New Approaches to Development Cooperation in Middle-Income Countries

Brokering Collective Action for Global Sustainable Development

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Abstract

In June 2013, the High-Level Conference of Middle-Income Countries held in Costa Rica, organised by the United Nations Industrial Development Organization (UNIDO), ventured an intriguing look into the future of development. In particular, the conference highlighted the role of networks in overcoming challenges for sustainable development and reshaping international cooperation in and with middle-income countries (MICs). With the choice of this topic, the conference has connected two issues that now figure prominently (and often separately) in the discussion on how to implement the new 2030 Agenda for Sustainable Development: networks and partnerships, on the one hand, and cooperation with MICs, on the other. As modes of governance, networks can be expected to become more important in MICs as their state bureaucracies and societies become more functionally differentiated. Similarly, the transformative change called for in the 2030 Agenda requires collective action among a broad range of public and private actors, within countries and across borders. Therefore, networks and partnerships have emerged as a central topic in the debate on "means of implementation" and a "revitalised global partnership". Failure to meet this growing demand for collective action can lead to substantial implementation gaps. "Orchestration" has been advanced as a potential strategy to address collective action problems and support networks in various areas of sustainable development. This paper draws on the concept of orchestration to advance ideas for new approaches to cooperation in MICs. Orchestration can be used to broker collective action in and with MICs to support domestic reforms and global engagement in view of implementing the 2030 Agenda.

Contents

Abbreviations

BRICS	Brazil, Russia, India, China and South Africa
DFID	Department for International Development (UK)
EITI	Extractive Industries Transparency Initiative
EU	European Union
FSB	Financial Stability Board
G20	Group of 20
GPG	Global Public Good
GRI	Global Reporting Initiative
GOARN	Global Outbreak Alert and Response Network
LDC	Least-developed Country
MIC	Middle-income Country
NGO	Non-governmental Organisation
ODA	Official Development Assistance
PAT	Policy Advisory Team
PI	Partnership Instrument
SDG	Sustainable Development Goal
UN	United Nations
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization

1 Introduction

In June 2013, the High-Level Conference of Middle-Income Countries held in Costa Rica, organised by UNIDO, ventured an intriguing look into the future of development. In particular, the conference highlighted the role of networks in overcoming challenges for sustainable development and reshaping international cooperation in and with MICs (United Nations Industrial Development Organization [UNIDO], 2013). With the choice of this topic, the conference has connected two issues that now figure prominently (and often separately) in the discussion on how to implement the new 2030 Agenda for Sustainable Development, including the Sustainable Development Goals (SDGs): networks and partnerships, on the one hand, and cooperation with MICs, on the other.

Networks and partnerships have emerged as a central topic in the debate on "means of implementation" and a "revitalized global partnership" for the 2030 Agenda (UN Secretary-General, 2014; United Nations, 2015; Organisation for Economic Co-operation and Development, 2015). As a generic term, networks refer to sets of stable, long-term relations through which autonomous, but interdependent, actors purposefully coordinate their actions and mobilise resources to achieve shared objectives.[1] More specifically, networks are considered here as modes of governance that structure collective action when capabilities and resources are widely dispersed and cooperation cannot be hierarchically imposed by a central authority. In this regard, networks appear to be a suitable governance mechanism for many challenges of the new agenda.

The transformative change called for in the 2030 Agenda requires collective action among a broad range of public and private actors. This cooperation effort goes far beyond the scope of intergovernmentalism and top-down implementation by central governments. Non-state actors (civil society organisations, the private sector, research institutions, etc.), sub-state actors (local governments, cities, municipalities, etc.) and different parts of government (line ministries, specialised agencies, etc.) assume roles as full-fledged actors in policy-making and international cooperation. Therefore, the 2030 Agenda is highly demanding in terms of collective action.

