Lesson-learning between Canada and Europe: promoting good governance in the developing world

*Échange de bonnes pratiques entre Canada et Europe sur les questions de
gouvernance dans les pays en voie de développement*

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LESSON-LEARNING BETWEEN CANADA AND EUROPE: PROMOTING GOOD GOVERNANCE IN THE DEVELOPING WORLD

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In an effort to contribute to an essential dimension of Canada-EU studies, this paper looks at a particular research enclave, Southeast Europe as part of the so-called "post-communist space", where aid organizations including the EU and Canada have intervened during transitional processes towards good governance and building democratic institutions since the early 1990s. By mirroring the experiences of donors in the region, the paper argues that there is indeed scope for potential lesson-learning between Canada and the EU in terms of development cooperation, going beyond Sustainable Development Goals (SDGs), *acquis communautaires* and in particular, the recent Canada-Europe Trade Agreement (CETA).

Dans l'optique de contribuer à l'avancée de la recherche sur les rapports Canada-Europe, cet article s'intéresse à un espace particulier, l'Europe du Sud-Est qui appartient à l'aire dite "post-communiste". C'est un espace où depuis le début des années 1990, l'aide internationale, y compris l'aide européenne, est intervenue durant la période dite de transition, afin de mettre en place une meilleure gouvernance et de contribuer au développement d'institutions démocratiques. En s'intéressant aux pratiques développées dans cette région, cet article défend la thèse selon laquelle le Canada et l'Europe pourraient largement apprendre des pratiques de l'un et l'autre, en matière de coopération internationale dans l'aide au développement, dans les domaines du développement durable, des « acquis communautaires » et dans la mise en place de l'accord de libre-échange Canada-Europe discuté récemment.

Introduction

The objective of this paper will be to contribute to an important aspect of Canada-EU relations through promoting good governance in developing country contexts. On the EU side of the spectrum, Southeastern Europe (SEE), otherwise referred to as Western Balkans, represents an interesting case in terms of the relationship between the politics of EU accession and absorption of international aid to support reform processes in the region. Thus, the paper explores the experience of the EU and related challenges encountered in the policy transfer towards good governance in SEE, by juxtaposing the latter with interpretations of recent developments on the other side of the spectrum: Canada and its current role as a global development actor. Thus, by identifying some of the initiatives that the EU has implemented in collaboration with other donors and networks, the paper may potentially provide a context for considering lesson-learning between the EU's best practices in promoting good governance in the region (SEE) and Canada's current role in global

development, in light of the current debate on political and institutional dynamics of Canadian foreign (aid) policy.

Thus, the paper will proceed along seven sections. The first and second sections will respectively present a synopsis of the post-communist SEE region and efforts of the international community to assist in the process of its transition, into democratic and market-oriented systems and a historical and contextual background of SEE, in light of the presence and contribution of the EU as a lead donor in promoting good governance in the region. The third and fourth sections will cover some of the concrete “best practices” implemented by the EU (and other donors) and related challenges in the implementation of their efforts to support good governance from the early 1990s and mid-2000s in SEE. The fifth and six sections will concentrate on the Canadian context in promoting good governance, thus highlighting both domestic and global aspects of Canada’s current presence in development cooperation, particularly in relation to the EU as a donor and partner. The concluding section seeks to explore implications and potential lesson-learning between Canada and the EU, through the specific case of promoting good governance in SEE, in a way which perhaps proposes future avenues of research on the cooperation between the two, in and beyond development cooperation.

1 - A glance at post-communist Southeast Europe

International (aid) organizations including the Canadian Agency for International Cooperation (CIDA) have substantially intervened in the transition processes of the so-called “post-communist space” of Central and Eastern Europe, but after years of assistance, alongside positive effects, those interventions have also had negative and unintended consequences. In the specific case of Southeast Europe (SEE), otherwise referred to as the Western Balkans, aid has focused on the politico-economic stabilization of the region, and support toward membership in (international) organizations such as the Council of Europe (CoE), the European Union (EU), and the North Atlantic Treaty Organization (NATO). This process has occurred amidst warnings that this strategy could lead to path dependency often reflected in ineffective absorption of international aid on the part of institutions benefiting from it. Most significantly, EU accession and *acquis communautaire*¹ requirements

¹ The terms refers to “the cumulative body of European Community laws, comprising the EC’s objectives, substantive rules, policies and, in particular, the administrative legislation, all of which form part of the legal order of the EU”

associated with the process have driven the aid agenda of most donors operating in the region.

