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# KEY FRAMEWORKS FOR AID COORDINATION IN AFRICA

Consensus Building,  
Operationalization  
and  
Implementation

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Barbara Phillip

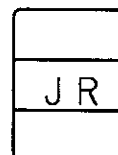
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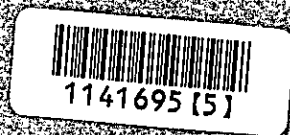


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JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)  
U.S.A. Office





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**JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)**  
U.S.A. Office

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The findings, interpretations, and conclusions expressed in this paper are entirely those of the author and should not be attributed in any manner to the Japan International Cooperation Agency (JICA), to its affiliated organizations, or to Japan.

This report was written by Barbara Phillip, consultant for the Japan International Cooperation Agency (JICA), in close collaboration with Koichi Miyoshi, Resident Representative, JICA U.S.A. Office.

MARCH 1998

## Foreword & Acknowledgments

Aid coordination is not a new topic on the development agenda. Increased aid coordination has been seen as necessary for decades. However, there has been a significant gap in the past between the calls for increased coordination and actual practice. In a context of heightened attention to the effectiveness of aid and a post-Cold War climate, aid coordination makes more sense than ever. A number of aid coordination frameworks are emerging, adding to the confusion of an already complex picture.

This document is the final report of a study on aid coordination in Africa conducted for the Washington Office of JICA (Japan International Cooperation Agency) during the period of August 1997 to March 1998. The study was undertaken by JICA for the purpose of better understanding the existing aid coordination frameworks in Africa. Such improved understanding is a first step toward increased Japanese participation in such frameworks.

The JICA U.S.A. office is extremely grateful to the individuals and organizations who contributed their time and insights to make this report possible. A complete list of individuals interviewed is provided in appendix.



Koichi Miyoshi  
Resident Representative  
JICA U.S.A. Office  
March 1998

## EXECUTIVE SUMMARY

While it is easy to call for increased aid coordination in Africa, actually doing it is a much more complex endeavor. Increased aid coordination requires a broader perspective on aid coordination than is currently prevalent among development partners. It requires an in-depth understanding of the multitude of existing aid coordination frameworks.

Understanding each framework and its position within the complex web of aid coordination frameworks is a first and essential step towards greater participation in such frameworks. Without such understanding, a development partner will miss opportunities for increasing the impact of external assistance.

An aid coordination framework is defined in this study as a set of activities pursued by two or more development partners for the purpose of building consensus around development priorities, ensuring greater coherence of aid policies and practices, and increasing the complementarity of development programs and projects.

Aid coordination can involve many degrees of collaboration among a variety of development partners. Increased coordination means moving from information exchange towards concertation and even operational coordination when possible. Increased coordination should also be seen in terms of a government-led process of integrating external financial resources within a national budget. In the past, aid coordination has often been donor-led. Increasingly, aid coordination frameworks are moving away from “donor clubs” and towards partnerships driven by African governments.

As a result of the analysis conducted through this study, three types of aid coordination frameworks were identified: 1) Consensus building frameworks, which help to shape the consensus around development priorities; 2) Intermediate frameworks for operationalization, which break the consensus into more manageable pieces and work on the specifics of who will do what, how and when; and 3) Implementation frameworks at the country level, which apply to the field what has been agreed upon at the previous levels and is adapted to local conditions. Each of these three types of frameworks is essential, and each has a specific purpose.

In its role as a very important donor in Africa, Japan must make a special effort to combine its resources with that of others in a joint, coherent and coordinated approach to the continent’s development challenges. This requires a better understanding of the existing coordination frameworks and increased Japanese participation in such frameworks. We hope that the study will contribute to movement in that direction.

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## LIST OF ACRONYMS & ABBREVIATIONS

ADEA	- Association for the Development of Education in Africa
CARPE	- Central African Regional Program for the Environment
CGAP	- Consultative Group to Assist the Poorest
CILSS	- Comite Permanent inter-Etats de lutte contre la secheresse dans le Sahel
	- Permanent Interstate Committee for Drought Control in the Sahel
GCA	- Global Coalition for Africa
GHAI	- Greater Horn of Africa Initiative
HIPCs	- Heavily Indebted Poor Countries
IGAD	- Inter-Governmental Authority on Development
JICA	- Japan International Cooperation Agency
MOFA	- Ministry of Foreign Affairs (Japan)
SADC	- Southern African Development Community
SDP	- Sector Development Program
SIP	- Sector Investment Program
SPA	- Special Program of Assistance for Africa
TICAD	- Tokyo International Conference on African Development
UNECA	- United Nations Economic Commission for Africa
UNOSCAL	- United Nations Office of the Special Coordinator for Africa and the Least Developed Countries.
UNSI	- United Nations Special Initiative on Africa
	- a.k.a. United Nations System-Wide Special Initiative on Africa



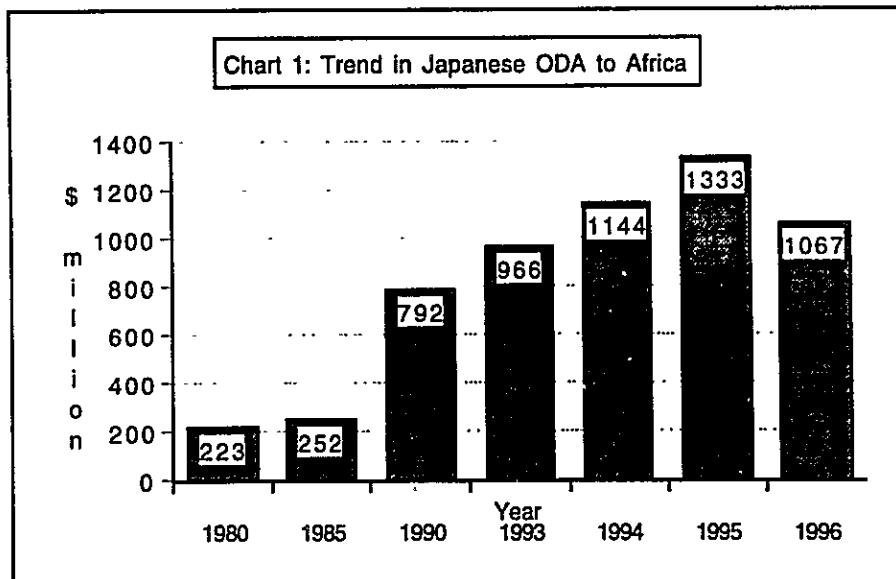
## I. BACKGROUND AND INTRODUCTION

### A. JAPAN'S APPROACH TO AID COORDINATION:

In today's climate of reduced aid budgets, increased aid coordination is called for by all development partners, and most often in the context of aid to the African continent. Japan is no exception. Indeed, given Japan's limited experience in Africa, aid coordination with other donor countries and organizations is essential to the efficient delivery of Japan's aid to the African continent.

This need for increased coordination has been recognized in various statements and is reflected in a number of studies and reports produced by the Ministry of Foreign Affairs (MOFA) and Japan International Cooperation Agency (JICA). In practice, however, significant obstacles still hinder the coordination of Japan's aid with that of other donors. This study provides an analytical framework for understanding "aid coordination" and therefore identifying entry points for Japan's efforts to integrate its aid with that of other donors in Africa.

The Ministry of Foreign Affairs noted in its 1996 annual report that "As Japan's ODA has grown in volume and come to cover a wider geographical area, aid policy coordination with other donor countries and organizations has become a new task on the Japanese ODA agenda."<sup>1</sup> Japan is now the world's largest donor and it has expanded its aid from Asia to other regions of the world.<sup>2</sup> In Africa, Japan's ODA has increased significantly since 1990 (see Chart 1 below) and it is now among the top donors. In addition, Japan has become the largest donor in some individual African countries.<sup>3</sup>



Source: MOFA, ODA Summary, 1997.

To increase the efficiency and effectiveness of its aid, Japan must work with others. Coordination with other donors is particularly important in Africa where Japan has a shorter history of assistance than most other donors. This was echoed in JICA's Annual Report for 1996: "Coordination with other advanced countries and aid agencies is especially effective in regions such as Africa, where Japan's aid experience and know-how are relatively minimal. Therefore, it is considered necessary to promote this kind of coordination actively in the future."<sup>4</sup> This need for greater coordination with other donors had already been noted in an earlier study of Japan's development assistance to Africa. As the study stated, "donor cooperation is especially important to overcome the Japanese shortage of knowledge and experience in Africa, as well as its personnel constraints."<sup>5</sup> The study further noted that "the various Japanese aid agencies should reinforce their efforts to collect information on aid provided by other governments and international institutions, and exchange the information obtained among themselves, to ensure consistent provision of aid."<sup>6</sup> Recommendations for change and guidelines are only a first step towards improved coordination. Transforming statements of intentions into practice requires further steps.

## **B. FROM STATEMENTS TO PRACTICE:**

Japan's increased attention to coordination in various documents has been matched by specific initiatives at different levels. Japan took a leadership role in the first Tokyo International Conference on African Development (TICAD) held in 1993 and is now working with other partners to prepare TICAD II to be held in October 1998. Japan also played a critical role in the formulation of the New Development Strategy adopted by the OECD's Development Assistance Committee (DAC) in May of 1996. In addition, Japan is striving to increase its bilateral cooperation with various donors and to improve coordination within its own development assistance agencies and schemes. Most recently, Japan participated in joint donor missions coordinated by the World Bank in Ethiopia for the Education and Health Sector Programs, thereby expanding the scope of its coordination with other donors. The following sections will review these developments in more detail.

### TICAD I and II

As noted above, while Japan is the largest donor in Africa among the DAC countries, its history of development assistance to Africa is relatively recent, compared with other major donors. Japan, however, has a long history of assistance to Asia and a good understanding of the Asian model of development. Although all the lessons of the Asian model may not be applicable to Africa, Japan is seeking to learn from Asia's development

in trying to find a model for Africa. It is against such a background that the Tokyo International Conference on African Development (TICAD) was held in Tokyo in October 1993, under Japan's sponsorship.

One output of the conference was the Tokyo Declaration, which stated, among other things, that "as African countries are at various stages of development, and have different cultural and historical backgrounds, we, Africa's development partners, may take differentiated approaches as we plan and implement our development cooperation, with due regard to aid coordination."<sup>7</sup> In other words, the experience of Asian countries is relevant to Africa and that a development assistance approach based on that experience should be compatible with other approaches pursued by other donors.

#### Follow up Meetings:

- Asian and African Forum in Indonesia (December 1994)
- East and South Africa Regional Workshop in Zimbabwe (July 1995)
- High-Level Symposium on Peace and Development: Problems of Conflict in Africa, in Tokyo, October 1995.
- West and Central Africa Regional Workshop in Ivory Coast (July 1996).

#### TICAD II:

In June of 1997, a second "Asia-Africa Forum" was held in Bangkok. The Forum reviewed the progress made in implementing the Tokyo Declaration and the Bandung Framework, and explored ways and means of furthering Asia-Africa cooperation. The Forum was also part of the preparatory process for the second Tokyo International Conference on African Development (TICAD II).<sup>8</sup>

In July of 1997, Japan hosted the Okinawa Conference on Development. The aim of the conference was to universalize a new development strategy based on global partnership. In addition, the conference served as part of the preparatory process for the second Tokyo International Conference on African Development (TICAD II), to be held in October 1998. The Okinawa Declaration noted that "coordination among the key players engaged in the development efforts, including international agencies, is critical to increasing the efficiency and effectiveness of development assistance," and that "better coordination and implementation by the key players of the New Development Strategy engaged in development activities at the field level is called for."<sup>9</sup>

The latest step in preparing TICAD II has been the Preparatory Conference for TICAD II held in November of 1997 in Tokyo. The conference was co-chaired by Ambassador Kunio Katakura, Chief Coordinator of Japan for TICAD II, and Ambassador

Ahmedou Ould Abdallah, Executive Secretary of the Global Coalition for Africa (GCA). The main objectives of this Preparatory Conference were (I) to review progress made since TICAD I, (ii) to identify the main themes for an “agenda for action”, and (iii) to set up a “preparatory committee” to formulate the “agenda for action” for consideration at TICAD II. During the conference, donor coordination was identified as key to ensuring the effective use of resource being provided by the international community. <sup>10</sup>

### New Development Strategy

As the world’s largest aid donor, Japan is expected to present new ideas in the formulation of development cooperation policies and to stimulate other donors by its leadership. With the end of the Cold War, the realization that the dividends of peace were not materializing for developing countries, and the phenomenon of aid fatigue among donors, Japan proposed to review its development cooperation and suggested that other industrialized countries do the same, under the aegis of the OECD’s Development Assistance Committee (DAC) to formulate a new development strategy.