Failure to meet the growing demand for collective action can lead to substantial implementation gaps. One major gap is the lack of "integrated" approaches to governance that can involve diverse actors, cut across issues and provide linkages between different levels of governance – from local to global. As governance mechanisms, networks have the properties to fill these gaps, provided that collective action problems are overcome. "Orchestration" has been advanced as a potential strategy to address collective action problems and support networks in various areas of sustainable development (Abbott & Hale, 2014). This paper draws on this concept to suggest an instrument that could be used by international development actors to support networks and close gaps in the implementation of the 2030 Agenda.

The paper argues that a special focus of such an instrument should be on MICs. MICs are in a phase of their development in which networks can be expected to become more important as part of domestic policy-making and their participation in global governance.

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1   On the definition of networks, see, for example, Börzel (1998).

They face complex social, economic and political transformations that are deeply intertwined with transboundary and global challenges such as global public goods (GPGs). Overcoming these challenges will depend on how effectively actors from MICs engage in networks. International development actors, such as bilateral development agencies and multilateral organisations, could use orchestration as part of future cooperation approaches in MICs. To this end, they need to progressively move from the role of being providers of resources, advice and technical solutions to one of being brokers of collective action.

This paper first explains why a network perspective is especially relevant for MICs. Second, the paper draws on the concept of orchestration to introduce the outline of an instrument that can support networks as part of the implementation of the 2030 Agenda. Third, the paper presents examples of bilateral providers of development cooperation and multilateral organisations that have already started to test similar approaches in MICs. Finally, the paper draws conclusions for the future of development cooperation in MICs.

2 Middle-income countries and networks

The Connectedness Index of UNIDO's "Networks for Prosperity" initiative shows a correlation between income level and connectedness of countries via networks (within countries and across borders) (UNIDO, 2015). On average, MICs rank lower than high-income countries, but above low-income countries. However, the spread of MICs in terms of connectedness is wide, given the diversity within this income group. After all, MICs include regional and global powers belonging to the BRICS (Brazil, Russia, India, China and South Africa) and the Group of 20 (G20); populous countries such as China and India next to small-island states such as Tuvalu; states in fragile and conflict situations (e.g. Iraq, Syria, Nigeria); and least-developed countries (LDCs) (e.g. Yemen, Bangladesh). Gross domestic product per capita in MICs starts slightly above US$ 1,000 in Djibouti and Senegal and goes up to more than US$ 10,000 in Brazil and Turkey.

Public policy analysis and global governance research also support a link between the level of development and the expansion of networks as modes of governance (Mayntz, 2008). Public policy analysis has found that societies become more functionally differentiated in the process of their development, leading to the emergence of various policy subsystems. Similarly, the state apparatus becomes more fragmented in its ability to better engage with other actors in different subsystems. Complexity of policy-making increases as policy resources are more widely dispersed within and outside of the politico-administrative system. Governments have to cooperate in policy networks with actors outside of their direct hierarchical control to formulate and implement policies (Kenis & Schneider, 1991). Connectedness to transnational and transgovernmental networks also tends to increase with development as formerly domestic policy areas globalise and public and private actors acquire sufficient capacity to engage in these forms of cooperation.

Research on the role of networks as modes of governance has been strongly influenced by experiences in Western pluralistic societies. However, research on policy-making in developing countries supports the view that networks also play an important role in MICs. Although the state is clearly central to concepts such as the "developmental state" or "state-led development", the picture of policy-making provided by this literature is far from one that is exclusively dominated by top-down governmental steering (Evans, 1995;

Woo-Cumings, 1999). In particular, the ability of governments to engage with societal actors has been found to be a key element for successful development. Policy-making in MICs has shown several innovations in state-society relations and public-private cooperation (Subramaniam, 2014). For instance, non-governmental organisations (NGOs) are increasingly relevant, though substantial variations exist, depending on the domestic context. Moreover, countries such as China and India are adopting alternative governance mechanisms such as public-private partnerships, domestically, forging their own versions of these modes of governance in that process (Chan, 2012).

