deforestation, high levels of land degradation, wasteful water use in agriculture and climate change remain and need to be urgently addressed. Other challenges are emerging. These range from genetically modified organisms and the costs of alien invasive species up to a switch of chemical manufacturing from the developed to the developing world.

The rural poor in particular depend heavily on natural resources for their livelihoods, and poor people are most vulnerable to the effects of environmental disasters and pollution.

In order to achieve lasting poverty reduction and sustainable development, the environmental dimension needs to be taken fully into account in all development activities. Good governance is almost always a prerequisite for sound environmental decisions. Sustainable development seeks to expand choices for all, including current and future generations, while protecting the "natural systems" on which all life depends.. The essence of good global governance environmentally therefore is to reshape the global economy to make it less environmentally harmful and more socially equitable for current and future generations as a moral tenet.

In the past two centuries man has developed a culture wholly dependent upon exponential growth for its economic stability. Each individual is locked into a system that compels increased production without limit, while the world and its resources are fundamentally limited.

Money alone does not guarantee sound development. Rather, success depends as much on sound institutions, prudent policies, transparent processes, open access to information, and equitable participation in making decisions as all salient features of good governance.

A change in perception would shift focus from viewing earth as a means of resource acquisition and dumping, to a one of caretaker utilizing regenerative mechanisms. This would engender a shift in common public values that would promote ecology and equity over the value of individual economic efficiency through the means of *restraint* and *responsibility*, and enforced through mutually agreed upon coercion.

At first glance, one might assume that a generous endowment of petroleum or mineral reserves would be an unambiguous blessing for a developing country. In practice, however, it has proven to be extremely difficult to convert natural resource wealth into broad based improvements in economic

performance and human development. In fact, heavy dependence on the export of natural resources has been shown to negatively affect a country's development. Collectively, these negative impacts are often referred to as the "resource curse."

As the economy becomes ever more globalized it is increasingly critical to ensure that the pursuit of material prosperity does not threaten human dignity or the health of the planet. The human rights and environmental movements address interrelated aspects of these goals. Human rights and environmental stewardship are inextricably linked. Because human rights are based on individual rights to life, property, and security and because the environmental crisis threatens all these basic guarantees, human rights require environmental stewardship. Similarly, environmental solutions that neglect human rights will ultimately fail both ecosystems and communities. These connections have led some to propose the creation of *environmental rights*.

The United Nations General Assembly adopted, unanimously, a resolution on the role of diamonds in fuelling conflict, breaking the link between the illicit transaction of rough diamonds and armed conflict, as a contribution to prevention and settlement of conflicts. The General Assembly recognized that conflict diamonds are a crucial factor in prolonging brutal wars in parts of Africa, and underscored that legitimate diamonds contribute to prosperity and development elsewhere on the continent.

There are two particular transparency initiatives that deserve attention to the Extractive Industries Transparency Initiative for oil, gas and minerals, and the Kimberley Process for diamonds. Both processes proceed on the basis that secrecy and lack of data support corruption and illegality.

Poor governance generates a social environment detrimental to development. In such cases external aid, whatever the amount or intention, has little effect. Indeed, it can even be harmful if it contributes to prolonging an undesirable state of affairs. Whereas "good environmental governance" will succeed in achieving better environmental outcomes only if it is seen as an essential contributor to better and more equitable development. Years of experience show that including affected communities and individuals in decision-making, and insisting on accountability of those ultimately responsible for environmental decisions, can lead to fairer and more effective management of natural resources.

Possible questions for debate

- How to link economic governance and environmental rights?
- What are the main lessons from the Kimberly process?
- How can environmental and social justice between North and South be realized?
- What kind of mechanisms could promote policies against ecocide?
- How to delink economic growth from an increase in resource use, and social progress from economic growth?

CONSOLIDATION OF SOCIAL RIGHTS

Turning declarations of intent into authoritative rights

"We will spare no effort to promote democracy and strengthen the rule of law, as well as respect for all internationally recognized human rights and fundamental freedoms, including the right to development."

EU Strategy for Africa, 2005.

Context

While the universal human rights have been declared and internationally agreed on almost 60 years ago with the UN General Assembly's *Declaration of Human Rights*, it has only been in the past two decades that the crucial relevance of human rights is being widely acknowledged for the purpose of sustainable development. This trend has been accompanied by a shifting interpretation of human rights. The first generation of human rights dealt with political liberties and participation in political life. This concept was later enriched by aspects referring to fundamental social, economic and cultural rights (second generation) and is recently complemented by the third generation of human rights focussing on collective rights to international solidarity and environmental conditions.

