



# Is EU Development Policy a candidate for the Open Method of Coordination?

*This article reviews the current state of the EU's development policy reform agenda. It suggests that the extension of the Open Method of Coordination (OMC) to this area of EU activity would offer significant advantages. It reviews the EU's experience with the OMC, identifies the strengths and weaknesses of this process and examines how it might relate to the current formulation and implementation of development policy.*

## Introduction

Considerable attention has been focused upon the relationship between the development objectives of EU policy, defined in terms of their contribution to poverty reduction and the Millennium Development Goals, and general external relations policy, reflecting the EU's broader political, strategic and commercial interests. At the same time the effectiveness of the European Commission's (EC) aid administration has faced continuing critical comment. This paper is intended to introduce a new element into this policy debate, drawing upon developments in other areas of the EU's activities, namely the Open Method of Coordination (OMC) in social and economic policy. In the focus upon the internal coherence and consistency of EC administered aid and trade policy it will be argued that the potential for coordinating and enhancing Member States' bilateral aid policies has been neglected and that this may offer an alternative and important role for the EC. This paper will however focus solely upon the issue of aid, as the role of the EC in ensuring coherence between aid and trade policy cannot be in question, given the Commission's sole competence in external trade relations.

The paper begins with a brief review of the critical assessments of EC aid policy and administration and the reform agenda that was subsequently adopted. It then considers the current situation before turning to consider the OMC and the contribution that it might make to enhancing the effectiveness of both the Member States' bilateral programmes and that of the EU itself.

## The Reform of EU Aid Policy

It was not until the Maastricht Treaty on European Union in 1993 that development cooperation was formally recognised as a shared responsibility between the Member States and the EC. Under Article 130u the EU was to foster "the sustainable economic and social development of developing countries and their gradual integration into the world economy." To achieve this objective Article 130u requires that development policy should be "complementary to the policies pursued by the Member States" and taken into account in the formulation of all of the EU's policies (Article 130v).

Perhaps as a result of this formal recognition of the role of the EC or its growing aid budget, pressure grew from the Member States for a review of the performance of its aid programme. Thus in 1995 external consultants (e.g. Montes 1998) were employed to review the EC's assistance to the Mediterranean, Asia and Latin America and to the ACP countries. This review was particularly timely as it coincided with the negotiation of a new EU-ACP Convention, which was to run from 2000 (see Dearden S. & Salama C 2002). These reviews focused upon the EC's performance in terms of clear objectives, coordination, transparency, accountability and institutional capabilities (Dearden 2002).

The objectives of EC development policy only emerged cumulatively in the successive ACP-EU Lomé Conventions – poverty reduction (Lomé III), gender equality (Lomé IV), human rights, good governance and the rule of law (Lomé IV bis). In terms of coordination, internally the EDF Committee had failed to coordinate with the Council of Ministers, while externally the EC had failed to coordinate with the IMF and World Bank. Attempts at achieving complementarity based upon donors' comparative advantage had proved inadequate, as was seen with the Co-ordination for Development in Africa in the 1980s. At the same time the number of instruments of aid policy had rapidly multiplied, especially under the influence of the European Parliament, with increasing emphasis placed upon conditionality, following the broad approach of the World Bank/IMF. These changes had overburdened the EC administration and increasing conditionality had resulted in a loss of local 'ownership' of many aid programmes. Finally, transparency and accountability were undermined by the complexity of the EC's aid programme and the weaknesses of its management structure.

Overall the assessments concluded that the EC had had limited success in realising its development policy objectives, except for a few localised targeted programmes where there had been the close involvement of civil society. The failure to coordinate aid had led to international donors pursuing competing objectives, duplicating programmes and overburdening recipient government's administrations. There had been no attempt to identify the EC's 'comparative advantage' in its aid programme and administratively decision-making was centralised in a fragmented Brussels bureaucracy, with little effective monitoring or evaluation.