The outcome was a document entitled “Shaping the 21st Century: The Contribution of Development Cooperation”, adopted by the DAC’s High-Level Meeting on May 6 and 7, 1996. The document stresses that developing countries should first rely on their own efforts and that industrialized countries will provide assistance to those countries that strive to help themselves. The principle of “self-help” has long been part of Japan’s economic development philosophy. This philosophy of “self-help” is rooted in Japan’s own experience in which it achieved economic growth after World War II through its own efforts while receiving support from the United States and other countries.<sup>11</sup>

The document also proposes that aid coordination be used to improve aid efficiency and achieve development targets through developing countries’ formulation of their locally-owned development strategies and through use of existing donor meetings and other channels for discussion with donors and international organizations to clarify the respective roles of developing countries, donors and international organizations. <sup>12</sup>

### Bilateral coordination<sup>13</sup>

In addition to efforts at the global level such as TICAD I and TICAD II, and initiatives to harmonize policies among donors such as the New Development Strategy, Japan has developed bilateral relationships with individual donor countries and multilateral donors. Japan has carried out policy dialogues with the United States<sup>14</sup>, Canada, France, UNICEF, UNDP, and the World Bank. Japan also cooperated with these organizations in the context of specific projects. JICA itself established the Joint Cooperation Promotion

Division in its Planning Department in 1994 to collaborate and coordinate with bilateral donor agencies and international organizations.<sup>15</sup>

#### Coordination among Japanese aid agencies<sup>16</sup>

Recently, Japan has recognized the need to improve the coordination between different types of ODA schemes.<sup>17</sup> Japanese ODA is divided into four schemes: loan aid, grant aid, technical assistance for projects and technical assistance for studies. Consistent with what it refers to as an “integrative approach,” JICA is advocating the use of “package cooperation”. Package cooperation refers to a program that combines technical cooperation and grant aid to support efforts to achieve specific development goals within aid priority sectors.<sup>18</sup> Consideration has also been given to reorganizing the aid system along regional lines rather than schemes.

In spite of these efforts, there is much that remains to be done to improve aid effectiveness and efficiency through aid coordination. The primary obstacles from Japan’s point of view are as follows:<sup>19</sup>

- Staff constraints: Japan (JICA/OECF) has a limited field staff presence in Africa compared with other bilateral donors.<sup>20</sup> This presence is especially small when compared with the volume of aid that Japan is providing in Africa.
- Visibility : The 1996 Annual Report for Japan’s ODA notes that “through tie-ups and coordination with former colonial powers, Japan’s aid risks becoming ‘faceless’ or ‘invisible’ assistance.”<sup>21</sup> This concern is shared by other bilateral donors and it has been raised repeatedly in interviews conducted for this study.
- Aid mechanisms: The diffusion of responsibilities among Japanese government ministries and agencies makes it difficult to coordinate with other aid agencies to develop comprehensive, integrated programs or strategies.

### **C. INTRODUCTION TO THE STUDY**

Japan’s role as a donor in Africa has increased significantly in the past decade. While Japan is now a very important donor in Africa in terms of aid volume, it is still relatively inexperienced when it comes to the effective and efficient implementation of projects and programs in Africa. Such lack of experience, combined with reduced bilateral aid budgets in many industrialized countries, provide powerful reasons for increased collaboration with other donors, both bilateral and multilateral.

This study was undertaken to provide a better understanding of the complex web of existing aid coordination frameworks for development in Africa. Such improved understanding was necessary to assist Japan in participating more actively in existing aid

coordination frameworks. The understanding gained through this study has already been put to use by JICA-USA in the form of a companion policy paper entitled “Aid Coordination Matters: Working with others for Africa’s Development.”

#### Scope of the Study

This study covers a wide range of aid coordination frameworks for development in the Africa region. While many studies of aid coordination focus on that country-level coordination mechanisms, this study takes a broader approach to aid coordination and looks at aid coordination frameworks at different levels as well as the linkages between these levels.

This wide coverage implies a broad definition of the term “coordination.” In this study, coordination is defined as “activities undertaken to ensure coherence and complementarity of aid policies as well as development programs and projects.” Issues regarding the definition of aid coordination are further developed in section II.

#### Research Questions:

The following research questions guided the research:

- A. What are the existing aid coordination frameworks for development in Africa?
- B. What are the strengths and weaknesses of such coordination frameworks?
- C. What are their respective mandates, purposes?
- D. What are the linkages between these frameworks?
- E. What are the implications for donors?<sup>22</sup>

#### Methodology:

The methodology for this study combined a literature review, document analysis, a survey, and interviews.

- Literature review: The results of the literature review in terms of lessons learned from previous studies are highlighted in the next section.
- Document analysis: A wide range of documents were collected throughout the study, including policy statements, project/program related documents, evaluations, etc.
- Survey: A survey of all of JICA’s 14 offices in Africa was conducted to provide necessary information regarding the perspectives of Japan’s field staff regarding aid coordination. A questionnaire was developed in English, translated into Japanese. The questionnaire was mailed and answers mailed back and translated from Japanese into English.
- Interviews: A total of 43 interviews were conducted in Washington, D.C., New York City and Addis Ababa, Ethiopia, based on a broadly defined interview guide. These



interviews lasted approximately one hour. A list of people interviewed is provided in appendix to this document (Appendix A).

Given time and budget constraints, only one country was selected for more in-depth analysis. Ethiopia was identified for several reasons. First, Addis Ababa is the site of the headquarters of a number of regional organizations of interest to this study. Second, Ethiopia is of particular interest to Japan as one of the African countries where it has become increasingly involved, in coordination with other donors, in particular in the context of Sector Development Programs. Finally, Ethiopia is of special interest as a country exhibiting a strong commitment to self-help and a strong ability to take charge of the aid coordination process. Section VI provides a brief case study of aid coordination in Ethiopia.

#### Lessons learned from previous studies:

In a study entitled Does Aid Work? now more than 10 years old, Robert Cassen described the situation of many developing countries as follows:

At any given time in a particular country, a range of development activities can be observed. Some are ending and will be repeated, others are in progress, others are being developed. A large number of official agencies are involved. Do they add up to a coherent set of activities? Do they at least complement coherently the range of development activities undertaken within the country? NO. When the answer is YES, it is usually because the recipient country has made a special effort to establish some kind of coherence.<sup>23</sup>

Cassen noted not only the lack of coordination among donors, but also the proliferation of individual projects and the corresponding increase in the demands placed upon the recipient government in terms of budgets for local and recurrent project costs, manpower and foreign exchange. Cassen added that:

In several countries the donors not only fail to coordinate, but actually compete. They are all looking for projects of reasonable size and manageability, and go sometimes to unseemly lengths to secure some of their own aid program rather than let them go to another agency. The aid projects themselves then compete for scarce resources in the recipient country. People who are seen as very able may end up working only on short assignments being switched from government to various positions with donor projects.<sup>24</sup>

While empirical analysis continue to lead to such observations of lack of coordination, policy statements from donors have continuously stressed the need for increased coordination. As Whittington and Calhoun note in a 1988 article, "many of the donors who rhetorically call for coordination simply do not mean it."<sup>25</sup> They conclude that calls for coordination will fail unless "underlying organizational and attitudinal issues are addressed more directly and seriously."<sup>26</sup> The question is, what would push the institutions concerned to address these organizational and attitudinal issues?

Among more recent studies, it is necessary to differentiate between the policy oriented analyses and the theoretical analyses. The policy analyses have stressed the following aspects of aid coordination:<sup>27</sup>

- there is a need to change the relationship between donors and recipient countries (coordination must be country-led and not donor-driven);<sup>28</sup>
- sectoral coordination should be emphasized in addition to central coordination
- reducing the total number of projects remains a priority;
- donor agencies need to simplify and harmonize their procedures and requirements to reduce the burden placed on recipient governments.

Theoretical analyses have been provided through the work of a team of researchers at Constance University, Germany. In the early 1990s, a team of researchers started a comprehensive research effort called the “interorganization-project”. The researchers (Andreas Nolke and Andreas Obser) applied an interorganizational network perspective to the field of international relations by focusing on the coordination of development activities in Africa. The project identified a theoretical framework for explaining under which circumstances coordination between aid agencies occurred. Their conclusion is that:

...the final determinants of the effectiveness of interorganizational coordination appear to be fairly distant from the altruistic motive of a ‘joint effort for the best way to provide aid to developing countries’ that is suggested by official publications of the participating agencies. Although project managers undoubtedly undertake a lot of coordination work out of their personal conviction that may agree with the motive cited above, their ability to interact and their choice of interaction partners have to be seen as embedded in more general organizational strategies.”<sup>29</sup>

The study suggests that the existing coordination is the result of convergence of individual interaction strategies. The strategies pursued by individual donors, both bilateral and multilateral may be of a very different nature, but they all propose a close collaboration with the World Bank.<sup>30</sup>

#### Limitations of the Study

Given the scope of the study, it would have taken years to complete an in-depth analysis of each and every one of the existing aid coordination frameworks in Africa. The time allotted for this study was eight months (August 1997-March 1998). Within these time constraints, a special effort was made to include African voices and opinions and to focus on developing an analytical framework highlighting the linkages between different types of frameworks.

## ENDNOTES: SECTION I

- <sup>1</sup> Ministry of Foreign Affairs (Japan). Japan's Official Development Assistance: Annual Report 1996, February 1997. In addition, both the ODA Charter and the New Development Strategy adopted at the May 1996 DAC High-Level Meeting underline the importance of coordination of aid. The ODA Charter was adopted by the Japanese government on June 30 1992. It lays down the basic philosophy, principles, and priority areas of Japanese economic cooperation.
- <sup>2</sup> Since 1991, Japan has been the largest donor in terms of volume. In 1995, Japan's net ODA reached \$14,489 millions. However, this volume still represents only 0.28% of Japan's GNP for that year (Source: Ministry of Foreign Affairs (Japan), Japan's Official Development Assistance: Annual Report 1996, February 1997, p. 21.)
- <sup>3</sup> Japan has been the top donor in Kenya since 1991. In 1995, Japan was the top donor in 6 African countries (Kenya, Ghana, Seychelles, Tanzania, Zambia and Zimbabwe). The total ODA to these 6 countries represents 44 percent of Japan's total ODA to Africa in 1995 (Source: MOFA, ODA Summary 1997 at <http://www2.ntta.com:8010/infomofa/oda/sum1997/ref4.html>).
- <sup>4</sup> JICA. Annual Report 1996, 1996, p. 63.
- <sup>5</sup> JICA. Regional Study for Development Assistance to Sub-Saharan Africa, February 1991, p. 65. See also JICA. Country Study for Development Assistance to the Republic of Kenya: Basic Strategy for Development Assistance, June 1992, p. 62-63.
- <sup>6</sup> JICA. Regional Study for Development Assistance to Sub-Saharan Africa, February 1991, p. 65.
- <sup>7</sup> Tokyo Declaration on African Development, "Towards the 21st Century", para. 30.
- <sup>8</sup> Bangkok Statement, "Furthering Asia-Africa Cooperation: The Second Asia-Africa Forum," 11-13 June 1997, Bangkok, Thailand.
- <sup>9</sup> Okinawa Declaration, The Okinawa Conference on Development, 24-25 July 1997, Okinawa, Japan.
- <sup>10</sup> The Preparatory Conference for the Second Tokyo International Conference on African Development (TICAD II, 10-11 November 1997, "Co-Chairs' Summary Report."
- <sup>11</sup> Ministry of Foreign Affairs (Japan). Japan's Official Development Assistance: Annual Report 1996, February 1997, p. 18.
- <sup>12</sup> Ministry of Foreign Affairs (Japan). Japan's Official Development Assistance: Annual Report 1996, February 1997, p. 169. See also OECD (DAC), "Shaping the 21st Century: The Contribution of Development Cooperation." OECD, Paris, May 1996, p. 15.
- <sup>13</sup> "Bilateral" here means coordination between two individual donor agencies, as opposed to coordination between a donor country and a recipient country, which is also often referred to as a bilateral relationship.
- <sup>14</sup> Since 1993, Japan and the United States have tackled various global issues within the Common Agenda for Cooperation in Global Perspective.
- <sup>15</sup> JICA. Annual Report 1996, 1996, p. 30.
- <sup>16</sup> Coordination among various divisions of the Ministry of Foreign Affairs, JICA, and other Ministries dealing with international cooperation, has traditionally been weak. See Koichi Miyoshi, "Making do with More: The Challenge of Increasing ODA Budgets in Japan." USJP Occasional Paper 91-07. Center for International Affairs and the Edwin O. Reischauer Institute of Japanese Studies, 1991.
- <sup>17</sup> Ministry of Foreign Affairs (Japan). Japan's Official Development Assistance: Annual Report 1996, February 1997, p. 46.
- <sup>18</sup> JICA. Annual Report 1996, 1996, p.15.
- <sup>19</sup> Some of these obstacles are common to other bilateral donors.
- <sup>20</sup> Overseas Economic Cooperation Fund of Japan (OECF), USA; Japan International Cooperation Agency (JICA), USA. "USAID's Assistance to Sub-Saharan Africa: A Comparison with Japanese Assistance." May 1993.
- <sup>21</sup> Ministry of Foreign Affairs (Japan), Japan's Official Development Assistance: Annual Report 1996, 1997, p. 171.
- <sup>22</sup> The implications of the findings of this study to Japan were addressed in a separate paper entitled: "Aid Coordination Matters: Working with others for Africa's Development."

