
The Thematic Programme “Non-state Actors and Local Authorities in Development”
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The Thematic Programme “Non-state Actors and Local Authorities in Development”

1. INTRODUCTION

To rationalise and simplify the current legislative framework governing external actions of the Community, the European Commission has proposed a new set of six instruments under the Financial Perspectives 2007 to 2013. Three instruments (for humanitarian aid, stability and macro-financial assistance) are horizontal in order to respond to particular needs and circumstances. Three instruments (pre-accession assistance; support for the European neighbourhood and partnership policy (ENPI) and development/economic cooperation (DCECI)) are designed to implement particular policies and cover specific geographical areas. In future, these instruments will form the legal basis for Community expenditure on external cooperation programmes including appropriate thematic programmes and will replace the existing thematic regulations.

Under these proposals, thematic programmes provide a distinctive value-added and complement geographical programmes, which remain the primary framework for Community cooperation with third countries.

The Commission has committed itself to discussions with the European Parliament and the Council on the scope, objectives and priorities of each thematic programme on the basis of formal communications to both institutions. The result of this process will provide the political orientations for subsequent programming, notably the thematic strategy papers to be drawn up in accordance with the above instruments.

The Commission held an in-depth public consultation in order to ensure the involvement of a wide range of stakeholders in defining the main features of the programme. The programme is based on the outcome of this consultation (see DG Dev Europa website for a full report on the public consultation).

2. CONTEXT

2.1. Analysis of the theme

Ownership and participation are core principles of the EU development policy as stated in the “European consensus on development”. In order to effectively apply these

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principles, the Commission has an important role to play in facilitating and promoting dialogue between state and non-state actors on development priorities and strategies in partner countries.

Support for in-country capacity development processes in all their dimensions and at different levels is crucial in this context. Partner governments are demonstrating a growing commitment to promoting participatory approaches. They increasingly involve their own civil societies in both preparing and implementing development strategies and facilitate their access to funding. However, in some cases, either the country context or the central government’s attitude render stakeholders’ participation only partial, very limited or, in extreme situations, even impossible.

This programme is intended to be the successor of both the current NGO co-financing and decentralised cooperation programmes. It is “actor-oriented” instead of “sector-oriented”. It will support stakeholders’ “right of initiative”, by providing financial resources for their “own initiatives”, when geographical programmes are not the appropriate instrument. It will complement the support that other “sectoral” thematic programmes can provide to the same actors, in particular the programme on Democracy and human rights.

This Communication provides political orientations for an actor-oriented thematic programme that should be manageable, subsidiary to geographic programmes and complementary to the other thematic programmes. These orientations differentiate between actors, taking account of their respective value-added with regard to the scope of the programme and actors’ respective characteristics, needs and constraints (capacities, potential, specific areas of interest, financial resources) in order to establish how best to involve them in EC development policy. The actor-oriented approach recognises civil society organisations as key actors of aid delivery and as important players associated to the policy-making process. Therefore, this programme will allow civil society to exercise its own right of initiative, to develop innovative approaches and to bring specific dynamic to the process.

Non-state actors’ added value lies in their independence from the state, in their proximity to and understanding of defined constituencies and their capacity to articulate their specific interests, in the knowledge and experience they bring and their ability to bridge a critical ‘gap’ between strategic goals and their practical realisation.

Amongst non-state actors, specific contributions from different types of organisations could be highlighted. NGOs bring citizens' and grassroots voices to policy debates and efficiently contribute to development activities. Employers’ and workers’ organisations have a pivotal role to play in promoting social dialogue and thus contributing to decent work for all and equitable growth. Independent political foundations can contribute in fostering democratic principles and links between citizens and political representatives. Universities can enhance civil society analytical skills and research capacities, as well as North-South and South-South networking.

Local authorities should preferably be supported in the framework of geographical programmes through decentralisation processes. However, they are much closer to the citizens than other public institutions and can facilitate citizens' immediate involvement
in the development process, facilitate interaction between citizens and the state and build bridges between EU and partner countries’ citizens.

The main elements of this proposal can be summarised as follows:

– All civil society organisations and local authorities, from the EU and partner countries, are, in principle, eligible for funding under this thematic programme.