In response to these criticisms the EC prepared a "Statement on Development Policy" (EC 2000a) and more detailed administrative reform proposals (EC 2000b). Poverty reduction was explicitly identified as the main objective of EU development policy, with priority in resource allocation to be given to low-income developing countries. It proposed focusing upon seven areas where it was believed the EC had a comparative advantage – the link between trade and development, regional integration, macro-economic support, transport, rural development, health and education, and institutional capacity building. The importance of 'coherence' across EU policies, especially aid and trade, and 'co-ordination' and 'complementarity' of EC aid programmes, was explicitly recognized<sup>1</sup>. In 1998 the Development Council had adopted a set of Guidelines to strengthen co-operation (revised in January 2001). These Guidelines emphasised the importance of EU development co-ordination taking place within the context of wider cooperation with the IMF/World Bank and UN. The Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development has been particularly instrumental in encouraging donor coordination, publishing a series of good practice papers (2002) and establishing a set of Guidelines. These have been influential in encouraging the EC to move from project aid to a sectoral/general budget support approach and to adopting a policy of decentralisation ('deconcentration') of aid administration. The EC has highlighted the central role to be played by the local EC Delegations in the initiation of coordination through joint analysis, programme preparation, monitoring and evaluation.

Organisationally Europe Aid was created to undertake the implementation of the aid cycle, while DG DEV was to programme aid for the ACP group of countries and DG RELEX for the rest. Country Strategy Papers (CSP), to be prepared in discussions with the recipient countries and with other donors, would assess the social, political and economic situation of each developing country and outline the EC's

---

<sup>1</sup> For a detailed discussion of the challenges of achieving aid coordination see Gill & Maxwell (2004).

medium term aid strategy. 'Rolling programming' of aid was to be adopted and evaluation was to be given a much greater emphasis. Overall the reform proposals commit the EC to a "the orientation of programming towards results, [and] the development of an appraisal culture...".

## Progress

By 2004 considerable progress had been made (EC 2004). The new management information tool for reporting, planning and forecasting – the Common Reflex Information System (CRIS) - had been implemented. Since 2002 an Office Quality Support Group within EuropeAid has appraised the implementation of 200 projects, while progress has been made in simplifying tendering and contracting procedures. The Interservice Quality Support Group (iQSG) has continued to have a central role in assessing Country Strategy Paper's and by 2004 the mid term reviews had been completed for all countries except the ACPs. Country Fact Files have also been drafted jointly with the Member States to summarise all agreements and contracts between the EU and the recipient country, in order to enhance coordination. Since 2002 the EC has been involved with a pilot exercise to further improve EU harmonisation in Vietnam, Nicaragua, Mozambique and Morocco. In the health sector joint Action Plans have been developed, with joint appraisals, pooled technical assistance and joint financing. At the international level the EC-World Bank Framework for donor co-operation was revised in 2002 and the EC-UN Framework in 2003. This reflects the clear recognition of the need for aid harmonisation amongst all donors in order to reduce the administrative burden upon the recipient countries and to diminish the uncertainty in aid flows, which inhibits long run planning. Finally, the problem of the coordination of the transition from humanitarian aid programmes, under ECHO administration, to the longer-term development phase of country support was addressed in the establishment of an inter-service group.

Nonetheless the EC's own monitoring of its aid administration had identified a number of areas requiring improvement. Reviews of the country strategies had found that they often failed to adequately address problems of poor governance, corruption, human rights and weak government commitment to development policies. The expected impact of EC aid programmes was often found to be far too ambitious, with an overoptimistic assessment of the recipient countries administrative capacity. Particular problems also arose with the integration of the cross-cutting gender objectives into development programmes (Lister 2003). Finally, implementation was still being impeded by lengthy administrative processes, with management hampered by the limited use of proper reporting, monitoring and evaluation. A further assessment is provided by the Results-Orientated Monitoring (ROM) undertaken by the Evaluation Unit, which in 2003 reviewed 903 projects, worth € 7 bn. (EC 2004). ROM considers the relevance of design, efficiency in implementation, effectiveness in delivering benefits, impact and sustainability. While overall the results were satisfactory, the sustainability of EC funded projects was identified as the major weakness, suggesting the need for more clearly defined exit strategies.

However a number of broader issues remain unresolved and the EU's development policy and the EC's administration continue to be subject to criticism (e.g. House of Commons 2002, Santiso 2002, Mackie et al 2003, Maxwell & Engel 2003). Concern continues to be expressed at the bias in EC assistance towards the middle-income developing countries (60% EC ODA in 2000). This reflects the ambiguity of the EU's development policy when implemented within the wider context of the Communities external relations. Thus the 'near-abroad' (the Mediterranean and the Central/Eastern Europe) has received a disproportionate share of funding, reflecting broader security concerns. In all relationships with developing countries considerations of security, trade and investment are likely to be of some importance, while the new emphasis upon human rights, good governance and the rule of law has introduced more explicit political considerations.