Accommodating a more complex reality of policy-making seems crucial to achieving a successful transition to high-income status. To be sure, challenges in MICs vary considerably according to domestic and local contexts. The extreme poverty and basic needs agenda has not yet become obsolete, as MICs are still home to most of the people living in extreme poverty worldwide (Sumner, 2012). Development challenges in MICs cover the whole range of the SDGs, from state fragility and weak governance to urbanisation and climate change. In this regard, MICs have problems in common with poor as well as rich countries. Some of these challenges result from "gaps" that need to be addressed by transfers of finance, technology and knowledge (e.g. poverty, infrastructure, climate adaptation). Other characteristic challenges in MICs are often referred to as "traps" (Alonso, Glennie, & Sumner, 2014). These transition challenges are political in nature, rather than predominantly being a problem of insufficient resources (Ginsburg, 2014). This is, for instance, the case for the "middle-income trap", that is, the difficulty of countries at a certain level of development to further increase productivity based on the upgrading of human skills, technological development, innovation and other reforms (Kharas & Kohli, 2011). Similar challenges for policy-making include reconciling economic growth with green transformation or creating institutions to manage a more developed economy and to respond to a more demanding society (e.g. the "rising middle class") (Alonso et al., 2014). Such problems require negotiated solutions between different interests (e.g. early growth industries versus "reformers"). Networks are governance mechanisms in which such solutions can be produced, provided that the relevant actors overcome obstacles to collective action.

The domestic transformation of MICs is closely intertwined with regional or global development challenges. The interdependence of MICs with the rest of the world is increasing, and their development trajectories have consequences for other countries and the provision of GPGs. In return, global framework conditions such as the international financial architecture, the trade system and the climate regime influence the ability of MICs to overcome domestic challenges. Different types of networks, such as private governance networks, multistakeholder partnerships, transnational public-private partnerships and transgovernmental networks, have become an essential part of the fabric of international cooperation that manages these interdependencies and addresses related challenges.[2] In these networks, actors – whose primary function is often at the local or domestic level – assume a role in international cooperation. This type of cooperation is an important complement to formal international institutions, such as the multilateral system, that have been slow to adapt to the changing global context.

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[2] On these different types of global governance networks see, for example, Büthe and Mattli (2011), Andanova (2010) and Slaughter (2004).

Many global governance networks perform functions related to global sustainable development.[3] The C40 Cities, for instance, is a knowledge network in which cities exchange knowledge on climate change. The Extractive Industries Transparency Initiative (EITI) and the Forest Stewardship Council are examples of transnational multistakeholder partnerships setting standards for resource extraction and use. The Financial Stability Board (FSB) provides an example of a transgovernmental network composed of central bankers, financial supervisors and ministerial officials in the area of financial supervision and regulation. The Global Alliance for Vaccines and Immunization (Gavi) is a transnational public-private partnership mobilising finance for global vaccination and immunization programmes. Finally, the Global Outbreak Alert and Response Network (GOARN) is a platform linking experts and technical institutions to share information and coordinate responses to outbreaks of diseases.

Research has started to analyse the role of actors from developing and emerging countries in such networks (Dingwerth, 2008; Woods & Martinez-Diaz, 2009; Slaughter & Hale, 2010). Rising powers from the G20, for instance, have become more systematically integrated into transgovernmental networks in the field of financial regulation and supervision (the FSB and the Basel Committee) in the wake of the global financial crisis. Rising powers also play an increasing role in transnational private governance, such as the International Accounting Standards Board (Nölke, 2015). However, MICs are in general still associated with a conservative, state-centred, sovereignty-sensitive view on international cooperation. Much of the discussion on "rising powers" in international relations has centred on their role in formal, intergovernmental organisations (i.e. quotas, seats and voting shares) and informal intergovernmental arrangements, such as clubs (G20, BRICS, etc.). In contrast, their relationship with regard to networks is "ambivalent […] even as their own civil societies have grown and become more engaged beyond their national borders" (Kahler, 2013).