– The bulk of the financial allocations will be allocated to supporting interventions in the field carried out in developing countries. However, the programme will also pay appropriate attention to interventions which promote awareness raising and education for development. Activities which facilitate coordination between stakeholders’ networks will also be eligible for funding.

– The different types of interventions will be implemented in developing countries covered by the DCECI and in all countries covered by the ENPI.

– EU Member States and acceding countries are eligible for awareness raising and education for development interventions and for coordination between networks of EU stakeholders.

– Specific priorities for action and more detail on the specific scope of the programme will be set out in a multi-annual programming document (thematic strategy paper).

2.2. Established policy framework

Involving non-state actors and local authorities in the development process, including through dialogue and financial support, is a well established principle of EC development policy, reflected in a number of Commission policy documents and other EU institutions’ conclusions, resolutions and opinions.

“The European Consensus on Development”

“The EU supports the broad participation of all stakeholders in countries’ development and encourages all parts of society to take part. 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 in particular play a vital role as promoters of democracy, social justice and human rights. The EU will enhance its support for building capacity of non-state actors in order to strengthen their voice in the development process and to advance political, social and economic dialogue. The important role of European civil society will be recognised as well; to that end, the EU will pay particular attention to development education and raising awareness among EU citizens.”

This approach is reflected in partnership and cooperation agreements as well. The "Partnership" dimension of ACP-EC cooperation has facilitated the emergence, the

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progressive consolidation and the formalisation of participatory approaches to development. Participation is explicitly included among the principles of ACP-EU cooperation and includes a broad range of stakeholders. The recent revision of the Cotonou Agreement provided the opportunity to further strengthen this approach, firstly by facilitating access to funding on the basis of the programming dialogue and secondly by extending this approach to local authorities. There is also a general trend in EC cooperation with other geographical groupings, such as Asia, Latin America and Neighbouring countries, towards increased participation by civil society organisations including their involvement in policy dialogues. Civil society participation is therefore an integral part of the EC’s normal way of working.

The European Neighbourhood Policy aims at building a privileged partnership with neighbouring countries, bringing them closer to the Union and offering them a stake in the Community’s internal market together with support for dialogue, reform and social and economic development. Whilst it has a clear integration focus, it usually includes significant development aspects. Poverty reduction and social development objectives will help to build more prosperous, equitable and thus stable societies in what are predominately developing countries. The instruments that may provide technical and financial assistance to support this policy will include, where appropriate, development best practice to promote effective management and implementation. Participatory approaches are undoubtedly part of this “development best practice”.

2.3. Past experience/lessons learned

Co-financing of NGOs from the EU and Decentralised Cooperation programmes have progressively consolidated development policy instruments which are actor oriented and support actors’ right of initiative. Past experience (see Annex) and evaluations and discussions with the different parties involved reveal that the potential of the strategic partnership between the EC and stakeholders other than central governments appears to be under-utilised. This does not seem to be linked to the policy framework, but is mainly due to requirements of the Financial Regulations, frequent changes in the implementing rules and conditions. At the same time, the number of proposals presented for financing has grown significantly without being matched by similar growth in the Commission human resources to deal with these issues. The Commission is currently engaged in exploring new approaches to selection procedures, with a view to reducing the administrative burden, better focussing the calls for proposals and facilitating access to funding for small NGOs. The establishment of a segmented and actor-oriented approach shall contribute to an innovative and simpler approach to the co-financing of these actors.

2.4. The rationale for the thematic approach

In addition to supporting non-state actors across the range of humanitarian aid and development cooperation programmes (both geographic and thematic), an actor-oriented thematic programme with an appropriate level of financial resources is necessary:

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4 Revised Cotonou Agreement, Articles 4, 6, 58 and Annex IV, Articles 4 and 15.
5 See in particular Article 43 of the political dialogue and cooperation agreements with Central American countries and the Andean Community.
Where cooperation via geographical programmes is restricted, such as in difficult partnerships, the programme will enable the EC to remain engaged, to directly support populations, to facilitate aid implementation and access to basic services, to enhance democratisation processes and to facilitate peace-building processes in such situations. This should complement progress made by public institutions in these areas.

