



EUROPEAN COMMISSION

**COMMON FRAMEWORK FOR  
COUNTRY STRATEGY PAPERS**

**(document based on the Common Framework  
adopted in April 2006)**

## **Country Strategy Paper – Structure and content**

The Country Strategy Paper should contain a series of key elements and keep the following structure:

### **Part I: Country Strategy Paper**

Executive summary

1. Framework of relations between the EC/EU (and participating donors for Joint Programming) and partner country
  - 1.1. General objectives of the EU (and donors for Joint Programming) external policy
  - 1.2. Strategic objectives for cooperation with the partner country
  - 1.3. Main bilateral agreements
  
2. Country diagnosis
  - 2.1. Analysis of the political, economic, social and environmental situation in the partner country
    - 2.1.1. Political situation
    - 2.1.2. Economic situation
    - 2.1.3. Social situation, including decent work and employment
    - 2.1.4. The country in an international context
    - 2.1.5. Environmental situation
  - 2.2. Poverty Reduction Analyses
  - 2.3. Development strategy of the partner
  - 2.4. Analyses of the viability of current policies and the medium-term challenges also in relation to sustainable development issues
  
3. Overview of co-operation and policy dialogue, complementarity and consistency
  - 3.1. Overview of past and present EC (and the donors for Joint Programming) co-operation (lessons learned)
  - 3.2. Information on programmes of other donors (complementarity)
  - 3.3. Description of the state of political dialogue between the donors and partner country
  - 3.4. Description of the state of partnership with the partner country and progress towards harmonisation and alignment
  - 3.5. Analysis of policy coherence for development

### **Part II: The EU' (and the donors' for Joint Programming) response strategy**

1. The EU' (and the donors' for Joint Programming) response strategy – strategic choices
2. The implementation – the work programme

### **Annexes**

- Summary table: “Country at a glance”
- Summary of the Country Environmental Profile or similar environmental analysis
- Retrospective matrix of donors and prospective financial matrix of participating donors
- Country Migration Profile (compulsory for ACP)
- Description of the CSP drafting process, stressing the involvement of non-state actors and local authorities
- Harmonisation and alignment plan (if applicable)
- Table including partner country positions in relation to key international conventions
- Debt Sustainability Analyses (if available from the IFIs)

## Part I: Country Strategy Paper

### Executive Summary

The executive summary should be self-standing and maximum one page. It should state the:

- implementation timeframe of the CSP;
- Regulation/Agreement governing the cooperation and main objectives;
- main objectives and intervention sectors;
- overall resource allocation envelope and breakdown on focal sectors;
- brief acknowledgment of commitments to cross-cutting issues (See section “[A strengthened approach to mainstreaming](#)”).

#### *For ACP countries:*

- See specific Template CSP ([en](#) | [fr](#))

#### *More useful links:*

- See Best Practices: [Armenia](#) | [Mongolia](#)

### 1. Framework of relations between the EC/EU (and participating donors for Joint Programming) and partner country

The section should refer to the relevant Treaty Articles, the region-specific objectives set out in the applicable Regulation/Agreement governing the cooperation and the Development Policy Statement of 2005. It is important to construct a hierarchy of objectives ranging from the general to the region-specific:

#### 1.1. General objectives of the EU (and donors for Joint Programming) external policy

#### 1.2. Strategic objectives for cooperation with the partner country

Strategic objective should be to assist a partner country in implementing its PRS (or equivalent) in pursuit of the MDGs.

At the same time, CSP must reflect the policy guidelines set out in the European Consensus on Development. They must also reflect the EU's commitments with regard to the effectiveness of aid (Paris Declaration).

They will also set out the EU' main objectives in their dealings with the partner country in the regional context.

#### 1.3. Main bilateral agreements

Describe the association and partnership agreements – e.g. the Economic Partnership Agreements (EPAs) – binding the donor and the partner country, stating the fields covered and the objectives pursued.