The issue of the conflict between development objectives and external relations considerations is reflected in the debate about the organisational structure of the EC. Concern continues as to the division of programming between DG DEV and DG RELEX, the separation of implementation from EuropeAid and the role of ECHO. The subsuming of the Council of Development Ministers into the General Affairs

External Relations Council is indicative of the primacy that is likely to be given to broader external relations considerations. This would have been enhanced by the establishment of an EU Foreign Minister as envisioned in the draft Constitution. The Convention Working Group which examined external relations (CONV 459/02) recognised “the fostering of economic and social development of the developing countries, with the primary aim to eradicate poverty”, but as only one of the eight objectives of EU external action. The ambiguity remained, for whilst “development policy has a specific purpose, development assistance should also be considered as an element of the global strategy of the EU.” Any new constitutional provisions would also determine the overall size of the College of Commissioners, which in turn would have a major influence on the Commission’s internal organisational structure. A group of RELEX Commissioners, including the ‘EU Foreign Minister’, seemed the most likely outcome, although there remained doubts as to whether this would necessarily include a Development Commissioner.

The organisational structure for administering the EU’s development policy is widely recognised as unsatisfactory (Mackie et al 2003) and change is likely even without the adoption of a new constitutional treaty.

Administratively a number of issues remain outstanding. The existing budget management system fails to clearly identify the funding for specific activities, undermining transparency. Whilst considerable progress has been made in establishing Country Strategy Papers (CSP) as central to the policy formation process concerns remain about the consistency of their quality, their ability to deal with cross cutting issues, their analytical depth and contribution to donor coordination. The CSPs were intended to ensure EC aid programmes are coordinated and complimentary to EU Member State bi-lateral programmes as well as those of other multi-lateral donors such as the World Bank, through their relationship to the country’s Poverty Reduction Strategy Paper and the Comprehensive Development Framework. Doubts have also been expressed as to the degree of participation by recipient governments and their civil societies in the formulation of the CSPs, which is regarded as central to fostering local commitment through ‘ownership’.

Implementation through rolling programming has also raised questions about the administrative burden this may place upon developing countries civil services. Similarly, although by 2004 deconcentration to 61 Delegations had been completed and almost 1,600 additional staff transferred, the effectiveness of the programme remains to be fully assessed, especially in regard to the enhancement of their policy role. Finally, the degree to which the EC’s development administration has been transformed from a legalistic bureaucracy to a ‘learning organisation’ remains open to question. The enhancement of the evaluation function and its effectiveness in influencing policy revision is central to this transformation. This is especially true given the movement towards general budget support and away from specific project aid. In 2003 €770 m. was committed to budget support in 19 ACP countries. Whilst this may be administratively convenient it presents more significant problems of monitoring and evaluation. However, a joint evaluation of a general budget support is currently being undertaken with the Development Assistance Committee of the OECD and this may address some of these issues. But above all concerns have been expressed at the excessive emphasis upon disbursement rates, rather than impact assessments, in discussions as to the EC’s administrative performance.

At a more fundamental level the debate continues as the future role of the EC in development assistance. Whilst the EC has sole competence in negotiating international trade arrangements and therefore in ensuring the coherence of the relationship between development and trade policy in regard to the developing world, its role in the delivery of aid is more uncertain. In a political environment where the Member States of the EU are committed to greater integration and exhibit a clear commitment to poverty reduction as the prime focus of their development policy, the EC would be expected to account for a growing proportion of the EU’s total overseas aid. By contrast a weakening of the commitment to collective action, with an emphasis upon subsidiarity, perhaps reflecting the diverging views amongst the Member States as to the objectives of development policy, could lead to the repatriation of development policy back to national governments. In this latter political environment it would be important not to lose sight of the important contribution that the EC might make to enhancing the effectiveness of national bilateral aid programmes. Intra-EU coordination of Member States’ aid policies is a role for the EC that

has received the least attention in the debate about the future direction of EU development policy. It is to this that I now wish to turn.

## The Open Method of Coordination

Disch (1999) provides a useful framework for discussing coordination. He identifies five levels at which coordination can occur - international, regional, national, sub-national and sectoral – and three levels of content and intensity. The 'content' of coordination includes broad policy objectives, embracing both principles and priorities; formal procedures, i.e. institutional rules and regulations and informal practices. The three degrees of 'intensity' range from 'consultation', with information sharing, through 'co-operation', where discussion takes place in order to identify areas in which harmonisation is possible, to "collaboration" where there is shared implementation of common policies. The question to be addressed here is how far the Open Method of Coordination (OMC) can contribute to increasing the intensity of EU coordination across all three aspects of 'content' – from policy convergence in Brussels to informal practices in the country Delegations.