Where there is working cooperation and effective partnership, operations financed by the programme will supplement and improve country- or region-based cooperation programmes, by supporting stakeholders introducing new schemes and approaches, to better integrate cross-cutting priorities in a holistic way, to facilitate grassroots or a specific group’s participation, to foster gender equality, to build capacities in new areas such as fair trade, environmental advocacy etc.

The programme will help build confidence between state and non-state actors, for instance regarding policy discussion, basic services delivery, etc., in order to facilitate their progressive integration into geographic programmes where this is not yet the case.

The programme will help to raise public awareness of development issues and promote education for development in the EU, to anchor development policy in European societies, to mobilise greater public support in the EU for action against poverty and for fairer relations between developed and developing countries, and to change attitudes in the EU to the issues and difficulties facing developing countries and their peoples and to promote social dimension of globalisation.

The programme will support measures to strengthen coordination and interaction between stakeholders and with EU institutions, in order to facilitate networking and interaction.

The programme will be able to back stakeholders’ initiatives to support the in-country capacity development process for participating in policy debates and delivering basic services (health, education, work, security, including conflict prevention, disaster preparedness, etc.) at local level where geographical programmes cannot be used or when innovative approaches are necessary. Its ability to involve a broad range of public and non-public actors from both the EU and partner countries is part of the value-added of the programme.

Across the board, the programme will support stakeholders’ right of initiative, in subsidiarity to geographical programmes, by funding their “own initiatives”, rather than defining in detail the activities to be supported as “implementing partners”. However, it is important that the programme helps to maintain sufficient consistency

Situations of difficult partnership are defined as those where for one of the following reasons the usual cooperation instruments cannot be fully used to support initiatives undertaken by stakeholders other than central governments: (1) countries where cooperation has been suspended, (2) countries where the authorities are not committed to objectives of poverty reduction and to other basic principles of development policy, including good governance and participation of civil society and decentralized authorities, (3) countries where the dialogue on participatory approaches to development is very limited.
with other development operations supported by the EC and partner countries’ development strategies backed by the geographical programmes. Complementarity between this thematic programme and other EC-financed programmes should be maximised.  

3. **THE THEMATIC PROGRAMME**

3.1. **Scope**

This communication provides the general political orientations on the scope of the programme. The multi-annual thematic strategy paper will refine these orientations and identify priorities at different levels (countries, types of intervention, and actor-related issues, such as levels of co-financing and conditions for public actors eligibility) in order to focus the programme.

This programme will primarily target interventions in the field and will be primarily implemented in developing countries and regions where geographic programmes do not provide for any support or financial allocation for non-state actors and local authorities due to weak political commitment, or in sub-regions out of reach of the country programme, or in situations of difficult partnerships, fragile states, post-conflict, political instability etc.

3.1.1. **Eligible actors**

A wide range of non-profit making actors from the EU and from partner countries will be eligible for funding under the programme. They are expected to be able to mobilize citizens for development, to address the needs of the population, to operate in a transparent and accountable manner and to prove their specific competencies.

All types of non-state actors, including NGOs, trade unions, environmental advocacy groups, universities and political foundations etc may receive financial support under the programme. In addition, local authorities may receive financial support for activities in specific contexts, where their added value can be established, and where these activities cannot be carried out under the geographic programmes.

This very broad actor-oriented approach will be refined in the multi-annual Thematic Strategy Paper. More precise eligibility criteria for the different actors may be defined according to their respective added value, capacities and specific needs and constraints (including at financial level) to implement the priorities established in the thematic strategy paper. According to the priorities for intervention, either the thematic strategy paper or its implementing documents may specify the modalities for access to funding by the different actors (percentage of co-financing, type of actions, etc). It will be taken into account that actors may also be eligible for funding under other EC-financed programmes.

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7 For the purposes of this document, consistency should be understood as meaning that an operation does not reduce the effectiveness or impact of another (in the same or another area); complementarity refers to a division of labour based on each actor’s added value.

