

A STRATEGIC VISION FOR
PORTUGUESE
DEVELOPMENT COOPERATION



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COOPERAÇÃO
PORTUGUESA





The document entitled “*A Strategic Vision for Portuguese Development Cooperation*” illustrates the Government’s vision of our Development Cooperation policy and represents a way of ensuring credible dialogue with the different domestic and international actors in this field.

In reality, the present dynamics of the international scene question existing approaches to this issue and require Governments to find new political solutions that are able to reconcile social needs with economic frameworks and new security contexts. The world is certainly different from what it was ten years ago, and development cooperation has an unquestionable role to play in relation to the current problems posed by international conflicts.

In a structured way and with a political vision, this document reflects our priorities and principles and enhances the value added that our bilateral development cooperation offers within the framework of the ever more demanding and necessarily more coordinated dynamics of international development cooperation.

Portugal must think of Development Cooperation as a public policy – an integral part of its foreign policy. This document intends to promote conceptual thought on and a framework for development cooperation work. Because we know what we want and where we want to go, it will now be possible to enhance our bilateral development cooperation in the multilateral scene.

By bringing clarity and increased significance to development cooperation within Portugal’s overall foreign policy, this strategic vision sets out the cross-cutting principles, the sectoral and geographic priorities and the mechanisms which will lead to coherent public policies in this field. The prime imperative and fundamental purpose of this vision is to improve the action of Portuguese Development Cooperation, and this is something that will have to be built up by promoting the effectiveness, sustainability and quality of the partnerships we want to develop.

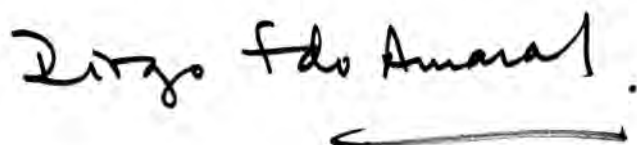
In this respect it is particularly relevant to emphasise our development cooperation to the Portuguese-speaking countries, either within our bilateral relations or through the Community of Portuguese-Speaking Countries (CPLP). The CPLP is a privileged concertation forum, and the Portuguese language is a vehicle for peace and democracy. Belonging to the Portuguese-speaking world is thus not just a question of history, but rather a challenge for the future. This historical

background must make it possible to build up a modern vision of Portugal in the world.

This document also relies on the partnership component, as a factor which is essential for development. The world of development cooperation is multidimensional and requires multidisciplinary forms of knowledge and know-how. It is thus fundamental to make the best use of the participation of non-state development cooperation actors and reinforce their links and coordination with public sector structures and activities. Therefore, there is a strong investment in the dynamics of public/private partnerships.

Within these partnerships we believe it is important to highlight the role which the private sector can play in economic growth, job creation and development of partner countries. This perspective, which builds bridges to economic diplomacy, points towards concrete actions and measures that stimulate the relationship between our private sector and that of the developing countries, thereby enhancing the participation of the Portuguese business sector in the promotion of Portugal's official development assistance.

"A Strategic Vision for Portuguese Development Cooperation" thus reflects the fundamental part which development cooperation plays in an integrated foreign policy that helps to enhance the role of Portugal in the world. This is the mission that we intend to undertake during this legislature.

Handwritten signature of Rui Fdo Amara.



The contribution of Portugal to the achievement of the Millennium Development Goals, which are one of the greatest international challenges facing the world today, requires a coherent, systematic approach with the ability to enhance the potential of Portuguese Development Cooperation in the best possible way. The early years of the 21st century have confirmed the substantial increase in the importance of Official Development Assistance on the international agenda. This represents not only a renewed commitment to international solidarity, but also an increasingly entrenched belief that growing inequalities may have damaging effects on everyone in this age of globalisation. This is the context that is driving OECD Member States to work in order to maximise the benefits which can be drawn from the resources they allocate to international development cooperation. Portugal certainly will not fail to play its part in this important international task.

The strategic guideline document approved by the Portuguese Government, which has been coordinated by the Ministry of Foreign Affairs but enjoyed major contributions from many other ministries and benefited from the opinions of a broad range of civil society actors, aims at being used as a script for Portuguese Development Cooperation over the next few years. It underlines the importance of working within the framework of the most significant international consensuses, using national resources as leverage to boost other contributions which can also help in combating poverty and promoting development, particularly in Portuguese-speaking African countries and East Timor. While avoiding any kind of stifling centralisation, the document points towards concertation mechanisms which are expected to avoid the dispersal of national development cooperation efforts, by enhancing the coordination of the many and varied contributions made by Portuguese society. At the internal level, it enunciates the methodological reforms which are necessary to maximise the efficiency and effectiveness of those resources allocated to Official Development Assistance.

The Portuguese foreign policy must play a leading role in responding to such major international challenge. This “Strategic Vision for Portuguese Development Cooperation” is the beginning of a process that will lead to the fulfilment of the true potential of our international development cooperation.

A handwritten signature in black ink, reading "João Gomes Cravinho". The signature is fluid and cursive, with the first name "João" being particularly prominent.

PORTUGUESE DEVELOPMENT COOPERATION: A MISSION STATEMENT

The fundamental mission for Portuguese Development Cooperation is to contribute, most especially in the Portuguese-speaking countries, to a better and more stable world that is characterised by economic and social development and by the consolidation and strengthening of peace, democracy, human rights and the rule of law.

CONTENTS

Chapter	
1:: INTRODUCTION	11
1.1. Portuguese Development Cooperation and Foreign Policy	12
1.2. Resources and Objectives	13
1.3. Political Responsibility and Accountability for Development Cooperation	13
 PART I – VALUES, PRINCIPLES AND OBJECTIVES	
Chapter	
2:: THE INTERNATIONAL CONTEXT FOR DEVELOPMENT COOPERATION	15
2.1. The Millennium Development Goals	16
2.2. International Coordination	17
Chapter	
3:: GUIDING PRINCIPLES	19
3.1. Commitment to the Millennium Development Goals	19
3.2. Reinforcement of Human Security	20
3.3. Promoting the Portuguese language	21
3.4. Promoting Sustainable Economic Development	22
3.5. Contributing to International Development Discussions	22
 PART II – FRAMEWORK OF ACTION FOR PORTUGUESE DEVELOPMENT COOPERATION	
Chapter	
4:: THE PRIORITIES FOR PORTUGUESE DEVELOPMENT COOPERATION	25
4.1. Geographic Priorities	25
4.2. Sectoral Priorities	26
Chapter	
5:: PORTUGUESE DEVELOPMENT COOPERATION AND THE MULTILATERAL FRAMEWORK	29
5.1. General Guidelines for the Multilateral Context	29
5.2. Multilateral Contexts for Portuguese Involvement	31
5.3. Strengthening the Bi-Multi Approach	32
Chapter	
6:: SUPPORTING THE PRIVATE SECTOR	35

PART III – INSTITUTIONAL FRAMEWORK FOR PORTUGUESE DEVELOPMENT COOPERATION

Chapter

7:: ORGANISATIONAL STRUCTURE OF PORTUGUESE DEVELOPMENT COOPERATION	37
---	-----------

7.1. Central Organisation	37
----------------------------------	-----------

7.2. Line Ministries	39
-----------------------------	-----------

7.3. Interministerial Coordination and Coherence of Development Cooperation	39
--	-----------

7.4. Decentralised Cooperation	40
---------------------------------------	-----------

7.5. Development Cooperation Forum	41
---	-----------

Chapter

8:: PORTUGUESE DEVELOPMENT COOPERATION AND CIVIL SOCIETY	43
---	-----------

8.1. Building Partnerships and Developing Quality Projects	43
---	-----------

8.2. Civil Society Actors	45
----------------------------------	-----------

Chapter

9:: PORTUGUESE DEVELOPMENT ASSISTANCE MECHANISMS	49
---	-----------

9.1. Negotiating with Partners and Multi-year Planning	49
---	-----------

9.2. Multi-year Budgeting and Efficiency	49
---	-----------

9.3. Results-oriented Management and Standardisation of Procedures	50
---	-----------

9.4. Project, Programme and Budget Support	50
---	-----------

9.5. Development Assistance Clusters: A New Instrument	51
---	-----------

9.6. Volunteers for Development	52
--	-----------

9.7. Strengthening Coordination in Third Countries	52
---	-----------

9.8. Supervision, Evaluation and Learning	53
--	-----------

9.9. Humanitarian Action (Disasters, Civil Protection and Medical Emergencies)	54
---	-----------

NOTES	55
--------------	-----------

Portugal needs a development cooperation policy. The investments that have been made in development-related activities over the last thirty years have been guided by a very varied range of ideas; they have been extremely diverse in nature and produced mixed, ambiguous, often unknown, results. It is thus essential to develop guidelines for Portuguese Development Cooperation, both for reasons of political responsibility and accountability, and with a view to developing efficient and clear objectives.

In 1999 the Council of Ministers of the XIII Constitutional Government approved a strategic document entitled “Portuguese Development Cooperation in the Threshold of the 21st Century”ⁱ. This was the first – and until then the only – complete and coherent description of a Portuguese development cooperation policy. This document, and the reforms which then began to be implemented, left some important marks on Portuguese development cooperation. The process aimed at conferring rationality and strategic guidance to development cooperation, interrupted in the meantime, is now resumed.

The main concern in 1999 – which remains valid today – was described in the introduction to the Council of Ministers Resolution which approved the document:

“The important challenge facing Portugal is to know how to link, at the political, economic and cultural levels, the dynamics of our European integration with the dynamics of the formation of a community, based on the relations with Portuguese-speaking countries

and communities around the world, and of a renewed proximity to other peoples and regions.

It is within this framework that development cooperation policy – an essential aspect of our foreign policy – assumes a particular strategic significance and constitutes an element that both differentiates and affirms our specific identity within the diversity of Europe as a whole – an identity which is capable of allowing full advantage to be taken from our country’s historic and cultural heritage.

It is thus necessary to ensure that development cooperation policy becomes more strategically rigorous and coherent, subject to a more effective political authority, with a more rational organisation and an appropriate funding system.”

The development cooperation policy that we are now proposing maintains some strong elements of continuity with the 1999 strategy, while at the same time introducing a number of innovations. In terms of continuity, we would emphasise the objective of establishing a visible, relevant and effective link between principles, priorities, programmes and projects. We would also underline the importance that was then, and is now, attached to the fundamental requirement of political control and accountability, as opposed to a tradition of fragmentation of decision-making centres (including at the political level) among the various institutions that contribute to Portuguese development cooperation, with the ensuing loss of efficiency and direction.

As far as innovation is concerned, it is very clear that since 1999 there has been a major trend towards the

international coordination of Official Development Assistance (ODA), and that at present Portuguese development cooperation is inadequately equipped to deal with this reality, thus reducing Portugal's capacity to act in and influence the main centres of debate and decision on North-South relations. This trend highlights the urgent need to improve the instruments and mechanisms of Portuguese development cooperation, and this document contains a number of guidelines in this respect.

Following the lead of the 1999 strategy, this document seeks to ensure that Portuguese development cooperation is clear, objective and transparent. Despite the reduction of Portuguese ODA in 2003 e 2004ⁱⁱ, we are currently faced with an international dynamics in which ODA is increasing and which Portugal cannot ignore. Indeed, there are a number of international commitments in this regard, as will be seen in Chapter 2. However, an active Portuguese participation in this international process would not be justified in the absence of a major effort to make better use of Portuguese development cooperation: better for the partner countries and better for Portugal, particularly in terms of a more dynamic integration into the networks and mechanisms that form the web of globalisation.

[1.1.] Portuguese Development Cooperation and Foreign Policy

Recent experience in the process of globalisation – particularly since the end of the Cold War – has brought a renewed awareness of, and a new attitude towards, North-South relations. In earlier times, development cooperation – both of Portugal and of other countries – was justified by reference to a complex set of reasons that included feelings of humanitarian or political solidarity, geo-strategic or economic interests, and expressions of linguistic or cultural affinity. Today, there is a clear awareness that a further and important justification for assistance is that, for globalisation to work, there cannot continue to be large swathes of exclusion in the southern hemisphere. The possible persistence of poverty on this scale constitutes the source of both the most powerful doubts about the benefits of globalisation and the

most dangerous seeds of global instability. It is this awareness that underlies the historic transformation in the role of international development cooperation that we have been witnessing, especially since the 2000 Millennium Summit. In an increasingly committed way, OECD countries (and particularly the Member States of the European Union) are viewing their development cooperation policies as components of their globalisation strategies. Portugal is no exception, and also sees development cooperation as one of the pillars of its foreign policy, and an indispensable tool in its relations with the world.

The policy on development cooperation reflects the Portuguese foreign policy in essentially three ways. Firstly, in its approach to the Portuguese-speaking countries, namely those in Africa and East Timor. The relationship with the Portuguese-speaking African countries is one of the fundamental pillars of our foreign policy, alongside European integration and the transatlantic relationship. Equally, our connection with East Timor – whose independence is one of the great achievements of Portuguese diplomacy – is deep-rooted. The development of these countries, and their successful integration into the economic dynamics of globalisation, are important concerns of our foreign policy. These concerns are intrinsically important and have many obvious, positive consequences for the quality of life of those countries' populations, while at the same time fostering cultural and economic exchanges which enrich Portuguese society.

Secondly, the promotion of the Portuguese language is a fundamental value of our foreign policy. Promoting the Portuguese language around the world contributes to the consolidation, longevity and usefulness of a linguistic community which simultaneously constitutes an important historic contribution of Portugal to the world and a relevant asset in this era of globalisation. Development cooperation – especially through support to basic education and literacy in the partner countries – is a fundamental instrument to promote our language.

Thirdly, one of the objectives of the Portuguese foreign policy is to promote our ability to interact

with and influence the international thematic networks with supranational decision-making centres. One of the most relevant characteristics of development cooperation in recent years has been the enormous increase in international coordination through these networks. This is not an exclusive characteristic of international development cooperation – on the contrary, we find the same pattern in numerous other aspects of contemporary international life. For a medium-sized country with limited resources, the essential challenge is to know how to efficiently and professionally employ the tools at its disposal in order to maximise the quality of its interventions in the various relevant centres of debate and decision-making. The field of international development cooperation constitutes a paradigmatic example of this way of working. It is now urgent that we direct our development cooperation – both multilateral and bilateral – in such a way as to make the best possible use of the advantages we enjoy in some international coordination *fora*. In doing so, development cooperation is unequivocally placing itself at the centre of Portugal's foreign policy.