The origins of the OMC lie in the Lisbon European Council (March 2000), which heralded its introduction as the primary means of spreading best practice and achieving greater policy convergence within the EU. It is intended to foster learning across the Member States through a range of instruments. These include the following :-

- Establishing quantitative and qualitative indicators and benchmarks as a means of comparing best practice.
- Establishing guidelines for Member States, with specific timetables for their achievement, in the short, medium and long-term.
- Translating these guidelines into national policies, with specific targets.
- Periodic monitoring, evaluation and peer review.
- Council Recommendations

So far the OMC has been applied, to varying degrees, to a large number of policy areas (see Radaelli 2003). It has been employed most explicitly as the main working method in the following areas :-

- Broad Economic Policy Guidelines
- European Employment Strategy
- Social inclusion.
- Pensions.
- Research and innovation.
- Information society.

In other policy areas the EU has indicated its intention to employ the OMC, but so far there is little evidence of progress. These areas include :-

- Education.
- Environmental policy.
- Migration and asylum.
- Better regulation
- Healthcare.

In the case of direct taxation there has been no explicit commitment to OMC but its approach has been utilised.

Central to the debate about the OMC is the question as to whether it is intended to encourage the adoption of best practice or to foster convergence towards common EU goals. This has been described

in the distinction between 'thin' and 'thick' learning (Checkel 1998). In the case of 'thin learning' Member States benefit from the knowledge they acquire of how to more efficiently achieve their established objectives. By contrast, in the case of 'thick learning' the objectives themselves are modified through their participation in the learning network; that is, it fosters political convergence. 'Convergence' is itself a difficult concept (see Politt 2001), which can range from merely the sharing of a common conceptual framework to the convergence of objectives based upon a shared world view. In the case of the EU's development policy both functions would make a significant contribution to the enhancement of its effectiveness.

Thus the OMC might contribute to the dissemination of best practice in the implementation of national development policies across the Member States of the EU, both in terms of programming and implementation. At the same time the creation of a learning network, inclusive of the EC, would contribute significantly to the achievement of coordination and complementarity in the Member States bilateral programmes and that of the EC itself. At the administrative level it should also foster the harmonisation of procedures that would reduce the significant burden upon recipient governments. Central to the establishment of a learning network under the OMC is the process of systematic evaluation of policy implementation. In the context of EU and national development policy, evaluations and their effective and systematic inclusion in policy formulation, has failed to receive the attention that it requires. This has become a particularly important issue with the move away from project aid to budget support. Evaluation of the effectiveness of the broader economic policies of recipient countries, placed within an environmental, political and social context, presents particular challenges for all aid donors. The adoption of the OMC should encourage the development of an effective methodology and the avoidance of duplication.

Participation is also seen as a central feature of the OMC process, especially if it is to be extended beyond 'top-down' to encompass 'bottom-up' learning. Again in the development policy context 'participation' is seen as crucial to the effectiveness of aid programmes. Within Member States more systematic participation of the NGO community and business organisations may enhance the effectiveness of aid policy formation and its implementation. But even more importantly, without the involvement of recipient government's, 'ownership' of aid strategies will be lost and delivery impaired. In the case of states where public administrations are inadequate or where the political environment is unstable or unrepresentative, the emphasis has turned to the role of civil society's organisations (non-state actors (NSA)). Such grassroots participation can easily be accommodated within the context of a broader OMC 'bottom-up' approach.

Further, central to the EC's development policy implementation is the role of the Country Strategy Papers (CSP). Similar documents are prepared by many of the aid agencies of the EU's Member States. Such documents are usually closely related to the Poverty Reduction Strategy Papers, prepared under the aegis of the World Bank, by many developing countries. The OMC should enhance the role of such Country Strategy Papers in harmonising national and EC aid programmes. The preparation of such CSPs is intended to take place in consultation with recipient government's and NSAs. Such local participation is intended to be supported by the EC's commitment to deconcentration; that is, the enhancement of the role of local Delegations in the aid policy formulation process. Again such administrative innovations should be enhanced within the context of an OMC process that emphasises 'bottom-up' learning.