By adding value to the accounts of donors operating in the region during the post-communist era, mainly reports of the European Commission (EC) and the Organization for Economic Cooperation and Development (OECD) on the progress of reforms as related to the process of EU accession, the proposed paper will take a critical look at both the broad impact of donor policies and some of the challenges encountered by aid agencies, and in particular the EU, in the implementation of their good governance programs. In the context of the development experience in the SEE region, an attempt will be made to link the discussion to the cooperation between Canada and the EU not only in promoting “good governance” but, more broadly, in terms of their partnership in promoting sustainable development globally.

2 - Background and context

Following the collapse of communism, “good governance” in the SEE countries has been central to programs supported by international aid organizations in the region. Thus, since the early 1990s, the Bretton Woods Institutions (BWIs), i.e. the World Bank (WB) and, to a lesser degree, International Monetary Fund (IMF), which although originally focused most, if not all of their efforts on structural adjustment, ensuring financial stability rather on broader development issues, have increased their direct involvement in development across the region (RIDDELL 2007). Such strategy was consistent with the Washington consensus², the BWIs’ “new aid framework” within which, “instruments of aid, stabilization and structural adjustment programmes, were oriented towards assisting the internal restructuring of their economies” (MOSSE AND LEWIS 2005: 4). Besides, as argued in the literature:

International aid in C/SEE in the early years after the fall of communism became underpinned conceptually by the framing of development goals, not in terms of national economic development, but rather in terms of establishing conditions for successful participation in international markets and for the role of governments to secure conditions for such

² Mosse and Lewis (2005) define the Washington consensus as “a set of 10 economic policy prescriptions considered to constitute the ‘standard’ reform package promoted for developing countries by BWIs such as the WB and IMF”.

participation including the rule of law, anti-corruption measures and accountable and effective government (MOSSE AND LEWIS 2005: 4).

While other arguments in the literature assume that, on a larger scale, aid to Central and in particular, Southeast Europe has been practically negligible, “aid programmes in a number of countries in region (i.e. the new EU members) have formed part of the EU ‘cohesion policy’ designed to step up the economic growth in the member States” (BÖHNING AND SCHLOETER-PAREDES 1994: 46). This paper is based on the proposition that aid-supported “good governance” programs in the SEE countries including Croatia (which acceded to the EU on July 1, 2013); official EU candidate states (including Albania, the Former Yugoslav Republic of Macedonia (FYROM), Montenegro, and Serbia); and potential candidates, namely Bosnia and Herzegovina (B&H) and Kosovo, has been almost entirely focused on “good governance” reforms as linked to the goal(s) of EU accession and meeting the *acquis* requirements.

From a meso-level of international policy transfer (DOLOWITZ AND MARSH 1996, EVANS 2009), international and regional initiatives have been underway through “good governance” – an approach to the development of the SEE region – as opposed to the democratisation and state-building efforts of the early 1990s. To this end, in July 1999, forty countries met in Sarajevo (B&H) and agreed to provide the financial support for a Stability Pact to assist the region in rebuilding its infrastructure and in promoting economic liberalization, respect for human rights and democratization (USIS 2007). This would replace the previous, reactive crisis intervention policy in SEE with a comprehensive, long-term conflict prevention strategy in order to achieve stability in the whole region³. Under the auspices of the Pact, nowadays replaced by the Regional Cooperation Council, numerous aid programs have been undertaken by international financial institutions such as the WB and increasingly by the EU and regional agencies including the European Commission, the CoE, the OECD and the Open Society Institute (OSI)⁴.

Similarly, the orientation of efforts by other donors including United Nations Development Programme (UNDP), U.S. Agency for International Development (USAID), German International Cooperation (GIZ), Austrian Development Cooperation (ADA) and Swedish International Development Agency (SIDA) has gradually moved from “state-building” towards “good governance”,

³ SPSEE (Stability Pact for South East Europe) 2007; <http://www.stabilitypact.org>.

