Deutsches Institut für
Entwicklungspolitik

German Development
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Briefing Paper 18/2013

EU Joint Programming: Lessons from South Sudan for EU Aid Coordination

Summary

Joint programming (JP) is the latest effort to improve the coordination of EU and member state development policy at headquarters level, and to better streamline aid delivery at the country level. JP aims to improve the effective and efficient delivery of European aid by reducing fragmentation among EU donor aid programmes and projects. At the same time, the EU promises to increase partner country ownership by basing its JP documents on national development strategies.

Momentum and interest have picked up: the European External Action Service (EEAS) and the Commission's DG DevCo are pushing for wider use of joint programming under the 2014–2020 EU Budget. The preparation of joint country strategies is currently at various stages for around 20 countries where the EEAS and DevCo plan to have JP operational by the end of 2014. There may be as many as 50 JP exercises underway by 2020 (see Table 1).

Although joint programming is an EU exercise, non-EU donors such as the United States, Norway, Japan, the World Bank or UNDP, are welcome to join and several have expressed interest in taking part on a case-by-case basis. From the partner-country perspective, JP offers to reduce the burden of having to deal with several EU actors and agencies.

The JP exercise was piloted in two of the world's most fragile countries, Haiti and South Sudan. Theoretically, South Sudan offered promising conditions for JP: although the world's newest country was hardly a 'blank canvas' following independence from Khartoum in July 2011, most donors were recent arrivals. Synchronisation and fragmentation problems were not as acute as in countries where larger numbers of donors with established programmes stymie coordination efforts.

An EU Single Country Strategy paper, aligned with South Sudan's 2011–2013 Development Plan, was published in January 2012. Its implementation cannot be considered an unqualified success. While South Sudan's extreme political, economic and security challenges impacted on the JP exercise, the experience also has implications for JP in other settings. As JP is applied in more countries, the South Sudan experience suggests three priorities for future exercises:

- Be flexible: Circumstances can change quickly, especially in fragile states. Programmes that cannot adapt and demonstrate added value at the country level risk losing legitimacy.
- Ensure commitment: Member state buy-in is essential if JP is to go beyond a strategy paper. While EU member states have formally committed to the JP framework, this does not mean that they love it. Steps to synchronise project cycles could be a first indicator of greater commitment. Programmes backed by joint financing and implementation are likely to be more robust.
- JP is no magic bullet: There are limits to what the EU can achieve on its own. The partner country government’s political will to make JP work for them, and the capacity of their systems, are key variables.

Why Joint Programming?

According to the Organisation for Economic Cooperation and Development (OECD), in-country aid fragmentation – when donors spread themselves across many sectors with small projects – is rising (OECD 2011). A fragmented aid landscape carries important unintended consequences which undermine aid effectiveness. For donors, each additional aid relation complicates coordination and increases the likelihood of policy incoherence, sector neglect, inefficiency and wastage.

For recipient countries, each additional aid relation carries transaction costs that burden administrative capacity. Often, partner governments have to use scarce resources to keep track of dozens of agencies and thousands of projects. Not surprisingly, fragile states are especially vulnerable to aid fragmentation: they tend to suffer from a proliferation of poorly-coordinated aid providers, focusing on some sectors while neglecting others. Fragile states also tend to have less capacity to change the situation (OECD 2011).

Although the EU is regarded as a global leader in aid coordination, its efforts to improve division of labour and reduce fragmentation among community and member state aid programmes have had mixed results. The EU, in line with commitments under the Paris/Accra/Busan international aid effectiveness process, has targeted coordination at the programming level: the 2005 EU Consensus on Development set out principles and committed EU actors to work towards joint multiannual programming based on partner countries' development strategies and budget processes, while calling on donors to focus on areas where they have a comparative advantage. The JP instrument emerged from the 2007 EU Code of Conduct on Complementarity and the Division of Labour, in which EU donors committed to engage in no more than three sectors per country and five donors per sector. JP was delayed by the Lisbon Treaty and the EEAS roll-out, but is set to become the norm under the 2014–2020 EU budget.