Overall, the literature sees opportunities but also obstacles for MICs with regard to stronger involvement in global governance networks. On the one hand, alternative modes of governance lend themselves towards accommodating actors from MICs. Decision-making by consensus – common in most networks – is more sensitive to concerns about sovereignty. Networks can provide knowledge and solutions to specific problems in which MICs have an interest. They offer flexibility, a low level of legalisation and allow for easy exit options (Kahler, 2013, p. 10). On the other hand, actors from MICs also face obstacles. Seats at the table do not immediately translate into influence. Power asymmetries and informal hierarchies in such networks favour incumbent actors. Influence stems from professional expertise and relationships developed over long periods of time (Nölke, 2015, p. 114). Moreover, the high levels of trust necessary to engage in networked cooperation might also be a barrier for newcomers. In many cases, the benefits of network membership might be unclear. Finally, insufficient capacity is still a major obstacle for actors from MICs. "The sheer demand placed on the international sectors of national government, INGOs, and multinational corporations continues to challenge the resources" even of the big three rising powers: China, India and Brazil (Kahler, 2013, p. 20).

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3   For these and other examples, see Hale and Held (2011).

In sum, networks grow in importance in policy-making and international cooperation for global sustainable development. In particular, MICs are at a stage in their development process that is usually characterised by an expansion in the use of networks as modes of governance. However, networks are also prone to collective action problems that reduce their effectiveness or prevent their creation altogether. Especially actors from MICs face a number of additional obstacles to their engagement in networks. The next sections look into a potential role for international development actors in supporting networks in and with MICs by drawing on the term of orchestration.

3 Orchestration: Brokering collective action for sustainable development

Orchestration originally refers to a strategy by which international organisations enlist – or work through – intermediaries in order to bridge gaps between insufficient means and ambitious objectives (Abbott & Snidal, 2010). Formulated more generally, orchestration is a mode of governance by which "one actor (or set of actors), the orchestrator, works through a second actor (or set of actors), the intermediary, to govern a third actor (or set of actors), the target" (Abbott, Genschel, Snidal, & Zangl, 2015a). The orchestrator has no direct hierarchical control over the intermediaries, nor does the orchestrator establish a principal-agent relationship through delegation. The orchestrator uses "soft" influence through facilitative measures to deal with collective action problems among intermediaries and to orient their action towards the achievement of shared goals (Hale & Roger, 2014; Klingebiel & Paulo, 2015).

Thinking on a larger scale, the underlying idea of orchestration is highly relevant for the implementation challenges of the 2030 Agenda. As pointed out in the introduction, transformative change in states, societies and economies requires collective action across sectors and levels of governance among a wide range of (sub-)state and non-state actors. The primary role of many of these actors might not be related to either sustainable development or international cooperation. In contrast, most actors are likely to have a sector-specific, local or domestic role. In the parlance of the orchestration literature, these actors are crucial intermediaries for the implementation of the 2030 Agenda. At the same time, collective action among these diverse actors is also a big challenge. International development actors, such as multilateral organisations (e.g. the United Nations (UN) system) or bilateral providers of development cooperation, could act as orchestrators to broker collective action in networks. In this regard, this paper applies a simplified understanding of orchestration to the context of the 2030 Agenda, focussing on how orchestrators promote networks among intermediaries. The notion of "targets" is replaced here by a more general reference to contributions towards the implementation of the 2030 Agenda that should result from collective action among intermediaries.

Several multilateral organisations and bilateral development actors have already orchestrated networks in climate, environmental, health or development policy (Abbott & Hale, 2014). The Global Reporting Initiative (GRI) is a typical example. The United Nations Environment Programme (UNEP) supported the formation of the GRI in 1997. The initiative functions as a network of actors from civil society, the private sector, public authorities and international organisations. As an intermediary, the network has developed guidelines for sustainability reports that are to be applied by companies as well as non-

governmental and public organisations. UNEP chaired the GRI's planning committee and strengthened the acceptance of the guidelines in the start-up phase. UNEP also provided financial support. Many of the abovementioned prominent global networks have also been orchestrated by international organisations or governments (e.g. GOARN by the World Health Organization, EITI by the UK's Department for International Development – DFID). The instrument suggested here could build on these experiences and apply orchestration more systematically to the 2030 Agenda.