[1.2.] Resources and Objectives

In view of the development challenges faced by partner countries, resources available for Portuguese development cooperation will always be scarce. In every area we can find needs of partner countries which could possibly be mitigated – at least initially – through development cooperation efforts. This fact – which ought to stimulate the development of a rational intervention strategy based on clearly defined priorities – rather worked as a mechanism to stimulate the proliferation of development cooperation activities in nearly every sector, undertaken with a high degree of autonomy. This historic development is partially related to the great importance of individual relationships, particularly between people working in similar departments in the public administrations of partner countries. One must also admit that this clearly demonstrates a failure to fulfil political responsibilities over the years, since it is at the political level that we find those responsible for the

definition of strategies and priorities. The 1999 strategic guideline document that we mentioned earlier is a worthy exception in this respect.

One of the objectives of the present document is precisely to define a global strategy for Portuguese development cooperation and to identify the mechanisms needed to channel resources in accordance with this strategy and the priorities defined therein.

Portugal enjoys a number of comparative advantages in relation to other donor countries, particularly (but not solely) in the Portuguese-speaking countries. These comparative advantages are mostly related to language – which points towards the areas of education and training – and history – thus suggesting a special attention to the areas of law and public administration. However, some comparative advantages can also be found in other sectors, as we shall see below. The best use of Portugal's comparative advantages obviously requires a strategy to concentrate resources in those areas, as well as the development of effective instruments and the updating of methodologies in view of the enormous progresses made in the area of development cooperation in recent years. The tradition of decentralising development cooperation budgets, which equally implies the decentralisation of administrative and political decisions, is a major obstacle to the rationality, efficiency and effectiveness of Portuguese development cooperation. This problem, identified on a number of occasions over the years, most especially in the reports on Portuguese development cooperation elaborated by the OECD Development Assistance Committee in 1997 and 2001, obliges us to seek new working methods, better suited to contemporary realities.

[1.3.] Political Responsibility and Accountability for Development Cooperation

One of the priorities for this stage of Portuguese development cooperation is the establishment of a proper link between decisions and political accountability. Indeed, the dispersion of administrative and political decision-making centres in the area of

development cooperation has made it impossible not only to pursue a development cooperation policy in which the various activities correspond to a common paradigm and pursue a common goal, but also to solve the issue of political accountability for those activities.

In this respect, a distinction should be made between technical responsibility and political accountability. Technical responsibility for development cooperation activities lies with numerous departments of the Portuguese public administration, and – in a broader sense – also with the civil society. The skills needed for a proper project implementation cannot and should not be concentrated in a single public institution dedicated to development cooperation. However, the current phase of resumption and consolidation of a development cooperation policy, with its imperatives of rationality, efficiency and effectiveness, requires that cooperation activities be developed

within a framework of political accountability which is new in Portugal, despite the fact that it has been formally enshrined in successive Organisational Laws passed by different Governments.

There are currently three fundamental objectives in order to achieve the necessary conciliation between the direction that is given to a policy and its implementation. The first is the creation of more adequate mechanisms for budgeting and implementing Portuguese ODA. The second is the development of inter-ministerial coordination mechanisms at the political level, thereby resuming a practise which was initially experimented between 1999 and 2001 with the special Councils of Ministers for development coope-ration. The third is to make the best use of and to coordinate civil society initiatives, in their multiple manifestations, with the view to achieving a common approach to development cooperation.

2:: THE INTERNATIONAL CONTEXT FOR DEVELOPMENT COOPERATION

:: International partnerships geared towards an integrated multilateral action, thereby promoting development, security and human rights.

:: The Millennium Development Goals at the core of international partnerships.

:: A new approach for the international mechanisms and financial institutions in the development-related areas.

:: New international commitments, which Portugal also shares, concerning the increase in financial resources available for ODA, gender issues, sustainable development and international trade.

:: The international consensus includes the following principles:

- > Promotion of an inclusive and participatory globalisation.
- > Enhancement of multilateral coordination.
- > Redoubling of efforts to ensure inter-donor policy harmonisation and coherence.
- > Support to the international economic integration of developing countries, through strategies aimed at fostering economic competitiveness.

As an integral part of the Portuguese foreign policy, the policy on development cooperation is defined in an international context, the relevance of which is key to the definition of the principles, values and objectives underlying this policy. The main factors which structure the present international system also help to shape the priorities and activities of the various actors working in the field of international development cooperation.

At the international level, the concept that development and security go hand in hand is now fully accepted. The report by the United Nations Secretary-

General, Kofi Annan, entitled *“In Larger Freedom”*, is the most comprehensive expression of this consensus. The dominant idea in this report is that present-day challenges must be addressed in an integrated perspective which simultaneously entails efforts of development, security and promotion of human rights:

“Not only are development, security and human rights all imperative; they also reinforce each other”.ⁱⁱⁱ Dignity, fulfilment of basic needs and the physical protection of the individual person, as the subject of universal rights, are the central concerns expressed in this report, which also recommends a multilateral effort directed towards global action and based on the establishment and promotion of international partnerships.

The international community is currently faced with the need to deal with the globalisation of exchanges, communications, transport and other flows, alongside a growing integration or, at least, the enhancement of cooperation, at the regional level. International development and progress in this context depend greatly on the ability to find, within the regional space to which each country belongs, the way to a sound and balanced integration into the world economy. Aware of these issues, the Portuguese development cooperation shall seek, in close coordination with the authorities of partner countries, to support their international economic integration, through strategies aimed at fostering economic competitiveness.

Thus, working in a coordinated manner within a multilateral framework is essential to allow for the

convergence of efforts aimed at promoting a universal sustainable development, by giving globalisation a fairer basis and contributing to minimize some of the new risks and threats. At this point, it is important to outline the international trends in the increasingly integrated and institutionalised development cooperation efforts of the various donor countries, including Portugal. Such efforts represent the hope and commitment for the next decade, so that in 2015 the world may be more optimistic, which will only happen if the best use is made of the opportunities and synergies generated by an effort shared by all.

[2.1.] The Millennium Development Goals

The Millennium Declaration, adopted at the 2000 Millennium Summit, is a milestone in the international history of development cooperation. During the major international meetings of the 1990's, such as the 1992 United Nations Conference on Environment and Development (the Rio Summit), the Fourth United Nations Conference on Women in Beijing in 1995 and the Copenhagen World Summit for Social Development in the same year, a consensus gradually began to emerge around the need to adopt, at the global level, a set of effective measures aimed at overcoming the existing and ever growing inequalities and injustices. This resolve had a very significant impact, not only within the United Nations system, but also within other institutions whose field of activity relates to development cooperation.

The fundamental values enshrined in the Millennium Declaration are those of freedom, equality, solidarity, tolerance, respect for the environment, and burden-sharing. The objectives set out in the Declaration were then incorporated into the so-called Millennium Development Goals (MDGs), which, since then, congregate and synthesise a multiplicity of targets that have been integrated into international donors' programmes of activities. Such targets also provide a time-frame for action and benchmarks which different states, both beneficiaries and donors, undertook to fulfil. Portugal shall take into account,

to the full extent of its ability, the most effective ways of contributing to the different goals, and will do its best to avoid duplication of efforts and ensure that support is provided and coordinated in an effective manner.

THE MILLENNIUM DEVELOPMENT GOALS (MDGS)

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development

The Millennium Summit was followed by other very important meetings, which have ensured the follow up to the commitments made in 2000 in several areas of intervention, through the definition of concrete measures aimed at making the implementation of the Millennium Development Goals effective and operational.

Some of these meetings have focused on assessing the progress of the work that began in the 1990's. Thus, in 2000 there was a restatement of the commitment to follow up the implementation of the Beijing Platform for Action, approved in 1995; and in 2004 the consensus achieved at the 1994 International Conference on Population and Development, further substantiated by the MDGs, was reaffirmed.

The 2002 Johannesburg Summit generated a substantial commitment to further strengthen the undertakings to promote sustainable development assumed in the Rio Declaration and Agenda 21. Some of these undertakings are linked to targets and timetables on matters such as access to water and basic sanitation, improvement of the institutional structure to deal with poverty and environmental degradation issues, with the promotion of changes in production and consumer habits, and with the protection and management of natural resources for a sustainable economic and social development.

In the same year, at Monterrey, the Summit on Financing for Development reached a consensus on the need for a global and integrated response of developed and developing countries. The core debate focused on eradicating poverty and promoting sustainable development through a more effective mobilisation and use of financial resources so as to achieve the MDGs. This led to agreement that a greater commitment should be made to mobilising domestic resources, attracting international flows, promoting international trade as a driving force for development, increasing technical and financial development assistance, sustainable debt financing and debt relief, and enhancing the coherence and consistency of international financial and trading systems.

The issue of trading systems was particularly debated in Doha, at the 2001 Fourth World Trade Organisation Ministerial Conference, at which the participating countries made a number of commitments, especially concerning the level of tariff restriction imposed on the Least Developed Countries (LDCs). Concern with the least developed countries was underlined the same year, during the Third United Nations Conference on the Least Developed Countries, which approved the Brussels Declaration, explicitly setting out the goal of putting an end to the marginalisation of LDCs in the world economy.

In addition to having been represented at all these meetings and having assumed commitments therein, Portugal participates in the institutional mechanisms which ensure their follow up and implementation. It is our intention to contribute in an increasingly effective manner to the decision-making process at this level.

[2.2.] International Coordination

This converging international trend is pointing in two fundamental directions: on the one hand, to the need for development cooperation policies that make a more effective use of resources; and, on the other hand, to the need to increase those resources. One of the donor countries' key concerns has been to restructure their development cooperation policies

so that questions of effectiveness are given pre-eminence over other considerations in the allocation of official development assistance. Three types of measures have dominated international efforts to achieve this purpose: the harmonisation of donor policies; the alignment of these policies with those of their partners; and the untying of assistance.

The movement towards harmonisation implies ensuring the convergence of the efforts made in the various development cooperation policies in order to: reduce duplication and increase complementarity; rationalise and simplify donor procedures in order to allow for greater interaction between the different initiatives; and increase donor coherence and coordination. At the European Union (EU) level, for example, this trend is reflected in the "3 Cs" – complementarity, coordination and coherence – policies set out in the Maastricht Treaty, and strongly reflected in the policies pursued by the European Commission.

The 2003 Rome Declaration marked the tendency to align donor policies with priorities of partner countries, which was later underlined in the Paris Declaration of 2005. Both Declarations are part of a bi-dimensional philosophy involving the appropriation of development policies by their beneficiaries on the one hand, and, on the other, empowering beneficiaries to define for themselves priorities which donors can refer to.

Another concern relates to the untying of assistance, thereby seeking to ensure that the definition of policy priorities and central axes is more influenced by considerations of efficiency than by the political or economic interests of donor countries. At the High Level Meeting of the OECD's Development Assistance Committee in 2001, Member States and development agencies drew up a recommendation that development assistance to least developed countries should be untied, while reinforcing the responsibility of recipient countries for the allocation of funds^{iv}. It is in this context that the partner countries are increasingly being required to define their own priorities in strategic documents which are made available to the international community and then

serve as the basis for the policies of different donors for the country in question. This process renders the distribution of resources more effective. This trend is backed up by the setting of precise targets, objectives and indicators for the areas of intervention, which in turn make it possible to subject international assistance to the fulfilment of these technical criteria. In addition, the establishment of these criteria facilitates progress towards a greater coordination and articulation of efforts among donors.

At the same time, the increasing participation of civil society institutions in the major international conferences, either as observers or as effective participants in the preparatory work and prior consultations, or even as active participants in the meetings themselves, reflects the tendency towards achieving a consensus in relation to development cooperation policies among all interested parties.

Having said this, just making more effective use of resources is not enough. There is also a consensus behind the idea that an increase in resources is

crucial. This concept started to be developed in Monterrey. At the EU level, concrete commitments have been formalised with a view to increase Official Development Assistance. The European Union has undertaken to provide ODA worth 0.7% of GNI by 2015, with an interim joint target of 0.56% by 2010. The latter includes individual targets of 0.51% for the longest-standing Member States, including Portugal, and a target of 0.17% for the most recent Member States. In 2002 Portugal also undertook to comply with the figure of 0.33% of GNI for ODA by 2006. The 2005 Paris Declaration also contains commitments by the international donor community as a whole to increase ODA.

Efforts to increase resources and rationalise the way in which they are used have also been reflected in the creation of financial institutions, instruments and mechanisms specifically dedicated to development, such as the Cotonou Agreement Investment Facility, the NEPAD Investment Facility, and the European Development Finance Institutions (EDFI), which already exist in many EU countries.

- :: To contribute to the achievement of the Millennium Development Goals.
- :: To contribute to the reinforcement of human security, particularly in “Fragile States” or post-conflict situations.
- :: To promote the Portuguese language, as an instrument of education and training.
- :: To promote economic development, while ensuring social and environmental sustainability.
- :: To participate more actively in international debates, in support of the principle of international convergence around common objectives.
- :: To increase ODA resources.

To the extent that it offers us hopes and possibilities, as well as dangers and vulnerabilities, globalisation compels Portugal to have very clear ideas and strategies for development cooperation. These are based on values and principles which, while universal, are also founded on a vision of both Portugal’s history and its contemporary reality. The fundamental purpose of Portuguese Development Cooperation is thus:

to contribute, most especially in the Portuguese-speaking countries, to a better and more stable world that is characterised by economic and social development and by the consolidation and strengthening of peace, democracy, human rights and the rule of law.

This vision of the role of Portuguese Development

Cooperation is reflected in a number of strategic guidelines, of which we shall highlight the following:

- > Commitment to pursue the Millennium Development Goals;
- > Reinforcement of human security, particularly in “Fragile States” or post-conflict situations;
- > Promote the Portuguese language, as an instrument of education and training;
- > Promote economic development, while ensuring social and environmental sustainability;
- > More active participation in international debates, in support of the principle of international convergence around shared objectives.