⁴ *ibid*

whereby administrative reform had become an essential element of putting the countries of post-communist space on the course of good governance for sustainable development. In the last few years, the efforts of the international community to assist the SEE boil down to IPA (Instruments of Pre-Accession), a streamlined mechanism created by the EU to deliver aid efficiently to SEE in support of the new focus of the EU strategy for enlargement, containing components such as general capacity building, cross-border cooperation, regional development, human resource management and rural development (IPA 2009).

3 - Key Best Practices: SIGMA Initiative and OSI network

The focus of this paper being the cooperation between the EU and other global or regional development actors with regard to promoting good governance in the developing world, this section will discuss some of the concrete model of good governance implemented by the EU and other governance institutions in the Southeast European region. More specifically, the discussion will highlight key “best practices” that the EU has jointly implemented with primarily the Organisation for Economic Cooperation and Development (OECD) as well as with the Open Society Institute (OSI), EU institutions and other donors.

In a broader context, the OECD – preceded by the Organisation for European Economic Co-operation (OEEC), an aid organization established in 1948 to help manage the Marshall Plan designed for the reconstruction of post-World War II Europe, the current OECD (Organisation for Economic Cooperation and Development) – is an international economic organization composed of 34 developed countries committed to promoting economic progress and democratic values globally. As such it provides a platform for policy learning, identification of common policy issues and best practices, as well as for coordination of domestic and international policies among its members.

A review of the history of the organization suggests that, following the collapse of the Berlin Wall and the “wind of changes” that engulfed Central and Eastern Europe in 1989, the OECD was faced with a unique challenge of providing the countries of the so-called “post-communist” space with financial and technical assistance to help improve their domestic governance systems⁵. While the European Commission had already designed the first of its aid programs for Central and Eastern Europe, namely the PHARE (Poland and Hungary:

⁵ OECD at : <http://www.oecd.org>

Reconstruction of their Economies) to support their accession to the EU, it became imperative for the OECD to design and implement appropriate aid modalities and templates to support the accession process through assistance towards governance reforms, initially in the CEE and subsequently in the SEE region along the lines of the “EU accession” policy platform.

Therefore, the OECD and the EU embarked on a “one of a kind” joint initiative, namely SIGMA (Support for Improvement in Governance and Management), whose key objective was to strengthen the foundations for improved public governance. This also meant to support socio-economic development processes through building the capacities of the public sector, enhancing horizontal governance and improving the design and implementation of public administration reforms, strategic planning and implementation and public finances in CEE. Based on the core mission of this joint OECD-EU initiative, SIGMA has been broadly supporting both the accession process not only in the SEE but also the EU Enlargement and Neighborhood policies, whose aim is to unite countries around a common project by stimulating political and socio-economic reforms. This has been achieved through specific mechanisms including the Instrument of Pre-Accession Assistance (IPA) and the European Neighbourhood Instrument (ENI) to help partners align with EU legislation and adopt international standards.

In this capacity, the OECD has been working with countries on strengthening their public governance systems and public administration capacities for over 20 years. Through SIGMA, it provides advice to 20 countries (including Albania, Algeria, Armenia, Azerbaijan, Bosnia & Herzegovina, Croatia, Egypt, FYROM, Georgia, Jordan, Kosovo, Lebanon, Moldova, Montenegro, Morocco, Serbia, Tunisia, Turkey, Ukraine) based on the experience of EU and OECD member states. It also assesses progress in five arenas of public administration reform (PAR), i.e. civil service and public administration organization and functioning; policy making; public finance and audit; public procurement as well as strategic planning⁶.

Central to the “good governance” paradigm supported by donors in CEE, more specifically those operating in the SEE region, is public administration reform, which started to appear as one of the key categories of EU assistance since the launch of the EU PHARE Program⁷, the first aid programs targeting all post-communist governments of Central and Southeastern Europe in 1992. In

⁶ See fn. 5

⁷ See p. 4

particular, SIGMA was designed to provide assistance with administrative reform and capacity development for the countries in the region. However, the original idea behind the creation of SIGMA was to establish templates that would guide the EU's strategy for "Preparing Public Administration for the European Public Space" through an assessment of administrative capacities of candidate countries. Specifically, this would be done through the adoption of laws to guarantee the independence of the civil service and the establishment of a career system, pay reform, and training strategy. This approach would represent the EU's orientation towards the *Rechtsstaat* or Weberian model, where the emphasis is placed upon drafting administrative laws as key to governing public administration reform policy (POLLITT AND BOUCKAERT 2011)⁸. The approach was embraced by the World Bank, another key donor that assisted in drafting public service management laws, oriented through a managerial, performance-based model, often clashing with the career-based approach to public administration reform as one of the key characteristics of the Weberian public administration doctrine and *Rechtsstaat* model adopted by the EU.