The OMC will involve the employment of indicators, both quantitative and qualitative, and their use in benchmarking. A catalogue of indicators has emerged at the country level as part of the assessment criteria of the implementation of the CSP programmes. Similarly the OECD/DAC country reviews might provide a methodological framework for EU monitoring and evaluations and provide a basis for a system of internal peer review. The extent of the poverty focus of EU and national aid programmes has been a particular source of criticism. Indicators such as the relative distribution of aid across low and medium income developing countries of national/EC aid programmes, or the use of poverty impact indicators in country aid evaluations, might make an important contribution to this debate. Indicators drawing upon the Millennium Development Goals (MDG) offer further performance criteria; the EC already employs 10 key

indicators drawn from the list of the 48 MDGs<sup>2</sup>. However these do not provide, in themselves, a quantitative assessment of the contribution of the EU's aid programmes to achieving the MDG targets. The EC has the potential to be at the centre of this learning network and to draw upon its own and individual Member States experience to develop guidelines for the implementation of development programmes.

However, as has already been observed, the OMC process may not only contribute to the enhanced effectiveness of aid programmes, but also contribute to policy convergence. Although it is unrealistic to expect national commercial and political interests to be divorced from Member States aid policies, and for this to be reflected in the ambiguity of the EU's own development assistance, the OMC may nonetheless contribute to clarifying the areas of divergence of interest and perhaps reduce them. Again, the OMC might contribute to the achievement of a more explicit poverty focus in EU aid policy, especially within the context of the absence of a separate Development Council. The OMC may provide an important organisational framework for the fostering of a development focus in external relations in the context of other changes in the EC's organisation; e.g. the abolition of DG DEV or the loss of a specific Development Commissioner in any Commission reorganisation. Nonetheless the limitations of the OMC must be recognised. Although the focus upon the details of policy through the employment of indicators, benchmarking and peer review can appear to minimise political complexities, important divergent political objectives are likely to remain.

Which elements of the OMC process could appropriately be applied to Development policy is a question in itself. Although it is currently being applied to a number of areas of EU policy, the number of elements utilised and the depth of their employment, varies considerably. In the case of pension policy the main OMC mechanism consists of national strategy reports, prepared without reference to common EU indicators. Only the Broad Economic Policy Guidelines (BEPG) and the European Employment Strategy (EES) involve the use of Community 'Recommendations', whilst peer review has been a very 'light touch' process across all policy areas. For example, peer review in innovation policy was more concerned with identifying successful approaches than in evaluating national plans, while in employment policy it appeared to be more of a "learning process for a very limited community of labour market technicians and experts" (Casey & Gold 2005). Similarly 'participation' has been minimal in the BEPG, confined to business organisations in pension policy, and varying across Member States depending upon national institutional traditions in the case of the EES. However, 'participation' has been strong amongst NGOs in the consultations undertaken in relation to 'social inclusion' policy, illustrating the potential that the OMC has to offer. But overall Borrás and Jacobsson (2004) concluded that "the OMC's openness to various types of actors has not been fully exploited, especially not within the member states".

Reviews suggest a very mixed picture in the effectiveness of the OMC. In terms of 'top level learning' there is some evidence of success, especially in the EES, social inclusion and taxation. Indicators have clarified goals in social inclusion, while EES Recommendations have evolved with changing policy priorities. The influence of the OMC extends beyond operationalising existing goals or the development of a 'community of discourse' – i.e. common terms of reference and identification of problems. In some policy areas common objectives and principles have been fostered by the OMC, although underlying areas of fundamental disagreement often remain. Even where common Regulations or guidelines have been agreed individual Member States may diverge in their interpretation and implementation of Community decisions. In some cases distinct groupings or clusters of Member States have been seen to follow differing approaches. A good example in the case of development policy is the Utstein group, consisting of the UK, Germany, the Netherlands and Sweden. Some commentators on the OMC have suggested that 'clustering' of states with a shared institutional tradition or objectives may offer significant advantages in learning diffusion and avoid the problems of 'one size fits all'.

---

<sup>2</sup> Proportion of population below \$1 per day; prevalence of child malnutrition; net primary enrolment and completion rate; gender ratio in education; under 5 mortality rate; proportion of 1 year-olds immunised against measles; proportion of births attended by health personnel; HIV prevalence amongst 15-20 year-old pregnant women; proportion of population with access to improved water sources.