***More useful links:***

[Articles 177 - 181 of the Treaty on European Union](#)

[Le Consensus européen sur le Développement](#)

[Paris Declaration on Aid Effectiveness](#)

[Accord de Cotonu \(revised\)](#)

[EU Strategy for Africa](#)

[EU Strategy for the Caribbean](#)

[EU Strategy for the Pacific](#)

[Asia](#)

[Eastern Europe & Central Asia](#)

[Latin America](#)

[Mediterranean Region](#)

[European Neighbourhood Policy](#)

[Western Balkans](#)

## **2. Country diagnosis**

The analysis should be dialogue-driven, but is also supposed to be realistic and is not negotiated with the partner country. It should contain the following elements:

### **2.1. Analysis of the political, economic, social and environmental situation**

This analysis should include all major domestic policy developments and issues and all significant external factors, including development potentials in the respective areas. To the extent possible, the analysis should be based on existing analyses and eventually improve those, and be comprehensive.

It is useful to start the analysis chapter with reference to a table (ideally to be annexed to the CSP as a "[Country at a glance](#)") covering key political, macroeconomic and social indicators. The table gives a snapshot of the situation and allows the reader to situate the country in a wider context and a map. These indicators can be found on the [World Bank](#) and [IMF](#) websites.

In terms of process, division of labours with Member States and multilateral agencies is essential at this stage of analysis. If suitable information and analytical material already exists, it should be used to the maximum extent possible. An important source of information about activities by other donors, as well as analytical products produced by other donors, is the [Country Analytic Work Partnership Website](#). The CAW website provides a Document Library with access to analytical products and best practice examples from 28 partner agencies including the Commission.

***For ACP countries:***

The analysis of the country should be preferably based on the Joint Annual Report (the previous year) and analyses by Member States and other important donor's activities in the partner country.

***More useful links:***

[Millennium Development Goals \(MDGs\)](#)

• See Template: [Country at glance](#)

### **2.1.1. Political situation**

The CSP should analyse the country's political, institutional and security situation in a broad context, including governance, progress towards democracy, the rule of law and observance of human rights. A link should be made to the poverty analysis. The analysis must be concluded in the full respect of the competences of the Member States and the Council, and should be kept brief.

Taking into account that regional context should be specifically addressed under 2.1.4. "The country in the international context", this section should examine the following aspects:

- The main obstacles at national level to progress towards a situation in which human rights are respected, protected and promoted. The analysis will identify the priorities and objectives permitting progress towards respect for fundamental human rights in all circumstances.
- The content and any shortcomings of the partner country's plans/policies concerning social cohesion, employment and gender equality, the gender representativeness of the administration. Special attention should be paid to child labour, illegal migration, trafficking of human beings in general and to trafficking and violence against women and children. The protection afforded for the rights of minorities and indigenous peoples should also be examined.
- Observance of democratic principles, including in particular an assessment of the electoral process and public participation in the democratic process (free elections by universal suffrage, multiparty system, equal access to political activity, participatory decision-making process, the role of the media, civil society and other non-state actors.
- The organisation of government, including where appropriate the effectiveness of decentralisation and the interaction between central, regional and local authorities. The main constraints faced by key institutions in fulfilling their mandates (adequacy mandates/resources), including the capacities the national statistical system to provide statistics and indicators in the different domains, institutional transparency and accountability for the management of public resources and affairs; the institutional capacity to draw up and implement measures against corruption money laundering, fraud and tax avoidance; It should also be assessed whether the legislative and institutional framework is conducive to an independent and performing judicial system. The role of parliaments in their dual function of making law and overseeing the executive should be examined, as should the degree to which civil society is involved in the political debate.

- The security system, including the division of powers between the different agencies,<sup>1</sup> and the decision-making procedure and democratic and civilian oversight over the security system.
- Any evidence pointing to a fragile state, e.g. the incapacity to perform the basic functions of government (security, basic social services, human rights); identify support measures, such as government reform.
- The overall security situation. Insecurity and violent conflict are amongst the biggest obstacles to achieving the MDGs. Security and development are important and complementary aspects of EU relations with third countries. Within their respective actions, they contribute to creating a secure environment and breaking the vicious cycle of poverty, war, environmental degradation and failing economic, social and political structures. Potential factors for conflict, the risk of national or regional conflict breaking out, continuing or flaring up again, and key cultural and social factors directly influencing the political process (e.g. ethnic tensions or migratory flows).

This analysis should serve to identify the type of partnership: efficient, difficult/fragile state, post-conflict. Accordingly, in fragile states, post-conflict countries and specific cases of countries that have yet to achieve “structural stability” or are showing signs of increasing instability, greater attention should be given to analysing measures taken to ensure security and stability, including conflict prevention and management, the range of post-conflict, transition and LRRD<sup>2</sup> intervention strategies and the introduction of the rule of law and democracy (including broader participation of civil society and a more equitable distribution of power).