However, despite its underplayed importance and role in public management reform – especially in preparing the countries of CEE and, more specifically of SEE, for participation in the "European administrative space" (VERHEIJEN 2003, STUBBS 2005, DIMITROVA 2006) – and very limited literature on this very important "best practice", SIGMA remains a unique model of OECD-EU collaboration through administrative reform, as a conduit to good governance in the Southeast European region. However, more significantly, the initiative has certainly benefited the platform of good governance reforms that are part of the requirements —otherwise referred to as "conditionality" — for the political process of the accession of the SEE countries into the EU. This, in itself, may serve as an example of synchronizing a political process into a broader development platform, which may be replicable in other developing country contexts.

In addition to SIGMA as an EU-OECD collaborative model, the Open Society Institute (OSI)⁹ -has been key to promoting good governance in the region, through initiatives including the Higher Education Support Program (HESP), the Local Governance and Public Service Reform Initiative (LGI) and the

⁸ In their work, Pollitt and Bouckaert (2004) categorize world public management systems into two groups: those that adopt a Weberian model of administration (characteristic of most EU states) and those that adopt a "public interest" model, more typical of the Anglo-Saxon world including the UK, the US, Australia and New Zealand

⁹ Otherwise known as "the network of the Soros Foundation(s)"

Think Tank Fund (TTF) for Policy Centers in Southeast Europe. However, while in the 1990s and early to mid-2000s, these initiatives consisted of support for academic exchanges, training and curriculum development as well as publications and research on good governance models across the region, the OSI has also more recently intensified its efforts toward linking its “good governance” agenda to the “EU integration process”. This process has been facilitated through the Open Society European Policy Institute as the EU’s policy arm of the Open Society Foundations. As such, the Institute works to foster open societies inside and outside Europe, by leveraging the EU’s policies, legislation, funding, and political influence by bringing into EU policy debates evidence, argument, and recommendations drawn from the work of the Open Society Foundations in more than 100 countries including the “candidate” and “potential candidate” countries of the Southeast Europe. Thus, the Institute has expanded its “good governance” platform of influence by including priorities such as human rights, justice, and accountability, through a wide range of policy areas including health, media, information, youth, and education as part of the founding principles and fundamental values of the European Union. On an implementation level, the Institute as a model of EU-OSI collaboration, pursues this by providing evidence and arguments, to inform political debates and policy-making processes, linking the Open Society Foundations network with EU institutions and (current and future) member states. It also engages in the broader debates about the EU’s institutions and policies, in order to promote open society values within their operations thus contributing to building strong relationships with officials, politicians, NGOs, and other actors to keep civil liberties, rights, and justice on the EU’s agenda¹⁰.

4 - Challenges in implementing “good governance” programs in SEE

More specifically for the context of SEE, there were two specific programs designed to support the process of signing the Stabilization and Association Agreements (SAAs) as the first step towards EU accession for countries in the region, following the original PHARE program discussed earlier. The first of these was the Community Assistance for Reconstruction, Development and Stabilization (CARDS) Program. The CARDS projects in SEE broadly supported six elements: democratic stabilization and good governance, institutional and administrative capacity building, justice and home affairs, economic and social development, environment and natural resources as well as

¹⁰ <https://www.opensocietyfoundations.org>

participation in Community Programs¹¹. In terms of Public Administration reform, the *vertical* platform of the program focused on projects addressing the implementation of the *acquis* in areas such as statistics, procurement, state aid, and internal and external financial control while the *horizontal* platform concerned projects supporting overall administrative capacity building and reforms at central and local-level administrations, such as civil service reform and European integration. However, as the literature suggests, the existence of two separate platforms on the part of the EC regarding the progress of reforms in SEE, that is, the introduction of the Stabilization and Association Agreements as a political process (the vertical platform) and of general administrative capacity building (the horizontal platform), has been criticized as indicative of the fact that EU accession policies were not necessarily synchronized with general reform policies in the region (ELBASANI 2009). Besides, it has been claimed that administrative capacity building was perhaps introduced as an almost exclusive criterion to aid the political process of preparations for EU accession, rather than as fundamental to the general reforms in SEE (ibid).