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- <sup>23</sup> Cassen, Robert, & Associates. Does Aid Work?: Report to an intergovernmental task force. Oxford: Clarendon Press: New York: Oxford University Press, 1994, p. 219.
- <sup>24</sup> Ibid., p. 221.
- <sup>25</sup> Whittington, Dale & Craig Calhoun. "Who really Wants Donor Coordination?" Development Policy Review 6 (1988), p. 306.
- <sup>26</sup> Ibid., p. 307.
- <sup>27</sup> van de Walle, Nicolas and Timothy Johnston. Improving Aid to Africa. ODC Policy Essay No. 21. Johns Hopkins University Press, November 1996; Arensberg, Walter, Camilla Foltz & Lawrence Hausman. Coordinating International Development Assistance. World Resources Institute, 1997; UNDP (Policy Division). "Aid Coordination and Aid Management by Governments: A Role for UNDP." August 1994 (COWIConsult).
- <sup>28</sup> Engberg-Pedersen, Poul. "The Politics of Good Development Aid: Behind the Clash of Aid Rationales," in Domination or Dialogue?: Experiences and Prospects for African Development Cooperation, Havnevik, Knell & Brian Van Arkadie (eds.). Nordiska Afrikainstitutet, 1996.
- <sup>29</sup> Nolke, Andreas. "The Management of Interorganizational Networks in the Field of International Relations: Donor Coordination for sub-Saharan Africa." Paper prepared for the workshop on "Management of Interorganizational Networks." ECPR Joint Sessions, Limerick, Ireland, 30 March-4 April 1992. Interorganization project (Constance University, Administrative Science Faculty, Germany.), p. 26.
- <sup>30</sup> The research project undertaken at Constance University focused on informal communications between headquarters as a measure of coordination. While that represents only a small aspect of the definition of coordination used in this study, the findings of the Constance University team have been particularly useful.

## II. UNDERSTANDING AID COORDINATION

### A. DEFINING AID COORDINATION FRAMEWORKS:

#### 1. Definitions and Approaches

There is no consensus definition of “aid coordination”. Aid coordination means different things to different people. From the Japanese perspective,

Aid coordination is widely regarded as implementation of development assistance in cooperation with other donor countries and organizations. This means discussions by donor countries and organizations, in many cases in the presence of the recipient country’s representatives, on the most effective and efficient methods for carrying out the aid program, covering topics ranging from general economic and social development policies in specific developing countries to specific issues, such as population problems.<sup>1</sup>

Apart from statements such as the one above, the survey of JICA’s offices in Africa conducted for this research project found that aid coordination is identified most often as “joint project development and implementation” with other donors, and “Round Tables and Consultative Group Meetings”.

In a study commissioned by UNDP in 1996, “aid coordination” is defined as “planning and procurement by a recipient government of aid from its donor partners and its integration into national development goals and strategies.”<sup>2</sup> This is a definition of the ideal form of coordination based on the consensus that has evolved within the development community that 1) aid coordination should be the responsibility of recipient governments ; and 2) aid must be integrated within national development programs and budgets.

Given the above definition and the fact that aid coordination is increasingly seen as the recipient government’s responsibility, it is difficult to separate aid coordination issues from aid management issues.<sup>3</sup> It is often not enough for recipient governments to be able to clearly define their goals and develop programs and budgets that integrate aid and government resources. Donors are reluctant to relinquish the responsibility for aid coordination to recipient governments who are unable to give assurances that the aid provided will be managed properly (with adequate accountability, transparency and overall effectiveness). In other words, aid coordination and aid management are closely interrelated.

This study focuses on **aid coordination frameworks** for development in Africa. An aid coordination framework is defined as a set of activities pursued by two or more development partners for the purpose of building consensus around development priorities, ensuring greater coherence of aid policies and practices and increasing the complementarity of development programs and projects. As such a definition suggests,

this study is advocating a broader approach to aid coordination and addresses a wide range of aid coordination activities.

## 2. Purposes of Aid Coordination:

Aid coordination can have a number of purposes, depending on one's perspective.

Aid coordination can be undertaken:

- to increase the effectiveness of aid;
- to decrease the burden put on the government by uncoordinated donor activities;
- to learn aid methods from other donors;
- to achieve a goal that could not be reached alone;
- to promote one's agenda;
- to strengthen bilateral ties among donor.<sup>4</sup>

Increasing the effectiveness of aid and decreasing the burden placed on recipient governments are the two most stated reasons for wanting increased aid coordination.

Further discussion is provided in Box 1 below.

### **BOX 1: Increasing the Effectiveness of Aid and Decreasing the Burden Placed on Recipient Governments:**

Aid coordination is necessary to avoid **duplication** and **overlapping** of activities

- Aid coordination is necessary to promote **coherence**
  - ⇒ Coherence of national plans and strategies: Aid coordination by government is a necessary component of a well thought out national development plan and strategy.
  - ⇒ Coherence of donor policies and strategies: Donors must coordinate aid policies among themselves. They must agree on principles for aid effectiveness (such as untying of aid). They must also pay attention to policies that are only indirectly related to development cooperation but can have a substantial impact on development (trade and debt policies).
- Aid coordination is necessary to promote **complementarity and synergies**. Complementarity and synergies require:
  - ⇒ Taking an integrated approach to development issues (for example, addressing all relevant problems in an entire sector instead of a piecemeal approach to a problem).
  - ⇒ Identifying the areas of **comparative advantage** of all relevant development partners.<sup>5</sup>
  - ⇒ Agreeing on a division of responsibility among all relevant development partners.
- Aid coordination is necessary to reduce the number of distinct uncoordinated projects that the recipient government has to oversee.
- Aid coordination is necessary to harmonize donor procedures and thereby simplify aid coordination and management from the perspective of recipient governments.

Aid coordination is worth the effort to the extent that it enhances the delivery of aid for sustainable development in a timely, cost-effective manner that is supportive of recipient-driven development objectives. Aid coordination attempts should therefore be monitored and evaluated with this in mind (i.e., the number of coordination meetings held is not a good measure of the usefulness of aid coordination. Aid coordination should be assessed to the extent that the information shared at these meetings actually leads to more coherence or complementarity between different development partners' strategies, policies and activities).

### **3. Multiple Dimensions of Aid Coordination:**

Aid coordination is a multi-dimensional concept (especially when used in the broad sense of the term as defined above). Coordination comes in varying degrees and involves interactions at different levels among various combinations of development partners. Coordination can focus on a wide range of topics and result in different types of relationships. This section will address each of these dimensions.

#### Degrees of "cooperation" towards full coordination:

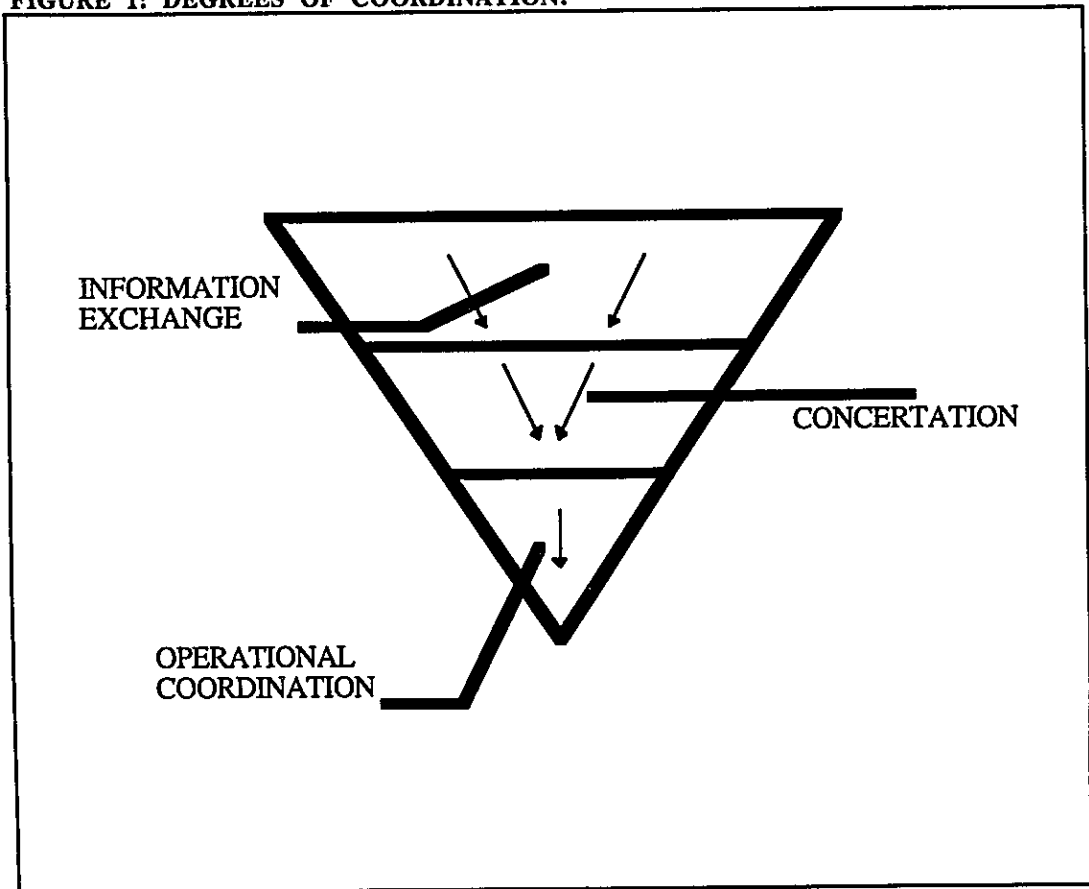
Coherence, complementarity and harmonization are all terms used in connection with "coordination". These terms refer to distinctive elements of what coordination is to achieve. "Cooperation" is perhaps the broadest of terms used in connection with coordination. It refers to a wide range of activities, from information exchange to joint project implementation or joint-financing and common project implementation procedures.

Different degrees of cooperation can be observed along a continuum, going from those forms of cooperation that involve little more than communication to those forms of cooperation that involve operating as one entity by pooling funds for a single common program or project for example.

An early comprehensive study of coordination made the distinction between "**consultation** (in the sense of seeking the perspective of others or a broader base of information), **concertation** (considered here as an effort to reach a common understanding of policy and program objectives and priorities), and **operational coordination** (which might be defined as trying to reach agreement on a common program or project to be undertaken or supported jointly)."<sup>6</sup> [emphasis added]

While information sharing does not necessarily lead to coordination, there cannot be real coordination without information sharing as well as concertation.

**FIGURE 1: DEGREES OF COORDINATION:**





## **BOX 2: Degrees of Coordination:<sup>7</sup>**

### Information Exchange/ Information Sharing:

Information exchange can deal with policies, strategic intentions, funding intentions, current activities, and result of programs and projects. Such information exchange can occur through a variety of channels, from formal to relatively informal: a) Networking of field officers; b) Information shared among bilateral agencies and multilateral agencies at the headquarters level; c) International database networks containing information on existing projects, evaluation inventories, etc.; d) National, regional and sectoral reviews undertaken by donor agencies, either individually or as a collaborative effort.