Following this extended understanding of human rights an increasing number of development actors have adopted rights-based approaches, stressing the pivotal importance of social, economic and cultural rights for a sustainable development and social cohesion. The *Declaration on the Right to Development* by the UN's General Assembly in 1986 represented a milestone in this regard. Subsequently, a number of regional institutions have established comparable declarations and charters that attempt to establish a legislative framework on the international, regional and national level in the interest of collective and individual development. In the context of the Euro-Africa cooperation the most prominent declarations have been the *African Charter on Human and Peoples' Rights* (ACHPR) of the OAU (AU) in 1986 and the Charter of Fundamental Rights of the European Union in 2000. While differing in many aspects both make reference to the concept of a general "*right to development*" based on second generation human rights. In order to create effective mechanisms that would promote and protect these rights, the African Charter the *African Court on Human and Peoples' Rights* was then established.

Main issues and challenges ahead

However, beyond such achievements, controversy continues about conceptual questions, legislative concretization and the roles of different actors in strengthening economic, social and cultural rights for development.

Obviously the role of the state is paramount in providing, protecting, promoting rights to groups and individuals. Particular challenges remain in countries where the allocation of common resources is not always done in accordance with the best possible public good outcome.

Furthermore, many countries having ratified international conventions such as the ACHPR lag behind in converting international agreements into national legislation. But also concerns about restraining the state's sovereignty come into play here.

Discussions about the role of non-state actors increasing social rights continue. Undoubtedly the voice of NGOs has become louder and stronger, advocating for the protection of individual and collective rights on a national and international, individual and collective level. Greater public participation and debate in the definition of policies in the social, economic and cultural area is necessary to ensure that these are targeted towards the needs of the population, including those of marginalised groups. Efforts to increase the participation of the

latter should be pursued with particular vigour. Civil society and the media also have an increasing role to play in monitoring compliance with government commitments in the ESC area.

Social Rights are largely assigned to individuals and subsequently to groups of individuals. However, the African Charter on Human and Peoples' Rights in Chapter II explicitly mentions the duties of the individual toward the community and society as a whole: “*Every individual shall have duties towards his family and society, the State and other legally recognised communities and the international community*” (ACHPR, Article 27.1). Conversely, a balance needs to be found between individual rights on the one hand and duties or responsibilities on the other hand: not to exercise rights of one of the two types in a manner that would impose costs on the other.

The only control mechanisms originally installed for the African Charter on Human and Peoples' Rights was the African Commission, which is not granted sufficient protective powers nor mandate to check member states' compliance and consider any consequences. In fact, the decisions the African Court of Human and Peoples' Rights renders are non-binding and still attract little, if any attention from the governments of member states.

Irrespective of international conventions and proclamations social rights appear to be toothless if not accompanied by institutions that can be petitioned and addressed not only by states, but also by NSAs and individuals. The ACHPR currently does not foresee such legislative structures that would be accessible to individuals or NGOs.

It is the strength of initiatives as the ACHPR that they are regional initiatives taking into account historical circumstances and reflecting the cultural and political context. The involvement of international donors will be beneficial in enabling the duty-bearers of the right to development to fulfil their responsibility.

Further efforts from different actors and a vivid discussion on the questions like the ones raised above will be necessary to turn ‘manifesto rights’ into practical, accessible and guaranteed rights for everyone and working towards a ‘progressive realisation’.

Possible questions for debate

- How can individuals and social groups gain increased access to the social rights laid down in the *African Charter on Human and Peoples' Rights*?
- How can states' compliance with the *African Charter on Human and Peoples' Rights* be monitored more effectively?
- How can (social) rights based approaches be integrated in governance and poverty reduction strategies?
- How to draw on emerging best practice within the international community on ways to integrate the right to development - and therefore all human rights - into development policies and programmes?

THE ROLE OF THE MEDIA IN PROMOTING GOVERNANCE

Constructing new alliances

“We recognize that freedom of expression and the free flow of information, ideas, and knowledge, are essential for the Information Society and beneficial to development.”

World Summit on the Information Society,

Tunis Commitment, 2005.

Context

The media landscape in most developing countries has evolved dramatically over the last 15 years as a result of democratisation processes and the impact of new information and communication technologies. Independent media are key players in getting better governance at local, national, regional and global levels. Yet their potential often remains under-utilised for a variety of reasons including political obstruction, conservative legislation, lack of resources and capacities, limited incentives to address development issues, as well as ill-suited donor support modalities. New trends (including media concentration) may further reduce the scope for independent media development, particularly at community level.

Main issues and challenges ahead

In most parts of the world, the media landscape has been transformed by increased democratization, liberalization of the media, globalization, new technologies and the emergence of a more dynamic civil society. This has created a ‘demand’ for information among wider audiences as well as expanded opportunities for media actors to be involved in the promotion of pluralism and governance.