[3.1.] Commitment to the Millennium Development Goals

The fundamental purpose of Portuguese development cooperation is consistent with all the international efforts, primarily led by the United Nations, aimed at achieving the Millennium Development Goals.

The Millennium Development Goals are the standard which guides international development cooperation efforts. Portugal directs its development assistance in such a way as to ensure that it is fully consistent with international efforts. Values underlying the MDGs have already been mentioned: freedom, equality, solidarity, tolerance, respect for the environment, and burden-sharing. Specific goals and targets deriving from these values will be more present and visible in all development cooperation programmes, so that Portugal is more in line with the current trend of international convergence

around common objectives. Particular emphasis will be given to the contributions which Portugal can offer through the Portuguese language and the country's historic experience.

The MDGs are more than just an expression of basic solidarity rooted in a simple sharing of the human condition. They provide us with a statement of the minimum requirements for international peace and stability in the context of globalisation. The global stand of Portuguese foreign policy is fully consistent with such purpose, and thus development cooperation is at the core of this policy. The fight against poverty and exclusion is clearly both a value in itself, and a factor for peace and stability. In this way, Portuguese development cooperation will contribute to increase the capacities of partner countries in all areas, by reinforcing the social fabric and local institutions, promoting access to basic schooling and healthcare, and creating conditions conducive to employment, especially for the young. The fight against poverty requires constant improvements in the field of good governance, and also contributes to good governance. We now know that policies which take into account gender equality tend to have more important multiplier effects for society, besides being also intrinsically fairer, and this aspect shall be considered when deciding on the support to be given. We consider it important to enhance the social role of women, as well as their sexual and reproductive rights. In this respect Portuguese development cooperation gives a clear contribution towards achieving the purposes of the 1979 *Convention on the Elimination of All Forms of Discrimination against Women*, and of the 1995 *Beijing Platform for Action*. In short, given the consistency between the core values of Portuguese foreign policy and the values underlying the MDGs, these Goals apply to Portuguese development cooperation, just as they apply for the development cooperation of many of the most developed countries in terms of Official Development Assistance, as a fundamental script for the choices which have to be made.

[3.2.] Reinforcement of Human Security

The review of the dominant security-related concepts which took place in the years that followed the end of the Cold War led to the firm establishment of the notion of human security. In 2003 the Commission on Human Security, set up by Kofi Annan and chaired by Sadako Ogata and Amartya Sen, published the report entitled *Human Security - Now*. This report, which is presently an integral part of the increasingly established international consensus on global responsibilities, calls the attention to the fact that deprivation is one of the main causes of violence, although one must be careful to avoid establishing simplistic and linear relations between the two. Development cooperation, provided that it is adequately implemented, is an instrument to reinforce human security – and therefore international security.

As part of the reinforcement of the policy on Human Security, and given its close connection with the Millennium Development Goals, one must bear in mind the contribution made by our Technical Military Assistance and by our Technical Police Assistance, particularly concerning the Reform of the Security Sector.

In this respect, Technical Military Assistance has a comprehensive field of action aiming at, in coordination with the countries with which we cooperate:

- > Ensuring greater effectiveness of their processes of internal stabilisation and state-building and consolidation.
- > Participating, within its field of intervention, in capacity-building so that those states can ensure security levels compatible with the principles of democracy, good governance, transparency and the rule of law – a process that involves issues related to the structuring, regulation, management, financing and control of their defence systems – thereby facilitating development.

Technical Police Assistance aims at contributing to develop forms of organising the internal security, border control, information management, protection

of public order and crime combat systems of those countries with which we cooperate. In doing so, it puts an emphasis on relations between security forces and services at the organisational, methodological, training and instruction levels, and takes part in the reinforcement of internal stability requirements, autonomy of political institutions and security of populations, and in consolidating the primacy of the essential values of democracy and the rule of law.

Technical Military Assistance and Technical Police Assistance will thus contribute to the Reform of the Security Sector, by supporting the development of appropriate institutional structures that ensure the primacy of political control and are able to carry out the operational tasks assigned by civil authorities.

In the current context, in which security and defence are also influenced by globalisation, special attention must be paid to our partners' areas of regional integration, either neighbouring countries or regional and sub-regional organisations to which they belong.

This tendency also means taking into account the partnerships which are gradually being established between those regional and sub-regional organisations, the EU and NATO, in which our Armed Forces' "dual" experience and knowledge – thanks on the one hand to their participation in the Union and the Alliance, and on the other to the long-standing bilateral relationship with our Technical Military Assistance partners – can be enormously useful to the latter and important to enhance the visibility of Portugal and affirm its role in the world. To the extent that initiatives undertaken under Technical Military Assistance promote security, which in turn is a requirement for development, our expenditure in this field shall increasingly be accounted for as Official Development Assistance, in accordance with the eligibility criteria in force at the international level.

Portuguese development cooperation pays particular attention to two fundamental aspects of support for human security: protection and autonomy. Protection means support for civilian victims of violent conflict and includes political, military, humanitarian and development-related approaches. It is especially important to pay attention to the

situation of refugees and internally displaced persons and to support the work of international organisations which protect and promote their rights. The promotion of autonomy means creating the necessary conditions for people to settle and find employment in post-conflict situations, including by supporting the demobilisation and reintegration of combatants. It also entails strengthening the mechanisms for the creation of human security in "Fragile States", including by providing appropriate assistance in the areas of police and armed forces.

Support for good governance, the rule of law and respect for human rights are important elements in any policy intended to reinforce human security. Portugal supports the creation of a Peace-Building Commission within the United Nations system, precisely because we consider it an important instrument to increase human security. Portuguese development cooperation, both bilateral and multi-lateral, will pay special attention to human security issues, including by supporting integrated projects and programmes, and the reinforcement of national and international capacities of analysis in this important field.

[3.3.] Promoting the Portuguese language

Portuguese language is today a common heritage of four continents, and an instrument of capital importance for cooperation and development. At the external level, it is simultaneously a communication platform indispensable to a full participation in contemporary international life, and an important contribution to further affirming Portuguese-speaking countries' place in the regional contexts to which they belong.

At the internal level, this is a fundamental element of the identity of Portuguese-speaking countries, an increasingly important value in the present context of intense exchange of economic and cultural flows. For Portuguese-speaking countries, this linguistic heritage is the starting point to achieve, in the first place, the Millennium Development Goal of universal primary education. In fact, supporting the teaching of the Portuguese language represents

providing an instrument which will enable educated children to develop all their potential since, besides any other languages the child may have contact with, the Portuguese language is an important means for economic, social and cultural development.

Also in terms of vocational training, at all levels, the ease to communicate in Portuguese gives Portuguese-speaking countries a privileged vehicle to consolidate already strong ties which exist and are relevant at the level of CPLP. Portuguese development cooperation will thus contribute to the establishment and consolidation of solidarity ties, by reinforcing the means available for training of trainers in Portuguese-speaking countries.

Contributing to the dissemination of the Portuguese language by articulating a language policy with a cultural one – especially among young people and those social groups which have less access to schooling – is a value added particularly important to the development of both the individual and the reality of which he or she is a part. In this respect, Portugal has clear comparative advantages which it will use in its development cooperation policy.

It is also important to mention the need for the joint development of computer applications in Portuguese and for the production of new Internet contents, which are essential to give the Portuguese-speaking world a new capacity to communicate in the digital era.

[3.4.] Promoting Sustainable Economic Development

With our various decades of theoretical and practical experience, we can consider it to be an established fact that development must be understood and supported in a multidimensional way. For one thing, it is now clear that development must be promoted in the light of its economic, social and environmental sustainability. In line with the best international practises in this domain, Portuguese development cooperation is committed to promoting initiatives that stimulate sustainable development by balancing economic growth with social protection mechanisms – so that the generation of wealth is not accompanied by the creation of poverty – and environmental protection mechanisms – so that material wealth is

not generated by dilapidating environmental heritage. Where social protection is concerned, we should also note the work that has been done in relation to the Social Security Agreements celebrated between Portugal and various other countries, which seek to promote the social protection of people from countries with which Portugal undertakes development cooperation actions. In this field social inclusion and support for the development of social infrastructures is especially significant.

Sustainable development is a guiding principle whose importance is clearly reflected in two of the objectives listed in the MDGs, while several of the others are also linked thereto. Thus, the interventions of our development cooperation in this area shall be very diverse, but will bear in mind the need to support the social sectors which are less able to find other alternatives for their economic sustenance.

[3.5.] Contributing to International Development Discussions

In the last few years an acute awareness of the need to find global responses to global problems emerged, especially since it became terribly clear that the consequences of the economic and social marginalisation of some parts of the world's population have the potential to unbalance international dynamics throughout the planet. This awareness has resulted in a renewed willingness, on the part of many countries, to discuss together the best strategies to address the problems posed, thereby ensuring that international efforts converge in the search for the necessary solutions. Portugal will not remain absent from such debates, or from the need for international convergence and coordination.

In the different circles where Portugal has a say about development cooperation matters – be they permanent international *fora* like the European Union, the United Nations, the OECD, or the Bretton Woods Institutions and Regional Development Banks, or be they *ad hoc* or temporary groups created in response to a particular problem – the guiding principles expressed therein shall be upheld and furthered by national representatives. The selection that is necessary given our limited human resources

–diplomatic and technical – will be made in accordance with the relative importance of each issue for the guiding principles set out herein.

Simultaneously, Portugal is participating in the major international quantitative and qualitative effort that is being made in favour of development. The international

targets which have been set, and which Portugal helped to define, are important objectives to our Government.

In qualitative terms, Portugal unreservedly subscribes to the need to develop and deepen a partnership for development, as set out in the eighth MDG: *Develop a global partnership for development*.



:: To apply the principles of respect for human rights, for good governance, for environmental sustainability, for cultural diversity, for gender equality and for the fight against poverty in development assistance actions.

:: To concentrate development cooperation projects on Portuguese-speaking countries, including the regional areas to which they belong.

:: To undertake development cooperation actions in priority areas: good governance, participation and democracy; sustainable development and fight against poverty, particularly in the sectors of education, health, rural development and environment; and economic growth, thereby contributing to sustainable development, especially through appropriation by and capacity-building of partner countries.

:: To increase support for actions on education for development both in Portugal and within the EU framework, thus creating knowledge and raising the awareness of Portuguese public opinion to issues of international development assistance.

The priorities of Portuguese development cooperation are defined on the basis of the principles and objectives explained above. In fact, the principles of respect for human rights, for good governance and for environmental sustainability, for cultural diversity, for gender equality and for the fight against poverty are also understood as the starting point for the establishment of thematic and sectoral priorities. On the other hand, these priorities also reflect the role that Portugal wishes to play on the international scene.

[4.1.] Geographic Priorities

Portuguese-speaking countries – most especially PALOPS and Timor-Leste – are priority intervention areas for Portuguese development cooperation. This focus has been in place since Portugal first became involved in development cooperation activities, both at the level of projects undertaken within a bilateral framework, and those which are implemented by civil society organisations. When concentrating our official aid on Portuguese-speaking countries, the regional areas to which these countries belong are included as important spaces for the development of cooperation actions. Even within our bilateral relations with Portuguese-speaking countries, we must know how to integrate those relationships into the appropriate regional and sub-regional contexts.

This geographic concentration of official aid and a clear definition of sectoral priorities is intended to make our development cooperation more effective by promoting the image of Portugal as a credible partner. Furthermore, we must fulfil the international commitments we have undertaken. Portugal is in a special position to make a positive contribution to the important international mobilisation in favour of the needs of Africa, and will continue to dedicate a major part of its ODA to this continent. In this respect, South-South relations should also be encouraged, especially among Brazil, Portuguese-speaking African countries and East Timor. The promotion of CPLP, given the wealth of its shared knowledge and the strategic position it may assume within the international community, is a priority for Portugal.

Although it is only natural that Portuguese development cooperation should continue to focus primarily on Portuguese-speaking countries, the recent trend of allocating a part of development cooperation resources to other countries shall be continued. This includes countries with which Portugal has relevant historic connections, such as Morocco, South Africa, Senegal or Indonesia, among others. However, in order to avoid fragmentation and dispersion, our development cooperation activities in countries outside the CPLP area will always be conducted on a smaller scale.

[4.2.] Sectoral Priorities

Taking into account the specific realities of each country and region and the challenges posed by the re-orientation of our development cooperation towards the MDGs, and also bearing in mind that the efficiency of development cooperation requires a degree of geographic and sectoral coordination and concentration, the following sectoral priorities have been established:

A. Good Governance, Participation and Democracy

It is intended to:

- > Reinforce institutional support and capacity-building actions which contribute to strengthening the rule of law. This includes training and capacity-building programmes for public bodies, as well as programmes to support the good management of public affairs, and support for the reform of public administrations, particularly as regards the processes to consolidate local administrations; the improvement of administrative rules, standards and procedures; the elaboration of adequate legislation; and the strengthening of the capacities to devise and improve management mechanisms, namely at the level of tax reforms and the reform of the statistical sector.
- > Provide support in areas that are of key importance to good governance, such as home affairs, justice and public finances.
- > Collaborate in the consolidation of the internal secu-

rity system, in its different dimensions and in full compliance with the principles of the rule of law.

- > Support electoral processes.
- > Increase budget support whenever there is an adequate local and international framework.
- > In the most Fragile States, focus on the development of programmes promoting peace and the prevention and management of conflicts, as well as on measures to support post-conflict stability. In this context, our Technical Military Assistance will be able to support the reform of defence structures in partner countries, namely in the following areas: definition of a defence policy; reorganisation of the armed forces to ensure they fulfil their function of promoting the stability of the state; military training and instruction; and the adoption of codes of conduct designed to ensure respect for international law, human rights and international humanitarian law. Support for partner countries' regional insertion, and especially for their participation in Regional Organisations of Security and Defence, with a view to building their capacity to participate in Peacekeeping and Humanitarian Operations, must be the subject of particular attention within the Technical Military Assistance, namely as it concerns concepts, doctrines and principles.