### Concertation

Existing channels for concerted action by donors at the country level include UNDP-led country Round Tables and the Consultative Group meetings convened by the World Bank. There are also *ad hoc* forums for donor- or recipient-led, country-level concerted efforts in specific sectors.

A variety of regional or subregional forums bring donors together to address major policy issues and directions, e.g., the Club du Sahel. One recipient-led subregional forum for coordinating sectoral investment is the South Africa Development Community(SADC). Some forums, such as ADEA (Association for the Development of Education in Africa), have a specific sectoral focus.

Broader initiatives take place through OECD's Development Advisory Committee (DAC), which has played a strong role in the development of policies and guidelines for donors.

### Operational Coordination

Operational coordination can take the form of common projects and activities and can include financial collaboration<sup>8</sup>: In some cases, the basis for financial collaboration is a successful existing project or program that has been developed by one donor but requires further funding. Multiple donors can also contribute to research projects established by recipients.

More broadly, major forums for financial collaboration are multilateral agencies and international institutes, through which many donor agencies direct often substantial portions of their aid funds.

### Full coordination: towards a Foundation model?

Full coordination should be seen as an ideal model with the following criteria:

- Ownership is promoted through consultations among all local stakeholders. The recipient government is responsible for coordination and for designing its own development plans for which it seeks external assistance.

- Extensive information exchange leads to concertation and implementation of common arrangements and coordination of activities and policies.

In variations of the so-called foundation model, the recipient government takes on primary responsibility for the design, implementation, and overall management of aid activities. The donor agencies withdraw from the administration and implementation of projects and concentrate on analysis, follow up, evaluation, monitoring and recycling of experience<sup>9</sup>

In trying to move towards a foundation approach, it is important to look at the balance of costs and benefits to both donors and recipient countries. In addition, it is critical to pay attention to the capacity of any specific recipient country to manage aid under a foundation model.

At this point in time, there are contradictions between the logic of the foundation model and the pressures that donors are facing at home to demonstrate concrete achievements. Moving towards the foundation model may not be realistic now but there is scope for increased coordination at different levels.

#### Coordination at different levels

Not only does coordination occur in different degrees, it also occurs at different levels.

- Cooperation occurs at **the global level** in such fora as the United Nations where development issues are discussed and on occasions, consensus is reached regarding development assistance goals and practices. Donor nations may agree in principle to provide a certain percentage of aid, or to focus development assistance on a particular region. Global conferences and their ensuing declarations or UN General Assembly Declarations would fall in this category. The consensus reached is usually vague and non-enforceable.
- Coordination can occur **among donors**. Coordination can occur among a group of donors in the context of specific issues. For example, OECD donors may agree on a policy regarding aid conditionality. The EU may agree to coordinate the aid of its members to have a EU aid policy. The UN agencies may agree to increase the coherence and complementarity of their programs. Coordination can also occur at the country specific level where donors divide responsibilities among themselves in the pursuit of the same goal of assisting the government in implementing its own programs.<sup>10</sup>
- Coordination occurs **between donors and recipient governments** in the context of Consultative Group Meetings, Round Tables as well as other country specific (and often sector specific) meetings regarding aid.

- Coordination occurs **between individual bilateral and multilateral donors and recipient governments**. The recipient government (hopefully) has an idea of what it needs from donors in general and from individual donors. The donor has an idea of what it can and should support, based on its own mandate, institutional constraints and comparative advantage. The two approaches have to be coordinated to ensure that both satisfy their needs. Ideally, a recipient country should be able to refuse assistance that does not fall within its own priorities and a donor country should be able to find ways to provide assistance that satisfies its own requirements.
- Coordination occurs **within donor countries** among the various ministries and departments involved with development assistance. It is essential, for example, that a donor's trade policies do not conflict with its aid policies.
- Coordination also occurs **within recipient countries**, especially among the Ministries of Finance and the various line ministries such as Education, Health, Agriculture.

#### **4. Partnership, ownership, and capacity: Coordination by whom?**

The question of leadership in aid coordination is relevant in a number of ways. Leadership in aid coordination is relevant within donor government as well as within recipient governments. Government leadership roles are often linked to bureaucratic and domestic power struggles within governments.

Among donors, the question of leadership is also relevant. The donors that coordinate most among themselves tend to share common perspectives but those that have more divergent views are more reluctant to let others take the lead.

The question of leadership becomes perhaps most important when dealing with aid coordination at the country level, where both the recipient government and donors are closely involved.

The ultimate responsibility for aid coordination rests with the recipient government. Until recently, most African countries were not involved in the coordination of aid. They were either satisfied with the state of chaos that allowed individual ministries or departments to bargain with individual donors (at the expense of any overall national or sectoral program), or unable to take charge of the process.

As a result, coordination was undertaken (if at all), by donors. The primary coordinators of aid have been the World Bank and UNDP, although individual bilateral donors have on occasions taken the lead in specific sectors where they are very much involved. Aid coordination by donors is only a second-best policy. It leads to a range of questions regarding the kind of leadership that is to be provided and the identification of the

most appropriate leader. In addition, it is doubtful that any bilateral or multilateral donor can be sufficiently neutral and ignore its own political, bureaucratic or commercial interests to undertake the role of coordinator. One proposal suggests setting up independent monitoring units to perform coordination functions and in particular to conduct specific analysis relating to the effective use of aid in recipient countries.<sup>11</sup>

Both bilateral and multilateral donors insist (at least rhetorically) that programs and priorities must be determined by the recipient countries. Some donors also promote national execution of externally funded programs (notably UNDP and Nordic countries). One of the major problems with the expansion of national execution is the availability of executing capacity in the country, the need for related institutional development, and the adequacy of national procedures.

## **B. POLITICS AND INCENTIVES OF COORDINATION**

Everyone wants coordination but no one wants to be coordinated. Coordination implies consensus building and compromise. In the past, rather than having to compromise, individual aid agencies have had a tendency to work in relative isolation of one another. As a World Resource Institute study notes,

Theoretically, better coordination of donor activities would advance sustainable development by minimizing waste of resources, by reducing project overlap and duplication, and by fostering more efficient and effective aid delivery. In fact, among many donors and aid recipients these presumed advantages to coordination are matched, or superseded by the perceived advantages of not coordinating their activities.<sup>12</sup>

While lack of coordination is a problem that has been noted time and again in the past, it is also a seemingly intractable problem. A recent World Resources Institute report suggests that one of the solutions to the coordination problem is to “stop fussing about [it]”, “acknowledge the factors impeding coordination, and do not try so hard to find a panacea for overcoming them.”<sup>13</sup> Most studies do not seem to provide recommendations for change that address the root of the issue. It would be useful to clearly identify the obstacles to coordination and look at realistic opportunities for change.

The obstacles to coordination come in two varieties: technical as well as political. While technical problems can usually be dealt with given adequate political will/support, it is much more difficult to change the politics and incentives of coordination (or lack thereof).

An example of a technical problem would be the fact that each individual bilateral agency works on different project and budget cycles, making it difficult to undertake common activities. Given the necessary political support, these cycles could be harmonized. This has been attempted among UN agencies. Progress has been slow.

While technical problems can, in principle, be addressed, the difficulty of addressing them should not be underestimated (see Box 3).

The typical political problem is that bilateral agencies are under pressure to show domestic constituencies how they are spending their tax money. This is much easier to do when there is a clearly identified project with a single donor able to put its flag on top of it. In the context of coordination with multiple other donors to finance entire sectors, the specific contribution of individual donors can lose visibility.

The technical obstacles cannot be adequately addressed without the necessary political support. Such support, in turn, requires a major shift in thinking about the rationale for aid and its effective use. The current incentives at the individual, bureaucratic and domestic levels must be changed.

The Ministry of Foreign Affairs' annual ODA report for 1996 notes two main problems with aid coordination: 1) it is time consuming and troublesome to coordinate in every aspect of finding, formulating, implementing and evaluating projects than to do it alone, and 2) through tie-ups and coordination with former colonial powers, Japan's aid risks becoming "faceless" or "invisible" assistance.<sup>14</sup>

**BOX 3: Underestimating the costs and difficulties of coordination:**

Certain efforts at donor coordination can also increase the burden put on the government. Aid coordination efforts undertaken through the Bank's sector investment programs place heavy demands on the governments to develop sector programs. It is therefore essential that such demands be analyzed in light of the government's existing capacity and that adequate/appropriate assistance be provided to enhance the capacity of the government to address these demands.

A 1988 paper on coordination efforts in the Sudan already noted that although donors such as the World Bank support the idea of improved donor coordination, many of their representatives do not really know what this entails in terms of data management and analysis. Few donor coordination efforts have proceeded beyond the level of general discussion because the donors place data management demands upon the ministries of Finance and Planning which even donors themselves do not know how to address.

Few donor representatives have thought seriously about how they would manage the flow of paperwork associated with hundreds of millions of dollars of aid from thirty donor agencies -- all with different accounting procedures, currencies, and priorities -- with the limited budget available to a ministry of Finance or Planning in an aid-dependent economy.<sup>15</sup>

### **1. Individual incentives:**

Coordination still depends very much on the initiatives and efforts of individuals. This point came up repeatedly during interviews conducted for this study. Until recently, the staff members of aid agencies had very little incentives to make any effort to coordinate with other agencies beyond the necessary exchange of information to avoid stepping on each others' toes. This is now changing, especially within the multilateral agencies. To the extent that coordination becomes a recognized staff function against which achievements can be measured, individual staff members will have incentives for coordination beyond what has in the past been mostly personal initiative.

### **2. Bureaucratic politics**

Institutions have a tendency to survive. They may become obsolete but their survival is often prolonged by entrenched interests. It is very difficult for an aid agency to eliminate a division simply because another agency (perhaps even within the same donor government) can do (or has already been doing) the same work more efficiently.

Constantly shifting aid fads tend to increase the tendency of aid agencies to expand their mandates in order to remain relevant . For example, when the term "governance" emerged in the mid-1980s, both bilateral and multilateral agencies became involved in governance issues, often from different perspectives, with little regard to what their real comparative advantage was and little attention paid to what other agencies were planning to do in the same area. Coordination, when it occurs, is often in reaction to the realization that there is duplication and overlap of activities. Development agencies are often unable to focus on their comparative advantage. They have to protect their turf. In some circumstances, that implies expanding their turf.

While bilateral agencies are subordinate to the respective national ministries and parliaments, multilateral development agencies are controlled by supervisory boards made up of representatives of the donor and recipient countries. Staffs of multilateral agencies have an incentive to coordinate with bilateral donors to ensure consistency. On the other hand, staffs of bilateral agencies have no such incentives to coordinate.<sup>16</sup> Still, multilateral agencies have little incentives to coordinate among themselves unless specifically pressured to do so by the countries controlling their boards and financial support.

### **3. Domestic politics and the difficulties in having a coherent national development cooperation program**

Coordination with other donors may require a country to give up part of a special relationship with a recipient country. Commercial interests may be at stake and may cause harm to a particular constituency in the donor country. To sever that relationship may cause a strong negative reaction from that constituency in the donor country.

Coordination with other donors reduces the ability of a donor country to use economic aid as a tool of foreign policy. Some donor countries have strong constituencies that insist that aid should be used to pursue foreign policy interests. In such cases, the effectiveness of the overall coordinated aid package in terms of development in the recipient country is less relevant than the effectiveness of the donor's aid in terms of the donor's own foreign policy interests in the recipient country.

**BOX 4: Changing institutional and personal incentives within the World Bank:**

A few years ago, the World Bank's realized that a large number of its projects were failing. A review identified problems within the Bank that resulted in poorly designed and poorly managed projects.<sup>17</sup> One such problem was the "culture of approval". As a bank, the World Bank must make loans and ensure repayment of such loans in order to stay in business. There is a strong institutional incentive to make loans and disburse money. The resulting individual staff incentives were to develop projects that would be approved by the Board of Executive Directors. The result was that projects were often developed with limited consultation of relevant stakeholders in the borrowing country, little consultation with other donors active in the borrowing country, little or no ownership of the projects and therefore a high probability that the projects would not be implemented properly.