8 Relevant DCECI and ENPI Articles.
3.1.2. Eligible types of interventions

The thematic programme will respect the right of initiative of the eligible actors by providing them with financial assistance to implement three types of interventions:

– the bulk of the financial allocations will support interventions in developing countries and regions that (1) strengthen participatory development (2) support capacity development processes of the actors concerned at country or regional level (3) promote mutual understanding processes. This type of intervention will include, where appropriate, actions aimed at facilitating citizens’ active engagement in development processes and at strengthening their capacity to take action;

– awareness raising and education for development in the EU and acceding countries;

– coordination and communication between civil society and local authority networks, within their organisations and between different types of stakeholders active in the European public debate on development.

The multi annual Thematic Strategy Paper will define more detailed priorities for action in these different areas taking into account geographic programmes but without providing a very rigid framework, in order to respect actors’ right of initiative by supporting their own initiatives.

All these types of actions may be implemented in one or in more than one country, at regional level or across regions. All of them may be financed through support to individual projects.

3.1.3. Geographic coverage

In line with the “European consensus on development”, interventions in all developing countries, as defined in the list of Official Development Assistance (ODA) recipients, will be eligible for funding under this thematic programme. Those countries are covered by the DCECI and the ENPI.

The general criteria for countries’ eligibility will be further refined in the multi-annual thematic strategy paper. This may include criteria to identify priority countries and regions.

EU member states and acceding countries will only be included in the geographical scope of the thematic programme for interventions in the areas of awareness raising and education for development and for coordination activities.

3.2. Programming principles

Four-year (2007-2010) and, subsequently, three-year (2011-2013) Thematic Strategy Papers (programming documents) will be decided by the Commission following the

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9 The list of Official Development Assistance (ODA) recipients is due to be decided by the OECD/DAC in April 2006. Council of the European Union, document No 14820/05, 22 November 2005.
Comitology procedures. These will define in more detail the criteria for selecting priority countries and regions, together with priorities for action. The most relevant stakeholders will be involved as appropriate in the different phases of the programming cycle.

On the basis of this multi-annual programming, the Commission shall produce annual action programmes which establish priority actions to be supported, specific objectives, anticipated results as well as indicative amounts.

As for the mid-term review, an external evaluation of the operations during the first three-year period (2007-2009) will be carried out to provide input to the preparations for the second Thematic Strategy Paper (2011-2013). The reports will be transmitted to and discussed with Member States and the European Parliament.

The programme shall be implemented in accordance with the 2000 Reform of the Management of External Assistance which foresees, inter alia, deconcentration of management responsibilities to the delegations where appropriate. Furthermore as regards NGOs, the Commission will adopt a Commission-wide NGO definition and create an NGO knowledge database, allowing Commission services at headquarters and delegations easy access to quantitative and qualitative information on any given NGO partner of the Community.

In order to ensure geographical coherence between the various programming exercises, the Thematic Strategy Paper will analyse the support provided to interventions of similar scope under geographic and thematic programmes, but also under other relevant budget lines managed by the EC. The same analysis should be carried out, as far as possible, for interventions supported by Member States and other donors. Country and Regional Strategy Papers in focus countries and regions should take this into consideration and provide a comprehensive picture of all financial instruments and programmes.

### 3.3. Objectives

The programme is primarily a development policy instrument. Both its general objectives and those of each eligible type of action are consistent with the new declaration on EU development policy, “The European Consensus on Development”\(^\text{10}\). The primary and overarching objective is the eradication of poverty in the context of sustainable development, including pursuit of the Millennium Development Goals (MDGs). Other major objectives (as defined in the European consensus) include good governance and human rights which are cross-cutting issues to be mainstreamed in interventions in partner countries. The different types of interventions should contribute to these objectives as follows:

- Interventions in partner countries and regions will promote an inclusive and empowered society. The objectives will be to (1) favour populations out of reach of mainstream services and resources and excluded from policy making processes, (2) strengthen the capacity of civil society organisations in partner countries, with a view to facilitating their participation in defining and implementing sustainable development strategies, (3) facilitate interaction between state and non-state actors in

\(^{10}\) Council of the European Union, document No 14820/05, 22 November 2005.
different contexts. Attention will be paid to identifying and targeting actors from particularly marginalized and vulnerable groups. Interventions may also include activities aimed at strengthening citizens’ capacity to take action, defend their rights and take part in the political debate at local, national and international levels.