Since 2007, CARDS has been replaced by Instruments of Pre-Accession (IPA), whereby the EU makes a clear distinction between “candidate countries” and “potential candidate countries”. The latter benefit from only two out of the five aforementioned components of IPA: a) transition assistance and institutional building (general capacity building), and b) regional cooperation. On the one hand, scholars of Europeanization have identified shortcomings in the accession/integration policy as being twofold: it neither adequately addresses contextual factors leading to non-transfer, nor provides sufficient and strong accession incentives (PAPADIMITRIOU AND PHINNEMORE 2004, BENSON AND JORDAN 2011). However, on the other hand, another important consideration is that the policy excludes “potential candidate” countries in the region from aid in public sector HRM, which is essential to administrative reform, and otherwise a key conditionality for EU accession and membership (KARINI 2014). In addition, funding provided by the EU for administrative reform and capacity building in SEE countries under the most recent IPA is considerably lower than the funding allocated during CARDS (KARINI 2014, ELBASANI 2009).

¹¹ European Commission (2010):
http://ec.europa.eu/enlargement/pdf/financial_assistance/cards/publications/regional_strategy_paper_en.pdf

It is perhaps not surprising that EU support for public administration is driven by compliance with the requirements of the *acquis communautaires*. Donors such as the EC, ADA, GIZ, and SIDA strongly support the EU integration component through modalities such as bilateral twinning, direct support to national ministries responsible for EU integration, and alignment with European standards in donor programming. The same objectives are evident in initiatives such as the Regional School of Public Administration (ReSPA), supported by the EC Directorate for Enlargement and modeled after the Ecole nationale d'administration (ENA). Within a broader approach to “good governance” transcending the “EU accession” aspirations of the countries in the region, RESPA was designed to support the creation of accountable, effective and professional public administration systems as a way to boost regional cooperation. Precisely, it can therefore be argued that this represents a key merit of the initiative in terms of utilizing the “good governance” platform as a tool for both a political goal such as “EU accession” and an approach towards broader socio-economic development of the region as a whole. In a nutshell, this signifies a more sensitive approach demonstrated by the EU in recent years, which indeed complements efforts of other non-EU donors, including the Swiss Development Cooperation (SDC) and USAID, whose assistance in the region emphasizes “good governance” as part of their support for broader national socio-economic development strategies rather than “EU accession” as an end in itself.

While, from a theoretical perspective, much of the current comparative public management literature suggests that SEE countries are gradually adopting the hybrid New Weberian State model of PA reform, which blends together elements of both Weberianism and New Public Management (NPM), an alternative perspective emphasized in earlier writings (POLLITT AND BOUCKAERT 2011) suggests that the focus on EU accession and its preference for the improvements in the regulatory frameworks, may increasingly orient governance in the region reforms towards a traditional Weberian model of public administration reform. As argued in earlier academic work, this focus, combined with the heavily externally-motivated nature of public administration reform, may not have sufficiently contributed to the progress of such reforms, which have been otherwise undermined by the polarized politico-administrative contexts of SEE countries (KARINI 2014). The combination of all of the above explains why the support and conditionality mechanisms that the EU and other donors have provided, may have not resulted in actual policy transfer. Therefore, it is suggested that EU donors and other donors should promote and incentivize the capacity development of human resources in the public sector.

They should go beyond capacity-building for management of EU integration processes, which may necessitate engaging in more intensive policy dialogue with senior policy-makers, to highlight the relevance and benefits of HRM as part of national socio-economic development strategies in the region (KARINI 2014). This insight, may provide a context for considering the role of Canadian foreign (aid) policy in the region, as well as its implications for reforms in the developing world, and more broadly, for its engagement in the global aid effectiveness agenda and international development cooperation. The discussion below will focus more concretely on such aspects in the Canadian context.

