

**Letter of 14 November 2011 from Ben Knapen, Minister for European Affairs and International Cooperation, to the President of the House of Representatives on knowledge policy and working with knowledge institutions on development cooperation**

During my meeting with the parliamentary committee on the report *Less Pretension, More Ambition* by the Advisory Council on Government Policy (WRR) I promised to inform you in writing about the way in which knowledge and research are to be deployed in development cooperation. This letter follows up on that promise: below I shall elaborate on the relationship with the world of knowledge and research and discuss the challenge of professionalising our human resources policy.

This strategy comes in response to the Hachchi/Dijkhoff motion (House of Representatives 32605, no. 12) about deploying knowledge in development cooperation policy. It reflects the discussion on the WRR's proposal for the establishment of an NLAIID agency. It is also a response to the Ferrier/Hachchi motion (House of Representatives 32605, no. 8) on encouraging knowledge development and links between knowledge centres and institutions in the Netherlands and developing countries. I will also discuss the Ferrier motion (House of Representatives 932605, no. 46) about knowledge infrastructure.

This letter starts with an overview of current practice in the field of knowledge and research (1). It then sets out the aims of the new policy (2) and explains how it will be implemented through knowledge platforms (3). I subsequently indicate how the new policy will affect knowledge infrastructure (4) and elaborate on the need to improve internal knowledge management (5).

The new knowledge policy has been the subject of two consultative meetings with representatives of research institutions, universities, NGOs and the business community. These meetings produced useful suggestions and ideas, which are reflected in this letter and will be borne in mind when the new policy is fleshed out.

## 1. Current practice

About €100 million of ODA funding was spent annually on research between 2000 and 2009. In 2009 expenditure dropped to below €70 million and in 2010 to €60 million. Of this sum, about €35 million is spent on roughly 70 activities that revolve around research, and the rest on activities in which research is part of a broader partnership. The 70 activities include medical research, research into medicine, agriculture, water, fragile states, and science and technology. A portion of these activities are conducted within the framework of bilateral programmes.

Considerable experience has been acquired in developing research and knowledge through knowledge platforms with partners in the North and South, especially in the framework of sexual and reproductive health and rights (SRHR). Within the education and research world, there are many partnerships with universities in the South. Through ten 'IS Academies' knowledge is shared between the academic world and policy officers at the Directorate-General for International Cooperation (DGIS) of the Ministry of Foreign Affairs.

The new policy and reduced number of partner countries and themes offer opportunities for further developing and deepening knowledge and experience. In order to capitalise on these opportunities and thus upgrade the quality of policy it is vital to professionalise human resources policy and knowledge building, as I stated in the letter on the spearheads of development cooperation policy.

In this sequel to that letter, I explain how I intend to shape this quality improvement. I differentiate between knowledge for policy, knowledge in developing countries, and policy for knowledge. *Knowledge for policy* is about deploying knowledge to improve the preparation and implementation of development cooperation policy. This currently falls short on a number of points:

- there is no overview of the body of relevant research to date;
- the questions to be answered by new research are unclear;
- the research agenda design lacks focus and coherence; and
- insufficient use is being made of the relationships between the government ministries, knowledge institutions, businesses and civil society organisations.

*Knowledge in developing countries* is about access to knowledge as well as knowledge capacity and the ability to recognise and deploy significant knowledge and to translate it into innovation. According to the Advisory Council for Science and Technology Policy, developing

countries that have this capacity are more effective at reducing poverty. Knowledge and research capacity is still scarce in many developing countries and needs strengthening, both quantitatively and qualitatively.

*Policy for knowledge*, finally, is about developing and maintaining knowledge at the Ministry of Foreign Affairs. Because of the many policy fields in which the Ministry is active, policy officers tend to be recruited as all-rounders and less as sector specialists. Knowledge about development cooperation is present in abundance and is usually high-quality, but because of the staff transfer system, it is not always deployed or shared in the most efficient way.

## **2. Aim of the new policy**

Supporting research and development and sharing knowledge are not an aim in themselves. In the Netherlands, they serve to underpin the policy and its implementation and to make our development efforts more effective (knowledge for policy). In developing countries they contribute to development and self-reliance (knowledge in developing countries). The role that the Ministry (especially DGIS) wishes to play here can only be effectively fulfilled if better account is taken of knowledge and experience that have already been acquired (policy for knowledge).

The government wants to use research to deploy existing expenditure more strategically – in a way that is less fragmented and more focused on priorities – and thus help to enhance the relevance and use of knowledge about and research capacity for development cooperation in the Netherlands, strengthen the capacity of Southern research institutions, improve access to existing knowledge in the South and extend cooperation between Northern and Southern knowledge institutions.