As a result of the review and major institutional reforms (which are still ongoing), Bank staff members now feel less pressured to develop projects and have them approved. Quantity is becoming less important than quality in terms of project development. Staff members are encouraged to take more time to work with the borrowing government as well as other relevant groups within civil society and to coordinate their activities with other donors.

The Sector Investment Programs, for example, force the Bank to coordinate with other donors to provide financing for entire sectors of a country (such as health or education). This new incentive that the Bank has to coordinate with others is not without its own problems. If the incentive is not matched by other partners' interest in coordination and active involvement, there is a danger that the Bank's role as coordinator could become too important. Other donors often resent the Bank's role as coordinator. Given the continued institutional requirement for the Bank to make loans, there will always remain an incentive for the Bank to speed up the process and do the coordinating work that should ideally be done by the Government.

**4. International politics (Changes in the rules of the game)**

With the end of the Cold War, it was hoped that a new era of stability would allow peace dividends to be allocated to the poorer countries of the world. This has not necessarily happened. Many developed countries are facing difficult domestic situations with severe budgetary constraints and discontent among constituencies regarding aid programs. The extent to which aid is used to promote Cold-War related security interests may have diminished but there is still a very valid rationale for using aid to promote

national economic interests. Aid is provided to help countries develop and become better trade partners. In addition, the Cold War may be over, but new security threats are emerging to replace the old one. Therefore, the rationale for using aid to deal with security threats has not disappeared.

#### Marginalization of Africa in the post-Cold War Era:

Since the early 1990s, France has significantly reduced its ties to a number of its former colonies on African soil. French military troops on the continent have been reduced and France has distanced itself from a number of regimes it previously supported. While in the Cold War, there was a sense of shared responsibilities between France and other Western powers, whereas there was a clear division of spheres of influence to combat communism, this is no longer the case. The United States has increased its ties to what used to be France's "backyard" in Africa and Japan has also become a new important partner.

At the same time, African countries who benefited from the Cold War by threatening to join the other side, no longer have the bargaining power to do so. As a result, relationships are much weaker than in the past. African regimes can no longer automatically expect the support of a former colonial power or of the US. Great Britain's policies with regards to Africa are increasingly pragmatic, and dictated by economic rather than political interest.<sup>18</sup> Similarly, the United States is moving toward a strategy that will replace (or at least supplement) aid with trade and private investment.<sup>19</sup> In the context of globalization, however, Africa is not among the most favored areas for trade and investments. Economic and political instability remain major obstacles to increased economic ties with the rest of the world.

In a general climate where donors have little strategic interest in Africa, it is difficult to maintain a constituency for aid to African countries. "Aid fatigue" is accompanied by a strong interest in aid effectiveness and the search for visible, short-term results. The extent to which these many currents provide opportunities or challenges for aid coordination is difficult to judge.

#### Convergence among Donors and (some) African Governments:

The 1980s saw a wide gap between the development strategies promoted by the Bretton Woods Institutions and (to some extent the major donors) and the development strategies promoted by African regional institutions such as the ECA and OAU, as well as the more recipient country oriented multilateral institutions such as UNDP. In the 1990s, however, it became clear that adjustment should have a "human face" and the donors rallied around a broad consensus that included the following elements:



- macroeconomic framework favorable to economic growth;
- reform of the state / good governance as a necessity;
- poverty alleviation as a priority (focusing on health, education and employment).<sup>20</sup>

In a context where most aid has been made conditional on reforms undertaken by recipient governments in these directions, many African governments have, with varying degrees of commitment and enthusiasm, accepted the consensus. They continued to insist, however, on a need for greater integration of aid related issues such as debt relief, regional integration and trade as well as private investment.

### **C. MAKING SENSE OF ALL THE AID COORDINATION FRAMEWORKS**

To make sense of the aid coordination frameworks for development in Africa, each framework that was analyzed in the context of this study will be located on a two-dimensional diagram. While this study does not claim to have examined all the existing frameworks in depth, a significant number of the frameworks have been reviewed and will be placed in the appropriate position within the diagram developed on the following page.

The diagram identifies categories of aid coordination frameworks along two dimensions. Vertically, three framework levels are identified: 1) consensus building frameworks; 2) intermediate frameworks for operationalization; and 3) implementation frameworks at the country level. Horizontally, three categories of frameworks are identified: 1) donor owned frameworks; 2) jointly owned (neutral) frameworks; and 3) African owned frameworks.

#### **1. Frameworks Levels:**

##### Consensus Building:

Frameworks at this level are intended to build consensus around global priorities. These frameworks are often broad and vague in terms of their implications for individual recipient countries and donors alike.

##### Operationalization:

Frameworks at this level build upon the consensus reached around global priorities and forge partnership responsible for conceptualizing or operationalizing new approaches/programs to address the global priorities identified. They involve building consensus at a more specific level but at the same time, they involve more than consensus building. They also involve moving towards implications for organizations delivering aid and governments receiving it. At this level, the consensus building deals with how to

achieve the goals/priorities identified at the previous level and the identification of lead agencies and partners with whom activities will need to be coordinated.

#### Implementation:

Frameworks at this level build upon the two previous levels of consensus building and operationalization and focus on implementation at the country level. Consensus building at this level deals with country specific development assistance issues. Implementation takes its cues from arrangements agreed upon among all partners at the policy/headquarters level.

Most studies of coordination focus on aid coordination at the country level. At the same time, the global conferences and broad consensus building initiatives are often perceived as disconnected from what happens on the ground, in the countries themselves. In this study, we have attempted to show how the three distinct levels mentioned above are (or can be) linked. In this context, the intermediate level where various agencies come together to look at the practical implications of the declarations and goals set at the higher level is very important.

## **2. Ownership:**

### Donor Driven Frameworks:

Donor driven frameworks are dominated by donors, either because their membership is limited to donors or because the donor participants have an overwhelming influence. Generally, they are meant to build consensus, operationalize approaches and coordinate program and activities in the field **among donors**. Most of these frameworks have come under fire for being “donor driven” and not having enough participation from African actors. As a result, some of them have moved towards “partnership” with joint ownership. This is the case of ADEA (Association for the Development of Education in Africa) which is developed further later in this document.

### Jointly owned frameworks

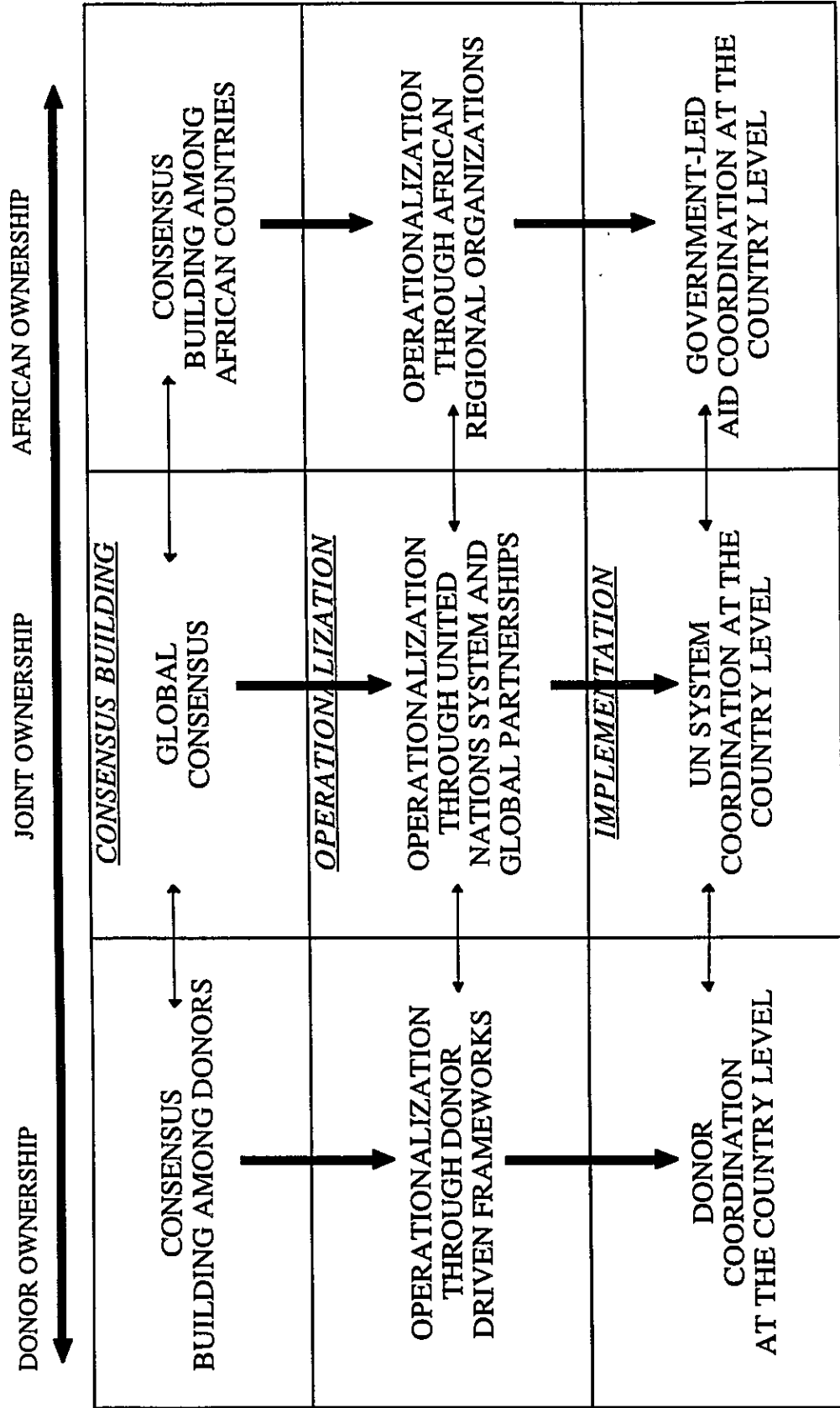
An increasingly large number of frameworks are designed to be jointly owned. The term “**partnership**”, perhaps overused in the current discourse on development assistance, implies joint ownership. The UN system often plays a very important role in these frameworks given its “neutral” and multilateral approach. It is often seen as a useful intermediary between bilateral donors and African governments

### African-led Frameworks

African-led frameworks are dominated by African countries, either because their membership is limited to African countries or because the African participants have an overwhelming influence. They are meant to build consensus, operationalize approaches and coordinate programs and activities among African countries and institutions. These are

the frameworks that need the most strengthening if the current focus on “ownership” is to become more than rhetoric.