A chronology of recent events and the national and regional agenda will be annexed as basic information.

***More useful links:***

- See programming fiches:

 [Governance](#),  [democracy, human rights](#) and  [support for economic and institutional reforms](#)

 [Fragile states](#)

 [Fight against terrorism](#)

 [International Criminal Court](#)

 [LRDD](#)

 [Weapons of mass destruction](#)

- See Best Practices: [Niger](#) (Chrono political events)

<sup>1</sup> The OECD-DAC defines the security system as the body of institutions and other agencies involved in maintaining the security of the state and its citizens. *Security System Reform and Governance, Policy and Practice*, DAC Guidelines and Reference Series (Paris: OECD 2004).

<sup>2</sup> Linking Relief Rehabilitation and Development. Communication from the Commission, April 2001 ([en](#) | [fr](#))

## 2.1.2. Economic situation

The CSP should include an analysis of macroeconomic performance, covering both the public and the private sectors, an analysis of structural change and of important sectoral changes. It should also include an analysis of the structure of the country's trade at bilateral, regional and multilateral levels, including the foreseeable impact of economic partnership agreements.

It should analyse issues of good governance in the financial, tax and legal fields. The aim is to gauge the extent to which the country is implementing international recommendations on transparency and the effective exchange of information to prevent and counter financial and corporate malpractice, including in the tax field.

### *Economic situation, structure and performance*

This part should analyse the partner country's economic performance in a manner permitting comparison with other countries. It will identify the principal economic sectors contributing to gross domestic product and assess trends in their competitiveness. Particular attention should be given to analysing the respective roles of the private sector.

The analysis should also highlight the potential sources of macro-economic instability in order to make the planning process flexible enough to deal with such instability if and when it occurs. A table with key macroeconomic indicators will be annexed to facilitate and structure the overview of the situation and any forecasts for the years ahead.

### *Structure and management of public finances*

This section will examine the state of public finances and the external debt (where relevant, a Debt Sustainability Assessment prepared by the IFIs can be annexed), analyse the quality of public finances and the structure of budget revenue and expenditure, point out any imbalances and indicate whether measures have been taken to remedy them. Where the national systems (such as PRS and MTEF)<sup>3</sup> do not provide sufficient monitoring information, jointly agreed indicators should be used (e.g. Paris indicators and commitments, PEFA<sup>4</sup> indicators, etc.).

#### ***More useful links:***

• See programming fiches:

 [Tax administration, taxpayer's management and effective exchange of information \(TAXUD\)](#)

 [Bonne gouvernance financière, fiscale et judiciaire](#)

 [Support for Economic and Institutional Reform/ General Budget Support](#)

### *Assessment of the reform process*

The assessment should check the overall consistency and the impact of the policy pursued and identifies possible weaknesses and inconsistencies. In this context, the impact of reforms aimed at increasing transparency, effective information exchange and international administrative and judicial cooperation in the field of services, especially financial services, will also be examined, among others, in relation to the fight against money laundering, fraud and tax avoidance and corruption.

<sup>3</sup> PRS – Poverty Reduction Strategies, MTEF – Medium-Term Expenditure Framework.

<sup>4</sup> PEFA – Public Expenditure and Financial Accountability.

Particular attention should be given to reforms in the fields of political, administrative and fiscal decentralisation and issues relating to regional planning, given their potential impact on poverty, especially in rural areas.

**More useful links:**

- See programming fiche:  [Decentralisation](#)

*Trade policy and external environment, in particular regional cooperation agreements*

The country's trade policy should be analysed, especially the country's openness (tariff and non-tariff) and the regulatory framework's consistency with the country's commitments. Consistency with the country's development aims and foreign trade agreements, especially regional integration schemes involving the country, the impact of such schemes on the economy and actual progress towards the creation of a regional market will also be examined.

Particular attention should be paid to the demands of economic transition, regional convergence and trade opening. The assessment of reform should take such undertakings or obligations into account. It should include an analysis of the country's economic performance in the framework of the regional integration process to which it belongs (e.g. macroeconomic convergence criteria) and its influence on the country's economy.