Joint Programming: the process

The JP process typically starts with a 'mapping' of EU donors' priorities and planning cycles, the sectors they are in and programmes and projects they are running or preparing. A needs analysis is conducted in consultation with the partner country government and, where appropriate, non-EU donors are invited to participate. In each sector, lead donors coordinate inputs and an indicative financial allocation per sector and donor is worked out. When the draft JP strategy has been agreed by the EU delegation and member state embassies, they launch the approval process in their respective headquarters. Each donor is responsible for approving its own bilateral programming component.

JP has the potential to become a useful and valuable coordination tool, even if the term 'joint programming' is a little misleading. JP could easily stand for 'joint planning' as it has so far been limited to the drafting and ratification of a strategy paper for organising division of labour at the country level. Thus far, the biggest plus has been the useful information exchange among EU donors. JP does not entail joint implementation or financing, for which member states and the EEAS/EU Commission make their own arrangements.

Table 1: Possible Joint Programming Countries under the 2014–2020 EU Budget

Year	Countries
2012 – 2014	Bangladesh, Bolivia, Burma, Burundi, Cambodia, Chad, Côte d'Ivoire, Egypt, Ethiopia, Ghana, Guatemala, Haiti, Kenya, Laos, Liberia, Mali, Namibia, Paraguay, Rwanda, Senegal, South Sudan, Togo
2015	Comoros
2016	Afghanistan, Benin, Burkina Faso, El Salvador, Malawi, Mauritania, Morocco, Mozambique, Niger, Pakistan, Tanzania, Tunisia, Uganda, Vietnam, Yemen, Zimbabwe
2017	Georgia, Nepal, Philippines, Sierra Leone
2018	Honduras, Nicaragua
To be confirmed	Algeria, Moldova, Palestine, Timor-Leste

Source: EEAS 2013

Lessons from the South Sudan experience

South Sudan, along with Haiti, has been the pilot country for EU JP. South Sudan's development landscape has favourable preconditions: although donor agencies have flooded in since independence, aid fragmentation is not yet as much of a problem as in many other countries. On the EU side, coordination should be relatively straightforward: Aside from the delegation, only eight member states have country presences in South Sudan, most handily located in the Juba EU compound.

The EU Single Country Strategy paper, aligned with South Sudan's 2011–2013 Development Plan, was prepared in the lead-up to independence, ratified in the second half of 2011 and published in January 2012. The paper focuses on the Development Plan's priority sectors justice and rule of law, education, health, water infrastructure, and food security in rural districts (see Table 2). While getting formal agreement on the Single Country Strategy was a praiseworthy achievement, and EU member states have thus far adhered to it in their bilateral programmes, its implementation cannot be considered an unqualified success.

Three important lessons for EU joint programming in other countries, and for the next phase in South Sudan, can be drawn.

1. JP needs to be flexible for when circumstances change

The South Sudan process showed how changing circumstances in a fragile state can upset the best laid plans. The EU single country strategy is aligned with the Government of the Republic of South Sudan's (GRSS) August 2011 national development plan, which was itself based on the assumption that oil revenues would boost public revenue and make ambitious development projects possible. Unfortunately, the document's publication in January 2012 coincided with the GRSS' decision to suspend oil exports through pipelines to Port Sudan in the North. The Juba donor community shifted its focus to assisting the GRSS through the 'fiscal cliff' they were expected to face when cash reserves ran out.

Despite this game changer, the EU strategy was left to stand, partly in the hope that the oil crisis would be short-lived, but also because of the risk that a *de facto* suspension of the JP exercise for a pilot country might have had for the whole EU process. But the JP exercise was hardly referred to in the wake of the oil suspension, principally because revising and re-ratifying it would have taken too long, but also because the systems supporting it were not well enough established for it to be the go-to crisis management framework.

A potential future stumbling block is that the GRSS has not yet ratified the Cotonou Agreement due to its references to the International Criminal Court. JP Preparations for the 2014–2020 EU budget are proceeding on the assumption that the EU delegation will be able to use the 11th European Development Fund. If South Sudan does not ratify, a different JP model, coordinated and financed by the member states, will be needed.

2. Member state buy-in is crucial

The JP exercise has been more important for the Commission, the EEAS and the Juba EU delegation than for member states and their embassies. Officials say that cooperation between the three EU organisations has been open and productive. The EU delegation used JP as an opportunity to demonstrate to the donor community and the GRSS the added value of the joint approach under EU leadership. Most member states, however, regarded it as an add-on to their bilateral engagement rather than as an overarching coordination mechanism. Some reportedly saw JP as a chance to get EU money to support bilateral programmes and agencies.