Media can impact in various ways on governance: as a watch-dog contributing to transparency and accountability; as a civic forum raising awareness and supporting the development of citizenship; as a ‘driver of change’ influencing elected bodies by relaying the voice of the people; and as a facilitator between public authorities and citizens or between different groups, especially in peace-processes and post-conflict situations. The recently held ‘Africities’ meeting (Nairobi, September 2006) called upon the media to increase (critical) reporting on how local governments cope with major development challenges (including the MDGs) and seek to innovate governance practices.

Yet, several challenges are still ahead in order to enable the media to function optimally in the promotion of pluralism and governance agendas. *First and foremost*, appropriate legal and regulatory frameworks for a proper functioning of the media (and the protection of journalists) are necessary¹. The international community, in partnership with non-state actors, should therefore encourage and monitor respect by the state of the freedom of expression, of access to information and civil liberties.

Second, though the media can help to give ‘voice’ to the poor, develop a sense of citizenry and further accountability through transparency, it faces a number of capacity constraints, especially in developing countries. International organisations have a major role to play in helping to develop independent, pluralist and viable media. The 2006 EC Communication on Governance advocates the implication of a broad range of civil society and media stakeholders so as to ensure ownership of media support strategies as well as diversity in target groups. The development of community media is particularly important in the context of emerging democracies. Pluralism goes with rural area coverage and a strengthening of rural media. In providing such support, due recognition should be given to the different roles to be

¹ Freedom ‘after speech’ is often more the issue than freedom of speech

played by the media: information; agenda-setting on development issues (including whistle-blowing through investigative journalism or minority coverage) as well as citizen education. All this assumes that media properly assume their ‘social responsibility’ (while remaining neutral players).

A *third* challenge emerges from liberalization and globalization, which can lead to concentration of the media ownership in a few hands (sometimes close to political power holders), thereby undermining credibility of the information. This raises several thorny questions, including the relationship between global and local media as well as the balance between the political independence, the economic viability of the media (and sources of income such as advertising) and the needs of the poor. In this context, criticism is often exercised on the tendency for major (international) media players to bring “only the bad news out of Africa” or to respond to the growing ‘dictatorship of commercialism’.

Fourthly, governance of the media itself is a challenge. Rights go together with responsibilities. Examples of media inciting to violence in conflict situations are still in the collective memory. ‘Quantity’ of media should not be equated to ‘quality’. It is vital that the media outlets and professional associations encourage accurate, professional and ethical reporting. This can be done by establishing voluntary codes of conduct, providing training for journalists and setting up mechanisms of self regulation.

Fifth, the media can also play a powerful role in promoting gender equality. Women are more often deprived from access to information, and they are underrepresented in the governing and managing structures of the media. Youth, which constitutes the largest sector of the population in many developing countries and usually are more literate than older generations, deserve special attention as well. The media can also be a powerful channel for providing access to vulnerable groups (including disabled persons, migrants and nomads) to participate to better governance and development.

Possible questions for debate

Discussions may focus on:

- How best to support the media as an independent actor in the governance field (while respecting its neutrality)?
- How to face the side effects of liberalization and globalization, such as concentration of the media in a few hands?
- How to improve reporting on positive development experiences (at both local and national level?)
- How to ensure good governance within the media?
- How can the media promote the democratic culture?
- How can the Media contribute to the protection of vulnerable groups?

BUILDING A CULTURE OF DEMOCRACY

From hardware to software democracy promotion

« *La démocratie est d'abord un état d'esprit* »

Pierre Mendès FRANCE, 1907-1982

Context

Over the last decade, Africa has made major efforts to move the democracy agenda forward at local, national, regional and pan-African level (through the African Union). While progress has been achieved, amongst others in establishing the formal attributes ('hardware') of democratic societies, key challenges remain to be addressed in terms of consolidating the process and building a 'culture' of democracy. This opens a broad agenda for the different actors who are directly or indirectly involved in the democratisation process. It implies a focus on the 'legitimacy' of government (beyond elections); the norms and attitudes towards the public good; the political society, including the empowerment of parliaments; the demand-side of democratic governance; as well as innovative ways to ensure transparency and accountability. It also requires a critical analysis of current forms of (EU/EC) democracy assistance.

Main issues and challenges ahead

Since the fall of the Berlin wall, Africa experienced a new wave of democratisation. This move was marked, among others, by the appearance of multi-party systems, the strive towards free and fair elections and the development of civil society. The international community supported such democratisation processes, developing – often from scratch – the basic policy and institutional foundations for such assistance. This was characterized by measures like electoral assistance and observation, institution-building, as well as the inclusion of references to democracy and respect for human rights as 'essential elements' in cooperation treaties (for instance in the EU-ACP partnership agreements). This support to the "hardware" of democracy has proven a necessary but not sufficient ingredient. More was needed to address the complexity and multi-dimensional nature of democratisation processes in hugely diverse country contexts. In divided and politically fragile societies, embracing the form rather than the substance of democracy often turned out to be a source of conflict rather than a factor of progress. In several developing and transitional societies, incumbent elites resisted change or manipulated the democratic process to their advantage, sometimes resulting in "hollow democracies". Building democracy abroad proved to be much more difficult than initially expected. It is, therefore, important to continue the learning process.

