



Annual Report 2011¹ of the Practitioners' Network for European Development Cooperation

1 General Overview

In May 2010 the **Practitioners' Network coordination office was set up in Brussels**. This has significantly increased the Networks' visibility in Brussels and enhanced its activities.

The Network experienced a growing need for collaboration among European actors in order to deliver efficient aid in a context of strong budgetary constraints. Development practitioners are asked to be heard in an evolving European context (creation of the EEAS, preparation of the EU setup and financial perspectives from 2013 onwards, European Green Papers, etc.). The role of the Network is to foster collaboration, to support individual initiatives, to collect/aggregate and voice out European agency opinions on recent topics, and to supply the smaller among European actors with information they do not otherwise have easy access to.

The activities of the Network therefore continue to concentrate on three main **focus areas**:

- generate Practitioners' feedback on key **European development issues** or to global development issues
- **exchange of good practice** on topics of specific interest for mutual benefit
- creating **opportunities for sustained collaboration**

Network activities are mainly organised through **Thematic Groups**:

- Division of Labour/Aid Modalities (Lead agency: AFD)
- Climate Change, Energy Efficiency and Renewable Energies (Lead agency: KfW)
- Institutional Development Human Resources (Lead agency: CzDA)
- Quality Management (Lead agency: European Commission)

In 2010, the Network has initiated a number of **additional events** in very diverse configurations and helped generate a growing mutual understanding between European actors. Activities comprised:

- Discussion on Aid effectiveness and Aid architecture in the framework of the annual meeting of the Network in May 2010
- Technical workshops on issues linked to aid efficiency (notably the new financial regulations of the Commission and donor coordination), climate change (CDM²), gender equality, etc.
- A structured collective contribution to the consultation on the reform of the European Commission's financial regulation
- Participation to the 2010 European Development Days (EDDs) in Brussels with a stand and a joint high level panel with EDFIs³ on "SMEs - Motor of Development".

¹ Covering the period from 31st March 2010 – 31st March 2011

² Clean Development Mechanism

2 Network Membership

The Practitioners' Network has currently 11 paying members: ADA, AECID, AFD, BTC, CzDA, DFID, DG DEVCO, GIZ, KfW; Lux Development, Slovak Aid⁴. The network events are generally open also to other (non-paying) European development agencies.

During the past 12 months there were some **changes of membership**:

- In December 2010 the network welcomed **SlovakAid** as a contributing member. The signing ceremony was held during the EDDs.
- Through the merger of GTZ, InWent and DED into the new organisation "Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)", GIZ will be the network member – replacing GTZ and InWent as separate members.
- EuropeAid will change name and organisational structure with the formation of the new **Directorate General DEVCO** from June 2011 onwards.

The EIB is considering becoming a member. Contacts with other prospect members are maintained.

3 Network Management

3.1 The Presidency and Core Group

The Network presidency was held by AECID until May 2010 and by DFID between June 2010 and May 2011.

The presidency chairs the Core Group composed of current, past and incoming presidencies. The Core Group (currently, DFID, AECID and Lux Development) is in charge of steering the Network.

The Core Group met three times in the reporting period (September and December 2010 and March 2011), and maintains continuous e-mail contact on the organisation and network activities.

As a result of the annual rotation within the core group, CzDA stepped out of the Core Group and was replaced by Lux Development, who will take over as new presidency from DFID in June 2011.

There will be a decision before the Annual Meeting 2011 which agency will be replacing the outgoing AECID in order to allow for the full annual reconstitution of the Core Group.

³ European Development Finance Institutions (www.edfi.be)

⁴ see Annex for details

3.2 The Coordination Office

3.2.1 Staffing and Budget

The coordination office in Brussels became operational in May 2010 and is staffed by one coordinator. The network engaged Katja Legien, an experienced development professional for this part time position.

The coordination office has significantly increased the Networks' visibility in Brussels and enabled an increased number of activities to take place. It supports an on-going communication/distribution of recent information amongst the members and the organisation of joint events.

The aim and modalities of financial participation and management of the coordination office are set in a MoU, signed by each contributing member with KfW⁵. Currently, eleven members are financially contributing to the expenses of the coordination office⁶. The annual budget of the coordination office –including many network activities– amounts to about EUR 108,000 (see Chapter 5 for details).

3.2.2 Activities

The coordination office informs the members regularly through the website and targeted communication by email about recent news relevant for EU-development cooperation, coming events, Network activity reports and other documents in and around the Network.

It established and maintains contacts with the Network members, and other relevant institutions like e.g. the European Parliamentarian Committee on Development (DEVE).

The coordinator supports the members and the Network Presidency while organising Network events in Brussels, and in particular the Network participation in the EDD in December 2010.

She initiated the design and printing of Network promotion material in different formats, such as a new leaflet, document folder, as well as business cards for the Coordinator and the Core group members.

