COMMISSION OF THE EUROPEAN COMMUNITIES



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## COMMISSION STAFF WORKING PAPER

Summary of the impact assessment of the Communication "Governance in the European Consensus on Development: Towards a harmonised approach within the European Union"

> {COM(2006) 421 final} {SEC(2006) 1020} {SEC(2006) 1021}

## SUMMARY

Governance has become a priority in many donors' development policies and aid programmes. It lies at the heart of many partner countries' development strategies. At a time of rising aid budgets, commitments to ensure the effectiveness of international aid and growing economic and financial interdependence, the emergence in the developing countries of good governance is a crucial factor in achieving the Millennium Development Goals.

The EU must increasingly position itself in the international debate on governance. The Commission therefore calls on the Member States to subscribe to common principles and to back two operational proposals concerning (i) the mainstreaming of governance in the programming of cooperation with the African, Caribbean and Pacific countries and (ii) special support for African machinery, as announced by the Council in its conclusions of 19 December 2005 concerning the EU Strategy for Africa.

In this impact assessment, the Commission considers three options: (i) a "no-change" scenario, in which the Commission would simply implement its proposals after notifying the Member States under the comitology rules; (ii) a scenario in which the Commission would, on a case-by-case basis, promote joint operations with the Member States in the two areas of activity concerned but would not produce a policy document on governance for the time being; (iii) a scenario in which the Commission lays the foundations for a more harmonised long-term approach to governance in development cooperation by presenting a communication setting out the policy principles, announcing the implementation of practical measures to that end in relations with the ACP countries and Africa (governance in ACP programming and support for the African Peer Review Mechanism) and describing the Community's approach to democratic governance in the other developing countries.

For reasons of effectiveness, efficiency and consistency, the Commission favours the third option.

The nature of this operation makes it difficult to quantify the initiative's possible impact on governance. However, it is felt that operations in this policy framework will help make EU support for democratic governance processes in the development cooperation sphere more consistent and have an incentive effect on partner countries, thereby contributing to the achievement of the Millennium Development Goals.

Activities carried out under the operational part of the communication will be regularly monitored and evaluated to analyse the results of democratic governance processes in the partner countries and the consistency of the EU's approaches and its support for reform programmes.