The literature on orchestration has tested hypotheses on conditions for successful orchestration, for example related to the characteristics that successful orchestrators should have and the context that is most conducive to orchestration (Hale & Roger, 2014; Abbott & Hale, 2014; Abbott et al., 2015b). Similarly, a growing body of literature on the effectiveness of transnational cooperation initiatives has identified conditions of success for networks.[4] Drawing on some of these insights, the following paragraphs present five key elements that could serve as a general outline of an orchestration instrument for the 2030 Agenda.

The starting point for the identification of potential activities is to ask if progress in an area of the 2030 Agenda is blocked by a collective action problem among actors holding essential policy resources and capabilities. The answer would also include the identification of relevant intermediaries. Moreover, the quality of the collective action problem would have to be defined in order to establish whether – and how – facilitative measures can contribute towards overcoming it. Collective action problems might stem from flawed network designs (e.g. too high start-up or transaction costs, lack of incentives, free-riding behaviour) or problems related to individual actors (e.g. lack of expertise). From a social capital perspective, problems might also stem from a lack of trust, problems of communication or a negative track record of interaction among the intermediaries.

Moreover, the match between an orchestrator and the identified area of activity must be right. Hypotheses on conditions and criteria for successful orchestration can give orientation. The main characteristics that orchestrators should have in the area of activity include, for example, legitimacy (e.g. moral authority, expertise, track record of success) and focality (e.g. convening power and influence as a "hub" for the issue in question). The orchestrator must also dedicate appropriate resources to the task (financial, technical, administrative and normative). Moreover, the context must be conducive; for example, intermediaries, which have the means to achieve the expected results, must exist, and their goals must be broadly aligned with those of the orchestrator. In addition, the orchestrator should have an organisational culture that is open to innovative forms of cooperation among a diverse set of actors (Abbott & Hale, 2014).

Second, the intended results should be clear. The general goal of this instrument would be to broker collective action in order to build or support effective networks that promote sustainable development. The most immediate goal would be to enable contributions in

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4   For instance, a summary of research on the effectiveness of "multistakeholder partnerships" can be found in Pattberg and Widerberg (2015). They identify nine criteria for success: optimal partner mix; effective leadership; stringent goal-setting; sustained funding; professional process management; regular monitoring, reporting, and evaluation to support organisational learning; active meta-governance; favourable political and social context; and fit to problem structure.

the form of financing, knowledge-sharing, standards or other explicitly defined contributions. More indirectly, orchestration should also have positive systemic repercussions on policy-making and international cooperation as a whole. For instance, orchestrated networks can lay important foundations to build trust and a common culture of cooperation among diverse actors. Moreover, networks are well positioned to function as an interface between different levels of governance and improve the linkages between these levels. Orchestration should also reduce or coordinate fragmentation, for instance, by strengthening the legitimacy of certain networks (as participants, through political endorsement or legal recognition). In short, the orchestration instrument should not focus on the effectiveness of individual networks in isolation, but should also strengthen existing formal institutions of policy-making and international cooperation, for example by providing impetus for reforms.

Third, the orchestrator needs to choose and apply the appropriate measures to overcome the identified collective action problem. The orchestration literature differentiates between five general orchestration techniques: convening, agenda-setting, assistance, endorsement and coordination (Abbott et al., 2015a, pp. 14–16). The relevance of these techniques differs, depending on the stage of the network-building process. Orchestration techniques can be used to influence the abovementioned criteria for effective networks (e.g. convening in order to achieve optimal partner mix, agenda-setting to promote stringent goal-setting, assistance to ensure sustained funding and professional process management). More generally, the orchestrator would use facilitative measures to overcome the identified collective action problems, for example by tipping incentives or increasing trust among the intermediaries. Examples of such measures are, for instance, paying for start-up costs; reducing transaction costs by setting up and/or consolidating administrative structures such as secretariats; providing expertise; and financing pilot projects.