The importance of supporting the "software" of democracy is increasingly recognized. Effective democracy entails a whole of societal norms and codes that need to be firmly rooted and integrated into the culture of the people. The frequently observed absence of the notion of 'public good' is an illustration of the importance of such a deep understanding of the democratic principles. Similarly, many governments can be legally elected but nevertheless lack 'legitimacy' in the eyes of their citizens. Supporting the "software" of democracy requires a long-term vision as well as new approaches to providing democracy assistance.

Several important lessons have been learnt in the last decade. These help to define some of the key challenges ahead.

First, a stronger engagement with the 'political society' seems required. Over the last years, agencies experienced the limitations of political conditionality on central governments as an

instrument to trigger effective change. It also appeared that promoting democracy from the ‘bottom-up’ is a necessary but not sufficient condition. It is undoubtedly promising to support the role of non-state actors – including the free press and trade unions – as watchdogs demanding transparency and accountability, as well as *fora* for (civic) education in democratic participation. Civil society organisations do have a key role to play, but they are neither substitute for political parties nor for social movements. There is a growing realisation that support to democratic institutions belonging to ‘political society’ (e.g. parliaments; courts of auditors, political parties etc.) should be reinforced. Similarly, there is a need to invest more in democratic decentralisation processes, as local authorities can play a crucial role in the emergence and consolidation of local democracy and governance systems.

A second challenge is that more integrated approaches are required in the EC/EU’s efforts to promote democracy. On the one hand, democracy assistance relates to different policies. It makes no sense to separate democracy from human rights and socio-economic development. Democracy doesn’t thrive in conflict-prone environments, or in fragile states. Therefore, assistance to democracy should be linked to other relevant EC policies, including trade, development and external relations. Democracy can also be indirectly promoted through development programmes, by instilling values of participatory development, accountability and transparency (the so-called ‘democracy with a small d’). As part of an integrated approach, the EC/EU is doing efforts to support African-driven processes of promoting democracy. The African Union – with its new political mandate – is a particularly important player and ally in this field.

A third challenge relates to the need for coherency between EC support to democracy in African States and eventual diverging political or economic interests of EU Member States.

Possible questions for debate

Discussions may focus on:

- How to move from support to the “hardware” of democracy to support to the “software”?
- How can donors engage in new ways of assisting democratic processes?
- How – and how far – can political society be supported?
- How to better link promoting democracy with other EC/EU policies like trade and external relations?
- How can the EU/EC improve its cooperation with Member States and other development actors in improving the effectiveness of democracy assistance?

STEPPING UP THE FIGHT AGAINST CORRUPTION

Building new alliances to increase impact

“Corruption hurts the poor disproportionately by diverting funds intended for development, undermining a government's ability to provide basic services, feeding inequality and injustice, and discouraging foreign investment and aid”.

The UN Secretary-General, Statement on the Adoption by the General Assembly of the ‘United Nations Convention Against Corruption’, New York, 31 October 2003

Context

Internationally, the fight against corruption is taking a more central place among those partners that put their shoulders behind the realization of the Millennium Development Goals. Corruption is widely perceived as a major obstacle to sustainable development and poverty reduction. Aid can be part of the solution. Anti-corruption clauses are integrated in most major development partnerships such as the EU-ACP Partnership Agreement. The World Bank – after changing its longstanding ‘hands-off’ policy in 1996 – has now put its weight behind an anti-corruption strategy. The African Union has adopted a Convention on Preventing and Combating Corruption, and in 2003 the United Nations adopted the Convention against Corruption, which the EC has signed last year. The knowledge base on what drives small and big corruption at local or at global level is expanding. The fight against corruption is no longer perceived as an end in itself. Increasingly, corruption – “the abuse of public office for private gain” – is understood as an outcome of poor governance. Increasingly, local, national and global actors demand better governance that also addresses the root causes of corruption.

Main issues and challenges ahead

Opportunities and challenges for tackling corruption as an outcome of poor governance have expanded meaningfully.