**For ACP countries:**

- See specific programming fiche:

 [Regional integration, EPAs and trade](#)

- See also:

[Assisting Developing Countries to Benefit from Trade](#) Communication on Trade and Development, 2002

### **2.1.3. Social situation, including decent work and employment**

CSPs should analyse the situation, trends and progress or delays in the social sectors and in terms of food security.

The following aspects should be included:

- Demographic characteristics of the population: population growth, fertility rate, age structure, life expectancy at birth, rural to urban population ratio, level of migration; the country's ranking according to the **Human Development Index** (if relevant).
- The poverty situation: incidence of poverty (by sex, age, geographic area), underlying causes, trends, demographic profile of the poor, influence of poverty on growth, trade, democracy and human rights, rule of law. What are the country's policies in terms of poverty reduction and their impact?
- State of progress in education (all levels of education, including research, with a particular focus on primary education) and health (including sexual and reproductive health and rights; HIV/AIDS, tuberculosis and malaria; maternal health, child health etc.) and

gender equality. An overview of how the national policies and strategies address the challenges should be included.

- Particular attention should be paid to the analysis of the MDGs in education, health and gender equality. Data should be disaggregated by sex, and where possible, by poverty group or rural/urban distinction.
- Access to social services (education, health, water and sanitation, housing) and social safety nets by different strata of the population, in particular the most disadvantaged and vulnerable, i.e. children, women, indigenous peoples, disabled, minorities. What are the country's policies in terms of supporting these groups?
- Employment opportunities, terms of employment, working conditions for different groups of the population; access to credit; rural development and access to rural markets. Are there specific policies to address any deficiencies in this context (land redistribution policy, employment guarantee scheme, etc).
- Distribution of income and wealth among the population: by population strata, by geographical region, by sex. Has the government adopted effective redistribution policies to face inequalities? When available, indicators to measure income and wealth distribution, such as **Gini Coefficient**, Theil index and decile ratio, could be added. Based on this information, the level of social cohesion should be commented on.

To facilitate and give structure to the analysis, a table should be included in annex with key social and human development indicators providing data for 1990 (the base line year) and for more recent years, as well as projections for the years ahead (annual or interim and final targets) in order to evaluate if the country is likely to achieve the 2015 targets of the **Millennium Development Goals (MDGs) indicators**.

This table will at a minimum cover the 10 core MDG indicators proposed by the Commission and the Member States to systematically measure progress towards poverty reduction in the framework of the CSPs (see [Guidelines for the use of indicators in country performance assessment](#)). Supplementary indicators can be drawn from those followed under the PRSP. Indicators linked to employment, such as the Key Indicators of the Labour Markets (**KILM**) could also be used.

The statistical data for these indicators have to be wherever possible complemented and updated within countries, with data collected in the framework of the PRSP or sector programmes in countries concerned. When national data is not available, the World Bank's database '[World Development Indicators](#)' can be used. UNDP is also in charge of drafting the country reports on progress towards the **MDGs**, and could provide another source of data.

A brief assessment should be given on the quality of data, its representativity and reliability. Measures to be taken in order to improve data quality and the country's statistical system should be identified where there are deficiencies. Data sources should be used consistently and any changes in indicators and/or sources should be clearly explained.

***More useful links:***

- See programming fiches:

 [Employment and decent work](#)

 [Water and sanitation](#)

 [Education](#)

 [Health](#)

 [HIV/AIDS](#)

 [Gender equality](#)

• See Best Practice: [Syria](#) (Political Dimension)

• See also:

[Human Development Index \(HDI\) | UNDP: Human Development Index](#)

[Gini Coefficient](#)

#### 2.1.4. The country in an international context

Where relevant, this section will refer to any regional or international developments that might affect cooperation between the donor and the country concerned.

These include the country's political relations in the region, and in particular international and/or regional agreements, regional policies and any progress towards regional integration, or the existence of armed conflicts in the region.

References will be made to government's position with regard to the key international conventions, especially those concerning the human rights, environment, gender equality, refugees, labour law, the International Criminal Court, terrorism, organised crime including the trafficking in human beings and the smuggling of migrants by land, air and sea, readmission and corruption. Its position with regard to international commitments on gender equality. Commitments and compliance under international conventions concerning children's rights should also be described (listing all relevant international conventions in a tabular format in the annex).