We consider that it is fundamental to help promote representative and participatory democracy and political pluralism by promoting mechanisms for social dialogue, both because of what it directly represents in terms of quality of citizenship, and because of the positive dynamics between democracy and development. In this respect it is extremely important to support both the empowerment of civil society and the development and consolidation of associative movements.

B. Sustainable Development and the Fight Against Poverty

Viewing poverty as a multidimensional phenomenon, to combat it entails access to healthcare, basic literacy and educational support, minimum training, food safety and improved housing, as well as support

for activities that generate income, actions to foster social inclusion and to promote equality of opportunities, and bearing in mind the Millennium Development Goals, Portugal seeks to contribute to the human and economic development of the populations of partner countries, namely:

- > In the field of **Education**, which is seen as a key sector for Portuguese development cooperation. In this field we shall support basic schooling, including adult literacy activities, thereby promoting the attainment of the second Millennium Development Goal. Special attention will also be paid to technical and vocational education and training, and technology must be put at the service of education, particularly through long-distance learning programmes. Technical and vocational education and training is a fundamental tool to develop the productive sector of developing countries and constitutes the first step in a multi-sectoral process of social inclusion. Scientific and technological assistance is also a relevant instrument to strengthen local capacities to formulate, implement and evaluate public policies which promote economic and social development, as well as to disseminate an informed and active citizenship with an effective capacity to help meeting the challenges of the know-how-based society. Concerning assistance in the field of higher education, which is also important, it shall be the object of a clear and coordinated policy geared towards the promotion of quality education and the development of opportunities for the creation of public and/or private educational institutions in the Portuguese-speaking countries, with a view to fulfilling the emerging educational needs for the global society. In the same sense, the current scholarship policy will be re-defined in order to respond to the real needs of capacity-building, training and advancement in partner countries. It is thus intended to ensure the sustainable access of local populations to good quality education. Education must also interact with **culture**, which is a relevant and
- important area to build multicultural societies with the ability to promote and make the best use of their cultural specificities in a globalised world. In this context we include development cooperation aimed at improving the cultural heritage, most particularly movable and intangible heritage assets.
- > **Health** is another major area for Portuguese development cooperation, given the know-how and experience that we have acquired over the years, especially about the reality of life in African countries and Timor-Leste. Millennium Development Goals 4, 5 and 6 indicate the need to undertake an international effort to reduce child mortality, improve maternal care and combat the incidence of HIV/AIDS, sexually transmitted diseases, malaria and tuberculosis. Above all, it is important to improve the capacity to work in the fields of primary healthcare and hygiene, thereby bringing development assistance efforts closer to the population's basic needs. Ensuring access to healthcare is a fundamental premise of the right to social protection.
- > **Rural Development** is intrinsically linked to the issue of food safety and poverty, inasmuch as a considerable proportion of the population of developing countries lives in a rural environment, where incomes are lower. In this field, development cooperation must help to ensure that populations of developing countries have permanent access to nutritive and safe foodstuffs, in enough quantities to enable them to lead active and healthy lives. The Universal Declaration of Human Rights recognises that this access is an individual human right. Portugal will take part in the international initiatives against hunger, and shall contribute to the eradication of poverty by promoting community management and the best use of traditional crops, as well as of the local institutions connected with rural development.
- > **Protecting the environment and the sustainable management of natural resources** – particularly water resources – are also priority areas for Portuguese development cooperation. Environmental

sustainability is a fundamental component of human development. Both MDG 7 and the commitments undertaken at the Johannesburg Summit indicate the need to promote the good management of environmental resources, particularly water resources and access to water and sanitation. The vast majority of developing countries also have vast coastal areas and some are already in danger due to the impact of global environmental threats, such as climate changes and desertification. Environmental protection and territorial planning are thus essential to guarantee that populations enjoy a minimum quality of life, since they directly impact on human health and the fight against poverty. It is therefore important that Portuguese development cooperation places the value added of its knowledge at the service of a sustainable management of natural resources – particularly water resources – in the developing countries.

- > It is particularly important to stimulate **economic growth, the development of the private sector, training and job creation**. Training and incentives for job creation ensure the improvement of local living conditions and promote the integrated and sustained development of entire countries. In this sense, the social inclusion of young people – especially from groups at risk – promotes social pacification and economic growth of developing countries. In fact, all development requires growth, and thus Portuguese development cooperation will support initiatives which pursue these objectives, particularly those with a greater capacity to generate jobs. This includes micro-credit programmes associated with income-

-generating activities. Portuguese development cooperation shall also help to promote a culture of entrepreneurial association and to build in partner countries the capacity to create labour conditions, competition policies and legislation that attract investment, and that strengthen and stimulate local economic development.

C. Education for Development

- > Education for Development is an important priority for Portuguese development cooperation. It is fundamental that we promote knowledge and raise the awareness of Portuguese public opinion to the issues of international development cooperation and active participation in global citizenship. This priority, although less costly than some of the others, is an important factor in civic education, particularly to ensure that the younger sectors of the Portuguese population are able to participate fully in the response to the global challenges that lie ahead.

The degree of urgency and importance of each of the priorities we have discussed here will vary depending on the partner country in question, and it is important to underline that in each country our development cooperation must concentrate most of its support on just three or four priority areas, so as to put an end to the dispersion of support which was so frequent in the past and is so harmful to the rationality, effectiveness and efficiency of our efforts.

To fulfil these priorities, an effort of operational re-direction must be made. The first step to such re-direction is taken in this document, through a clear definition of the priorities themselves.

:: To uphold the principle of dedicating special attention to Africa and in particular to the Least Developed Countries, with a view to achieving the Millennium Development Goals, and to matters such as the support to Fragile States.

:: To strengthen the Portuguese-speaking area by enhancing the CPLP's area of intervention.

:: To develop and implement a bi-multi approach to Portuguese Development Cooperation, thereby complying with the international commitments made in the Paris Declaration and enhancing its comparative advantages.

:: To pay special attention to the development of partnerships with United Nations agencies and within the framework of the EU, the OECD and the International and Regional Financial Institutions.

The significant increase in the intensity of international coordination in the last few years is a major challenge for Portuguese development cooperation, and particularly for its ability to operate within the multilateral framework which is so important today. At the same time this challenge is an opportunity that Portuguese development cooperation will seek to make use of in order to disseminate and project its underlying principles in spaces which go beyond those that would be possible in a strictly bilateral action.

At present, Portuguese development cooperation already devotes almost half of the full amount of ODA to multilateral development cooperation. To a large extent, this results from the fact that Portugal is present in several multilateral contexts, some of which are of great importance to the international development agenda. The involvement of Portugal in the major debates undertaken within the multi-

lateral *fora* should contribute to a more effective defence of our foreign policy's strategic interests and to the elaboration of international strategies.

Furthermore, one of the most visible characteristics of our time is that the rigid distinction between bilateral and multilateral development cooperation has ceased to be sustainable, because the ideas and methodologies which are developed within the multilateral system heavily condition and influence development cooperation work conducted at the bilateral level. We are thus currently faced with a scenario which requires a new way of working, taking to multilateral circuits the values and beliefs underlying national development cooperation, and bringing from these *fora* new methodologies and approaches.

In March 2005, together with ninety other countries and dozens of non-governmental organisations, Portugal signed the Paris Declaration on Aid Effectiveness. Compliance with the spirit and the letter of this international agreement implies a very significant development of our national capacity to work at the crossroads between the bilateral and the multilateral scenes.

[5.1.] General Guidelines for the Multilateral Context

Special attention to Africa

Portugal welcomes the emphasis that has been given to the African continent in recent years and identifies itself with the European commitments to devote additional efforts to the development of Africa. Three fifths of Portugal's ODA are already allocated to Africa – a proportion that is very high in interna-

tional terms – and we intend to maintain this commitment to the continent.

From the Portuguese point of view, supporting Africa is one of the most important challenges posed by globalisation, this being an historic age with the potential to promote peace and prosperity on an unprecedented scale. However, this goal will only be achieved if we manage to avoid the marginalisation of some important parts of the world, namely the African continent.

Through multilateral action, Portugal supports the individual development programmes of a number of African countries, such as the National Indicative Programmes that have been negotiated under the aegis of the Cotonou Agreement. The Portuguese involvement in this important European international commitment – which follows the track of the innovative approaches taken by the Yaoundé and Lomé Conventions – represents a major contribution to the equitable development of the African continent, including in countries with which Portugal has few historical ties. Through its participation in the World Bank and African Development Bank groups, Portugal also supports national growth and poverty reduction programmes pursued by African countries in general and the PALOPS in particular.

At the same time, the multilateral track is the best way to promote solutions to some of the structural problems which the beneficiary countries face, for example related to issues of good governance, regional integration, and cross-border challenges. Portugal will thus pay special attention, within its partnerships with United Nations agencies, and within the EU and the international financial institutions, to the promotion of internationally coordinated support aimed at responding to the specific sectoral problems of African countries – beginning with the PALOPS.

OECD is another forum in which Portugal will contribute to African development, both by discussing general guidelines for international official development assistance and by promoting relevant research in order to identify the most appropriate responses to the circumstances prevailing in Africa.

Support for stabilisation and transition to development

Portugal shall take a particular interest in all initiatives concerning support for the so-called “fragile” or “failed” states, as well as in activities aimed at promoting post-conflict stabilisation and development.^v

In fact, the existence of “Fragile States” is one of the major threats in the era of globalisation – not only for the populations of these states, but also for many people in other parts of the world. The nature of the problems which “Fragile States” face requires a coordinated multilateral and bilateral approach. Portugal will support multilateral initiatives aimed at making the world a safer place. In this respect it is essential to remember Kofi Annan’s words in his report “*In Larger Freedom*”:

“...we will not enjoy development without security, we will not enjoy security without development, and we will not enjoy either without respect for human rights.”

In many cases, the costs of initiatives aimed at correcting some of the fundamental problems of “Fragile States” could be substantially lower – or could even be avoided altogether – if there had been a coordinated international intervention in due time to address evident signs of disintegration in a society. In recent years, there has been a substantial improvement in the early warning mechanisms for these signs, precisely due to the international recognition of the danger posed by “Fragile States”. We therefore consider the multilateral commitment in countries which can be described as “Fragile States” – that is to say, those which run the risk of degenerating and disintegrating, thereby spreading insecurity not only among their own citizens but also among those of the region to which they belong – to be particularly relevant. Portugal will contribute to the relevant international efforts in “Fragile States” by both multilateral and, where appropriate, bilateral means.

Support for the Millennium Development Goals

The transformation in international development cooperation that has taken place in the first few years

of this century, and which is symbolised and driven by the joint efforts around the Millennium Development Goals (MDGs), very clearly underlines the fact that coordination is fundamental to address international development challenges. In fact, the methods employed for decades in official development assistance, namely uncoordinated bilateral aid, are perhaps the most important reason why international development cooperation work has been a relative failure. As this reality progressively imposed itself in the most important development analyses, it also began to be clear that the consequences of underdevelopment were threatening the overall international balance in this age of globalisation. This combination led to the definition and consolidation of the MDGs as targets which are polarising international efforts. Portugal will not remain detached from this international convergence.

So far, Portugal has had some delay in adopting the MDGs as a relevant element in the definition of its national development cooperation policy. However, from 2005 onwards and until the internationally set 2015 deadline, the MDGs will be at the centre of the options to be considered by the Portuguese development cooperation. There is thus a principle of alignment and harmonisation between national and international strategic guidelines, with the consequent creation of basic conditions to ensure that Portuguese development cooperation contributes to the major international objectives, and that the best use is made of resources available at the international level in areas and issues with which we are familiar.

International success in relation to the MDGs is not solely dependant on official development assistance. The impact of globalisation is felt in many different fields, leading to an increasing tendency to make reference to the need for coherence in the different spheres of economic policy, including those related, for example, to trade and agriculture. The Portuguese participation in multilateral debates will take into account the necessary coherence between the different sectoral policies and the values which underpin our foreign policy.

Strengthening the Portuguese-speaking area

The ability to network, thereby making energies and resources from different sources converge to a common effort, is recognized as a fundamental skill in contemporary international relations. The capacity to generate, from shared references, synergetic approaches to common problems is thus highly relevant. This is how the Portuguese-speaking world must be understood: not only as a shared linguistic space, but rather as a relevant area for networking. The CPLP, an international organisation congregating the various Portuguese-speaking countries, is an important area for the work of Portuguese development cooperation, particularly as it gives the possibility to use our common language to stimulate interventions involving three or more Portuguese-speaking countries. Strengthening the Portuguese-speaking area is a way of increasing the capacity of CPLP countries to respond to the challenges of globalisation which concern us all.

Development cooperation has been one of the pillars of the CPLP ever since its foundation. However, so far it has not entirely developed all its potential in this field. As we approach the CPLP's tenth anniversary (2006) it is worth thinking about the mechanisms and approaches most conducive to strengthen development cooperation in the Portuguese-speaking world.

[5.2.] Multilateral Contexts for Portuguese Involvement

As a European and Portuguese-speaking country which is attentive to both the problems of development and the challenges of globalisation, Portugal has a voice in an important range of *fora* for multilateral dialogue. Within the European Union, Portugal participates in the definition of the Community development cooperation policy towards both the ACP (Africa, Caribbean and Pacific) countries via the Cotonou Agreement, and the Latin American and Asian countries. The recent enlargement to 25 (and soon 27) Member States and the possibility of further enlargements in the future are bringing new dynamics into the European discussions on development issues. While respecting and

dialoguing with all its European partners, in this context Portugal will defend the guiding principles of its multilateral interventions.

Within the United Nations, Portugal actively participates in the major international debates on development issues that take place at the General Assembly and ECOSOC, and works closely with relevant UN agencies, particularly UNDP, UNHCR, UNFPA and UNICEF. Portuguese development cooperation cooperates with these agencies not only through contributions to their central funding, but also through the financing of specific projects by earmarking certain sums to such projects. The Portuguese Ministry of Foreign Affairs, primarily through the Portuguese Institute for Development Support (IPAD), shall also work in close coordination with other ministries regarding initiatives within the mandate of agencies such as the FAO, the WTO and the ILO.