5 - Canada and its “presence” in development cooperation

“Public Sector Governance” in Canada has traditionally been a shared domain of government agencies, non-government organizations and think-tanks/research institutes including the (former) CIDA (Canadian Agency for International Development), IDRC (International Development Research Centre), NSI (North-South Institute), IPAC (Institute of Public Administration of Canada) and others. Besides, the replacement of the Millennium Development Goals (MDGs) Declaration, – which included a set of targets for development and poverty reduction to be reached by 2015 as a commitment to a peaceful, prosperous and just world –, with the post-2015 development agenda referred to as the SDGs (Sustainable Development Goals) framework, is both relevant and has implications for Canada and its profile in international development (NSI 2015). Overall, while global frameworks such as MDGs and SDGs have historically been applied to developing countries – but also guided Canada’s approach to international development –, the post-2015 framework in particular presents a major opportunity to catalyze real action on priorities that are critical for eradicating extreme poverty and supporting sustainable growth and prosperity.

More specifically for the Canadian domestic context, it has been noted that the proposed Sustainable Development Goals generally align well with the national priorities, taking significant steps to improve the economic, social and environmental well-being of Aboriginal peoples as discussed earlier. Improving the sustainable management of natural resources and addressing climate change are both priority areas in terms of the implications of implementation of SDG in the Canadian context. The Canadian North-South Institute (NSI), for example, is actively engaging on the Post-2015 Development Agenda through projects, publications and commentary. Its *Post-2015 Tracking Tool* represents an

interactive aggregator of proposals on the post-2015 development agenda, as a unique resource for tracking the goals, targets and indicators that are being proposed to replace the MDGs and support and monitor development progress beyond 2015¹².

However, despite the articulated commitment to one of the main SDG dimensions as related to the role of Canada in the implementation of SDGs, specifically that of “global partnerships”, it is still deemed that the discourse on the post-2015 agenda in Canada has been rather limited on the political level¹³. More specifically, the aforementioned dimension addresses special needs of developing countries, promoting better statistics for development, supporting climate change adaptation and mitigation, strengthening domestic resource mobilization in developing countries, implementation of ODA (Official Development Assistance) and commitments and overall promotion of global citizenship.

As such, Canada’s current approach towards international development cooperation has been to align aid with trade and integrate the development portfolio into foreign affairs and trade. In this context, the Canadian Conservative government had decided to amalgamate the Canadian International Development Agency (CIDA), a historically stand-alone Canadian aid agency into the Department of Foreign Affairs and International Trade (DFATD). The decision has been based on the argument of “thinking bigger on development” and interpreted as an opportunity to elevate the profile of international development in Canadian foreign policy. Yet, Canada’s aid levels are now amongst the lowest of the Organization for Economic Cooperation and Development donors, specifically at about 0.2 per cent of national income (NSI 2015). Critics have blamed this inadequacy on the philosophy of the Harper government demonstrated in the progressive dismantling of the former CIDA and other publicly funded development institutions. It reflects a certain failure to grasp the significance of today’s threats to global stability and to Canada’s long-term economic and social well-being. Besides, as a recent NSI report on the progress of implementation of SDGs in Canada assesses, the enabling environment for civil society advocacy has become increasingly closed, due to funding cuts and stricter regulations on the political activities that charitable organizations can undertake (NSI 2015).

¹² (The) *Post-2015 Data Test – Unpacking the Data Revolution at the Country level. Country Profile: Canada*. <http://www.post2015datatest.com>

¹³ (The) *Post-2015 Data Test*, *ibid*.

A more benign interpretation would however suggest that Canada's excellent statistical systems based on a sound legal framework (Statistics Canada's Quality Assurance Framework) and with a relatively high degree of political economy, are well placed to positively contribute to the progress of the SDGs on goal areas such as poverty, education, employment and inclusive growth, energy and infrastructure, governance and global partnerships. Such capability seems to directly contribute to the Harper government's approach toward development cooperation by championing a post-2015 framework (agenda) that focuses on the poorest and the most vulnerable among developing countries. However, critics of Canada's role in the implementation of SDGs argue that there is a need to move beyond the development perspective to ensure that national priorities, including addressing the situation of Aboriginal peoples, reducing greenhouse gas emissions and integrating gender into mainstream development are given due consideration. From a broader perspective, as a *Post-2015 Data Test* report suggests, this would ensure that the agenda is not only confined to the developing world but also has relevance for high-income countries including Canada.