It is also important to highlight the role actually or potentially played by the country in the regional and multilateral context (beacon, pole of stability), its capacity to play a leading role in the provision of public goods (e.g. peacekeeping, managing water resources in cross-border water basins to protect the environment, etc.) and its capacity to take part in international cooperation in terms of insecurity and violent conflicts.

#### ***More useful links:***

• See programming fiche:

 [Regional integration](#)

 [International Criminal Court](#)

 [Terrorism](#)

• See Template: [Migration Profile](#)

### 2.1.5. Environmental situation

This chapter will be based on an analysis of the environmental conditions in the country and the recommendations made in the “Country Environmental Profile”, a summary of which will be annexed.

This section will give an overview of trends in the availability and use of environmental/natural resources and in pollution in the country and, possibly, the region that directly affect or influence poverty reduction (link with MDG 7) and food security. It will show clearly the main environmental challenges facing the country and the main obstacles to be overcome. Particular attention should be given to problems and needs arising from climate change or factors causing climate change.

The country’s institutional situation and its specific capacities in the area of managing the environment and natural resources will be described along with the legislative framework. The CSP will also examine the existence or lack of regulatory reforms in the area. Lastly, the environmental impact, if any, of national sectoral policies will be described.

Achievements in the area of the environment and the management of natural resources will be examined, either as cross-cutting issues in major cooperation programmes (including their environmental impact) or as specific projects or programmes.

Stock will be taken of the country’s accession to international agreements in the different domains (climate change, biodiversity, desertification, chemical products, etc.) and the measures actually taken to apply them. The country’s specific needs in the matter will also be indicated. The “Country Environmental Profile” will take account of vulnerability to natural disasters (risk profile) accompanied, where appropriate, by a specific analysis identifying needs and measures in relation to prevention and preparedness, etc.

#### ***Useful links:***

- See programming fiche:  [Environment and sustainable management of natural resources](#)
- See document: [Integrating environment into EC economic and development co-operation](#)

### 2.2. Poverty Reduction Analyses

In this section the complex reasons behind poverty and the inter-linkages between the various dimensions of poverty should be explored.

The following questions may be raised:

- What is the poverty profile of a country?
- Where do poor people live (e.g. rural areas, slum areas, areas where people have resettled due to displacement, etc.) and how do they strive to make living?
- How is poverty manifested: in different parts of the country and among different cultural and socio-economic groups, and taking into account differences in terms of gender, age and disability?

This integrated analysis is necessary in order to be able to formulate a donor strategy responding to the particular manifestations of poverty in the country.

The CSPs will examine the country’s progress towards eradicating poverty in terms of the PRS (where applicable) and the MDGs. The CSP will analyse the reasons for the trends observed, in particular with regard to gender aspects of poverty and development, and review the main challenges and issues, their magnitude and their breakdown (by age, sex and geography).

To facilitate and structure this overview, a table setting out the key development indicators will be annexed. This table will include at least the 10 key indicators chosen for monitoring the MDGs, which gauge the country’s performance and progress in the matter of poverty reduction and human development. Where possible, it will provide data for the reference year 1990, data for the most recent years, estimates for the years ahead and intermediate and final objectives for 2015. These indicators can be supplemented by other indicators monitored in the PRSP.

Comments should be made on the quality of data and the frequency with which it is updated. To ensure comparability in time, data sources should be used as consistently as possible and any change in indicators and/or sources accounted for.

***More useful links:***

[IDA-eligible countries](#)

[HIPC debt relief initiative](#)

World Bank: [Poverty Reduction Strategy Papers \(PRSP\)](#)

• See Best Practices: [Botswana](#) (Poverty Analysis) | [Kenya](#) (Poverty Analysis)

**2.3. Development strategy of the partner**

This section should provide a summary of the aims and objectives of the government of the country concerned, as defined

- (a) in the official documents presenting the range of policies implemented;
- (b) in any national plan, reform strategy or medium- or long-term development programme (PRSP or equivalent strategy); and
- (c) in any sectoral development programme. This statement should be supplemented by an indication of how the government proposes to achieve these objectives.

This section should review the country’s commitments under the framework of the regional integration process of which it is a member (e.g. creation of a customs union, economic convergence, common market, sectoral policies, including those relating to security matters, partnership with the EU) and multilaterally (e.g. African Union, WTO, etc.).