The OECD is another important forum for discussions on international development matters, particularly via the Development Assistance Committee (DAC) and the Development Centre. The DAC is presently one of the main centres to produce information and build consensus and knowledge on development cooperation, and Portugal will participate actively in its current work. Unable to participate to the same extent in all of the DAC's vast range of activities, Portugal will favour thematic work more closely related to the guiding principles set out in this document.

International financial institutions, namely the World Bank, the International Monetary Fund and the regional development banks, are important points of reference for international debates on development cooperation. Portugal has been expanding its presence at, and its capacity to intervene in, these institutions. It is important to reinforce coordination between the Ministries of Foreign Affairs and Finance.

Given their growing importance, regional organisations, are another multilateral sphere requiring our attention. Portugal is an active participant in the work of the Ibero-American summits, currently on

the verge of a major institutional transformation that will undoubtedly give the block a renewed capacity to affirm itself, not only as an arena for political and diplomatic coordination, but also as a development cooperation forum. Portuguese development cooperation will also be attentive to the need to support the strengthening and intervention capability of institutions like the African Union, SADC and ECOWAS (including through Technical Military Assistance), which are currently playing an increasingly leading role in the architecture of peace, security and international development.

[5.3.] Strengthening the Bi-Multi Approach

The way in which international development cooperation has evolved over the last decade, and particularly since the turn of the century, is significantly reducing the traditional distinction between bilateral and multilateral development cooperation. Portuguese development cooperation, like the development cooperation of other donor countries, must be up to these challenges. It is therefore fundamental that bi-multi working methods are strengthened, thus enhancing the advantages of integrating into a common logic the resources spent both bilaterally and multilaterally. It is a question of finding ways to enhance bilateral development cooperation, by pursuing it in partnership with multilateral efforts, while simultaneously ensuring that bilateral efforts are directed, in a coordinated manner, so as to converge with other partners' interventions. IPAD, as an interlocutor with both the various sectoral ministries and international agencies, will have a key role to play in this process.

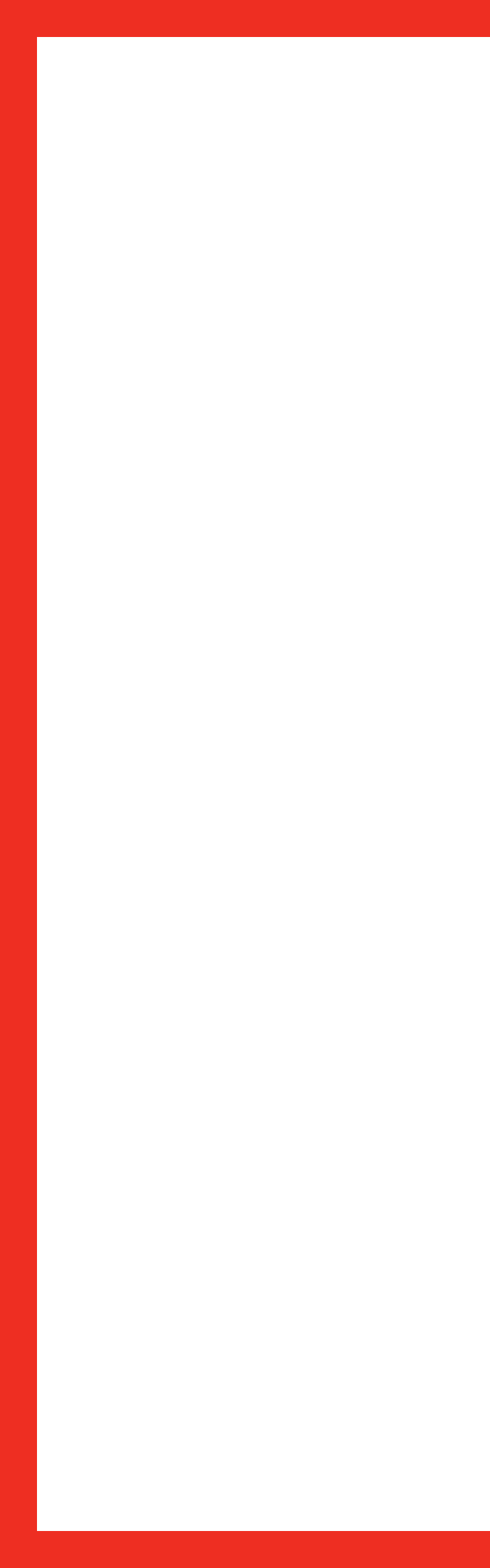
There are several ways to implement this guideline in a concrete manner. Two of the most obvious deserve a special mention here. The first is the direct funding of multilateral projects whenever this way of working offers significant value added. Portugal already finances this type of projects – with UNDP, ILO and UNESCO, for example – through the establishment of Trust Funds or other mechanisms. The second entails a much more intense participation in international coordination

processes, both in debates on strategy and in the ensuing channelling of bilateral funds to sectoral or thematic interventions agreed within such coordination processes. It should be noted that in two Portuguese-speaking countries – East Timor and Mozambique – international coordination is very intense and Portuguese participation in this coordination must be much more active. These two examples of bi-multi working methods should be further developed, without prejudice to other methodologies with the same purpose. In this convergence between the bilateral and the multilateral there are also many interesting possibilities for the development of projects shared with other countries, either individually or in small groups. This is a practise that some countries already follow to a

large extent, as a natural consequence of the international changes described herein.

Portugal's bi-multi relations are also reflected in the Multilateral Development Banks (MDBs), through the Technical Cooperation Agreements which gave rise to the current bilateral Trust Funds. The latter enable Portuguese consultancy companies and individual consultants to compete for the technical assistance projects that the MDBs promote in developing countries, namely in PALOP.

In summary, time has now come for a more committed and intelligent participation in the multilateral development cooperation system, in pursuit of the fundamental values which guide the Portuguese official development assistance and, on a broader scale, our overall foreign policy.



Chapter
**6:: Supporting
the Private Sector**

:: To encourage public/private partnerships.

:: To create a new Financial Institution, with the core mission of rendering more dynamic those economies which benefit from Portuguese ODA, while supporting sustainable development, in particular through the involvement of Portuguese private enterprises.

:: To promote a strategic national coordination involving the different public and private sector institutions.

There can be no sustainable development without private initiative, which does not exclude, and has never excluded, the decisive role of the state. ODA plays an irreplaceable role in many countries around the world, inter alia in the least developed ones, but it is an accepted fact that the most important objective when it comes to modernising economies that are finding it hard to achieve international economic integration, and making them more dynamic, is building a market economy that works properly. In turn, a fair and efficient market economy requires the development and permanent consolidation of a strong institutional basis – particularly a legal, social and economic framework which the state must primarily ensure. This necessary conciliation between state and market – which for some time were considered to be opposing forces – is now broadly consensual in studies on development, as reflected in the World Bank's 2002 Annual Report, which is devoted to this topic.

Also in 2002, the Monterrey Consensus called attention to the great importance of improving the envi-

ronment for private sector initiative in any development strategy. As there can be no sustainable development without private sector investment and dynamism, a development strategy requires the creation of conditions that foster private sector activity. In this respect, it is important to underline the primary role of good governance, which is succinctly outlined in the Monterrey Consensus:

“Good governance is essential for sustainable development. Sound economic policies, solid democratic institutions responsive to the needs of the people and improved infrastructure are the basis for sustained economic growth, poverty eradication and employment creation.”

We thus conclude that ODA has a major role to play in promoting market economies and that this role is multifaceted, including activities as diverse as support for the functioning of a reliable legal system, training to promote employment, granting of concessional credit and fostering public/private partnerships, among others. Portuguese development cooperation is attentive to this reality and will support the development of the private sector and of market economies in partner countries, thereby associating itself with the major international trends in this field. To a large extent, the institutions which are fundamental for market economies to function properly – such as appropriate laws and a legal system with the ability to enforce them – depend on the state. For example, the common legal and judicial framework that Portugal shares with other Portuguese-speaking

countries is a clear resource for Portuguese development cooperation and an area of work which is fundamental for the economic development of these countries. At the same time Portuguese enterprises are among the largest investors in every Portuguese-speaking country, and thus constitute a critical mass that is important to the country's economic development.

Portuguese development cooperation will support the consolidation of market economies in the countries in which it operates, both through IPAD and through a new institution that is to be created within the ongoing process of development cooperation reform. IPAD, geared towards ODA, shall act primarily with the view to support the creation of an environment conducive to the development of market economies – i.e. in the fields of justice, training, micro-credit and technical assistance, among others. In all these areas, Portuguese development cooperation possesses experience and skills that can make important contributions to economic development. Amongst other things, we must use and enhance the potentials of business associations and trade unions. It is IPAD's task to mobilise these resources in favour of the development of partner countries. IPAD will thus work within the scope of the set of recommendations contained in Chapter II.A of the Monterrey Consensus.^{vi}

In order to close a gap in the institutional framework of Portuguese development cooperation which exists since the extinction of the Portuguese Agency for Development Support (APAD) in 2002, the Portuguese Government will promote the creation of a new financial institution. The core mandate of this new institution will be to promote the advancement of those economies which benefit from

Portuguese ODA, while supporting sustainable development, particularly through the involvement of Portuguese enterprises. This institution shall primarily seek to meet the challenges described under Chapter II.B of the Monterrey Consensus^{vii}. We shall recall that in this document, which is an important component of the contemporary international consensus on development cooperation, attention is drawn to the fundamental role of foreign direct investment and to the importance of creating the necessary conditions for such investment, both at the domestic and at the international levels. Mechanisms recommended for this purpose include the creation of “appropriate institutions in donor countries to increase their support for foreign private investment”, particularly institutions which may provide export credits, venture capital and risk guarantees. The creation of a Portuguese institution devoted to these objectives will represent a decisive increase in the operational capability of Portuguese development cooperation.

This new institution will be primarily financed by public funds, but the private sector will be strongly represented among its shareholders. It may also join the EDFI association and thus become a partner of the European Commission and the European Investment Bank within the context of the Cotonou Agreement. It will also play a catalytic role in coordinating the different financial instruments that are already available – but dispersed and inadequately used – in Portugal, and will serve as an useful interlocutor for international development banks. Within the overall framework of national coordination, intended to be strategic, the new institution will articulate its activities with those of the Foreign Trade Institute of Portugal (ICEP), where necessary.

- :: To promote the centrality of the political coordination of Portuguese Development Cooperation.
- :: To promote policy coherence.
- :: To respond to effectively identified needs, by promoting both the rationalisation of resources and the efficiency and effectiveness of assistance.
- :: To develop a results-oriented coordination, by integrating the activities of Portuguese Development Cooperation in a coherent manner.
- :: To strengthen inter-ministerial coordination, particularly by articulating bilateral and multilateral strategies, setting cross-cutting targets and promoting the sustainability of initiatives and their appropriation by our partners.
- :: To strengthen IPAD's mission of coordinating Portuguese Development Cooperation at both the bilateral and the multilateral levels.
- :: To strengthen the capacity to supervise and implement development cooperation projects and programmes.
- :: To hold Councils of Ministers for Development Cooperation Affairs.
- :: To increase the frequency of CIC (Inter-Ministerial Commission for Cooperation) meetings.
- :: To promote decentralised development cooperation, recognizing in this framework the importance of inter-municipal development cooperation
- :: To establish the Development Cooperation Forum.

The Portuguese official development assistance policy has been characterised by a great institutional dispersion as it concerns the formulation, execution and funding of activities, despite efforts undertaken

since the late 1990's to improve ways of coordinating development cooperation. In order to overcome this backlog, the central structure of development cooperation shall be given clear responsibilities in relation to the coordination and leadership of the joint efforts in this field. The central structure will work in close coordination with the line ministries which undertake development cooperation activities, namely by institutionalising and effectively implementing inter-ministerial coordination meetings. The overall coherence of Portuguese development cooperation also requires a coordination effort on the part of all development cooperation actors, both public and private. For this purpose, a *Development Cooperation Forum* will be established, to catalyse synergies between these various actors and promote complementarity among the several actions they undertake.

[7.1.] Central Organisation

The *Instituto Português de Apoio ao Desenvolvimento* (IPAD – Portuguese Institute for Development Support) was created in January 2003. Its main functions are: to supervise, direct and coordinate official development assistance; to plan, programme, supervise and evaluate development cooperation programmes and projects; and to provide an appropriate framework for the official development assistance programmes which are funded and implemented by other state bodies and public entities. In addition to this function of coordinating public activities, IPAD also gathers information about development cooperation projects promoted

by private entities. The competence to centralise and disseminate information is fundamental to IPAD's role as a leader, supervisor and coordinator. It is also incumbent upon IPAD to fund development cooperation projects and activities and to coordinate the financial planning of Portuguese development cooperation as a whole.

The Ministry of Foreign Affairs, in the exercise of its powers of supervision and superintendence over IPAD, is responsible for issuing guidelines on goals to pursue through the policies and priorities of Portuguese development cooperation, and on the strategies to adopt in this field. IPAD must then operationalise these instructions by allocating and managing the available resources accordingly.

In relation to the integrated planning of development cooperation, it is intended to work towards establishing it as a mechanism, thus eliminating current practises derived from the traditional compilation of a large number of varied development cooperation-related activities. The guidelines and general objectives laid down at the international and national levels will be used to establish coherent and complementary sectoral policies, which shall be adapted to the needs effectively identified on the ground, and not simply defined on the basis of available resources or the priorities of each development cooperation actor.

IPAD's central coordinating role results from the need to combat the dispersal of both resources and political criteria, as well as to improve the rationality, efficiency and effectiveness of our cooperation, particularly through the identification of those areas in which we enjoy comparative advantages.

At the operational level, two directives will be essential to IPAD's work: effectiveness in a results-oriented coordination; and integration of Portuguese development cooperation so as to make it more coherent. This visibility will bring advantages, not only at the level of our ability to negotiate with both bilateral and multilateral external interlocutors, but also at the internal level, by mobilising public opinion and involving civil society more actively.