Fourth, orchestrators need to monitor and evaluate their activities in order to adapt and improve the instrument. As orchestration is an indirect approach, evaluation requires a two-phase approach. The first question is whether orchestration has initiated, supported and/or shaped networks according to best practices for effective networks. The second question is whether networks have achieved the expected results as intermediaries. Ideally, orchestration should achieve a high "multiplier effect", that is, the ratio between results achieved by the intermediaries and means employed by the orchestrator. Orchestrators should collect data and build information systems to map demand for orchestration and share knowledge on best practices.

Finally, an orchestration instrument for the 2030 Agenda requires meta-governance. Meta-governance refers to the regulation and coordination of orchestrators. A body charged with meta-governance could oversee how orchestrated networks fit into the broader governance architectures of existing formal institutions and other networks. Moreover, meta-governance would also look into the systemic impacts of orchestration (e.g. conflictive fragmentation). One possible institution to assume such a role would be the UN's High-Level Political Forum on Sustainable Development (Abbott & Bernstein, 2015).

The five elements presented in this section constitute a rough outline of an instrument that could support the implementation of the 2030 Agenda globally. The next section looks more specifically into how such an instrument could be used as part of new cooperation approaches in MICs.

4 International development actors as brokers of collective action in MICs

Development cooperation is under pressure to adapt to a changing global context. This is especially true with regard to the role of bilateral providers of development cooperation and multilateral organisations in MICs. Given the vast range of development challenges in MICs, including persistent extreme poverty, international development cooperation remains relevant for this group of countries. However, the traditional role of international actors as providers of aid, in combination with technical advice, is decreasing. MICs are, on average, less dependent on aid than poorer countries, and bilateral providers of development cooperation are phasing out their programmes in MICs. The diversity of MICs also makes it difficult to identify a single formula for future approaches to development cooperation in MICs.[5]

As part of a new mix of cooperation approaches in MICs, international development actors are increasingly assuming the role of "mediators" or "brokers". Some of these new cooperation formats could be interpreted in terms of orchestration (although this terminology is not used by the respective organisations). This section briefly presents examples from the UN Development Programme (UNDP), the European Union (EU) and DFID that illustrate how international cooperation actors could act as orchestrators in MICs.

In Vietnam, UNDP has introduced a Policy Advisory Team (PAT) to influence reforms in various areas (rule of law/access to justice; anticorruption/public administrative reform; climate change; and economics) (Booth, 2014). International policy advisors are more independent and flexible than project staff. They can respond quickly to emerging priorities and use the UN's convening role to work with various actors (e.g. civil society, academia, the media, national agencies). Expressed in the terminology of orchestration, policy advisors use facilitative measures to exercise influence on these actors (e.g. commission independent research, establish connections between local and international expertise, and provide practical demonstrations of success through pilots). The main idea is to build relationships with key governmental decision-makers and to shape broader "partnerships with those stakeholders in-country who are able and willing to take issues forward" and support them with international expertise (Booth, 2014, p. 326). UNDP's PAT in Vietnam, as broker of collective action for reforms, can be interpreted in terms of orchestration.

Another example is the partnership instrument (PI) introduced by the EU in its "Multiannual Financial Framework 2014–2020" (European Parliament and Council of the European Union, 2014). The instrument has a global reach and addresses challenges such as climate change, environmental protection and energy security. With the PI, the EU aims to respond to the "fast-changing nature of partner countries and global challenges" and underpin relations with those countries that are no longer eligible for bilateral development aid. The goal is to foster new cooperation approaches with these countries (e.g. coalitions of like-minded countries, international organisations and NGOs). Programming is thematic and the classification of expenditure as official development assistance (ODA) is not mandatory.

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5 On the debate about development cooperation in MICs, see Glennie (2011), Sumner (2013), Keijzer, Krätke, and van Seters (2013) and Alonso et al. (2014).