Particular attention should be given, where relevant, to the policies pursued by the country to develop ties with the diaspora and foster its involvement, to channel remittances, to promote economic emigration or to limit the impact of the brain drain.

## 2.4. Analysis of the viability of current policies and the medium-term challenges also in relation to sustainable development issues

In the light of the analysis of the country's situation and political agenda, and especially its **poverty reduction strategy (PRS)**, a critical summary will be provided of the viability of the country's current policies and medium-term prospects, showing both strengths and weaknesses. The analysis should also explore whether the PRS (or equivalent) fully addresses the country's needs.

This section will help clearly identify future needs and challenges facing the government and the budgets it will be making available to tackle them.

In the case of low-income countries, e.g. those eligible for IDA, especially the HIPC initiative, the national agenda will be linked to, or treated as, a poverty reduction strategy paper (PRSP). Under the principle of ownership, the CSP will support the partner country's PRSP and its strategy of development or reforms in pursuit of the MDGs and align itself as far as possible on the systems and procedures of the country's other partners. This principle of ownership should be adapted in the event of difficult partnerships or post-crisis situations in particular, and alternative approaches should be sought (shadow alignment, work with civil society, etc). Where this foundation exists, donors will harmonise their cooperation aid as far as possible.

### ***Useful links:***

[IDA-eligible countries](#)

[HIPC debt relief initiative](#)

World Bank: [Poverty Reduction Strategy Papers \(PRSP\)](#)

• See Best Practices: [East Timor](#) (Analysis of medium term challenges)

## 3. Overview of co-operation and policy dialogue, complementarity and consistency

The chapter should contain the following sub-chapters:

### 3.1. Overview of past and present EC (and the donors for Joint Programming) co-operation (lessons learned)

The CSP should summarise briefly the results and 'lessons learned' of past and ongoing EC (and the donors for Joint Programming) co-operation with the country in order to improve future cooperation and integrate best practises.

For this purpose this section should:

- Mention all EC external cooperation instruments for the country, such as regional cooperation, Thematic Programmes, global initiatives or humanitarian aid.
- Mention focal and non-focal sectors and reasons for having chosen them.
- Indicate the total amount of resources in the past and in the present.
- Be focused on a result-based approach (main results in relation to targets? If sector objectives were captured in performance indicators in the previous CSP, the results should make reference to them).

- Specific problems encountered during implementation and main reasons behind major delays?
- Main stakeholders and cooperation partners (government, NSAs) and how the choice of stakeholders influenced the programmes?
- Cross-cutting issues (Democracy, good governance, Human rights, rights of children and indigenous peoples, Gender equality, environmental sustainability, fight against HIV/AIDS) mainstreamed?
- Take into account the recommendations coming from joint annual reports, country strategy and thematic evaluations were they deemed relevant for the new programming exercise? If not, specify why. Have they led to changes in the focal sectors?

***Useful links:***

For more information on **Country Strategy Evaluations** see the web site of AIDCO – Evaluation Unit:

[Home page](#)

[Evaluation reports](#) by year; by country/region; by theme/sector; by instrument/channel

### **3.2. Information on programmes of other donors (complementarity)**

This section should provide as accurate and comprehensive a picture as possible of the programmes of the Member States and other donors, indicating how they complement each other. Specify as far as possible the amounts involved and their breakdown by intervention sector and region. Where they exist, the partner country's analytical instruments (PRSP, etc.) will be used.

This section should also discuss what type of instruments and aid modalities the donors are using in their cooperation and whether there is a sectoral or regional focus to their efforts.

A retrospective and prospective financial matrix of all participating donors will be annexed for detailed information.

***Useful links:***

- See Template: [Donor Matrix](#)

### **3.3. Description of the state of political dialogue between the donors and partner country**

This section will cover the development of the political dialogue between the government and the donor, in particular concerning aspects such as the human rights situation, good governance, the rule of law, the fight against illegal migration and the trafficking in human beings and the fight against corruption, etc.

### **3.4. Description of the state of the partnership with the partner country and progress towards harmonisation and alignment**

The CSP should describe progress towards improving the coordination of policies, the harmonisation of procedures for programming rounds and the alignment on the partner

country's budget cycles, systems and procedures. This analysis will be based inter alia on the progress indicators laid down in the Paris Declaration.