- Awareness raising and education for development activities in the EU and acceding countries aim at increasing the level of consciousness of the European population regarding development issues. They mobilise active public support in Europe for poverty reduction and sustainable development strategies in partner countries, for fairer relations between developed and developing countries, and reinforce civil society role as a factor of progress and transformation.

- Coordination activities between civil society networks, within their organisations and with EU institutions, aim at achieving more efficient cooperation, by fostering synergies and ensuring a structured dialogue. Coordination will help to increase the credibility, visibility and influence of stakeholders.

3.4. Priorities

The following general priorities for the thematic programme to achieve its objectives can be identified:

- Facilitating stakeholders’ participation in situations which are not favourable such as difficult partnerships, unstable situations, conflict, no status for civil society actors, poor governance, etc.

- Strengthening capacity development processes and encouraging more participatory development in partner countries and regions.

- Promoting cross-border and regional initiatives to complement geographical programmes and promote links and alliances between stakeholders.

- Fostering quality partnerships between different stakeholders from the EU and partner countries.

- Supporting initiatives that strengthen capacity building of employers and workers organizations, promote the establishment of mechanisms and structures of social dialogue and advocate greater freedom of social partners in situations which are not favourable.

- Facilitating citizens’ active engagement through awareness raising and education for development, advocacy and campaigns.

- Fostering coherence for development in the area of education, and by giving children and youth access to education for development.

- Reinforcing structures for dialogue and information sharing between stakeholders organisations, by promoting networking and exchanges of best practices and North-South and South-South relationships.
ANNEX

ANNEX - SUMMARY OF PAST EXPERIENCE

Different types of stakeholders (non-state actors and local authorities) other than central governments both from the EU and partner countries are eligible for funding under thematic and geographic programmes. They are expected to be able to mobilize citizens for development, to address the needs of the population, to operate in a transparent and accountable manner and to prove their specific competencies. These actors implement their own initiatives, but also act as “implementing partners” for pre-defined thematic and geographic priorities.

Civil society organisations and networks from the EU, particularly development NGOs, have been involved for years in regular policy dialogue and consultation within the EU. Their initiatives and interventions, funded by the EC, have shown NGOs’ added value both in the EU and in partner countries, by contributing to development policy objectives and supporting capacity development processes. Supporting NGOs has brought innovative approaches and partnerships in civil society to the development process. Compared to public institutions, NGOs are in a better position to reach and give voice to the grassroots. Their capacity to work and effectively deliver even in the most difficult environments, as well as their ability to mobilise EU constituencies in support of development policy issues, are also part of their contribution to the development process. The European Parliament has underscored the specific and irreplaceable role and the utility and effectiveness of NGOs’ development activities, stressing their crucial work in favour of disadvantaged groups in the developing countries, the need to maintain their freedom of action, and the essential role they play in promoting human rights and grassroots democratisation\(^\text{11}\).

More recently, economic and social partners and interest groups have emerged in the process, very actively and constructively supported by the European Economic and Social Committee and by local and regional authorities from the EU, with the progressive involvement of the Committee of the Regions, plus other actors, such as political foundations and universities, and their respective networks. Although their access to EC funding and involvement in programme implementation have been limited so far, they advocate specific and differentiated issues that are relevant to the development agenda and participate in development policy dialogues and consultations both in the EU and partner countries.

In addition to geographical programmes and humanitarian assistance, different actors have access to a number of thematic budget lines (EIDHR, food security, environment and tropical forests, anti-personnel mines, gender, and health) and to the Rapid Reaction Mechanism. Among these various instruments, the NGO co-financing budget line, created in 1976, best symbolises the partnership between the EU and NGOs on development cooperation. Its size has gradually increased, from EUR 2.5 million to EUR 200 million a year. Since 1979, 10% of the total allocation has supported awareness raising and development education interventions.