First, there is the promise to reduce poverty, to improve governance and to scale up aid significantly. The prospect of an extra yearly 50 billion \$ by 2010 raises the stake for development partners to ensure proper use of these new resources. There is a growing consensus among donors and partner countries that this can only be achieved by improving the governance systems through which these extra resources are being channeled. Through the Paris Declaration, donor and developing countries and multilateral agencies have committed themselves to improve both the effectiveness of aid, and the governance systems and policies in partner countries. Both sides are confronted with the risks that corruption poses for the diversion of existing aid, its harmful effects (felt most badly by the poor) and for the shadow that they throw over the promised new resources. Traditionally, concerns centered on risks that development resources were diverted away from their intended uses (fiduciary risks). Recently, development partners increasingly pay attention to two other types of risk: (i) the development risks in partner countries (the risks that poverty reduction efforts and economic growth are undermined) and (ii) risks related to the credibility of aid in donor countries, whereby the basis among public opinion in donor countries erodes because of real or perceived abuses of aid resources.

Secondly, donors have committed themselves to harmonize their development efforts behind country owned strategies for poverty reduction. Traditional forms of conditionality are giving way to new partnerships whereby donors build on institutions and country systems. Rather than to bypass these systems or impose pre-determined models, donors transfer more development resources through the budget and management systems of developing countries. Such new aid modalities provide opportunities to strengthen public finance management systems, build capacity, and improve checks and balance institutions and contribute to improve transparency in the allocation, management and monitoring of public resources. If such opportunities are taken, this reduces the space for corruption. But, such aid modalities require a thorough understanding of these systems, their weaknesses, and the capacity development strategies required.

Thirdly, the various symptoms of corruption have to be looked at in the broader governance context. This includes the systems of transparency and mechanisms for accountability. It is recognized (for

instance in the two Communications on Governance of the European Commission) that accountability stretches beyond donors and the partner government. It pertains to an open society based on multiparty democracy and electoral competition, a transparent system for financing political parties and support for parliamentary oversight and for other public and judicial institutions. The effectiveness and sustainability of the fight against corruption – and for improving governance – rests also with civil society actors, the private sector, the media and ultimately with citizens who have voice.

Countries with corrupt political leadership or endemically corrupt institutions pose particular problems. But, unlike in the past, donors have committed themselves to stay engaged: with adapted aid modalities and a stronger focus on domestic anti-corruption coalitions.

Fourthly, strengthening the supply-side of improved governance in partner countries, and supporting the demand-side for accountability are but two related components of the longer term engagement against corruption. Globalization has increased the opportunities for large scale corruption. A number of initiatives have been taken – such as the conventions against bribery and corruption by the OECD and the UN (2003) – to tackle the global supply side of corruption by reducing the incentives for corruption. Other initiatives, such as the Extractive Industries Transparency Initiative, aim to build coalitions of companies, civil society and governments in support of transparency and accountability, especially in resource rich countries.

Never before have so many actors and stakeholders been involved at various levels in the fight against corruption. And never before, was there such a potential – both in terms of resources and knowledge – for grounding anti-corruption into longer term reforms towards effective and accountable governance. But putting this potential at work remains the ultimate challenge.

Possible questions for debate:

Discussions may focus on:

- How to move away from stand-alone anti-corruption projects to comprehensive and harmonized support for sound public finance management and democratic governance reforms?
- How can local or regional governance and anti-corruption agendas and reform coalitions be identified and strengthened?
- How can the existing knowledge base about governance and corruption be put to better use? And how can the diagnostic tools and analyses be jointly improved?
- How can the EU and its member states improve cooperation in tackling the ‘supply-side’ of corruption at the global and local level?
- How can we reinforce the bodies who are constitutionally mandated to scrutinize the actions of government in playing their role?
- How can the role of civil society organizations, including the private sector and the media, in the fight against corruption be reinforced?
- What type of governance and anti-corruption partnerships can be developed in fragile states?

INEQUALITIES AND VULNERABLE GROUPS

Combining protection and empowerment

« Inequalities in opportunity or capabilities can be a profound source of poverty, both within societies and across nations »

World Development Report 2006

Context

Linking vulnerability to poverty leads to question the real causes of pauperization processes and their dynamics. Vulnerability often results from distorted power mechanisms and violations of human rights. It encompasses the various aspects of economic, social and judicial governance and has many faces. It affects children, women, minorities, refugees and internally displaced persons as well as disabled people. Under-development could be seen as the sum of individual poverty while inequalities refer to the unequal repartition of resources and power within a society. Vulnerability refers to the probability to fall in a situation of deprivation and suffering. Vulnerability is at the heart of poverty and is at the same time the result of a process.

Main issues and challenges ahead

The focus put on gender has underlined the social differentiation of poverty and vulnerability. It has been in the last years enlarged to include children, women, minorities, refugees and internally displaced persons as well as disabled people, people from rural areas; homeless and elderly people; ethnic minorities and other disenfranchised.

The European Union Strategy for Africa stresses the adherence to human rights, democratic principles and the rule of law; and effective, well governed states, and strong and efficient institution. A particular focus is to be put on the promotion and the protection of human rights, including the rights of women, children and other vulnerable groups and on the support of participatory democracy and accountability in Africa, especially by supporting African parliaments and civil society and by enhancing programme of election assistance.