One such important institutional difference between the Member States lies in the degree of independence of their individual development agencies from their Foreign Ministries. These arrangements often embody differing national views as to the relationship between development policy and general external relations considerations; paralleling the debate within the EU about the relationship between DG DEV and DG RELEX. Thus the learning impact of the OMC is often limited to specific policy issues and to certain countries, and even where there is common implementation the outcomes may differ, given the distinct institutional context of each Member State.

In terms of 'bottom up' learning there is little evidence of success. As already suggested this may reflect limited participation in the OMC beyond national governments; the OMC as technocratic deliberation rather than as an extension of democratic debate. This however may reflect the desire of governments to maintain control in a policy process that is inherently highly political. Even such administrative issues as choices of indicators and benchmarking must reflect political priorities.

More fundamentally, indicators, benchmarking and peer review have been criticised as inhibiting institutional learning. The OMC is seen as emphasising imitation rather than innovation, reducing diversity and experimentation. Policy failures are often seen as as important in the learning process as successes, while defining success itself raises serious difficulties and often disguises differing political priorities.

## Conclusion

Although the experience of the OMC process across a number of EU policy areas has identified some serious limitations, and national governments have often demonstrated a lack of enthusiasm for its full implementation, it has also begun to demonstrate its potential. There is nothing distinctive about EU development policy that should exclude it from consideration as an area for the application of the OMC framework. A directly administered EC aid programme, parallel to the bilateral programmes of the Member States, is not a unique phenomenon in EU activity; for example, it is clearly paralleled in the administration of the EU structural funds.

The OMC has the potential to contribute to the diffusion of best practice in the bilateral aid programmes of the Member States and to fostering convergence in Development policy objectives, thereby clarifying the role of the EC itself, and administratively, contributing to the 'complementarity' and 'co-ordination' of EC development programmes. A recent evaluation of the EC's progress in co-ordination (Lehtinen 2003) finds that while progress in Brussels has been frustrated by "competing political interests, bureaucratic resistance and conflicting views on implementation strategies" a pragmatic 'bottom-up' approach had been evolving in Delegations at the country level. Such a 'bottom-up' approach can form an integral part of the OMC, which also emphasises the importance of participation if such 'bottom-up' learning is to occur. Participation, by NGOs and businesses within the EU, and by recipient governments and civil society within the recipient countries, is already recognised as crucial factors in ensuring the effectiveness of aid programmes. Such participation can imbue development policies with additional legitimacy and can create a supportive domestic political lobby within the Member States. However increasing participation within an OMC is principally dependent upon changes in the Member State's own domestic political processes.

The EU faces further challenges in the implementation of its development policy arising from its recent enlargement to 25 members. Over half of these former Soviet bloc countries have no tradition of development aid and where it does exist it is focused upon neighbouring countries, with an emphasis upon security priorities. It will require considerable assistance from the EU to achieve policy co-ordination and a refocusing upon poverty alleviation and to establish appropriate institutional frameworks (DC-IDC 2003). A formal OMC structure would have much to offer in facilitating this transition through peer review.

But the need for further evolution in the instruments of the OMC process also has to be acknowledged. Benchmarking needs to be carefully applied, recognising the different institutional contexts of the Member



States, and used responsively in relationship to other instruments of Community learning. To be effective peer review needs to be sufficiently critical but analytical. Above all OMC instruments should not inhibit innovation and should recognise the important lessons to be learnt from failure as well as success.

Many of the elements of the OMC can already be found within the formulation and administration of EU development policy and the activities of the EC. The EC has already been mandated to undertake annual reporting on the Member States' implementation of the Barcelona pledges on aid targets, including their contribution to Financing for Development, and to propose corrective measures where progress is insufficient. It is explicitly recognised that this offers an "opportunity for collective benchmarking" (EC 2004). The EC is also undertaking a co-ordinating role in relation to the Member States in regard to the Fast Track Initiative for 'Education for All', in the formulation of a common approach to land policy and good governance, and in the development of the EU Energy Initiative. Meanwhile one of the prime purposes of the Annual Action Plans is to "strengthen operational co-ordination and complementarity with the Member States". Internationally, the EC reaffirmed its commitment to the DAC's approach to harmonisation and dissemination of good practice at the 2003 Rome Conference on Harmonisation (EC 2003b). Thus the elements of an OMC approach can already be found across many areas of EU development policy; however the formal adoption of this process would offer the significant advantage of providing a coherent framework and a further stimulus for the development of these policy instruments.