Since 1998, the legal basis for the NGO co-funding budget line is Council Regulation (EC) No 1658/98. It fosters quality partnerships for development objectives between NGOs from the EU and civil society organizations in developing countries, so that the budget line preserves the right of initiative in developing countries and allows active participation by European citizens in the development process. Under the Regulation, the budget line cofinances with European NGOs: (i) operations aimed at meeting the basic needs of the poorest sections of the population in developing countries, (ii) schemes to raise European public awareness of development issues in developing countries, in particular relations between developing and developed countries, (iii) measures to strengthen cooperation and coordination between NGOs in the Member States and between such NGOs and Community institutions. The Commission evaluated the instrument after three years, i.e., in mid-2001.\(^\text{12}\)

Since the EU’s enlargement to ten new member states on 1 May 2004, NGOs from new Member States have had access to funding under the budget line. In addition, awareness raising and development education interventions in and involving NGOs from the new Member States have become a strategic priority in this field. NGOs from new Member States have encountered certain difficulties in obtaining financial support for their initiatives, mainly for reasons linked to their sometimes limited management capacity and knowledge of procedures. With a view to strengthening cooperation and supporting information-sharing among EU NGOs, projects such as TRIALOG and DEEEP have been set up.

The Decentralised Cooperation budget line aims at similar objectives. Following the conclusions of 2003 external evaluation\(^\text{13}\), carried out before the relevant legal basis was extended\(^\text{14}\), it was decided that operations and initiatives supported under this heading would be targeted on situations of difficult partnerships and that Delegations would manage these activities, through calls for proposals adjusted to the situation of the country concerned. In order to ensure flexibility, priority was given to supporting decentralised cooperation actors’ own initiatives. Compared to NGO cofinancing, the decentralised cooperation budget line involves much less financial resources (around EUR 6 million a year), is not limited to NGOs from the EU, but open to all types of civil society organisations and local authorities from both partner countries and the EU, and provides financial support to interventions in the field. Finally, its focus is on situations involving difficult partnership, when other instruments cannot be used, and the management is the responsibility of EC Delegations in selected countries.

In the light of past experience, the different evaluations and discussions with the different parties involved, the potential of the strategic partnership between the EC and stakeholders other than central governments appears to be under-utilised. In this context:

http://europa.eu.int/comm/europeaid/evaluation/reports/other/951568_en.pdf (English version)  
http://europa.eu.int/comm/europeaid/evaluation/reports/other/951568_fr.pdf (French version)


Project cycle management is considered to be heavily dominated by the selection process (which has become increasingly complex, particularly with the introduction of calls for proposals) and has neglected project monitoring, which has been reduced to monitoring contract and budget issues.

The selection process has been primarily conceived to rationalise the workload created by the huge amount of proposals received every year as well as to ensure equal treatment and transparency. Strategic policy considerations have not completely been integrated in this process. The process is mainly based on the analysis made of the proposals by independent experts, without giving enough importance to the overall policy priorities decided by the Commission.

Timeframes in the decision-making process, from the call for proposals to the financial decision, are considered to be too long, which jeopardizes the relevance of the initiative and generates frustration amongst applicants. More generally, the timing, stability and predictability of the calls for proposals should be improved.

The formal requirements currently applied in calls for proposals represent a substantial administrative burden for the applicants and for Commission staff.

The different abilities, needs, constraints and sizes of various types of actor should ideally be reflected in the conception of strategies and the selection process (e.g. by using local languages for calls for proposals or for information, and putting in place different kinds and sizes of funding mechanisms according to the capacity and needs of each type of stakeholder).

Evaluation reports presented by grant beneficiaries should not only describe the activities carried out but also show clearly what effects the intervention has had on targeted populations and beneficiaries.

The role of the Delegations is considered to be too low-key. They should play the most important part in the selection process and be in charge not just of project monitoring but of raising the awareness of the local population and providing it with information.

Some modifications of existing rules may be necessary to ensure better involvement of actors from new Member States. They may encounter certain difficulties in obtaining financial support for their initiatives, mainly for reasons linked to their sometimes limited management capacity and knowledge of procedures.

The Commission is currently engaged in exploring new approaches to selection procedures, with a view to both reducing the administrative burden and facilitating access to funding for small NGOs.