It must be noted, however, that in addition to its commitment to global development initiatives, i.e. post-2015 SDGs (Sustainable Development Goals), Canada as an important member of OECD (Organization for Economic Cooperation and Development) has demonstrated a commitment to increasing transparency and accountability toward "good governance" globally as part of the Aid Effectiveness Agenda reflected in OECD-supported forums¹⁴. Thus, the Government of Canada regularly reports on its international development plans, activities and results throughout the year. The former Canadian International Development Agency (CIDA) became a member of IATI (International Aid Transparency Initiative) and was one of the first donor agencies to offer a project database online when the IATI's highlight initiative (the Aid Transparency Index Report), was created in 2004. Since 2011, the Government of Canada has also launched an *Open Data* portal¹⁵ dedicated to international development information through the *Open Government Partnership* initiative, designed to increase transparency of international aid for governance reforms in developing countries.

¹⁴ OECD-supported forums include: Paris Declaration (2005), Accra Agenda for Action (2008) and Busan Partnership for Effective Development (2011), <http://www.oecd.org>.

¹⁵ <http://www.opendata.gc.ca>

In reviewing literature and other factual documentation, it is undeniable that one of the key merits of Canada's participation in global governance efforts in recent years, is clearly demonstrated in its commitment towards specific initiatives such as the post-2015 SDGs, as well as global aid transparency efforts such as IATI. However, as the academic literature contends (EASTERLY 2010, BOOTH 2011, BLUNT ET AL 2012), such efforts might not necessarily equate to a commitment to "development effectiveness" which would otherwise be reflected in a more active presence in global development and governance institutions. Thus, Canada's domestic politics demonstrated in the amalgamation of key government agencies such as CIDA into a broader foreign affairs and trade portfolio (DFATD), the significantly reduced funding towards international development project, as well as concerns over the inclusion of civil society into the policy dialogue over domestic and international development strategies, are somewhat controversial. Moreover, despite the current government's commitment to essential dimensions of SDGs, namely poverty reduction and socio-economic growth in developing countries, critics echo that the latter has perhaps come at the expense of overlooking important domestic development issues such as the situation of Aboriginal peoples.

More specifically for the context of the Canada-EU cooperation, more fundamentally reflected in the CETA – Canada-Europe Trade Agreement, somehow seem to overemphasize aspects related to trade, environmental and climatic aspects with little concern for potential cooperation in "development enclaves" within Europe and, specifically with Southeast Europe, as a strategic area for further EU enlargement.

6 - Canada and the EU

As mentioned at the beginning of this paper, the focus of the discussion is to explore potential lesson-learning between the EU and Canada, when it comes to promoting good governance in the developing world. However, although Southeast Europe (SEE) has not typically and traditionally been on the Canada's "development map" throughout its post-WWII history, this paper argues that the experience of the EU in promoting "good governance" in the region still serves as a good case study within the scope of such lesson-learning between the EU and Canada for a variety of reasons. First, after the first wave of EU enlargement in 2004, and the second wave in 2007, followed by Croatia's accession to the EU in 2013, the Southeast European region might represent an opportunity both for further EU enlargement and socio-economic opportunities for countries in the SEE. Secondly, the EU has in recent years

increasingly intensified its presence, thus taking on the role of a lead donor of good governance programs and projects in the region. Consequently, such new focus on the SEE region would undoubtedly be within the strategic interest of the EU-Canada partnership. Thirdly, exploring potential lesson-learning between the EU and Canada in the experience of development in the SEE, contributes to the debate over the EU's political, somewhat "coercive" approach materialized in the "*acquis communautaire*" versus Canada's more conventional development approach in promoting good governance in the developing world, in a way which both approaches can be complementary as a way of solidifying the Canada-EU partnership.