More specifically, this section will report on the progress of a participation in any coordination/harmonisation/alignment process in the country, and in particular at European level on the dialogue between the Commission and the Member States and the existing coordination system, briefly describe the guidelines in the "road map", where roadmaps have proven to be feasible and appropriate on the EU's harmonisation and alignment in the partner country, describe the application of the common framework at European level and explain the stage/type of joint programming chosen for the country. It will state the future guidelines and implementation plan for joint programming. Where relevant, describe the harmonisation process.

This section will provide information on the donors' initiatives to align on the partner country's multi-annual programming rounds (poverty reduction strategies and budget processes).

It will describe the role, attitude and position of the partner country in the harmonisation and alignment process and its capacity/willingness to play a leading role.

***Useful links:***

- See Programming Principles: [Division of labour, complementarity and harmonisation](#)

### **3.5. Analysis of policy coherence for development**

It is widely recognised that development policy alone will not enable the developing countries to progress.

Policies other than aid policy are at least as important in so far as they contribute or affect developing countries in their efforts to achieve the Millennium Development Goals. This holds for both the EU's and other donors' policies.

*Analysis from an EU perspective<sup>5</sup>*

The EU shall take account of the objectives of development cooperation in all policies that it implements which are likely to affect developing countries, analyse them and promote possible synergies between EU policies and development policy in the response strategy.

This section should, where relevant, summarise the main concerns of the country and the EU donors as regards policy coherence for development, notably in the following areas: trade, environment, climate change, security, agriculture, fisheries, social dimension of globalisation, employment and decent work, migration, research and innovation, information society, transport and energy with a view to ensuring policy coherence for development.

*Analysis from a wider donors' perspective*

The response strategy should also analyse how non-EU donors' non-aid policies, notably in the aforementioned areas, are likely to affect the partner country.

---

<sup>5</sup> Treaty, Art. 178 and DPS, item 35.

***More useful links:***

- Background information on **Policy Coherence for Development:**  
[Communication from the Commission, April 2005](#)  
[Council Conclusions, May 2005](#): Millennium Development Goals: Contribution to Review of the MDGs at the UN 2005 High Level Event  
[Council Conclusions, April 2006](#): Work Programme 2006-2007  
[Council Conclusions, October 2006](#): Rolling Work Programme 2006-2007  
[Council Conclusions, October 2006](#): Integrating Development Concerns in Council Decision-making
- See Best Practices: [Costa Rica](#) (Policy Mix) | [Namibia](#) (Policy mix)

## **Part II: The EU's (and the donors' for Joint Programming) response strategy**

### **1. The EU' (and the donors for Joint Programming) response strategy – strategic choices**

The next step in the process is to formulate the EC response strategy.

1. Justification of the choice of focal sectors
2. Formulation of programmes in the focal sectors

#### **1. Justification of the choice of focal sectors**

This section should set out the strategic choices for EC co-operation, on the basis of the EU's general and specific policy objectives (see Chapter 1: Framework of relations between donor and partner country) and the country's own policy priorities (see chapter 2.2. Policy agenda of the partner country), making possible the setting of priorities within and across sectors and by instrument according to an assessment of:

- The indicative volume of financial (and administrative resources) to be made available by the EC for the implementation period of the CSP.
- Relevance and sustainability; given the political, economic, social and environmental situation (chapter 2.1.). Which general and specific challenges that the country is facing will the strategy serve to alleviate? In this context, it is useful to mention the target populations and choice of specific intervention regions.
- The EC's ad hoc "comparative advantage" vis-a-vis EU **Member States and other donors programmes** based on **lessons learned** from the past.
- How the strategy (at a macro-level) will address the themes that should be [mainstreaming](#) in the strategy (Democracy, Good Governance, Human Rights, Rights of Children and Indigenous Peoples, Gender equality, Environment and sustainability and Fight against HIV/AIDS).
- The likely impact (see [Guidelines on the use of indicators](#)) of the strategy (for example, in terms of improved country economic performance and poverty reduction).
- The risks (e.g. political, economic, operational, social, external risks) associated with the strategy and that could jeopardise the success of the strategy.

The underlying aim should be to concentrate on a relatively limited number of priorities in order to improve efficiency and impact. In certain regions, there are specific requirements for the degree concentration:

- Asia: normally one or two sectors
- ACP: Principle of concentration (2 focal sectors)

## 2. Formulation of programmes in the focal sectors

For each selected sector/area, the response strategy should outline the general and specific objectives. Wherever possible, it is proposed to move from a project to a policy based programme linked to structural/sectoral support (See [Aid Modalities](#)).