Several approaches can be used in order to address vulnerability:

- *Promoting social experimentation by vulnerable groups.* Facing precarious situations, vulnerable groups may accept the worsening conditions, migrate or try to find solutions. Social experimentation means facing poverty and vulnerability through individual and collective action. Capacity building is a core issue by focusing on the development of local knowledge and empowering people to facilitate change processes. Effective decentralisation can play a key role in facilitating local strategies and accompanying pro vulnerable approaches.
- *Reducing structural inequalities.* Structural inequalities are covering all dimensions of vulnerability and are at the same time its cause. Inequalities roots in history of societies and nations. The building of a functional State is of high importance in ensuring a global pro vulnerable framework but internal changes are also the product of collective transformation process based on the learning of active citizenship.
- *Covering temporary risks.* There are many social mechanisms, collective practices of mutual help, or redistribution, as well as micro-finance mechanisms. All these locally-based mechanisms may not be strong enough to cope with global conflicting situations. A focus has to be put on social prevention based on the development of social organization and alliances between actors.
- *Facilitating social dynamics.* Inequality is the result of confrontation and power between groups. Each decision and action is ensuring or destabilizing the relation of power and the condition of each group in the society. Social dynamics should be facilitated in a way that they reduce vulnerability. Networking and alliances between non-state actors are a key issue for social governance.

Vulnerable groups are directly suffering from weak governance; a lot of them may also pay with their life in case of insufficient food security or political conflict. Although vulnerability is closely linked to the most part of the MDGs, challenges for implementing pro-vulnerable strategies and programmes are still tremendous.

The *first challenge* is to improve global governance and mutual accountability. At the level of international cooperation, pro-vulnerable strategies question the coherence of the overall aid system. Local pro-vulnerable strategies may only have a sense if they are in line with global policies (e.g. between aid and trade policies). Part of this agenda is to improve the efficiency of international/regional pressures on states that do not respect 'vital' aspects of governance and human rights. This holds particularly true in conflict situations, which tend to imply the massive destruction of lives (especially vulnerable groups) and where peace keeping strategies (such as those deployed by the African Union in Darfour) face many limitations.

Second, there are many instruments within the EC cooperation which have to be put in a coherent way so as to ensure more consistency and coordination between actions oriented towards vulnerable groups. The selection of approaches (project approach versus budgetary support) may have to be reconsidered in the light of these pro-vulnerable strategies.

Third, dealing with vulnerable groups may require profound changes in current donor approaches and procedures. The prevailing administrative culture of risk-aversion and focus on financial accountability often makes it very difficult to effectively target vulnerable groups. It may also lead to excluding highly relevant local organizations working on basic social services or as safety nets. There is a need to find new ways and means to reach out to the most vulnerable groups while staying in conformity with financial accountability.

The *fourth* challenge relates to the overall state capacity addressing vulnerability. Beside the PRSP, there is generally a lack of a national strategy aiming at reducing vulnerability, both at national and local levels. National systems of protection are weak and ill-equipped to serve the most vulnerable groups; judicial mechanisms are too expensive; decision-making processes on development strategies tend to be concentrated in the hands of privileged groups.

Fifth, the dialogue and collaboration with non-state actors stands to be strengthened, as they have a crucial role to play in addressing vulnerability. They can, for instance, help to gather sufficient knowledge on vulnerable groups; play a mediating role in conflicts; or build capacity of the most vulnerable groups.

Possible questions for debate

- How to translate commitments to global governance and mutual accountability in the development of more effective "pro-vulnerable" strategies and approaches?
- How to link national protecting policies with targeted empowerment through (local) development programmes?
- How to empower vulnerable groups in emergency situations and how accompany/integrate them in a LRRD process and peace building efforts?
- How could decentralization and investments in active citizenship contribute to reducing vulnerability?
- What are the main advantages and disadvantages of budgetary support and project support for tackling vulnerability?

THE VOICE OF NON-STATE ACTORS

The search for a new social contract

“Civil society, including economic and social partners such as trade unions, employers’ organisations and the private sector, NGOs and other non-state actors of partner countries play a vital role as promoters of democracy, social justice and human rights.”

European Consensus on Development, 2005.

Context

During the 1990s, the participatory approach to development was widely embraced. This, combined with the new democratisation wave, increasingly created space for a diversity of non-state actors (NSAs) to contribute to development and governance reforms. This opening-up of cooperation to NSAs holds great potential in terms of fostering democracy and good governance as well as fighting poverty, promoting growth and delivering social services. International donor agencies have sought to integrate civil society actors in cooperation processes. The Cotonou Partnership Agreement, for instance, legally recognises that participation is a “fundamental principle” of cooperation. In a growing number of countries, donors provide support to the emergence or consolidation of a strong and viable civil society. The principle of participatory development is not limited to national level policy processes, but is increasingly applied at local, regional, pan-African and global levels of ACP-EC cooperation.