The UK has the most prominent member state presence in South Sudan and the largest bilateral aid programme. It does not have great incentives to invest heavily in joint programming. The British Ambassador is a member of the donor 'troika' together with the US (which has the largest presence of any bilateral donor) and Norway (which supported the Sudan People's Liberation Army through the civil war). Officials at the UK Embassy in Juba are generally open to the EU delegation taking the lead in organising joint programming, but not to coordination by the delegation as of right.

Table 2: EU Joint Programming for South Sudan 2011 - 2013: Aid Allocations

Sector	Donors (lead)	Allocated aid € m	EU top 2 € m
Rule of law	(EU), DE, NL, SE, UK	91.50	EU 45 UK 19
Health	(UK, SK), ES, SE, EU	110.40	EU 61.5 UK 30
Education	(UK), DK, ES, FR, EU	108.05	UK 62 EU 45
WASH	(DE, NL), FI, FR	49.00	FI 24 DE 13
Rural food sec.	(EU, NL), ES, UK	180.13	EU 122 UK 44
Other	BE, DE, DK, FR, IT, MT, NL, SE, EU	151.46	
Humanitarian aid (2011)	DE, DK, ES, FR, SE, UK, EU	140.17	EU 60 UK 26 SE 25
Total EU aid		**830.71**	

Source: Council of the EU General Secretariat 2012

Unambiguous member state buy-in would give EU JP greater legitimacy with the GRSS and the wider donor community. But despite formal commitment, few clear actions have been taken that indicate that member states really want JP to guide them into the future. Germany has a short bilateral 'chapeau paper' oriented explicitly on the EU single country strategy, but the UK and the Netherlands have both published detailed country strategies that barely mention the JP exercise. Other member state websites acknowledge the EU but stress bilateral programmes and non-EU mechanisms such as the joint donor trust fund or the UN. Without joint member state-EU financing and implementation, JP is little more than a paper tiger.

3. Partner country engagement is key

The importance of partner country systems has been (re)confirmed by the South Sudan JP experience. Donor coordination works best with a strong local partner calling the shots. The South Sudan JP experience raises the question of what to do when partner countries have little capacity to oversee donors, and the government's political will to engage in donor coordination is lacking.

Building GRSS capacity has been a priority for the EU and the wider donor community in Juba since before independence, but the technical ability of South Sudan's

line ministries to oversee complex projects and programmes remains extremely low. The finance ministry has set up ten sector working groups, but these are in various states of operability. The health and education groups reportedly function reasonably well, but coordination in the security, public administration and rule of law sectors is much weaker.

Capacity problems are partly due to the volatile political and security context. Power struggles within the GRSS have sharpened along regional and tribal lines, raising the prospect that local outbreaks of violence may escalate into civil conflict that could shatter the Sudan Peoples' Liberation Movement. Not surprisingly, the GRSS has been preoccupied with its internal tensions and less concerned with donor coordination.

The fragile context casts a long shadow which may undermine the next phase of the country's development. Nevertheless, it is important that JP is seen as an ongoing process for the GRSS as well as the EU. Recent announcements of an oil transit agreement between Khartoum and Juba may revive the JP exercise, although it is clear that oil games will continue. Closer alignment with the New Deal for fragile and conflict-affected countries could help focus JP on strengthening country systems.

Nobody said it would be easy

JP is important for EU and member state development cooperation. Apart from its potential to coordinate EU donors better, JP promises a means for reducing fragmentation and improving European aid effectiveness. But the South Sudan experience shows that JP alone is not able to change the political economy factors behind aid allocation and implementation decisions. At the EU level, reconciling member state preferences for bilateral engagement with the greater role for the Commission and EEAS that JP entails is a delicate business. At the country level, most officials sense the limits of donor coordination in complex environments with weak local capacity. If JP is to succeed, it will need to demonstrate that it offers more than just an added level of bureaucracy. A more technical challenge is to improve synchronisation of the various budget cycles, reporting deadlines and other systems among member states and between donor and partner country processes. Achieving better synchronisation involves meetings and consultations that, in the short run, increase transaction costs, yet in the medium- to long-run, should unlock capacities and increase impact.

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ISSN 1615-5483

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