More coordinated policies, with a clear distribution of responsibilities, will also bring about a stronger

political commitment to the evolution of the strategies defined, and enable the identification of possible problems with the methods used in practice, thus permitting the incorporation of previous experience in the correction of existing problems or the prevention of new ones. It is thus of paramount importance to devise ways to evaluate IPAD itself. This evaluation must focus not only on ongoing programmes and projects, but also on the effectiveness of its action in the coordination of the different sectors.

The objective of ensuring the coherence of Portugal's foreign policy, especially as regards development cooperation, is also reflected in the possibility that was introduced in 1999 of having delegations, including experts in the field of development cooperation, namely at Portuguese diplomatic representations^{viii}. This option aimed at ensuring the appropriate coordination between field work and IPAD, as well as other sectoral entities, non governmental bodies, private enterprises and local authorities, among others. Simultaneously, such presence enables the proper supervision on the ground of the implementation of projects funded. It is important to lend continuity to this original intention by regulating the Decree-Law in question and implementing these decisions whenever necessary.

It is clear that one essential aspect of IPAD's coordinating role is the articulation of the bilateral and multilateral components of development cooperation. Although the various line ministries are expected to develop their own capacity to establish relations at the multilateral level, when relevant, IPAD, given its central role in development cooperation and ODA distribution, constitutes a valuable source of contacts and information which can greatly improve the action of other development cooperation actors. This relationship is necessary not only to maximise the use of Portugal's contributions to multilateral bodies in accordance with our priorities, but also to find financing for joint actions and partnerships with those bodies.

It is precisely the multidisciplinary nature of Portuguese development cooperation that makes it

necessary to maintain a balance between the central and the sectoral aspects of development cooperation, and to find ways to sustain such balance, while maintaining its richness of diversity and enhancing the returns that it is capable of generating.

[7.2.] Line Ministries

Given that the coordination of development cooperation is one of IPAD's primordial tasks, it is fundamental to consider the importance of articulating its work with that of the line ministries with specific interests in this area. All these various sectoral activities must be coherently integrated into a strategically oriented policy, with shared objectives and complementary activities, in both bilateral and multilateral actions.

It is necessary to define three central axes within the action of IPAD in coordinating the work of the different ministries: definition of strategies; the importance of cross-cutting goals; and the sustainability of initiatives and their appropriation by partners.

Naturally, a greater emphasis will be placed on coordinating the sectors which are defined as priorities for development cooperation. It is fundamental to recognise the various strategic sectoral objectives and to incorporate such considerations into the philosophies of sectoral work. IPAD plays a role both in identifying and delimiting the priority sectors, and in supporting development cooperation actors in order to ensure the compatibility of specific interventions with the overall objectives. It is thus essential that there be an adequate exchange of information and points of view, from the programming to the execution phases.

It is also important to emphasise the coordination work that needs to be done at the level of the previously set cross-cutting goals, such as respect for human rights, transparency in governance, and co-responsibility of local bodies. The adoption of a common philosophy of sustainability and capacity-building among beneficiaries in order to promote ownership is another aspect where we wish to see a common approach, at the sectoral level, between IPAD and the implementing agencies.

[7.3.] Interministerial Coordination and Coherence of Development Cooperation

The Inter-Ministerial Commission for Cooperation (CIC) was created by Decree-Law no. 175/85, of 22 May. Since then its format has been revised several times^{ix}, with the explicit aim of strengthening the role of the Ministry of Foreign Affairs as the coordinator of the entire national development cooperation policy, acting in articulation with the other ministries and the public and private bodies concerned. The primary objective of this Commission is to ensure political guidance and control, on the understanding that the consistency of policies is a requirement that must be fulfilled for action to be effective. All the sectoral ministries concerned with development cooperation are represented on the Committee. Its meetings are chaired by the member of Government responsible for development cooperation, although he or she may delegate this task to the President of IPAD. The CIC is required to meet in plenary session twice a year, but it can hold extraordinary meetings whenever necessary.

CIC's mission is to supervise the planning and execution of the development cooperation policy on a monthly basis. In addition to general issues, it discusses development cooperation, at both sectoral and global levels, with each of our partner countries. In recent years, CIC has ceased to meet regularly. Nevertheless, this Commission constitutes a relevant forum for inter-ministerial coordination and information-sharing, and must therefore meet regularly.

Council of Ministers for Development Cooperation Affairs

Discussing development cooperation on the political level is fundamental to strengthen a national consensus in relation to the definition and implementation of the major guidelines in this field. The fact that all Ministers sit on this high state organ makes it possible not only to promote the coordination and complementarity of the different sectoral interventions, but also to ensure the coherence of our development cooperation policy with other national policies that affect the development of beneficiary countries.

Thus, twice a year the Council of Ministers will be debating fundamental topics related to development cooperation, such as the integrated budget, the three-year plans signed with partner countries, and the evaluation of activities and experiences.

[7.4.] Decentralised Cooperation

The concept of *Decentralised Cooperation* was proposed by the European Union and incorporated into the Fourth Lomé Convention in 1989. It reflected a new direction in the function of the state and the participation and leading role of the beneficiaries, as well as a greater support to civil society involvement in development matters. The challenges posed by globalisation and the fight against poverty have managed to bring different actors closer, and public/private partnerships are increasingly becoming a reality.

Decentralised cooperation has thus appeared in response to new social dynamics. Decentralisation and democratisation are processes that are under way in many developed and developing countries, and this in turn has led to the emergence of new decentralised actors representing civil society.

It is important to highlight two main components of this process: a) the existence of new opportunities for action in the field of development cooperation for the local actors in developing societies, who are recognised as playing a greater role and possessing a greater responsibility in this field; b) the redefinition of donor countries' actions in order to stimulate and foster the participation of local actors. In this respect, Decentralised Cooperation is helping to strengthen the fabric of civil society, while simultaneously recognizing decentralised public administration bodies as development cooperation actors.

As such, Decentralised Cooperation implies:

- > the active participation of the various actors in all phases of the process, considering them responsible for their own development.
- > coordination and complementarity among all actors, thereby enhancing the opportunity for inte-

grated approaches and projects through the development of public/private partnerships.

- > decentralised resource management, which requires the adaptation of the organisational structures and models commonly used in development cooperation.
- > an approach which takes into account the development process, by promoting local appropriation and viewing such process as both an objective in itself and an important means to assess results.
- > giving priority to institutional capacity-building for development in the actions that are to be undertaken in the field of development cooperation, so as to stimulate the autonomy and sustainability of local dynamics. Development cooperation is thus given a new focus, characterised by the decentralisation of initiatives.

Local Authorities and Municipal Associations

Inter-municipal cooperation is one of the best forms of decentralised cooperation devised to date. It is established through the creation of partnership links between local authorities in developed and developing countries, in a relationship of equality and reciprocity. There are various examples of inter-municipal cooperation: protocols (for specific projects or for the provision of technical assistance); twinning (agreements aimed at exchanging knowledge and undertaking activities, projects or programmes, with a more medium to long-term perspective); and – on a more advanced level – networks (to promote exchanges of experience). Local authorities and municipal associations play a very important role in building the capacity of similar bodies in the developing countries, as well as in the elaboration of the public policies of local administrations, thereby contributing to the consolidation of the state and other public bodies in these countries. It is therefore necessary to promote the best use of this expert knowledge by stimulating the implementation of integrated development cooperation projects which involve both national and local partners. The execution of medium and long-term projects, and the implementation of actions which promote the

development of populations and regions, will bring both sustainability and credibility to Portugal's decentralised development cooperation work.

We must thus create mechanisms that offer a framework for this type of development cooperation activities. Using clear eligibility criteria, this will enable us to support partnerships between local authorities and other development cooperation actors, such as Non Governmental Organisations for Development (NGODs), to implement projects that both fall within the priorities of Portuguese development cooperation and represent a real value added for the development of those countries with which we cooperate. This mechanism will also serve to encourage best practices of inter-municipal cooperation by excluding the financing of activities that are now less justifiable in the light of the current knowledge about the contribution of development cooperation to the process of development.

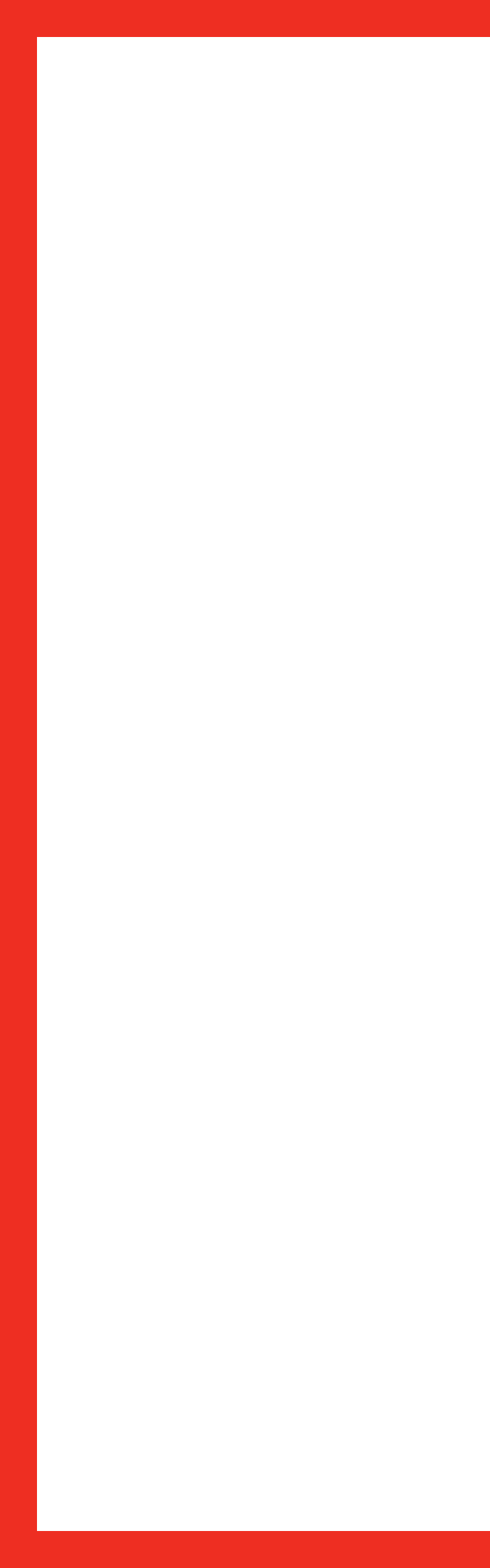
[7.5.] Development Cooperation Forum

The main function of the *Development Cooperation Forum* (FCD) is to work with the various actors who do not belong to central state administration and help them develop mechanisms to ensure mutual recognition and knowledge, as well as coordination between them and IPAD.

The FCD is a forum for coordination with civil

society and local administrations and is designed to cover organisations that offer evidence of regular involvement in undertaking education for development and development cooperation activities. These organisations include, among others, the NGOD Platform, the National Association of Local Authorities (ANM), ICEP, private enterprises that share the principles of and work within the area of social responsibility, foundations, business associations and trade unions. The complementarity and coordination of actions within the civil society sphere, and of these actions with IPAD, will enhance the coherence and effectiveness of Portugal's development cooperation policy.

Similarly to what happens in other European countries, this interaction, which we would like to see take on a dynamic of its own, may generate joint projects and partnership activities, as well as proposals and views on the Portuguese public policies related to development cooperation. This Forum is also in a position to become a privileged space for the development of public consultation mechanisms on matters related to development cooperation. In the past, there was a need for mechanisms that ensured the involvement of and dialogue between the state and civil society in the field of development cooperation, and this is a shortcoming which we now hope to overcome with the creation of this Forum.



- :: To increase coordination and effectiveness by promoting concertation with civil society actors, thereby enhancing their work.
- :: To promote the development of high quality partnerships, and joint accountability.
- :: To promote public/private partnerships (private enterprises, universities, migrant associations, professional associations and foundations, among others).
- :: To develop and implement financing mechanisms and schemes that promote policy coherence and the sustainability of actions.
- :: To regulate the status of development cooperation workers.
- :: To reformulate the legal framework governing charitable donations and patronage.
- :: To revise the status of NGOD's.
- :: To revise the framework governing support for inter-university cooperation in the areas of development cooperation.
- :: To set out a new scholarship policy.
- :: To encourage the inclusion of Education for Development in school curricula.
- :: To enhance actions of corporate social responsibility.

Portuguese civil society contains a great wealth of numerous and varied actors who engage in development cooperation-related activities or projects. This fact is an important value added, which brings diversity of shape and content to the actions they undertake and allows that both their knowledge and their interventions are developed in an increasingly specialised manner.

We recognize the value added of civil society, as a series of associations, private enterprises and other bodies of a non-governmental, independent and autonomous nature, which together constitute a privileged space for the exercise of an active and responsible citizenship. Nonetheless, this very wealth requires an even more demanding effort to ensure policy coordination, coherence and cohesion, as well as more defined mechanisms and instruments that clearly reflect the strategies and priorities adopted by Portuguese public policies on development cooperation. On no account should this restrict the freedom of initiative, the creativity and the energy which characterise civil society.

It is also important to improve the incentive mechanisms – to date few and far between – so that civil society can be more active in development cooperation initiatives. Therefore, through tax incentives for charitable donations, development cooperation and humanitarian aid will enjoy more favourable conditions, in recognition of the public interest of patrons' generosity.

[8.1.] Building Partnerships and Developing Quality Projects Coordination

It is thus necessary to ensure that the action of the various civil society actors, among themselves and in relation to the state, is truly complementary. Development cooperation actors of Portuguese civil society have an important responsibility in the planning, execution and evaluation of development cooperation activities undertaken by Portugal. It is therefore important that everyone shares, with responsibility

and a critical attitude, the successes and failures of Portuguese development cooperation.

The building of successful partnerships – something that we both want to and must know how to stimulate – is based on three fundamental pillars:

- > Firstly, knowledge: mutual knowledge between institutions enables the acceptance and understanding of the mission, work and philosophy which characterises each of them.
- > The second aspect, which derives from the first, is mutual trust: provided that their objectives and way of working are consistent with the guiding principles and strategies of the development cooperation, we trust that each organisation is capable of complementing its own specificities within the overall framework of partnerships between civil society institutions and state institutions.
- > And thirdly: a focus on results, because the partnerships enable the development and implementation of more sophisticated projects, and should contribute to a mutual learning that makes it possible both to optimise and to evaluate results.