### 2. The implementation – the work programme

Once the response strategy is defined, it must be translated into a National Indicative Programme (NIP). The NIP is essentially a management tool covering a period of several years (from 3-5 years depending on the applicable Regulation/Agreement) to identify for each sector within the response strategy: It should be a **stand-alone document** presented simultaneously with the CSP, and itself **not exceed the 15 pages** limit.

The NIP should contain the following elements **for each of the chosen intervention areas**:

1. Main priorities and goals
2. Specific objectives
3. Expected results (outputs)
4. Programmes to be implemented
5. Implementation of cross-cutting themes
6. Financial envelopes
7. Activities under other EC budgetary instruments

In order to capture and structure all the essential information, it is useful to summarise the NIP in an objective tree.

The principle of consistent “over-programming” should apply (i.e. always aiming to have at least 15% more projects/programmes in the pipeline than funds available). This will allow for keeping up the disbursement rhythm if any individual activity goes off-track.

#### ***For ACP Countries:***

- See specific NIP Template ([en](#) | [fr](#))

#### ***More useful links:***

- See: [NIP – logical framework](#)
- See Best practice: [Cambodia](#) (NIP) | [Equatorial Guinea](#) (NIP)

## Annexes

### 1. Summary table: «Country at a glance»

This table provides basic information on the country concerned. The tables showing the macroeconomic indicators and the 10 key poverty indicators will be included in it.

- See Template: [Country at a glance](#)

### 2. Summary Country Environmental Profile or similar environmental analysis

This analysis of the environmental conditions in a country or sector includes the following information: a description of the natural and human environment, including the profile of vulnerability and exposure to the risk of natural disaster, the legislative and institutional framework, information on the links between the social, economic and environmental situations, key data on areas where environmental action is needed and recommendations for the future, an analysis of the cooperation from an environmental point of view as to its integration in programs and projects in other areas and/or as to its integration as focal sector. It includes also environmental sustainability in relation to poverty and poverty reduction strategies.

- See programming fiche: [Environment and sustainable management of natural resources](#)
- See also [Country Environmental Profiles](#)

### 3. Retrospective matrix of donors and prospective financial matrix of participating donors

These annexes summarise the known interventions of all donors, including the EU and multilateral donors. They will transparently reflect at least the results of the local coordination/harmonisation referred to above. It will highlight, where relevant, the division of labour and/or complementarity. The matrix will be both retrospective and prospective. This matrix will also be a useful contribution to the CDF<sup>6</sup>/PRSP exercise if that is being developed in the partner country.

- See Template: [Donor Matrix](#)

### 4. Country migration profile (compulsory for ACP)

A migration profile should be drawn up for every country in which migration (South/North or South/South) and/or asylum issues could influence development prospects.

It contains any information relevant to the design and management of a combined migration and development policy. It includes information on migratory flows (refugees and economic migrants), taking in gender issues and the situation of children. It also provides information on the country's skills needs, skills available in the diaspora and remittances to the country. The profile will analyse existing and possible routes taken by illegal migrants and the activities of people-trafficking networks.

- See Template: [Migration Profile](#)

---

<sup>6</sup> Comprehensive Development Framework.

**5. Description of the CSP drafting process, stressing the involvement of non-state actors and local authorities**

This involves, in particular, explaining how non-state actors and local authorities were involved in the programming discussions and, more generally, assessing the progress made and to be made towards consolidating the involvement of these actors in the development process (discussion of the country's development priorities in the framework of the PRSP, the participatory nature of the budgetary processes, the capacities, potential and constraints of different types of actors, etc.).

**6. Harmonisation and alignment plan (if applicable)**

This annex summarises local processes on harmonisation and alignment roadmaps or similar processes that support the national action plan designed to implement the Paris Declaration and/or a similar aid effectiveness agenda. Where relevant, it may include agreed country specific objectives in relation to harmonisation and alignment.

**7. Table including partner country positions in relation to key international conventions**

**8. Debt Sustainability Analysis (if available from the IFIs)**

Also useful but not compulsory Annexes would be:

- [Logical diagram of objectives](#)
- [Gender Profile](#)
- A country map: refer to [Joint Research Centre website](#)