3.2.3 Website

The website is regularly updated with regard to future and past events of the network (core group meetings, thematic group meetings, the EDD, the annual meeting, etc.). It offers useful recent documents (like the Green Papers of the Commission, EU Council Presidency, links to other development organisations, and general news). There is also a section where members can advertise their organisation's workshops, trainings, conferences, etc.

⁵ As the network is not a legal entity, KfW has volunteered to be the entity in charge of receiving the funds and employing the Network's coordinator.

⁶ Polish Aid was also welcomed in 2009 as an official member, but has not been able so far to contribute financially.

4 Activities of the Practitioners' Network

4.1 *Thematic Groups*

4.1.1 Thematic Group 1: Division of Labour/Aid Modalities

In June 2010 the AFD Brussels office invited to a seminar on the EC Financial Regulations and Aid Efficiency. EuropeAid gave an update on the planned changes in the Commission's Financial Regulation and their possible impact on implementation of Delegated Cooperation. The AFD Country Director from Mozambique presented the challenges of aid harmonization on the ground. The workshop met a lot of interest (28 participants representing 12 organisations).

In November 2010, AFD and KfW organised a well-attended workshop (28 participants representing 14 organizations), hosted by BTC, to gather practitioners' analyses, remarks and proposals with regard to the draft revision of the Commission's Financial Regulations, for the parts that touch the collaboration with the Commission in the field of development cooperation.

The result of this exchange of views among European development practitioners in the workshop and in the following per email was a written summary of comments on changes to the financial regulation of the European Commission published on the Network website <http://www.dev-practitioners.eu/co-financing.html>.

4.1.2 Thematic Group 2: Climate Change, Energy Efficiency and Renewable Energies

A workshop took place in March 2011: AFD invited to Paris for a seminar on Clean Development Mechanisms in Development Cooperation. 15 experts from 9 different agencies shared their views and experiences with the implementation of CDM in LDCs, the future of the CDM, the CDM-ETS⁷ mechanism and NAMA⁸.

4.1.3 Thematic Groups 3 and 4: Institutional Development/Human Resources and Quality Management

These two thematic groups were not active after the annual meeting 2010 although interest from several network participants for these themes have been confirmed, but it did not materialise into concrete actions.

These thematic groups may be dissolved during the annual meeting 2011, or another agency with more resources may take the lead to give a group more momentum. If wished so, the coordinator could also provide specific support to organise activities.

A potential new thematic group on civil society did not meet enough interest and was not established.

⁷ Emission Trading System

⁸ Nationally Appropriate Mitigation Actions

Overall, the workshops initiated by the lead agencies of the thematic groups were well attended (in the average 24 participants) from around 12 institutions of network member and non-member countries. They facilitated an exchange of good practice between European practitioners (including those not currently in the network).

4.2 Other Events

Members can propose further meetings and workshops when they identify a need for coordination, exchange or brainstorming on a particular topic. If a topic meets a lot of interest, the initiative may turn from one singular workshop into a temporary working or permanent thematic group.

The Network will keep both the flexibility of ad hoc initiatives and the more structured approach of thematic groups.

4.2.1 European Development Days

The European Development Days 2010 took place on 6/7 December in Brussels. The Practitioners' Network, together with EDFI (European Development Finance Institutions) organized a well-attended **high level panel on "Small and Medium Enterprises - Motor of Development"**.

The lively panel discussion with donor agency representatives from DFID, PROPARCO, KfW and EuropeAid showed how SMEs are key to the development dynamics, and highlighted the complementary roles and tools of bilateral donors, European agencies and DFIs in enabling SMEs and facilitating access of SMEs to finance. This was enriched by the testimony of investors in Africa (Aziz Mebarek, Executive Director of Tuninvest and Grace Mueni Nyaa, Managing Director of Kyome Fresh Co.Ltd, Kenya), and practical examples from reference documents like the Dalberg Report on "The Growing Role of the Development Finance Institutions in International Development Policy", etc. The panel discussion met a strong interest from the audience with a following lively Q&A session well moderated by Amobé Mévégué.

The network additionally had an **information stand** in the Development Village that contributed to an increasing visibility of the Network and its members.

4.2.2 Annual Meeting 2010 in La Granja, 27 and 28 May

The annual meeting of the Practitioners' Network hosted by AECID was attended by more than 40 participants from around 25 European development organisations. Once more the Network members and other European practitioners had an opportunity to get together, to exchange views on current issues, and to get information about the network activities.

On the first day, the working sessions of the Directors circled around "European aid architecture: opportunities and way forward" and "Institutional challenges for the implementation of the EU aid effectiveness agenda". A brief ceremony marked the transfer of the Presidency of the Network from AECID to DFID.

On the second day, the four thematic groups met, gave a feedback on past activities, set the agenda for the next months, and discussed current issues. The final plenary session gave an overview of the main network activities and an outlook for 2010 under DFID presidency.

