

TERMS OF REFERENCE FOR A STUDY OF THE COHERENCE OF EU POLICIES

1. Introduction

What can the EU do to help developing countries get on the path to sustainable development? The main challenge for Low Income Countries and many Middle Income Countries is to combat poverty. In these countries the relation with the EU is consequently mostly focused on development co-operation and the Community has several agreements providing development assistance. However, EU relations with developing countries are not limited to development assistance alone but include a host of different policies and the specific areas of interaction between the EU and the developing countries depend on a number of factors related to the country concerned; national income, poverty incidence, trade relations, geographical proximity to the European Union, research capacity, migration processes, environmental issues, to name but a few. Given the fact the EU applies various policies towards one country, and that these policies not always are co-ordinated, the danger of conflicting policy objectives and interests are obvious. There are several layers of policies that may, or may not, conflict. Coherence among EU policies need therefore to be assured at different levels. EU development co-operation objectives should be the focus and coherence assessed with development objectives as the reference. Whilst full policy coherence is only possible in the longer term there is certainly room for improving coherence in the shorter term.

Formal mandates to assess the coherence of policies can be found in different documents;

Article 130 V of Title XVII of the Treaty on European Union – the Maastricht Treaty – states that *The community shall take account of the objectives referred to in Article 130 U in the policies that it implements which are likely to affect developing countries.* (CEC/CEC, 1992:61)

In the Communication to the Commission of 16 May, 2000 on the Reform of the Management of External Assistance – Decision and Action Plan it is stated: *The principle of coherence or consistency with other EU policies requires attention. The linkages between external assistance and other Community policies in such fields as fishery, agriculture, commerce, conflict prevention, food security and migration should, as appropriate be examined and dealt with in this section.*

The challenge for the Community is to provide a coherent and optimal mix of policies in each development co-operation. The EC Country Team, chaired by the Geographical Directorates in DG RELEX and DG DEV, has an important role to play to co-ordinate Community interests and ensure that policy coherence is given full attention in the drafting of the Community's Country Strategy Paper. However, experiences from the first generation of Country Strategy Papers suggest that there has been limited participation from Directorates of other **external** policies than those concerned with development

assistance. There was also a lack of interest and weak participation from representatives of **other interests** than those representing specific EU external policies. For stakeholders such as those representing **Fisheries policies or Agriculture policy** it may appear to be little to gain from participating in the process. In reality there is much to be gained for all policy makers from strengthening and improving the CSP process by addressing the question of policy coherence and achieving “the best Policy Mix possible”.

2. Purpose of the evaluation

Alternative wording: The purpose of this study is to identify, and exemplify, EU policies that are incoherent with EC’s development policy objectives, and to suggest ways of addressing this. The study should also look at potential incoherence amongst EC’s various development policy objectives.

3. Scope of the evaluation

The study comprehends of the following:

- a) to review all EC geographical and thematic co-operation programs and identify the different objectives in play¹,
- b) to review other EU policies which have a potential to conflict with EC development policies and identify their objectives, with a focus on those policies likely to have the largest impact on development objectives and developing countries
- c) to assess the coherence of the objectives of the different geographical and thematic EC Development programs
- d) to assess the coherence of the objectives of the EC Development cooperation and other EU policy objectives.
- e) make recommendations about how to improve the overall coherence of EU policies, keeping the development policies as the point of reference, suggesting possible methods and mechanisms that could be applied in the EU context.

4. The Assignment

Coherence can be defined as “the non-occurrence of effects of policy that are contrary to the intended results or aims of policy”. For the purpose of this study, the focus can be on three levels:

- coherence in European development cooperation policy itself;

¹ The different programs are: ALA, MEDA, Tacis, CARDS and Cotonou as well as thematic budget lines for e.g. migration etc

- coherence between different sets or parts of foreign policy and development cooperation policy;
- coherence between development cooperation policies and all other EU policies;

It is important to distinguish between intended and unintended incoherence in policy-making. Incoherence can be deliberate, which suggest a policy stance in itself, or an unforeseen result of the application of a broad framework of various policies

4.1 Tasks

a) Identify the overall objectives that have been formally approved and are valid for all EC development programs. Identify specific objectives formally approved for the different geographical and thematic programs. Are the objectives for the Community Development policies clearly expressed, and logically related to each other into a coherent hierarchy?

b) Identify other EU policy areas and policy objectives which may conflict – directly or indirectly - with the objectives of the Community Development policies both on a general level, as well as in certain countries and regions. Focus on those policies which are likely to have the largest impact on developing countries and development objectives.

c) Assess if the non-development policy objectives are coherent with the Community Development objectives. Provide concrete illustrative examples of policy incoherence, making use of both qualitative and quantitative methods.

d) Suggest ways of addressing policy incoherence taking into account the particular EC approach to coherence possible in the drafting of Country Strategy Papers. This should include developing methods and providing practical suggestions for assessing and addressing coherence of new and existing policies on a regular basis.

4.3 Conclusions and Recommendations

The study shall identify policies that are incoherent with EC's development policies, including potential incoherence amongst the development policy objectives themselves, and list possible reasons for such deficiencies. By ways of concrete examples, the study should illustrate such incoherence in both qualitative and quantitative terms. The consultants should also make concrete recommendations for how to improve coherence between policy objectives, by suggesting methods that could be applied in the drafting of the Country Strategy Papers.

5. Definitions, methods, timetable and resources for the study

The study should be based on a review of relevant documents and on interviews with stakeholders in Brussels and representatives of Member States. The consultants should elaborate on a methodology for the study and present it in an inception report.

The consultant (s) should take full account of ongoing studies and initiatives to assess EU policy coherence, prepared by EU institutions and other non-EU bodies, and build on available appropriate material and findings.

For the tasks under 4.1 the consultants are expected to carry out a review of the extensive volumes of documents that exist. The desk review has to be complemented by interviews in Brussels at the European Commission, the European Parliament and the Council.

The consultant (s) should possess relevant **social and political science competence, as well as competence in economics**. To be able to assess how different bodies interact within the EU administration the consultant(s) should have some experience in **management and organisational issues**. They should also possess knowledge about EU systems and institutions. The EC will help the consultant to identify key persons and key documents for the assignment. In general the responsibility for setting up meetings, copying etc. rests with the consultant.

The study should be carried out during the period of December 2003 to July 2004. The scope of work is envisaged to require an estimated 10-15 person weeks.

The tentative time schedule for the study is the following:

February	2004:	Contract consultant
April	2004:	Inception report
August	2004:	Submission of draft report
September	2004:	Submission of final report

6. Reporting

The following reporting requirements will apply:

- 1) An inception report shall be presented to Deloitte and Touch no later than January 30, 2004. The inception report should be a deeper interpretation of the terms-of-reference as regards the proposed approach and methods. The inception should also propose a detailed work plan for the assignment.
- 2) A presentation of preliminary findings is to be held at the Delegation before the consultants leave the country where the case study is carried out.
- 3) A draft report is to be submitted to Deloitte & Touche no later than May 1, 2004. The report will be circulated by Deloitte & Touche to relevant stakeholders for comments.

5) Within 4 weeks after receiving the compiled comments from Deloitte and Touche on the draft report, a final version submitted to Deloitte & Touche. The study shall be written in English and should not exceed 80 pages, excluding annexes.