The annual action programme of the PI (2015) contains activities that can be seen in terms of the orchestration of networks in and with MICs (Annex of European Commission, 2015). Activities support policy dialogues, partnerships and platforms between the EU and one MIC (e.g. Resources Efficiency Initiative in India) or with a greater number of MICs and industrialised countries (e.g. International Urban Cooperation: Sustainable and Innovative Cities and Regions in Asia and the Americas). Similar to the idea of orchestration, these activities rely on small-scale facilitative measures to promote collective action among (sub-)state and non-state actors, for example, by identifying and convening actors, improving communication and providing limited financial assistance (e.g. for the creation of online platforms and pilot projects).

Finally, DFID has introduced new partnership programmes with MICs. These programmes aim, for instance, to increase China's contribution to global health governance and to reduce greenhouse gas emissions in Indonesia (DFID, 2012, 2015). In China, DFID has maintained an in-country presence with dedicated staff and resources, even after phasing out bilateral aid programmes. Programme managers are given a high degree of flexibility to exert influence on key public actors. The main objectives are the support of domestic reform processes and the engagement of MICs for GPGs and development in other developing countries. Similar to the idea of orchestration, DFID uses facilitative measures (e.g. short-term expertise, funding and organisation of trips to international workshops, secondments to international organisations) to build relationships and networks. DFID also supports networks with actors from civil society and academia. One example is the China International Development Research Network.[6] This network of Chinese research institutions advises the Chinese government on its cooperation with developing countries.

5   Implications for international development actors

The cases of UNDP, the EU and DFID underline that brokering collective action for sustainable development is central to current innovations in the cooperation with MICs. Orchestration therefore provides a useful perspective to frame ideas for the future of development cooperation in MICs. In view of the challenges involved in the implementation of the 2030 Agenda and the situation of MICs, demand for orchestration is likely to increase.

Bilateral and multilateral development cooperation actors are well positioned to act as orchestrators in MICs. They possess a number of assets to be successful orchestrators, including financial resources, a strong record as focal points for development issues, previous experience with orchestration and in-country presence in MICs. Moreover, transforming bilateral aid programmes in MICs into such a new approach would be preferable to terminating bilateral aid programmes altogether. Replacing bilateral programmes with an alternative, development-oriented approach to cooperation would guarantee a global and comprehensive outlook on sustainable development in MICs. This integrated perspective would be lost if aid programmes were simply replaced by sector-specific cooperation in other policy areas. In this case, fostering the type of integrated

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6 See http://rcid.cau.edu.cn/art/2013/3/5/art_11130_157890.html

approaches among diverse actors across the sectors and levels of governance that are crucial for the 2030 Agenda would become more difficult. In contrast, a new approach to development cooperation with an orchestration component, as suggested in this paper, could strengthen integrated problem-solving at the interface of domestic challenges in MICs and transboundary or global challenges.

At the same time, the use of orchestration as part of a new approach to cooperation with MICs also requires fundamental changes on the part of development cooperation actors. Above all, strategies towards MICs must be clarified. Currently, this is not entirely the case, as cooperation strategies towards MICs are predominantly discussed in terms of "exit strategies". However, a long-term perspective for cooperation and dedicated resources are crucial for the success of orchestration in MICs. Brokering collective action requires investment in relationships and in-depth knowledge of policy-making in MICs.

There are good reasons to focus ODA on the poorest and most fragile countries with the least access to other forms of development finance. Such an allocation choice would not preclude new cooperation approaches with MICs. In any case, the orchestration instrument suggested in this paper would require different resources and skills than those needed in the core business of managing aid portfolios to transfer money and technical expertise. Cooperation in and with MICs stretches the current limits of bi- and multilateral development cooperation. ODA eligibility, the need to use specific implementation mechanisms, skills and competences of staff: new cooperation approaches with MICs raise numerous practical questions. In the process of modifying their role in MICs, development cooperation actors will have to progressively become part of a broader system of international cooperation in support of global sustainable development (Janus, Klingebiel, & Paulo, 2014).

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