Indeed, such potential collaboration between the EU and Canada perhaps needs to be considered within the broader partnership between the two entities, going beyond the narrow "development" or more specifically "good governance" focus of this paper and Southeastern Europe as a case study. A review of the factual background surrounding the EU's global partnerships in promoting "good governance" globally suggests that, under the umbrella of European External Action Service, the EU already enjoys 10 strategic partnerships, as instruments of its foreign policy, with a range of "important countries in both the developed and the developing world including Brazil, Canada, China, India, Japan, Mexico, Russia, South Africa, South Korea and the United States" (CETD-EUCE 2015). More specifically, as mentioned earlier, the partnership between Canada and the EU is materialized into the recent CETA (Canada-Europe Trade Agreement), a process which as of the time of the writing of this paper, is still under ratification.

While, on the one hand, the EU shows increasing interest in developing partnerships with rising world powers, such as the other BRICS countries, critics of CETA, on the other hand, argue that it places an overemphasis on trade, economic cooperation, energy policy and climate change and is perhaps characterized by a somewhat "weak language" on "sustainable" development. While CETA focuses on the partnership between Canada and EU, as "28-member state" union rather than with Europe as a geo-political entity, it lacks mention of a potential collaboration not only with Southeast Europe, which is relevant for the context of this paper, but also with the European Neighborhood Policy (ENA) area, both strategically important for the future of the EU and ultimately, for the EU-Canada partnership.

Conclusion

From a comparative perspective, this paper has looked at potential lesson-learning between the European Union and Canada in terms of promoting good governance in developing country contexts through the case of Southeast Europe. In doing so, it has illustrated some of the commonly shared challenges encountered by the EU as a lead donor in a regional context thus attempting to draw parallels between some dynamics and implications of political vs. developmental processes of EU accession for Southeast European countries, on the one hand, and dynamics surrounding Canada's profile and "presence" in global development in recent years on the other hand.

Through an account of political transformations in Southeast Europe following the collapse of communism in early 1990s, the paper has identified specific initiatives, policies/programs and networks that the EU and its institutions, in conjunction with other European and non-European donors, might have strategically used to support political processes such as compliance with *acquis communautaires* to introduce good governance and broader socio-economic development in the region. The paper exemplifies this approach through "best practices" such as SIGMA (Support for Improvement of Governance and Management), a joint EU-OECD initiative to support public administration reforms, OSI (Open Society Institute) networks as a model of cooperation between the EU and OSI to promote civic education, curriculum development and civil society as part of its support of broader good governance and democratization processes in the region, and RESPA (Regional School of Public Administration, a product of EU's Directorate for Enlargement as well as networks such as OSI (Open Society Institute).

In the Canadian context, the paper has attempted to provide an account of recent developments in terms of Canada's efforts and contributions towards global development initiatives in support of the UN's sustainable development goals as well as the OECD's "aid effectiveness" agenda. Examples of such contributions include Canada's commitment towards the post-2015 Sustainable Development Goals and towards "aid transparency" initiatives such as its active participation in IATI (The International Aid Transparency Initiative). The paper attempts to juxtapose these commitments with domestic and institutional challenges, involving the role of key Canadian development organizations and certain funding challenges in promoting good governance in the developing world. It thus argues that Canada's current active commitment toward cooperation and coordination, with other global donors, might not necessarily

have been compatible with an active presence in global development, at least in recent years.

Recognizing that there is indeed a limited scope of comparison between the EU and Canada through the case of good governance reforms in Southeast Europe, the paper does not claim that the EU's experience in the region might be easily replicable in other developing country contexts, including those that have been "traditional" beneficiaries of Canadian aid. Nor does it claim that Canada's current approach toward global development through compliance with "aid transparency" equates a commitment toward "aid effectiveness" or more precisely "development effectiveness" as is the case of other global development organizations such as the OECD. However, experiences of both the EU, i.e. its "good governance" approach to support political processes such as "EU accession" of Southeast Europe through joint initiatives with OECD such as SIGMA and regional networks such as the OSI as well as Canada's political approach to "development effectiveness" through "aid transparency" and compliance with global development strategies such as SDGs attest to success stories in development cooperation. Most importantly, such experiences demonstrate that there is indeed a scope for donor-to-donor lesson-learning in that political motivations and development approaches might indeed be complementary rather incompatible.

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