FIGURE 2: MAKING SENSE OF AID COORDINATION FRAMEWORKS



## ENDNOTES: SECTION II

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- <sup>1</sup> Ministry of Foreign Affairs (Japan). Japan's Official Development Assistance: Annual Report 1996. February 1997, p. 170.
- <sup>2</sup> UNDP. Aid Coordination and Aid Management by Government: A Role for UNDP. OESP, 1996.
- <sup>3</sup> Aid management refers to "the effective implementation of development programmes that are supported by aid." Definition provided in UNDP. Aid Coordination and Aid Management by Government: A Role for UNDP. OESP, 1996, p. 4.
- <sup>4</sup> Ministry of Foreign Affairs (Japan). Japan's Official Development Assistance: Annual Report 1996. February 1997, p. 170.
- <sup>5</sup> Identifying areas of comparative advantage in individual agencies or organizations is not an easy task. Who is to decide?
- <sup>6</sup> A.J. Barry. Aid Coordination and Aid Effectiveness: A Review of Country and Regional Experience. 1988 (page #?).
- <sup>7</sup> Rebecca Aird. "Donor Collaboration: Models, Experiences and Options," in DonorNet: A Global Electronic Forum for Development Research and Capacity Building, IDRC, July 1994. DonorNet is the early name of an initiative now called "Bellanet".
- <sup>8</sup> Two types of financial collaboration: 1) Parallel funding involves collective development or definition of a program or project, with each donor then agreeing to fund an element of it. This requires a fairly detailed play of action, so that complementary but discrete components can be defined and separately funded. In many cases, however, parallel funding has meant sequential funding, with different donors funding successive phases of a project or program; 2) Cofunding involves the central administration of pooled resources to meet a commonly defined goal. The African Economic Research Consortium (AERC) is an example of a cofunded program.
- <sup>9</sup> Nicolas Van de Walle & Timothy Johnston. Improving Aid to Africa (Overseas Development Council Policy Essay No. 21. Johns Hopkins University Press, November 1996.
- <sup>10</sup> Donor coordination is often seen with suspicion from recipient governments. On some occasions, donor coordination has meant that donors have agreed to impose aid conditionalities. In such circumstances, donors are seen as ganging up against a recipient country.
- <sup>11</sup> Charles Clift. "Aid Coordination: Are there Lessons to be learnt from Kenya?," Development Policy Review 6 (1988): 133.
- <sup>12</sup> Walter Arensberg, Camilla Foltz and Lawrence Hausman. Coordinating International Development Assistance Washington, D.C.: World Resources Institute, August 1997.
- <sup>13</sup> Walter Arensberg, Camilla Foltz and Lawrence Hausman. Coordinating International Development Assistance Washington, D.C.: World Resources Institute, August 1997, p. 25.
- <sup>14</sup> Ministry of Foreign Affairs (Japan). Japan's Official Development Assistance: Annual Report 1996. February 1996, p. 171.
- <sup>15</sup> Dale Whittington & Craig Calhoun. "Who Really Wants Aid Coordination?" Development Policy Review 6 (1988).
- <sup>16</sup> Andreas Nolke. "The Curtailment of the Political Sovereignty of African Countries by the Coordination of Development Aid." Law and State Vol. 48 (1993), Institut fur Wissenschaftlich Zusammenarbeit, p.105.
- <sup>17</sup> Wapenhans Report, 1992.
- <sup>18</sup> Lingsma, Tjitske. "Britain's Relations with Africa primarily via South Africa." Vice Versa 29, 5 (1995): 5.
- <sup>19</sup> David F. Gordon, "Obstacles to U.S.-African Trade and Investment," Testimony Before a Joint Hearing of the Subcommittee on Africa and the Subcommittee on International Economic Policy and Trade Committee on International Relations, U.S. House of Representatives, May 21, 1997.
- <sup>20</sup> David F. Gordon, "Mechanisms for Development Aid: Research, Reform, and the Quest for a Workable Politics," Prepared for the Aspen Institute Meeting, "Reconceptualizing U.S. Foreign Development Assistance," Wye Plantation, September 21-24, 1997.



### **III. CONSENSUS BUILDING FRAMEWORKS**

This section covers a variety of frameworks, from the UNSIA to TICAD, the OECD's DAC, major international conferences and the Cairo Agenda for Action. These are clearly very different frameworks, but they all have something important in common. They are all consensus-building frameworks. All aid coordination frameworks involve some degree of consensus building. What we refer to as "consensus building frameworks" in this study are those frameworks where consensus building is the primary if not the only activity. "Consensus building" frameworks are characterized by the following:

- their main products are statements, declarations or guidelines.
- they are not action oriented (in spite of what their names may sometime indicate).
- they cover broad areas.

#### **A. THE UN SYSTEM AS A CONSENSUS BUILDING FRAMEWORK**

##### **1. Coordination at three levels:**

The United Nations system can be seen as a coordination framework at three different levels. First, it is a coordination framework at the intergovernmental level in the context of the work of the General Assembly (GA), the Economic and Social Council (ECOSOC) and the regional commissions, including the Economic Commission for Africa (ECA)<sup>1</sup>. Within these bodies of the United Nations, representatives of member governments work together on consensus building issues, keeping their national interest in mind. Because these bodies are governed by the principle of equality among members, the developing countries, who have strength in numbers, have "control" over the agenda.

Second, it is a coordination framework at the inter-agency level in the context of the development work carried out by its many agencies (UNICEF, UNDP, FAO, WHO, etc.) Within these agencies, international civil servants (and not representatives of member governments) work to carry out the mandate of their specific agency.

With reduced UN budgets, some of these agencies have faced severe budget cuts and have had to rely more extensively on alternative sources of funds. For example, UNDP has seen its core budget, provided by the UN system, reduced. To implement its programs, UNDP has had to rely increasingly on Trust Funds set up by individual bilateral donors to fund specific programs (as opposed to the core funds that are not program specific). In doing so, bilateral donors increase their control over the use of their contribution to the UN system. In addition, UNDP has tried to increase co-financing with

other donors. In the Africa region, co-financing has been most successful in countries facing emergency situations and post-conflict reconstruction.

Third, the UN system is a coordination framework at the country level where all UN agencies present in the field should be working together. This country level coordination is addressed in sections V and VI of this document.

## **2. International Conferences**

Through international conferences, the United Nations provides a unique forum for building international consensus on global priorities. However, the value of these international conferences is a matter of debate.

Given the cost of organizing such conferences, there is a huge amount of pressure to arrive at some consensus before the closing date. At the same time, with a global membership, it is unlikely that agreement can be reached on all issues. The result is often a consensus that is so broad that different interpretations can easily be made at the time of implementation. Monitoring of implementation and follow up are very difficult. The UN system's powers are limited to ensuring that its own agencies implement the conferences' agreed upon strategies.

On the other hand, some have argued that the series of world conferences organized in the early 1990s have defined a new world order. The 1996 OECD/DAC policy statement on "Shaping the 21st Century" was based on the outcome of recent UN conferences. Thus, "the international conferences have provided the means of linking bilateral donor strategies to those of the UN system through the people-centered sustainable development model."<sup>2</sup> Still, "people-centered development" can be understood in a variety of ways.

## **3. Special Programs for Africa**

Over the years, the UN has launched various initiatives in favor of Africa. The United Nations Programme of Action for African Economic Recovery and Development (UN-PAAERD) and its successor, the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF) are but two of the most recent. Efforts have also been made over the years to coordinate activities of the UN system in Africa through the System-wide Plan of Action for African Recovery and Development.

In the Fall of 1994, UN Secretary-General Boutros Boutros-Ghali decided to launch the UN Special Initiative for Africa (SIA). It was stressed that the Special Initiative should be seen as reinforcing and not duplicative of either the UN-NADAF or the System-Wide Plan of Action for African Recovery and Development. The SIA focuses on a few issues of high priority and was intended to mobilize and coordinate the efforts of African



governments and Africa's development partners to achieve their stated goals. The five key themes that emerged were as follows:

- water;
- food security;
- governance;
- social and human development;
- resource mobilization.

However, the SIA is perceived as an instrument with broad and ambitious goals lacking financial backing from the major bilateral donors and international financial institutions. It was developed by the UN Secretariat initially without much consultation with other development partners. Although it was an attempt to give practical expression to policy commitments made in UN-NADAF and the UN System-wide Plan of Action for African Recovery and Development, it is perceived as "just another document".

The SIA suggested three innovations that were particularly relevant in terms of aid coordination. First, it suggested the development of goal-oriented regional forums. Multilateral and bilateral donors were "urged to create regional forums to mobilize funds for the larger development priorities facing Africa."<sup>3</sup> ADEA (Association of Donors for African Education) is one example of such forums.

Second, the SIA suggested the preparation of goal-oriented country programmes. A key implication of such national programs was that "the cumulative direction and hopefully, impact of donor assistance would be more focused and significant. It [was] assumed that creating these frameworks would increase the likelihood of joint donor activities and would thus reduce the number of donor projects, aiding management issues all around."<sup>4</sup>

Third, the SIA suggested broadening participation in Consultative Groups and Roundtable Meetings by inviting NGOs and the private sector.

However, these "innovations" are hardly new and the suggestions fail to address the existing obstacles to increased coordination among UN agencies and with other donors.

As stated by Mr. Amaoko, Executive Secretary of the UN Economic Commission for Africa, "the success of the Initiative rests on achieving 'value added' at the country level', meaning the following:

- continued use of retreats to harmonize country assistance, building on the country's own priorities;
- minimizing transaction costs for governments through harmonization of programming instruments and implementation arrangements;

- devising a standard reporting format;
- making special efforts to mobilize non-UN external partners and local stakeholders behind the Initiative;
- preparing joint country assessments based on the findings of UN partner agencies in a given country.<sup>5</sup>

In other words, the success of the Initiative depends on the ability of UN agencies to coordinate their activities at the country level.

As a follow up to the launching of the Special Initiative in 1996, the System-Wide Plan of Action for African Economic Recovery and Development has been revised. The revision was aimed at harmonizing the two. While the System-wide Plan of Action is conceived around a comprehensive sustainable development approach, the Special Initiative is an instrument for the more focused implementation of the System-wide Plan of Action. The Administrative Committee for Coordination (ACC) is responsible for coordination at the system-wide level and lead agencies are responsible for coordination at the sectoral level for each of the five priority areas identified.

Interestingly, the Sector Development Programs (SDPs) now being developed and implemented in many African countries are being identified as appropriate tools for the implementation of the SIA's education and health components.

#### **4. Other UN departments dealing with coordination:**

##### **Office of the Special Coordinator for Africa and the Least Developed Countries (OSCAL)**

OSCAL's mandate is to assist the UN Secretary-General in mobilizing support for Africa's economic recovery and development, particularly with regards to the effective implementation of the New Agenda for the Development of Africa in the 1990s, and the System-Wide Plan of Action.

##### **Department for Policy Coordination and Sustainable Development (DPCSD)**

The main objective of the DPCSD is to facilitate better integration and coordination of the work of the UN in the economic and social sphere by providing support to the central policy-making bodies and coordination processes on the various aspects of development.

The Special Initiative for Africa has been an attempt by the UN to revive the implementation of the UN System-wide Plan of Action. It has tried to present itself as more practical and focused and to propose country-level implementation strategies. However, the UN's increasingly limited budget does not allow for much room to maneuver. As agencies such as UNDP depend increasingly on Trust Funds maintained by

individual bilateral donors for specific programs, they are more constrained in the range of activities that they can finance.

## **B. THE TOKYO CONFERENCE ON AFRICAN DEVELOPMENT**

How is TICAD different from other international conferences? TICAD I, its follow up activities and the preparations for TICAD II have been characterized by two elements that distinguish it from other global conferences. First, TICAD has put the emphasis on strengthening relations between Asia and Africa. Second, the process has been characterized by a great amount of participation in Africa and Asia through a number of follow up meetings at the sub-regional level as well as meetings to prepare TICAD II.

Two of the challenges TICAD has faced are the need to include all development partners in the process, expanding from the original co-sponsors, and the need to integrate the results of TICAD with the results of other high-level conferences and meetings regarding Africa's development.

It is important that TICAD should not be seen as just another high level conference heavy on resolutions but light on country-level results. To that effect, efforts have been made to have serious follow-up meetings at the sub-regional level and thematic meetings addressing specific issues that were part of TICAD I's agenda.

It is also important that the result of TICAD should be integrated within existing mechanisms when appropriate instead of creating new ones. For example, TICAD emphasizes South-South cooperation. Efforts in that direction are not new and while a new impetus could be given to previous initiatives, there should be no duplication. It is important to learn from previous initiatives in that area before attempting to launch new programs.

Furthermore, while the emphasis on recipient country ownership and responsibility is well taken, it must go beyond rhetoric. This would require a more serious analysis and review of current modes of operation and modes of communication between donors and recipient governments.

## **C. THE GLOBAL COALITION FOR AFRICA**

The Global Coalition for Africa was set up in 1990 during a conference organized in Maastricht by the Dutch Government in the wake of widespread international concern over Africa's bleak economic prospects.

Although serviced by a small secretariat based in Washington, the GCA is neither an organization nor an institution: it is, merely a platform for frank discussions. Through advisory committees and sub-committees, the Coalition has identified issues for debate from which, it hopes, consensus can be reached on strategies for political and economic

reforms in Africa. The GCA has been involved in the TICAD process since its inception in 1993.

The agenda for the GCA is focused on the following themes:

- African capacity development in economic policy formulation and management, including policy changes, and the institutional and structural reforms require to elicit supply response.
- Political transition, including governance, democratization, and conflict management, and the related areas of reduced corruption and military spending.
- Population, agriculture, and environment.
- The promotion of regional integration, in particular within the context of improving the international competitiveness of African countries.
- Africa's role in an increasingly global economy, with an emphasis on assuring continuing resources flows from the industrial countries, including private investment, official development assistance, and debt alleviation."

#### **D. CONSENSUS BUILDING WITHIN AFRICA:**

The most recent and most significant initiative by African leaders to defined their common position regarding the continent's priorities has been the adoption in March of 1995 of "Relaunching Africa's Economic and Social Development: The Cairo Agenda for Action". The Cairo Agenda was adopted during an extraordinary session of the OAU Council of Ministers in Cairo and was subsequently endorsed by the June 1995 Summit of the African Heads of State and Government in Addis Ababa.