The Portuguese Government considers it extremely important that there should be partnerships which make it possible to ensure more quality and credibility in the operational implementation of development cooperation projects and programmes. It is against this background that we see the concept of clusters, which will be examined in more detail in the next chapter. This mechanism will certainly contribute to a real and effective coordination between the various actors in the implementation of development cooperation projects and programmes.

The coordination between actors and between public and private partners is thus reflected in the creation of synergies in two fundamental areas: at the level of human resources; and in terms of the maximisation of the financial resources that are available at the national, European and interna-

tional levels. Developing solid partnerships will contribute to improve both the effectiveness and the efficiency of Portuguese development cooperation.

A policy of developing partnerships is subject to a variety of requirements that the Ministry of Foreign Affairs – acting primarily via IPAD – shall take into account in its programming and activities:

- > In the definition of programmes, projects or partnerships, there must be a coherence between national objectives and priorities, the national framework of the countries involved, and international trends and debates. The effectiveness of the ensuing actions results from the combination of these factors.
- > The instruments that are developed in order to support civil society and partnerships must reflect the priorities and core strategies of Portuguese development cooperation.
- > However, only by investing in quality programs and projects will Portuguese development cooperation become credible and, therefore, reinforce our international position in this field. For this to happen it is not enough that projects match political priorities: it is also necessary that such projects, due to their innovative character and sustainability, give an image of quality to Portuguese development cooperation – often opposite to that presented by the traditional dispersion of our actions.
- > It is also important that this investment in quality reflects compliance with the principles of ethics and transparency. Domestic and international public opinion has been very critical of the poor performance of official aid in its attempts to solve the problems of developing countries. While involving civil society institutions is an important step towards ensuring the efficiency of development cooperation actions, it is nevertheless necessary that those institutions commit themselves to a concept of social responsibility and act in compliance with international codes of ethics and transparency.

This new type of approach, given the wealth and diversity of civil society and trying to make the best use of its potential for development cooperation, will require some adjustments to the legal framework and mechanisms currently available. Firstly, it is necessary to have a clearer legal framework for charitable donations and patronage aiming at supporting development cooperation or humanitarian and emergency aid activities. Secondly, it is also important to revise the status of development cooperation agents by making the applicable procedures more flexible and clearer and thus fulfilling the requirements that are imposed when development cooperation projects are implemented by a range of very diverse actors. Furthermore, it is urgent to help boost the spontaneous dynamics of civil society, namely by supporting, through legal instruments and mechanisms, the creation of the status of junior and senior “voluntary workers”, thereby providing a formal framework for those who, on a voluntary basis, wish to contribute with their knowledge and experience to strengthen development cooperation. In fact, the human capital which exists in Portugal is a very important resource for development cooperation, and this issue will be examined in more depth in the next chapter. At this point it is important to mention another mechanism that is indispensable for the consolidation of partnerships with civil society (and will also be discussed in the following chapter): the strengthening of evaluation mechanisms which make it possible to enhance the quality of development cooperation by improving both results and impacts.

[8.2.] Civil Society Actors

8.2.1 NGODs

Non-Governmental Organisations for Development (NGODs) are non-profit, civil society associations that are specifically created in order to work in the development assistance area. The institutional relationship between the Portuguese State and NGODs is recent. It was only in 1994 that the first law was approved defining NGOD status and recognising these organisations as partners in Portuguese official

development cooperation, thus deeming them eligible for financial subsidies from the Portuguese State. The recent past has however been characterised by an absence of dialogue and coordination mechanisms, and even by active mistrust and open conflict between the State and NGODs. This approach, now corrected, has weakened both the operational capacity of Portuguese development cooperation and its national and international image. It is fundamental that we learn from this negative experience, and avoid making the same mistakes again.

In order to reinforce the quality of partnerships between State and NGODs, it is important, on the one hand, to revise Act no. 66/98, of 14 October, which regulates the statute of NGODs. On the other hand, we must consolidate the mechanisms for co-funding NGODs so that such mechanisms cover their various fields of activity. Financial support for NGODs must comply with the priorities of Portuguese development cooperation and be based on respect for the international principles and values we share. Clear financing mechanisms and procedures must therefore be created, and we anticipate an increase in the percentage of ODA for NGOD projects, in order to begin to move towards the European average in this respect.

There are two specific but complementary fields of action for which appropriate mechanisms shall be established: a national component, which includes “education for development”; and an international dimension, which covers both development cooperation and emergency and humanitarian aid.

‘Education for development’

‘Education for development’ (ED) is a permanent educational process which favours social, cultural, political and economic interrelationships between the North and the South, and which promotes those values and attitudes of solidarity and justice that must characterise a responsible global citizenship. In itself it is an active learning process that seeks to raise awareness and mobilise the civil society for the priorities of a sustainable human development. It is

also a fundamental instrument for creating a basis of public understanding and support for development cooperation issues.

Although ED is not limited to formal education, it is important that – as is happening in other European countries – it is progressively incorporated into school curricula, so that formal education both reflects and contributes to the education of citizens who are attentive and demanding and who participate in global life and solidarity. Coordination with the Ministry of Education in this matter is fundamental.

At the same time ED-related topics are not confined to matters of an international character. Rather, they promote solutions and responses to issues that are cross-cutting to our society, such as respect for multiculturalism, the questions of immigration and social inclusion, the fight against poverty, education for health and environmental awareness campaigns, the issues of corporate social responsibility, sustainable consumer behaviour and fair trade, and the media's social responsibility.

Humanitarian aid

The large number and growing complexity of conflict and humanitarian crisis situations are making emergency and humanitarian aid, rehabilitation and reconstruction important areas for the work of NGOs and other civil society actors. New areas of specialisation are emerging: conflict prevention, management and resolution; preventive diplomacy; post-conflict rehabilitation and reconciliation processes; refugees and migrations, among others.

The principles of humanity, independence, impartiality, universality and neutrality are clearly reflected in the Geneva Conventions. Transparency and compliance with the ethical codes should be cross-cutting issues governing all types of assistance, thus avoiding its instrumentation. NGOD action in this field must also be governed by respect for human rights and international law, and must be developed, whenever possible, in articulation with local authorities on the ground. In this context, there will be greater clarity as regards funding possibilities, namely through the

creation of a specific budget line under the responsibility of IPAD, sufficiently flexible to respond to the specificities of Humanitarian Aid.

8.2.2 OTHER CIVIL SOCIETY ORGANISATIONS

There is currently a very wide variety of civil society organisations which, although they have other primary corporate objectives, undertake and contribute to development cooperation activities. They include, for example, foundations, business associations, trade unions, universities and research centres, fair trade associations, local development associations and immigrant associations. Portuguese Development Cooperation will thus be attentive to this multiplicity of actors and will seek to enhance the value added brought by each of these organisations, through the creation of appropriate mechanisms and the development of creative and innovative partnerships.

Given that, as previously mentioned, the private sector is very important to development, it is only natural that private enterprises and business associations should be seen as relevant partners for Portuguese development cooperation. In fact, the promotion of a sustainable economic growth in developing countries is considered by all as a prerequisite for the reduction of poverty. As a rule, the development of the private sector is recognised to be the driving force behind progress in developing countries.

Portuguese private enterprises – also acting in partnership with different public organisations or institutions – can take part in actions in a whole range of areas, including training, support for the creation of social infrastructures, the appropriation of technology and technical assistance, capacity-building in the areas of management and finances, a variety of aspects of labour legislation, or the provision of incentives for the constitution of similar associative movements, thereby fostering the creation of employment and wealth in developing countries. In reality, public/private partnerships, due to their multifaceted scope, may contribute to ensure greater effectiveness in the execution of development cooperation projects.

At the same time, by developing and implementing good practises in the area of social responsibility – including respect for human rights and environmental issues – private enterprises and business associations also help to raise awareness throughout the production chain, from suppliers to shareholders, to the need to pursue good corporate management practises that lead to sustainable patterns of production and consumption in developed as well as in developing countries.

Unlike in other European countries, in Portugal trade unions and professional associations are not always seen as traditional partners for development cooperation. Nonetheless, they have an important role to play, for example concerning the defence and promotion of labour rights, which are essential for the fulfilment of economic, social and cultural rights. The same is true in other areas, such as: technical assistance and vocational training; programmes in the fields of health and safety at work; promotion of gender equality; support for the articulation of regional and international trade union networks, thus promoting the participation of those countries in the various international decision-making *fora*; and participation in education for development activities targeted at their members in Portugal. They are thus important agents to promote democracy and the rule of law, and to reduce of poverty, and are therefore natural partners for development cooperation.

The Portuguese universities as hubs of expert knowledge are also relevant partners for development cooperation. Their input focuses on five fundamental areas:

- > Specialised advanced education (bachelor's degrees, master's degrees, post-graduate studies, PhDs, post-doctoral studies and specialisation courses), thereby helping to create knowledge in Portugal and in the developing countries, especially thanks to the work they do from accompanying students who have cooperation scholarships, to the training they provide to professionals in a variety of fields, and to their training of trainers activities.

- > The creation of know-how on development cooperation matters (research into matters concerning development studies). This research should contribute to create knowledge about different realities and to devise common strategies and technical and indicative solutions for the problems of different countries.
- > The creation and capacity-building of universities or similar training structures in partner countries. This important function requires a careful approach designed to ensure that the interventions match the objectives and are clearly construed as development cooperation projects.
- > Forum for debate on the principles and methods of development cooperation.
- > Development cooperation agents who design and implement their own projects; and technical assistance to the implementation of development cooperation projects, by cooperating with other institutions for this purpose.

Portuguese development cooperation has supported the establishment of inter-university cooperation programmes aimed at building capacities and creating expert knowledge in developing countries, particularly the PALOPS. In order to make this support more effective there will be an evaluation of the type of actions currently underway, in order to review the existing scholarship policy and the model used to support Portuguese universities that wish to undertake development cooperation actions. Financial support to development cooperation actions undertaken by Portuguese universities must reflect an integrated vision of public policies in this area, and effectively contribute to capacity-building and the appropriation of knowledge by developing countries.

Immigrant associations are another frequently overlooked actor in this framework. However, they often undertake development cooperation projects with their countries of origin and must be integrated into coordination frameworks. Immigrant associations, particularly from African Portuguese-speaking countries, are agents which promote capacity-building and

economic advancement in their countries of origin. Portuguese development cooperation will be a facilitator in relation to civil society. Funding mechanisms and schemes will be devised in order to put

in practice integrated partnerships which enhance the implementation of sustainable projects, in accordance with the strategies and priorities set out in this document.

- :: To encourage a second generation programming.
- :: To promote the efficiency and rationality of Portuguese development cooperation, through multi-annual budgeting.
- :: To implement a results-oriented management and to standardise procedures.
- :: To devise an integrated and effective approach to project and programme support, and to budget support.
- :: To implement a new instrument for Portuguese development cooperation: the development cooperation clusters.
- :: To promote a new mechanism for voluntary development cooperation work.
- :: To strengthen the coordination, presence and visibility of Portuguese development cooperation in partner countries.
- :: To promote project quality by strengthening their supervision and evaluation. The latter should be a credible and independent process of participatory learning.
- :: To invest in the coordination of humanitarian aid at the national and international levels.

[9.1.] Negotiating with Partners and Multi-year Planning

The relationship between the identification of projects and their programming and negotiation has evolved over the years. It is possible to distinguish between “first generation” and “second generation” programming, in which there was a decisive dissociation between programming and execution. The idea is simple: the traditional way of programming development cooperation (first generation program-

ming) consisted in seeking to impose a certain degree of order on the whole range of initiatives that each public administration department announced it wanted to undertake. As each department possesses a great deal of autonomy in relation to its programming, this process inevitably led to two consequences: firstly, activities could have no global coherence, since there were no priorities nor could there be an allocation of resources in accordance with priorities. Secondly, the resources tended to be consumed by whoever programmed their use – that is to say, the department in question. This way of working corresponded to a supply-driven development cooperation.

Second generation programming, which appeared in 2001 and now requires a new dynamism, includes three distinct steps: first, priority areas are identified at the political level through contacts between those politically responsible for development cooperation in each country; second, IPAD undertakes a technical programming work, with the help of expert consultants in the relevant areas if necessary; and third, projects are designed together with the implementing bodies, either from the public or the private sector, in order to comply with what was established in the two first phases. This way of working corresponds to an idea of demand-driven development cooperation.

[9.2.] Multi-year Budgeting and Efficiency

Despite the progresses that have been made in budget accounting, particularly due to the development of multi-year programmes, an integrated development

cooperation budget – something that was long ago identified as a fundamental step towards the reforms needed to enhance efficiency and rationality – is not yet a reality.

Simultaneously, multi-year budgeting is a fundamental instrument to introduce greater predictability into the programming of development cooperation and to make it more adaptable to the geographic and sectoral priorities defined.

To this end, the multi-year component of the Development Cooperation Budget Program within the state budget shall be strengthened, taking into account the need for compatibility with multi-year programme commitments agreed with partner countries and other actors of Portuguese development cooperation.

This effort will also result in the setting of quantifiable performance targets for each implementation period, the indication of implementation modalities, and the distribution of tasks. This type of programming may also help achieve the desired objective of simplifying administrative procedures, clarifying both the various levels of decision-making and the different forms of coordination and communication while promoting accountability. Once again, in this context IPAD will play a key role in the definition and implementation of these goals.

[9.3.] Results-oriented Management and Standardisation of Procedures

A results-centred approach shall be implemented progressively, in accordance with international best practices. That is to say, the central focus shall shift from allocation of resources to the achievement of concrete results. Thus, the total use of available funds and progress in the project and programme execution rate, albeit important, are, in themselves, insufficient. It has to be demonstrated that these activities have produced real value added and a positive impact on the beneficiary populations. This new methodology has gradually been disseminated as the amounts allocated to development cooperation increased and it became necessary to justify to the public of donor countries

the importance and effectiveness of implemented programmes. For this approach to become meaningful, indicators capable of measuring impacts must be defined, while avoiding the risks associated with excessive quantification, which can lead to the undervaluing of activities such as the protection of and respect for human dignity, which are hard to measure.