**By Stephen J. H. Dearden, Department of Economics, Manchester Metropolitan University, UK.**

## Bibliography

**Borras S. & Jacobsson K 2004**

*The open method of coordination and new governance patterns in the EU: Journal of European Public Policy, Vol 11 (2) pp 185-208*

**Casey B. & Gold M. 2005**

*Peer review of labour market policies in the European Union; what can countries really learn from one another?: Journal of European Public Policy.*

**Checkel J. 1998**

*The constructivist turn in international relations theory; World Politics, Volume 50 (2) pp. 248-324.*

**DAC 2002**

*Harmonising Donor Practices for Effective Aid Delivery; OECD, Paris*

**Dearden S. 2002**

*Does the EU's Development Policy have any future? : European Development Policy Study Group, Discussion Paper 24*

**Dearden S. 2004**

*The Reform of the European Union's Development Policy – Journal of European Affairs, Vol. 2, No. 2, May 2004.*

**Dearden S. and Salama C.M. 2002**

*The New EU ACP Partnership Agreement : Journal of International Development, Vol 14, pp 899-910.*

**DC – IDC 2003**

*The Consequences of Enlargement for Development Policy : Development Strategies \_ IDC Brussels.*

**Disch A. 1999**

*Aid Cooperation and Aid Effectiveness : ECON Centre for Economic Analysis.*

**European Commission 2000a**

***Communication from the Commission to the Council and the European Parliament on the European Community's Development Policy COM (2000)212***

**European Commission 2000b**

***Communication to the Commission on the Reform of the Management of External Assistance.***

**European Commission 2001**

***Inter-Service Agreement between DG External Relations, DG Development and EuropeAid Co-operation Office.***

**European Commission 2002a**

***Untying : Enhancing the effectiveness of aid ; COM(2002)639.***

**European Commission 2002b**

***Progress Report on the Implementation of the Common Framework for the Country Strategy Papers, Commission Staff Working Paper, SEC(2002)1279***

**European Commission 2003a**

***Communication from the Commission: A Constitution for the Union, COM (2003)548***

**European Commission 2003b**

***The European Commission's Commitment : Submission to the Rome Declaration on Harmonisation***

**European Commission 2004**

***Annual Report on the EC's Development Policy and External Assistance.***

**European Convention 2002**

***Working Group VII : External Actions, CONV 459/02***

**Gill G. and Maxwell S. 2004**

***The Coordination of Development Cooperation in the EU in The Treaty of Maastricht and Europe's Development Cooperation, Studies in European Development Cooperation No1, European Commission.***

**Grimm S. 2004**

*International Development and Foreign Policy, European Development Cooperation to 2010, January, ODI.*

**House of Commons International Development Committee 2002**

*The Effectiveness of the Reforms of European Development Assistance, Second Report of Session 2001-02, HC 417*

**Lehtinen T. 2003**

*The Coordination of European Development Cooperation in the Field; Myth or Reality? ECDPM Discussion Paper 43.*

**Lister R. 2003**

*Gender Development and EU Foreign Policy in Europe in the World (ed. Mollett H.), BOND, London.*

**Mackie J, Baser H., Frederiksen and Hasse O 2003**

*Ensuring that Development Cooperation Matters in the New Europe : ECDPM*

**Maxwell S. & Engel P. 2003**

*European Development Cooperation until 2010; Overseas Development Institute, Working Paper 219*

**Mollett H. et al 2003**

*Development and Foreign Policy in Italy, France, Denmark and Sweden: Implications for the EU in Europe in the World: Essays in EU Foreign, Security and Development Policies, Bond, London.*

**Montes C, Migliorisi S. & Wolfe T. 1998**

*An Evaluation of EU Aid to the ACP, European Commission, Ref. 951338*

**Nilseen L 2002**

*Trading Relations: Is the Roadmap from Lomé to Cotonou Correct; Applied Economics, Vol. 34, pp.439-452.*

**OECD/DAC 1996**

***Shaping the 21st. Century: The Contribution of Development Cooperation***

***Politt C. 2001***

***Convergence; the usefulness myth?: Public Administration, Vol 79 (4) pp. 933-947.***

***Radaelli C. M. 2003***

***The Open Method of Coordination: A new governance architecture for the European Union; preliminary report for SIEPS.***

***Santiso C. 2002***

***Improving the Governance of European Foreign Aid: Development Cooperation as an Element of Foreign Policy; Centre for European Policy Studies Working Document 189, October.***