Main issues and challenge ahead

Poverty reduction strategy papers, budgetary support, the Millennium Development Goals and, in the framework of ACP-EU cooperation, the Cotonou Partnership Agreement, have opened new dialogue fora where governments and civil society actors are called upon to interact with official foreign development agencies in formulating, implementing and monitoring economic, political and social policies.

It is now widely recognised that NSAs have a key role to play in governance processes. As watchdogs, NSAs can push for more transparency and accountability; NSAs can also inform and raise civic awareness of the people, therefore contributing to the creation of citizenship and providing incentives for a more participatory management of public affairs. By so doing, NSAs can influence the setting of the political agenda. Their representativity and general proximity to the local level can also contribute to enhanced legitimacy of the government and of decisions it would take. The same applies to international conventions or development programmes, as the participation of NSAs tends to ensure better impact and follow-up opportunities. Also, NSAs can provide the necessary institutional basis for service delivery when questions of effectiveness and responsiveness of the State (or donors) arise.

The international community has gradually sought to adopt participatory development approaches. Quite some progress has been achieved in clarifying the policy framework for engaging with civil society. Attempts have been made to reach out to non-state actors for participation in public policy dialogue processes. Innovative civil society support programmes are being launched in several African countries.

These are promising steps forward, yet there is still a way to go before civil society participation is properly mainstreamed in the cooperation with Africa in an effective and sustainable way. To this end, a number of challenges need to be addressed. *First*, learning and institutional change is to be encouraged. The relative novelty of participatory development approaches puts a premium on learning for all actors involved in development and governance processes. This is a precondition for a qualitative evolution of partnerships with civil society. It is also essential for developing a ‘culture of participation’ and for implementing the necessary institutional changes that go with such an approach to cooperation (e.g. at the level of attitudes, working methods, instruments and procedures).

Second, further progress is required in moving beyond instrumental approaches to participation and towards adopting a societal transformation perspective when engaging with civil society. Clarity of

purpose is essential in dealing with civil society. Official parties and NSAs should clearly know why they want to work with each other.

Third, experience suggests the importance of applying principles of good governance when dealing with civil society. This means ensuring the full participation of civil society in setting the governance agenda in a given country. Defining governance priorities is too important a battle to be left to the central government agencies alone. Recent research has clearly demonstrated that southern civil society views on governance do not necessarily coincide with government positions. Adopting a governance approach to civil society also implies recognising the legitimate roles to be played by central and local governments. This challenge is particularly visible at local level, where donor funding may exacerbate competition between civil society organisations and (elected) local governments (instead of promoting collaboration).

Fourth, as civil society moves to the forefront, there is a need to ensure good governance of the non-state actors themselves. The credibility of NSAs as stakeholders in promoting governance depends on the perception that they uphold the values they claim to represent. In order to demonstrate their ability and reliability, it is important for NSAs to apply good governance principles within their own organisations. This means ensuring their legitimacy, in-house democracy and commitment to principles of transparent management.

Fifth, civil society support programmes should not be delivered in a vacuum, as a self-standing action, isolated from mainstream development processes. Experience suggests that the effectiveness and sustainability of civil society support programmes largely depends on a proper articulation with national reform processes (e.g. decentralisation, good governance, public sector reform), with the activities of key institutions (e.g. sector ministries) or with other donor initiatives towards civil society.

Sixth, the role of civil society in new aid delivery mechanisms should be clarified. While the alignment and harmonisation challenges embedded in the Paris Declaration on Aid Effectiveness (March 2005) may help to increase country ownership, there is a danger of re-centralising decision-making on key policy choices. Participation of civil society should be ensured at all stage of the policy process. In a similar vein, there is a need to clarify the place and role of NSAs in partnerships based on the provision of budget support.

Possible questions for debate

Discussions may focus on:

- How effective are NSAs as “producers” of governance? How can donors support the capacity of NSAs to be “change agents”?
- How to improve effective participation of non-State actors in setting the governance agenda?
- What role should civil society play in the new international aid architecture, based on the Paris agenda and budget support modalities?
- How to ensure smart partnerships between central and local governments and civil society in the promotion of governance?
- How to ensure respect of the governance principles by NSAs themselves?