To achieve this I shall be changing how knowledge policy is organised. Knowledge platforms will be introduced, relations with Dutch knowledge institutions will be changed, relations with knowledge institutions in developing countries will be renewed, involvement with knowledge-intensive multilateral organisations such as the World Bank will be strengthened, and within the Ministry the maintenance and accumulation of knowledge and know-how will be assigned a more central role.

### **3. Knowledge platforms**

As we deepen knowledge and programme and carry out research, we will be focusing on priority policy themes. In the year ahead I shall establish five knowledge platforms, one for each of the priority themes – water, food security, SRHR, and security and the rule of law – and one for knowledge about innovative, cross-cutting intervention strategies.

The platforms will be tasked with:

1. jointly identifying, selecting and defining research questions;
2. setting up a coherent joint research agenda;
3. mapping and deploying existing knowledge;
4. linking research findings to policy and practice.

In each knowledge platform, researchers from the Netherlands and developing countries will work together from the outset with companies, NGOs and government. Embassies will play a role in bringing Northern and Southern parties together. This will follow up on the Ferrier/Hachchi motion about links between knowledge institutions in the Netherlands and in developing countries.

Existing cooperative ventures and initiatives that already target the priority themes will be merged into the new platforms wherever possible. By pooling resources we will boost the efficiency and effectiveness of the input of the Ministry of Foreign Affairs and other parties.

Each platform will have a leader – an acknowledged authority on the theme in question, with substantial experience of development processes. There will be a small group of participants setting the direction, responsible for ensuring that the platform plays its role and carries out its tasks in line with the agreements made within the group. All participants will be responsible for the success of the platform and for financing the research for which contracts are awarded.

The availability of funding will be primarily driven by needs and opportunities and will therefore vary per platform. Resources from the Ministry of Foreign Affairs will be made available by increasing spending on policy priorities and reallocating funds now earmarked for knowledge about non-priority themes.

In tender procedures, grants will be awarded to the best qualified partners with the best proposals, the most creative approach, the greatest probability of impact and innovation, and potential for generating additional funding and capacity.

With a view to the required transparency, the research tenders and monitoring of research quality by DGIS will be outsourced to an intermediary organisation. The relevant departments within DGIS will retain overall responsibility for initiating and monitoring the process and will therefore deploy sufficient capacity for this purpose. From the DGIS participants I expect a clear formulation of the most urgent knowledge needs that can make a difference to policy.

As far as possible, the knowledge platforms will seek to connect with existing top teams in the leading sectors. The knowledge platforms for the development priorities of food security, water and SRHR will work closely with the top-sector teams for agri-food, horticulture and source materials, water, logistics and life sciences.

#### **4. Knowledge institutions**

##### *In the Netherlands*

The new approach featuring knowledge platforms will also impact the Netherlands' existing knowledge infrastructure. The current patchwork of institutional and programme grants will be replaced, as far as possible, with a tendering system for research proposals, in which the government's priorities are key. In principle, institutional grants will no longer be awarded.

To prevent irreversible damage during the interim period until the five knowledge platforms are operational, I am launching a transitional scheme to enable all knowledge institutions that receive direct funding from development cooperation institutional grants to team up with the knowledge platforms and bring their activities more into line with the new policy priorities.

This is in response to the Ferrier motion about building a new knowledge infrastructure (Ferrier motion, House of Representatives 32605, no. 46).

In addition, there are six International Educational Institutions that receive ODA funding via the budget of the Ministry of Education, Culture and Science. These institutions are active in education and research in, and for the benefit of, developing countries, notably by training researchers from those countries. Most of these institutions have links to Dutch universities and the way in which they are financed is complex. In addition to the direct funding which the Ministry of Education awards to the universities and their International Educational Institutions, the International Educational Institutions can also raise money from government

research funds such as the Netherlands Organisation for Scientific Research (NOW) and Science for Global Development (WOTRO). In addition, through the 'third flow of funds' (obtained from contract research) they can finance specific projects from donors and other clients (including the Dutch government and the European Union). Each of these three funding flows consists partly of ODA resources. Together with the Ministry of Education and in close consultation with the educational institutions, I will be considering how they can contribute more strategically to my policy and to the knowledge platforms. It is worth asking whether the research activities of these institutions could logically be incorporated into the new system to distribute development funding through tenders. The value of research training courses and alumni networks should definitely be taken into account.