The Cairo Agenda identified a set of priority issues which governments were committed to address and for which international support was requested. These issues include:

- Governance, peace, stability and development;
- Food security;
- Human resources development and capacity building;
- Resource mobilization;
- Regional economic cooperation and integration;
- Structural transformation of African economies.

## **E. CONSENSUS BUILDING AMONG DONORS: OECD's Development Assistance Committee (DAC)**

The Organization for Economic Co-operation and Development (OECD) is an international organization comprising 28 advanced market economies. It evolved from the Organization for European Economic Cooperation (OEEC), which had been set up after World War II to administer the Marshall Plan. Recalling that history, the OECD was established in 1961 and had as one of its basic aims to stimulate and harmonize its Member's efforts in favor of developing countries.

The OECD's Development Assistance Committee (DAC) is the principal body through which the organization deals with issues related to co-operation with developing countries. The DAC is one of the key forums in which the major bilateral donors work together to increase the effectiveness of their common efforts to support sustainable development.

The mission of the DAC is to foster coordinated, integrated, effective and adequately financed international efforts in support of sustainable economic and social development. Members of the DAC are expected to have certain common objectives concerning the conduct of their aid programmes. There are now 22 DAC members.<sup>6</sup>

DAC meetings (at least 15 a year) are held at DAC headquarters in Paris, and attended by delegates of Member countries. Once a year, senior level officials from aid agencies gather at the DAC to take stock of the overall aid effort and to review the DAC's work on current policy issues. The DAC also holds an annual High Level Meeting in which participants are Ministers or heads of aid agencies. The High Level Meeting provides an opportunity, at a political level, to discuss and adopt basic policy directions for the work of the Committee and the common efforts of its Members.

The DAC has also established working parties and expert groups in which DAC Members are generally represented by specialists. Their respective mandates reflect major ongoing orientations of the Committee: financial aspects of development assistance; development assistance and the environment; statistical problems; aid evaluation; women in development; participatory development and good governance.

### **Recent DAC Policy Statements:**

#### **1992 Development Assistance Manual: DAC Principles for Effective Aid**

One of the nine themes addressed by these DAC guidelines is aid coordination (i.e., Guiding Principles for Aid Coordination with Developing Countries.). These guidelines reflect the views and experience of the DAC Members and benefit from input by multilateral

institutions and individual experts, including experts from developing countries. Guidelines adopted prior to 1992 were published that year in this compilation.

**BOX 5: OECD/DAC Guiding Principles for Aid Co-ordination with Developing Countries.**

- Flexibility is required in the application of these guiding principles: central responsibility for aid co-ordination lies with recipient governments;
- Need well designed policies and carefully appraised investment and expenditure programs for effective and coordinated use of national and external resources;
- Importance of well-designed, growth oriented structural adjustment programs;
- Need for aid agencies to strengthen developing countries' analytical and management capacity to design and implement effective policies and programs;
- Carefully design, implement, and monitor productive investment programs that can serve as the basis for aid coordination;
- Support policy reform efforts through quick disbursing funds;
- Pay adequate attention to recurrent costs and maintenance requirements;
- Work with other donors in the case of large projects or sectoral programs: reduce burden on government by working with agreed lead agency;
- Participate in policy and program consultations between recipients and international agencies;
- Promote full and frank information exchange on on-going and planned activities among donors, and between donors and recipients;
- Continue improving the organization of the Consultative Group Meetings and Round Tables;
- Strengthen aid coordination at the local level and establish stronger links between central and local level coordination;
- Encourage recipient-led local coordination mechanisms with clear mandates;
- Improve sectoral approaches;
- Encourage greater participation of the regional development banks in policy dialogue and reform;
- Complement country -level coordination with regional approaches to coordination;
- Make further efforts to harmonize and simplify donor requirements;
- Need to have staff of appropriate economic and policy expertise to support aid coordination;
- Strengthen developing countries' institutional capacity to design and implement effective policies and programs and to manage their development processes.<sup>7</sup>

### **1995 Development Partnerships in the New Global Context:**

This policy statement, adopted at the High Level Meeting of 1995, identified the key elements of strategies for sustainable development.

- a sound policy framework encouraging stable, growing economies with full scope for vigorous private sector and an adequate fiscal base;
- investment in social development, especially education, primary health care, and population activities;
- enhanced participation of all people, and notably women, in economic and political life, and the reduction of social inequalities;
- good governance and public management, democratic accountability, the protection of human rights and the rule of law;
- sustainable environmental practices;
- addressing root causes of potential conflict, limiting military expenditure, and targeting reconstruction and peace-building efforts towards longer-term reconciliation and development.

### **1996 Shaping the 21st Century: The Contribution of Development Co-operation**

This policy statement was adopted by the DAC and endorsed by the OECD Ministerial Council in 1996. The report sets forth a new vision for a global partnership in favor of sustainable development.

#### **BOX 6: OECD/DAC Enhanced Coordination in International Fora and on the Ground**

“We are committed to better co-ordinate our aid efforts in line with the strategies of our partner countries. General and sectoral aid coordination among donors varies greatly from country to country. Given the variety of country situations, there is no single model that can be recommended. But methods of proven effectiveness could be given stronger encouragement. For example, the developing country should be the coordinator of development co-operation whenever possible. However, in cases where local interest or capability is weak, it remains for donors to encourage regular fora for co-ordination, and to assure that their own local representatives participate. Lead agencies from within the donor community (bilateral or multilateral) could be identified for particular themes or sectors, and developing country partners should be an integral part of the process. The in-country co-ordination could then be monitored in international Consultative Groups and Round Tables, as well as in DAC Aid Reviews. The objective would be to create incentives for effective co-ordination and to strengthen local capacity to lead the co-ordination process.”<sup>8</sup>

In addition to policy statements, the DAC provides a forum for dialogue, exchange of experience and the building of international consensus on policy and management issues of interest to Members.

Finally, the DAC collects (mainly from Members) data on aid and other resource flows to developing countries and regularly publishes statistics on such data.

The work of the DAC is supported by the Development Cooperation Directorate (DCD), with works as the DAC's Secretariat, with a staff of more than 40 professionals. The Directorate maintains close working relations with other bodies of the OECD dealing with aspects of development, including the Club du Sahel, a forum for consultation among the major donors to nine West African countries.

The DAC's activities go slightly beyond the consensus building that is common to all the other frameworks in this section. While member countries are ultimately responsible for the implementation of principles, guidelines, etc. agreed upon within the DAC, the DAC is able to monitor members' progress. The DAC conducts periodic critical reviews of its Members' development assistance programs, examining how each member applies DAC policy guidance as well as how the program is managed (including co-ordination with other donors).

## CONCLUSION

This section provided examples of consensus building frameworks. The primary purpose of activities undertaken within consensus building frameworks should be to build consensus around global priorities and general strategies. Expectations should be based on that premise rather than actual results on the ground.

There is a danger in ignoring the consensus that has already been reached and reinventing the wheel with new "consensus building" frameworks. There is also a danger in thinking that calling their outputs "action-oriented" or calling them "agendas for action" will actually result in ANY action. The linkages between these consensus building frameworks and country-level activities are not automatic. They require the establishment or appropriate utilization of what we refer to in this study as "intermediate" frameworks whose primary purpose is to come up with ways to operationalize the consensus that has been reached.

The Governments of Africa may have reached a consensus regarding development priorities, but they have limited resources as well and must rely to a great extent on the international community. The donors, on the other hand, must listen to African priorities before shaping their own consensus. In between, a broad UN agenda is set, but limited resources are assigned to implement it. Consensus-building frameworks cannot deal with



the details of all the issues they attempt to address. They identify priorities and general strategies. The next necessary step is to look more specifically at individual issues, identify the main “partners”, and based on the priorities and general strategies agreed upon, operationalize. Intermediate frameworks for operationalization are the topic of the next section of this document (section IV).

## ENDNOTES: SECTION III

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<sup>1</sup> The ECA is discussed further in Section IV

<sup>2</sup> "Evaluation of the UN World Conferences 1990-1996 from the Perspective of Development Policy: A Comparison of their Goals, Results, and Implementation Strategies. Berlin, 29 October to 1 November 1996." Advance Report of Findings and Recommendations, 19 November 1996, p. 5.

<sup>3</sup> United Nations. "The United Nations System-Wide Special Initiative on Africa Booklet", Part III. (<http://undp/org/news/unsia03.htm>).

<sup>4</sup> Ibid.

<sup>5</sup> Margaret A. Novicki. "UN Special Initiative - One Year Later." *Africa Recovery*, January-April 1997, p.21.

<sup>6</sup> Of the 26 OECD Members, four (Greece, Iceland, Mexico and Turkey) are not DAC Members.

<sup>7</sup> OECD, *Development Assistance Manual: DAC Principles for Effective Aid*, OECD: Paris, 1992, pp. 25-29.

<sup>8</sup> OECD (DAC). *Shaping the 21st Century: The Contribution of Development Cooperation*, OECD: Paris, May 1996, p. 17.

## **IV. INTERMEDIATE FRAMEWORKS FOR OPERATIONALIZATION**

Intermediate frameworks for operationalization have a very important role to play. They are the crucial link between consensus building frameworks which cannot be more than statements of intentions and specific activities at the country level to bring to reality these intentions.

### **A. AFRICAN-LED FRAMEWORKS: REFORMED AND SET FOR THE 21ST CENTURY?**

Traditionally, African regional organizations have not played a major role within development frameworks for Africa. The UN Economic Commission for Africa has lacked power and vitality, sub-regional organizations have been fighting to survive and stay relevant and the African Development Bank has encountered major financial difficulties. Most of these organizations have undergone (or are still undergoing) some degree of reform and restructuring in the early 1990s. The extent to which they will be able to act as broker between donors and recipient governments and support African governments in dealing with the donor community remains to be determined. In principle, regional organizations have great potential as intermediate institutions standing between the global/consensus building frameworks and country-level frameworks. They work towards the implementation and operationalization of the consensus agreed upon at the global level. Many of them are specialized organizations, addressing particular areas of development, rather than the whole spectrum of issues addressed in the global frameworks. At times, they may even come together, as with the recent ECA/OAU/AfDB joint efforts to promote the African Economic Community.

#### **1. UN Economic Commission for Africa**

##### **Background:**

The Economic Commission for Africa was established by the Economic and Social Council of the United Nations (ECOSOC) in 1958. ECA is one of five regional commissions. ECA has a major set of program and coordination mandates given to it by the UN General Assembly, by its Conference of Ministers, by meetings of Heads of States and Governments of the Organization of African Unity (OAU), and by numerous sectoral gatherings of African Ministers. ECA's chief mandate is to promote the economic and social development of its member states, foster intraregional integration, and promote international cooperation for Africa's development.

### Recent Reforms:

The current process of reform of the ECA started in 1991 when the then Acting Executive Secretary commissioned a special task force to review ECA's policy orientations, programmes and management capacity. The report of this task force highlighted a number of inefficiencies and limitations. A second report was produced in 1993 by the UN's Office of Inspections and Investigations. This second report confirmed these and other problems.<sup>1</sup> The reforms at ECA have been guided by three principles: excellence, greater cost-effectiveness, and more effective partnerships.

ECA draws inspiration in the proposed focus of its future programmes from the initiative of the OAU Council of Ministers in March 1995, entitled *Relaunching Africa's Economic and Social Development: The Cairo Agenda for Action*, which was adopted by the June 1995 Summit of the African Heads of States and Governments in Addis Ababa. This is the most recent of policy documents which identified these priorities, and which reaffirmed Africa's primary responsibility for its own development. The five program directions on which ECA's work will focus in the near future (1996-2000) are:

- facilitating economic and social analysis and implementation
- ensuring food security and sustainable development
- strengthening development management
- harnessing information for development
- promoting regional cooperation

### Relevance of proposed reforms in terms of coordination mechanisms:

In the context of its refocused strategies and activities, the ECA will be increasing working with partners. Building more effective partnerships is one of the guiding principles of the renewal and reform of ECA.

ECA will intensify collaboration with selected partners (such as selected UN agencies, bilateral donors, intellectual and professional networks, and key NGOs) to promote initiatives or develop programmes in specific areas. These strategic alliances differ from the traditional partnership in that the initiative around which collaboration is formed will require sustained efforts over a long period. Partners in the initiative seek mutual gains in advancing the initiative or program. And the outcome of the program will have a significant impact on many or a group of African countries.