The implementation of this approach will oblige us to lay down procedural rules, standards and manuals for the various stages of development cooperation activities, all the way from programming to execution, monitoring and evaluation. This standardisation must abide by the guiding principles of development cooperation, as previously defined, particularly the principles of effectiveness, harmonisation and alignment.

[9.4.] Project, Programme and Budget Support

The major guidelines and strategic priorities of Portuguese development cooperation will be implemented through concrete measures such as the provision of support for projects and programmes and for the budgets of partner countries.

A. Project support is aimed at supporting sets of activities geared towards a specific purpose. The funding is not provided entirely by public sources; it may have different origins, provided that the objective pursued and the methods to be employed are shared by interested entities. Projects have a very significant technical component, which must be properly articulated with the general objectives which development cooperation initiatives aim to attain. One key element where projects are concerned is the analysis of their viability/sustainability taking into account the broader context of our development cooperation priorities. Another equally important element is whether or not projects are able to effectively respond to the needs identified on the ground. Although projects necessarily have limited time duration and a previously defined scope, it is understood that they must be

coherently integrated with other projects into wider programmes, guided by a clear and well-defined overall strategy. At the same time, constant attention must be paid to the different phases of the project cycle and to the appropriate involvement/accountability of the parties concerned in those phases.

B. Programmes serve as mechanisms for attracting initiatives and synergies to priority sectoral or regional areas, and they derive from the strategic guidance defined by the development cooperation policy. These programmes must take into account the need for alignment with the strategies set out in the partner countries' national development plans, as well as the need for articulation and coordination between the sectoral priorities of the different ministries, and also the complementarity of actions to be undertaken with those which are being implemented by other donors or development actors. While programmes vary in dimension, they must take account of the need for both predictability and flexibility. It is important that they adopt an approach which, on a general level, contemplates the general scope of both the programme as a whole and the actions that are to be undertaken over the course of its expected lifespan, and is then set out in detail in more specific, updated documents that are adapted to the way the situation evolves on the ground.

C. Direct support for the partner countries' **budgets** complements the other forms of assistance already discussed (financial assistance, technical assistance, and the global funds). This type of support produces long-term benefits in terms of a sustainable development that is based on institutional capacity-building and on the involvement of local resource management structures, while at the same time maintaining a supervisory capability that ensures fiduciary security, especially in concerted action with other donors. The exact nature of this type of support is heavily dependent on the circumstances on the ground.

[9.5.] Development Assistance Clusters: A New Instrument

In economics the term 'cluster' is used to refer to a geographic concentration of interlinked businesses, specialised suppliers of goods and services, and other associated institutions. The great advantage of a cluster is the increase in productivity that results from geographic proximity and from the creation of an environment that fosters the adaptation of each one's work to the needs of the other institutions present in the same cluster. This is a concept that is particularly pertinent to Portuguese development cooperation.

The main criticisms that have been levelled at Portuguese development cooperation in the past do not take long to describe: difficulty in identifying priorities; dispersal of human and material resources among numerous small projects; no connexion between projects or absence of a visible global strategy; lack of continuity or sustainability, due to the scale or technical design of projects; lack of impact in terms of development for the beneficiary country; lack of political or physical visibility. Although this list of criticisms cannot be applied to many valuable initiatives undertaken by Portuguese development cooperation, it has to be admitted that it corresponds to an identifiable portrait of many projects over the years.

Paradoxically, one of the sources of this problem lies in the great willingness to work in areas related to development cooperation that can be found throughout Portuguese society, in both the public administration and civil society. The fact that for many years the powers with political oversight of this area did not issue a set of clear guidelines led to a proliferation of initiatives of all kinds, almost always on a small scale and with a quality that varied enormously. However, the original source of this problem contains in itself elements that should be adequately used and are difficult to find in other countries: the frequency of personal enthusiasm for working in development cooperation activities (not only on short-term missions, but also on longer ones); and the fact that there is a very broad range of institutions that are willing to put their experience and knowledge

at the service of development cooperation. The proposal made here in relation to ‘development cooperation clusters’ seeks to take advantage of the most positive elements of Portuguese tradition, while solving the problems caused by the unrestricted proliferation of projects. A ‘development cooperation cluster’ is composed of a number of projects that are implemented by different institutions (either individually, or in association with institutions from the partner country), in the same geographic area and within a common framework. A ‘development cooperation cluster’ makes it possible to mobilise a number of institutions – which would otherwise tend to undertake unrelated projects, without economies of scale, without the advantages of an integrated approach, and, almost always, without sustainability, visibility or long-term impact – on behalf of a common cause.

In principle, the central element of a ‘development cooperation cluster’ should be a substantial strategic intervention that is financed through IPAD, which will also serve as the institution that mobilises and coordinates the cluster. Around this strategic project other smaller-scale, more focused projects are then developed, complementing the central project and providing an integrated approach. Both public administration and civil society institutions can take part in these clusters, and the heterogeneity of the different actors is an advantage rather than a hindrance. For example, in addition to IPAD and possibly one or two other institutions from the Portuguese public sector, a cluster might receive contributions from one or several NGOs, universities, foundations, trade unions, employers’ associations, local authorities and private enterprises.

IPAD – naturally acting in dialogue with the competent bodies in the partner country – will be responsible for identifying the potential development cooperation clusters, structuring them conceptually and financially, and ensuring their overall management. The latter – which can be carried out directly or through outsourcing – concerns the cluster’s integrated logic, and not the daily execution of the various complementary projects. The cluster could further

permit and enhance an integrated, multifaceted Portuguese presence in programmes in which other multilateral or bilateral donors also intervene – something which is particularly important given the growing intensity of international coordination.

[9.6.] Volunteers for Development

One value added of Portuguese development cooperation is certainly the richness and motivation of its human resources to implement development cooperation actions, particularly with Portuguese-speaking countries. On the other hand, there are often constraints that make it difficult for the human resources available in public institutions to be placed at the service of development cooperation projects. It is therefore necessary to create legal conditions and mechanisms that permit the professional integration of the volunteers who wish to participate or collaborate in such projects.

In this respect it is particularly important to offer solutions to two target groups who are more available, in terms of their professional careers, to devote more time to these projects: young people and retired people, the ‘seniors’. Thus, a mechanism for development cooperation volunteer work, Junior and Senior, shall be developed and integrated into the existing legal framework governing volunteer work, Act n.º 71/98, of 3 November. This framework will be adapted to match the needs in this area.

[9.7.] Strengthening Coordination in Third Countries

The need to strengthen coordination in third countries will be addressed by the development cooperation mechanisms, in order to increase the contribution of our representatives in beneficiary countries, in terms of project identification and programming, but especially in their monitoring and evaluation. The strengthening of existing mechanisms on the ground shall be complemented by the implementation of an information system which effectively addresses the needs of development cooperation actors. The current investment in development cooperation is quite substantial, and yet insufficiently supported, particularly in the

recipient countries. Thus, it is still necessary to create ‘development cooperation offices’ – a format that was created in 1999, but has not yet been implemented.

[9.8.] Supervision, Evaluation and Learning

The supervision and evaluation of development cooperation projects, programmes and policies are undeniably necessary to build up an effective, high quality development cooperation system.

In an international context in which the donor community must follow the dynamics of developing societies and reflect on time about the impact of actions undertaken, and faced with an ever growing and more structured pressure on the part of national and international public opinion, which demands greater transparency and policy coherence, supervision and evaluation have become fundamental mechanisms. It is against this background that donor countries and international organisations – including the European Commission itself – are reforming their development cooperation systems, instruments and agencies towards a greater harmonisation of donor policies and procedures. This need is also felt in Portugal and to this end evaluation and supervision are two mechanisms that are essential to a development assistance of good quality and with the capacity to act.

Evaluation and supervision are complementary mechanisms. On the one hand, they enable the setting up of a learning process which will contribute to enhance the effectiveness of the assistance provided and, on the other hand, encourage transparency and accountability towards both public opinion and our partners. Supervision must be seen at both the micro (to know and to have the capacity to supervise those actions and projects we support) and the macro (to have the capacity to analyse and participate in political debates and dynamics within a bilateral and multilateral framework) levels. Both have to be reinforced in Portuguese development cooperation. Other useful tools include internal (within the state administration) and external (with the various partners) follow-up systems, which make

it possible to monitor the execution and implementation of the different actions and policies.

Evaluation, which encompasses supervision itself, is as systematic and objective a process as possible that entails evaluating a project, programme or policy, either ongoing or completed, its design, execution and results (OECD, 1992). It is more than an audit, although this instrument needs to be increasingly used in Portuguese development cooperation, duly incorporated into the overall evaluation framework. The purpose of an evaluation is: to gauge progresses and results, learn the lessons of the evaluation itself and increase technical and political knowledge about the realities and contexts in question; to ensure accountability and promote transparency; and to help fulfil our commitments to the international community. We urgently need to make up the time that has been lost in this area by taking up the process of consolidating an evaluation system which was interrupted a few years ago.

Portuguese development cooperation employs two types of evaluation criteria:

- > Political, because actions supported must respect the values and principles set out in this document and must be useful and important to our priorities and objectives, particularly by contributing to the attainment of the Millennium Development Goals.
- > Technical, naturally including sustainability, impact, effectiveness, efficiency and coherence.

The evaluation must also be a credible, independent process of participatory learning that involves the actors and beneficiaries themselves. Its results must always be publicised, understood and incorporated into future development actions. It is thus clear that evaluation contributes to the political and technical decision-making process and must be seen as a mechanism that is cross-cutting in the whole of our development cooperation effort. It is therefore fundamental to create an evaluation culture and to increase our technical capacity in this field, especially by succeeding in accelerating procedures

that enable a greater and better evaluation. Concerning the allocation of available resources, political decisions will obviously take into account the results of projects and actions, the quality of interventions and the good practises employed.

[9.9.] Humanitarian Action (Disasters, Civil Protection and Medical Emergencies)

Humanitarian actions must be viewed, planned and executed within the framework of, and in coordination with, the other instruments that integrate the concept of Official Development Assistance. Humanitarian action is an important part of the international aid effort. Especially due to the growing number of serious conflict situations and the recent occurrence of major natural disasters, at the international level many resources and mechanisms have been allocated to support humanitarian action.

At the international level there is a change and reorientation in the work of international agencies and bodies, particularly the United Nations. This is happening both at the level of improvements in humanitarian responses, which are becoming the object of evaluations and transparent and ethical procedures, and as regards the creation of mechanisms which provide an appropriate framework for such actions under international law, namely the right to protect victims and defend humanitarian principles.

Portugal must continue to participate actively in the international humanitarian aid effort, while investing in the coordination of the various state and civil society actors, so that it is possible to more effectively address the immediate and urgent needs of people who are the victims of disasters or conflicts. To this end resources must be well used, in conjunction

with the necessary international framework for the provision of immediate care, whether the situation faced is a natural disaster or a crisis.

The humanitarian action of Portuguese development cooperation is fundamentally directed towards providing support in situations of natural disaster or public calamity which result in additional needs of assistance to local populations. Although traditionally this type of assistance has predominantly been sent to partner countries of Portuguese development cooperation, humanitarian aid has also been distributed in other areas when the dimension of the disaster has entailed particularly devastating consequences. Portuguese development cooperation will work with the awareness that the transition to the development phase must be taken into account at the earliest possible moment in aid operations, by building bridges with rehabilitation and sustainable development actions.

The Portuguese humanitarian action must therefore be articulated with the international community's efforts, namely the coordination mechanisms existing within the European Union, as well as at the United Nations level. This coordination will be desirable not only where forms of response are concerned, but also in preventive and early warning actions.

The complexity of the interventions involved in humanitarian aid – particularly in terms of the action scenarios and the complexity of means and mechanisms – also requires greater coordination at the national level, so that we can develop an organised response capacity. Important challenges are posed at the national level concerning inter-institutional coordination, and they must be addressed. Our internal organisational capabilities are the first factor in the credibility of our external intervention.

NOTES

ⁱ Council of Ministers Resolution no. 43/99, of 18 May 1999.

ⁱⁱ In 2004 our ODA officially attained 0.63% of Gross National Income (GNI); however, this figure was the result of a particular feature of the statistical system designed by the OECD Development Assistance Committee (DAC), which considered the rescheduling of Angola's debt as debt relief and counted the whole of that operation as referring to 2004. The real figure (excluding the Angolan debt operation) is 0.21% of GNI, which is the lowest since 1996. Furthermore, as of 2009, when Angola begins to pay off the debt under the terms of the agreement, according to the DAC's statistical system the amounts involved will count as negative ODA – in other words, they will be deducted from the total ODA figure in each subsequent year. In fact, this operation can be classified as “ODA on credit”.

ⁱⁱⁱ United Nations General Assembly, “In Larger Freedom: towards development, security and human rights for all”, Report of the Secretary-General to the 59th Session (A/59/2005), March 2005.

^{iv} DAC-OECD, “DAC Recommendation on Untying Official Development Assistance to the Least Developed Countries”, DCD/DAC (2001)12/Final.

^v To quote the definition suggested by Britain's DFID, a fragile State is a State “where the government cannot or will not deliver” its core functions. “The most important functions of the state for poverty reduction are territorial control, safety and security, capacity to manage public resources, delivery of basic services, and the ability to protect and support the ways in which the poorest people sustain themselves.” DFID, *Why We Need to Work More Effectively in Fragile States*, January 2005.

^{vi} “Mobilizing domestic financial resources for development”

^{vii} “Mobilizing international resources for development: foreign direct investment and other private flows”.

^{viii} Decree-Law no. 296/99, of 4 August.

^{ix} The current organisational structure was approved by Decree-Law no. 127/97, of 24 May, as revised by Decree-Law no. 301/98, of 7 October.

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CONTACT:

Av. da Liberdade, 192 1.º • 1250-147 Lisboa
Tel: 213176700
E-mail: cooperacao.portuguesa@ipad.mne.gov.pt
www.ipad.mne.gov.pt

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