4.2.3 Workshop on the Gender Equality Action Plan

The Practitioners' Network (with the current Presidency DFID as driving force), One World Action (a British NGO), and the European Commission organised a well-attended Workshop in March 2011 in Brussels: 30 participants from 22 different countries and organisations shared existing good practice around implementation of the Gender Equality Action Plan (GEAP), and wider lessons about how to strengthen gender equality outcomes in development cooperation resulting in a number of concrete suggestions for taking forward gender equality approaches by practitioners.

4.2.4 Proposal for a Working Group on Experiences in Result-based Funding, Programming and Monitoring

GIZ proposes a working group that will be formally decided upon during the Annual Meeting 2011: There are various initiatives at international and national level discussing how to make aid more effective in terms of visible results. All these initiatives have in common that they focus on results in terms of impact, outcomes and outputs instead of inputs, intentions and institutional reforms.

Consequently, the objectives of the proposed working group "Experiences in Result-based Funding, Programming and Monitoring" are:

- to summarize experiences with RBF-Approaches;
- to discuss advantages and disadvantages as well as potential and limitations of RBF-Approaches;
- to elaborate general recommendations/guidelines for establishing RBF-Approaches.

4.3 Summary of Activities and Events

| | |
|---------------|--|
| April 2010 | Joint Monitoring TR-Aid |
| May 2010 | Practitioners' Network Annual meeting |
| June 2010 | Financial Regulation of the EU Commission: Planned changes regarding the implementation EU development cooperation Division of Labour in Practice: feed-back from the Mozambique AFD country office |
| November 2010 | Financial Regulation of the EU Commission: follow up on planned changes |
| December 2010 | European Development Days (EDDs): Stand and Panel: "SME - Motor of Development". |
| March 2011 | Climate Change: Clean Development Mechanisms, Workshop on Gender Equality Action Plan (GEAP) |

5 Financial Aspects

By January 2011, all members had paid their contribution for the first financial year (two members already for 2 years). The overall amount of the budget 2011/2012 will stay the same as before (108,000€), as the overall number of paying members did not change¹¹.

The expenses were more or less as projected except for communication costs for which considerably less was spent. On the other hand, the participation in the EDD with a high level panel entailed some expenses not accounted for in the initial calculation.

Table of aggregated income and expenditure (1st Jan 2010 – 31st March 2011)

| | | |
|--|-------------|---------------------|
| <u>Income</u> | | |
| <i>Contributions from network members:</i> | | |
| Partner contributions for 2010 (paid in 2009) | 21.000,00 € | |
| Partner contributions for 2010 (paid in 2010) | 87.000,00 € | |
| Advance payment for 2011/2012: KfW, CZDA; SlovakAid | 21.000,00 € | |
| <i>Others:</i> | | |
| EDFI contribution for EDD | 2.300,00 € | |
| Interests | 72,25 € | |
| Reimbursements | 214,89 € | |
| | | 131.587,14 € |
| <u>Expenditure</u> | | |
| Network Coordinator Personnel Costs | 34.799,70 € | |
| Office Rent | 22.422,85 € | |
| Communication & other office costs (incl. Petty cash 50 €) | 2.023,94 € | |
| Travel costs | 1.244,08 € | |
| Marketing costs (leaflet printing, etc.) | 3.962,35 € | |
| Office equipment | 7.007,45 € | |
| Special budget lines (EDD) | 7.302,21 € | |
| Gender WS (to be refunded by DFID) | 754,00 € | |
| | | 79.516,58 € |
| | | |
| Balance PN bank account plus PN cash in hand | | 52.070,56 € |

It was decided to authorise the use of up to € 3,000 annually to cover all or part of the costs of the annual meeting. This would reduce a possible burden for smaller agencies and incentivise them to volunteer for the core group and eventually take over the presidency and the organisation of the annual meeting.

The remaining amount of around 30,000 € of the budget period 1/2010 – 03/2011 will be carried forward for expenses to be decided upon in 2011.

¹¹ The incoming SlovakAid and the outgoing InWent (merged with GIZ) both paid the same amount of 3000 €/year.

6 The Way Ahead

Monitoring the development agenda and global issues, facilitating exchange among practitioners and feedback practitioners' experiences to EU institutions will continue to be in the focus of the Network's activities.

As the new setup of the Commission and the EEAS are going to imply new ways of working with Member States' cooperation bodies, as discussions are going on about options for European development cooperation after 2013, also in the context of global challenges such as Climate Change, the voice of development practitioners is important. One of the Network's major roles will be to support initiatives in these matters and to associate broadly members and other development agencies to the discussions. In this regard it is desirable to further enlarge the circle of participating agencies and to attract new Network members.

With regard to the European Development Days 2011 in Warsaw, Poland it was agreed that the Network will again participate to increase visibility with a stand and an event. The focus of the event and potential partner organisations will be decided upon after the Annual Meeting 2011.

Another approach to increase visibility will be the intensification of contacts/cooperation with the European Parliament, especially the Committee on Development DEVE.

7 Annexes

- Network Logical Framework (Summary)
- List of Members
- Collective contribution: Summary of comments on the financial regulation of the European Commission