MIGRATION AND GOVERNANCE

Moving towards partnership with third countries]

“Conscious that the management of migratory flows cannot be achieved through control measures only, but also require a concerted action on the root causes of migration, in particular through the implementation of development projects in Africa”

Euro-African Partnership for Migration and Development

Rabat Declaration, July 2006

Context

Migration is not a new phenomenon. However, its expanding scale in the context of globalisation raises concerns and fears. In the case of Africa, important migration flows are taking place both within the continent and towards the EU and Western developed economies. The main push factors are poor socio-economic and/or governance conditions. Migration takes many forms, from irregular economic migration to large scale brain drain of African cadres, which can deprive Africa from the human resource base it needs for its development. The response of developed economies, including Europe, to the new migration patterns, has initially been control oriented- This, in turn, has led to reinforcing the image of Europe as a fortress. Yet awareness is growing that a more comprehensive approach is required to properly address international migration flows.

Main issues and challenges

International migration is a very complex, multi-faceted issue. Migration is mainly a response to differences that encourage individuals to cross national borders to take advantage of higher incomes and jobs. With globalisation, it has become easier for individuals, who have ever more incentives, to cross national borders for economic betterment. ‘Sending countries’ have begun to recognize the advantages of remittances and diaspora-led development. ‘Receiving countries’ have often developed layered policies, welcoming some highly skilled migrants while erecting higher barriers to unskilled migrants seeking employment.

Beyond these economic responses, the EU has initially been addressing migration flows from a ‘security-approach’, making use of “carrots and sticks”², but has since then moved on to a more comprehensive and partnership based approach. Migration has increasingly been incorporated into the broader external relations dialogue with countries. For example, within ACP-EU cooperation, Article 13 of the Cotonou Agreement, states that migration issues are to be “the subject of in-depth dialogue. The recent EC Communication on governance and related ‘Governance Profile’ also includes the management of migration flows in the list of what ‘governance’ entails.

Security issues reflect legitimate EU concerns. Yet it is increasingly acknowledged that all parties stand to gain from a more “comprehensive” migration policy (as envisaged in the Amsterdam Treaty).

The first real step in this direction came at the December 2005 European Council with the adoption of the *Global Approach to migration: Priority actions focussing on Africa and the Mediterranean*.³ The Global approach recognised the need for balanced and wide ranging action, through genuine partnership with African countries, to "ensure that migration works to the benefit of all".

This message also came through very forcefully in the Euro-African Rabat Declaration of July 2006, which called for a strong nexus to be established between migration and development. This, in turn, implies adopting a governance approach to tackling migration issues.

Several governance challenges arise in relation to managing migration flows in a comprehensive and sustainable way.

First, there should be a better appreciation and management of the close linkages that exist between international migration and development and other key policy issues, including trade, aid, state

² See the conclusions of the Councils of Seville (June 2002) and of Thessalonica (June 2003).

³ Presidency Conclusions, European Council, Brussels, 15-16.12.2005

security, human security and human rights. This need for coherence should take place at different levels, including the national one. In many States, responsibility for migration is divided between different ministries and coordination is often lacking. Besides, national policies on migration sometimes lack consistency with international commitments. Coherence is also needed between stakeholders at the regional and global levels; between the EU and Africa or between the EC and EU Member States.

Second, managing migration flows requires shared responsibility and mutual commitments. This means that all parties need to respect key governance principles such as fair treatment of immigrants (including respect for human rights). A shared policy response is also required to properly address the issue of brain drain. African states are called upon to show commitment to creating incentives for migrants to stay at home – so safeguarding human capital for economic development. Donors, in turn, are invited to support the efforts of States to formulate and implement national migration policies through the contribution of resources, appropriate expertise and training.

Third, regular dialogue is a key tool to ensuring a governance approach to managing migration flows. Yet, the systematic use of an inclusive and participatory approach remains a challenge. Such a dialogue may help to share good practices; establish mutually beneficial partnerships; as well as contribute to the elaboration of common agendas.

A *fourth* governance challenge is to develop a longer term approach to migration. This means translating the proposed partnership approach to migration into effective action. This promises to be a difficult exercise. Fifty years of development co-operation clearly demonstrate that reducing the structural inequalities that promote migration is a complex task that will not be completed quickly. Furthermore, on a global scale, it is unlikely that many national governments would give up the authority to determine who enters and stays inside their borders to regional or global organizations.

Recent changes in EU policies towards Africa, as reflected in the new EU-Africa Strategy and the Global Approach, harbour potential to develop a more comprehensive and long-term approach to migration. The challenge at hand for both parties will be to engage in a balanced dialogue on the matter and to properly integrate migration into the overall partnership.

Possible questions for debate

The discussion may focus on:

- ways and means to improve the governance of international migration (including through partnership, dialogue, cooperation at different levels and mutual commitments based on shared responsibilities);
- ways and means to support positive steps to be taken by African countries to better contain migration flows;
- positive steps to be taken to better integrate migration issues into overall development policies and programmes, including by promoting coherence with other policy areas such as trade, and EU agricultural and fisheries policies;
- How to build a longer term approach to migration?