#### *In developing countries*

Through their specific design, in which researchers and institutions from North and South jointly take the initiative from the outset, the knowledge platforms will contribute to knowledge for policy and to building knowledge in developing countries. In addition, knowledge institutions in the developing countries need extra support. My aim is to build a knowledge infrastructure and innovation capacity in order to boost self-reliance. Activities will be geared to joint projects and to connecting institutions in developing countries to global knowledge networks (including those of the UN, World Bank and OECD). This could be done through targeted support for think-tanks, academic communications departments, universities and regional research networks, and efforts will be made to link in with the NICHE higher education programme.

### **5. Policy for knowledge**

Knowledge and expertise are playing an increasingly key role in the human resources policy of the Ministry of Foreign Affairs. The policy is geared to strengthening the professionalism and knowledge development of individual staff, departments and divisions. The Ministry has developed an Operational Knowledge Management Plan that revolves around developing, sharing, applying and evaluating knowledge.

#### *Flexibility and specialisation*

The organisation will work towards a better balance between all-rounders, specialists and what have recently come to be known as 'circuit experts'. Circuit expertise is expertise gathered by a member of staff about one of the areas in which the Ministry is active, such as development cooperation, possibly in combination with specific regional knowledge. This knowledge and expertise determine where an employee is placed in the organisation. The

duration of postings for circuit experts and specialists varies according to the specific needs at a specific location. For jobs that urgently require specialist knowledge that is not immediately on hand, external experts may be engaged temporarily until in-house expertise has been built up to a sufficient extent.

#### *Focusing on strategy*

All Ministry departments have a Strategic Policy Adviser (SBA). These are key appointments designed to strengthen the focus on knowledge and strategy in the departments and enhance cooperation and knowledge-sharing between departments. A Strategic Unit is currently being set up within the Ministry.

#### *Mapping supply and demand*

To put the right people in the right places, it is vital to have a reliable picture of both the existing and the required knowledge and expertise. Demand has been mapped by the missions abroad as part of their current Multi-Annual Strategic Plans. Where necessary, these make it possible to enhance priorities quickly and effectively by deploying the right person in the right place. They also allow us to survey the available knowledge, expertise and skills among the current workforce using tools such as the 'knowledge passport.'

#### *Separating policymaking from policy implementation*

In view of the increasing complexity of the policy environment, a study is under way to find out whether quality or efficiency could be improved by separating policymaking from policy implementation. These two strands have their own distinctive professional approach, knowledge and expertise. Treating them as separate entities would enable a greater degree of fine-tuning.

#### *Sharing knowledge*

DGIS is promoting knowledge-sharing with individuals in the IS Academies and knowledge platforms. Based on lessons learned in the past, these initiatives are being strengthened, new activities are being added and there is a firm general emphasis on the new policy priorities. These measures enable DGIS to be more effective in its role as a knowledge broker between operational policy and external parties.

#### *Country knowledge*

The deepening of country knowledge advocated by the WRR will be reflected in various ways in the new policy. First, reducing the number of partner countries facilitates the building of country knowledge both at the missions and at the Ministry in The Hague. Second, country

and regional knowledge also play a part in circuit expertise. Third, the interaction between networks in the Netherlands and abroad strengthens country knowledge so that it has an impact on policymaking and policy implementation.

#### *The 'New' Way of Working*

DGIS is committed to a flexible working method centred on sharing knowledge and helping to shape the New Way of Working. Knowledge must not and cannot develop in isolation. The crucial insight for our modern society is no longer 'knowledge is power' but 'sharing knowledge is power'. This means we have to work differently: focused outwards, in all kinds of networks, drawing in knowledge from outside and making inside knowledge accessible to external parties. It is part of the government's vision that development cooperation should not be viewed in isolation but as part of a broad-based endeavour by a range of different parties to secure global progress.

#### *Alternative to NLAID*

By opting for these measures, the government aims to improve knowledge management and increase professional expertise within the Ministry of Foreign Affairs. In response to the Hachchi/Dijkhoff motion, which calls for more reflection on NLAID, I believe that these measures render superfluous the establishment of a separate, professional and knowledge-intensive implementation organisation, such as that advocated by the WRR. With the increased domestic capacity of developing countries, the changing balance of power and the fact that North-South relations are maturing and becoming more economic in character, the future of development cooperation lies precisely in its links with politics, economics and diplomacy. Development cooperation is no longer going its own way but joining up with knowledge institutions, businesses and civil society organisations. This will boost professionalism and enhance the impact of Dutch aid efforts as a whole.