The search for long-term partners connotes a shift in strategy in which ECA is less the self-contained producer of work and far more a networker helping to put forward the

best possible thinking. However, when entering partnerships with other influential multilateral development institutions, ECA will make sure that it does not surrender its own vision of Africa's development.

There are five main categories of organizations/institutions with which ECA will build or strengthen cooperation in support of Africa's development. These are, the African intergovernmental organizations, agencies of the UN system, African universities and research institutions, bilateral donors, and civil society groups in Africa.

Enhanced inter-agency coordination and cooperation between ECA and other UN bodies and specialized agencies is an important vehicle for pooling UN resources (technical, financial and analytical expertise) in support of Africa's development. Several mechanisms and arrangements for promoting coordination and cooperation have been developed between ECA and other agencies over the years. For example, UNDP and ECA jointly Chair the Secretariat of the Special Initiative on Africa.

ECA and the Bretton Woods institutions, especially the World Bank have already increased their cooperation. Further efforts are now being undertaken. One area of potential cooperation is for ECA to participate in the Consultative Group meetings organized by the World Bank for African countries. Another would be joint studies between ECA and Bretton Woods institutions on new and emerging priority issues such as regional integration and/or capital markets development. And a third area would be sharing perspectives on, and perhaps jointly addressing capacity-building in Africa. The UN Special Initiative on Africa has involved good cooperation between the World Bank and ECA which is expected to mature during the implementation of the Initiative. Such cooperation must build on mutual interest and respect the differences in perspectives that each organization may have.

Partnerships between ECA and bilateral donors from both the developed and developing countries has taken the form of bilaterals providing financial resources for regional programmes and projects developed by ECA. In recent years, the flow of financial resources from the bilateral donors has declined, partly because of budgetary constraints in the donor countries and partly because ECA has not been perceived as an effective choice for support. First, ECA will need to strengthen its mechanisms for financial reporting on extra-budgetary resources. Second, the projects and programmes proposed for funding should be top priority for member states -beneficiaries as well as donors. And third, the potential impact of such projects must be significant. ECA believes that there is considerable scope to expand these partnerships in step with the adoption of planned program and management reforms.

In addition to the increased focus on partnerships, there are specific proposed initiatives that could give an important role to the ECA in terms of aid coordination. For example, the ECA “will set up advisory services to provide support to member states in formulating their short and medium term programmes, in the context of strengthening African governments’ positions in dialogue with the Bretton Woods institutions: IMF and World Bank. ECA will seek ways, in cooperation with UN Resident Coordinators, to bolster African governments’ capabilities in presentations to Round Tables, Consultative Group(CG) meetings, and in debt rescheduling exercises: and in general, in formulating economic reform programmes and Country Strategy Notes.”<sup>2</sup>

The ECA is also proposing to enhance its visibility and impact by participating in Consultative Group and Paris Club meetings for a sample of countries. This would enable ECA to gather experience to provide technical assistance to member states in the consultative process.

#### ECA’s Role within the UN Special Initiative for Africa

The ECA is both a co-chair of the UNSIA Secretariat (with UNDP) and a lead agency for a number of clusters within the SIA (governance and harnessing information technologies for development). For example, given the ECA’s focus on harnessing information for development as one of its five priority programmatic areas, the ECA was selected as lead agency for the HITD (Harnessing Information Technologies for Development) cluster of the SIA.

ECA will focus on development information systems, and on statistical development. The overall goal is to speed up the information revolution in Africa. The AISI (African Information Society Initiative) will serve as the framework for the HITD component of the UN System Wide Special Initiative on Africa. The implementation of this priority area involves several key United Nations agencies, including ECA, as the lead agency, collaborating with UNESCO, the International Telecommunication Union (ITU), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Industrial Development Organization (UNIDO), and the World Bank. The implementation of the AISI action plan will take place at the country level, starting with the development of National Information and Communication Infrastructure plans. The ECA also participates in PICTA, the Partnership for Information and Communication Technologies in Africa, which is a broad forum for collaboration in areas related to harnessing information technologies for development (see Box 7 below )

### **BOX 7: AISI and PICTA**

The African Information Society Initiative (AISI): an Action Framework to Build Africa's Information and Communication Infrastructure was adopted in May 1996 by the ECA's Conference of Ministers. The African Information Society Initiative (AISI) aims at supporting and accelerating socio-economic development across the region. Driven by critical development imperatives, it focuses on priority strategies, programmes and projects which can assist in the sustainable build up of an information society in African countries in accordance with the regional integration goals of the Treaty establishing the African Economic Community which foresaw the necessity of information networks and of regional databases, information sources and skills capacities.<sup>3</sup>

Many international agencies have recently begun to support development in Africa through the use of Information and Communication Technologies (ICTs). However, this led to a large number of un-coordinated assistance projects, many of which overlap or fail to exploit the full potential of a collaborative approach which takes into account the activities of others. There have been two important fora for collaboration in this field - the African Internet Forum (AIF), led by UNDP, USAID, the Carnegie Corporation, the World Bank and others, and the African Networking Initiative (ANI), comprising IDRC, ITU, ECA, UNESCO and others. There have been a variety of other smaller informal partnerships where agencies or individuals have come together around a specific problem.

The ANI and AIF have now been merged, creating a new informal group, PICTA (Partnership for ICTs in Africa). Membership in PICTA is open to all donors and executing agencies which have substantive programs or projects in Africa.<sup>4</sup>

### Promoting regional cooperation and integration

Fostering regional cooperation and integration is a major mandate of ECA and has traditionally occupied center stage in its work program. The entry into force in 1994 of the Abuja Treaty on the establishment of the African Economic Community provides a major impetus for the work of the Commission in the area of regional cooperation, along with OAU and ADB, its partners in the Joint Secretariat.

### South-South Cooperation

Enhanced South-South Cooperation offers many potential gains for Africa's development. The locus of action in promoting South-South cooperation will mainly be at the national level, with governments and the private sector taking the lead roles. Regional institutions like ECA however, can facilitate the process through a mix of measures. It can collaborate with the regional commissions in Asia (ESCAP) and Latin America (ECLAC) in organizing, for example, investment forums between interested business groups from the three regions. Using the resources of its United Nations Trust fund for African Development (UNTFAD), ECA can facilitate technical cooperation among developing countries (TCDC) that enables African countries to learn from the experience of other

developing regions about successful innovations in such areas as financial mediation and information technology adaptations.

## **2. African Development Bank**

### **Background:**

The African Development Bank Group (AfDB) is a multinational development bank supported by 77 nations from Africa, North and South America, Europe and Asia. Headquartered in Abidjan, Cote d'Ivoire, the Bank Group consists of three institutions:

- The African Development Bank (ADB)
- The African Development Fund (ADF)

The Nigeria Trust Fund (NTF).<sup>5</sup>

Established in 1964, the mission of AfDB is to promote economic and social development through loans, equity investments, and technical assistance.

### **Reforms:**

Between 1993 and 1996, the African Development Fund was (for all purposes) closed for business as a result of the refusal of funding governments to replenish the concessional arm of the Bank, the African Development Fund (ADF). During this period, the Bank closed its regional offices and operated from its Abidjan headquarters.

Donors have strongly supported reforms to increase the Bank's focus on poverty reduction and indicated that 65 per cent of the seventh ADF replenishment should be directed to agriculture and social development.

### **Where to go from there:**

The AfDB is also a major player in the HIPC initiative. Given that the majority of the beneficiary countries are in Africa, the Bank Group is contributing some of its internal resources in support of the initiative.

Coordination with other donors at the country-level is severely hampered by the lack of regional or country offices. Communications (even with borrowing governments) are limited. A pre-reform study of the AfDB's coordination role noted that "given the lack of country offices and its small staff basis, the ADB concentrates its operational coordination activities in establishing contacts with the local representations of other donors."<sup>6</sup> The AfDB relies extensively on its coordination with the World Bank.

Should the AfDB be able to overcome its organizational constraints, it may have the potential to play an important role in donor coordination given its African origins and special relations with its African Member States.



### **3. Sub-Regional Organizations**

This section will not attempt to provide a comprehensive review of sub-regional organizations involved in economic development on the African continent. Rather, it will limit itself to a sample of such organizations that provide some lessons in terms of coordination and linkages with frameworks at different levels. The organizations reviewed include the Sahel Club, IGAD, SADC and ADEA

#### **Club du Sahel and CILSS:**

The Club du Sahel is a small member of the larger OECD family, comprising an informal but structured network where donors and Sahelian officials come together to share ideas and increase the effectiveness of their joint action. Much of the Club du Sahel's work since its foundation in 1976 is carried out together with the CILSS (Permanent Interstate Committee for Drought Control in the Sahel). The CILSS was established in 1973 by Heads of State of the countries of the Sahel region.

In 1997, the Club du Sahel celebrated its 20th anniversary. This was an occasion to evaluate the Club's past operations and consider the outlook for future cooperation. A long-term regional study of cooperation with the Sahel was undertaken by the Club's Secretariat. "Cooperation 21" is therefore a coordinated process of reflection on aid to the Sahel, designed to provide the framework for more effective action in the future.

#### **IGAD (Intergovernmental Authority on Development):**

IGAD is a sub-regional development organization in Eastern Africa.<sup>7</sup> It was established in 1986 as the Intergovernmental Authority on Drought and Desertification (IGADD), in an attempt to address problems associated with drought, internal and sub-regional conflict, food insecurity and environmental degradation. The name of the organization was later changed to Intergovernmental Authority on Drought and Development (IGADD).

Following a series of efforts to refocus the organization's strategies and activities, the member states signed a Declaration to revitalize and expand the mandate of IGAD taking into account development issues. In 1996, a new Charter for the organization was adopted. This revitalization effort has attracted increased donor support.

The United States has been very active in supporting IGAD's revitalization as part of its Greater Horn of Africa Initiative (GHAI)<sup>8</sup>. The US has also placed a high emphasis on coordination with other donors in the region. A Joint IGAD Partners Forum has been created to provide donor coordinated support.

## **SADC (Southern African Development Community)**

SADC is clearly the most successful regional integration organization on the African continent. It is also clearly an organization driven by African governments and relying primarily on the combined resources of its member states. Formerly known as the Southern African Development Coordination Conference (SADCC), the organization was formed in 1980. The Declaration and Treaty establishing SADC was signed in 1992.<sup>9</sup> To avoid a cumbersome bureaucracy, the SADC members have divided responsibility for specific development sectors, within which it initiates projects and seeks financial assistance. A small secretariat located in Botswana, is responsible for overall coordination and for liaison among members.

## **B. DONOR DRIVEN FRAMEWORKS FOR OPERATIONALIZATION**

### **1. Special Program of Assistance (SPA)**

#### Origins and evolution of the special program of assistance

The Special Program of Assistance (SPA) is a partnership among international donors established in 1988 under the chairmanship of the World Bank to coordinate external support for reform programs undertaken by low-income countries in Africa.

By the mid-1980s, poor economic policies and management as well as deeper structural adjustment weaknesses had led to a continent-wide debt and development crisis. For those countries willing to undertake economic reforms (dictated by the World Bank and IMF), the donors agreed to provide substantial financial assistance through the SPA. The aim of this program was two-fold:

- to ensure that adequate balance of payments finance was available for reform programs; and
- to provide a forum for improving the effectiveness and efficiency of donor assistance for these programs.

Therefore, in addition to mobilizing resources for Africa, the SPA partnership has been a forum for policy debate and the exchange of ideas on development issues and on seeking new and better ways to coordinate aid in support of Africa.

Aid is mobilized in three-year cycles. The SPA partners meet twice a year to monitor recipient country performance in implementing reform programs and to update the financing requirements. These meetings are supplemented by meetings of working groups, chaired by different donors, which develop recommendations affecting donor policies (see Box 8).

We are currently in the fourth phase of the SPA (SPA-4 1997-99). SPA-4 has five major objectives:

- to achieve substantial poverty reduction within a five to seven year period;
- to communicate the importance of and rationale for, this assistance more effectively (given the unfavorable climate for assistance in donor countries);
- to play a catalytic role in building consensus and ownership in Africa and in donor countries on the reform agenda;
- to improve the modalities for delivering quick-disbursing assistance;
- to support the development of a broad sector approach to coordinating external assistance (when and where appropriate).

The donors and supporting institutions, and the beneficiaries (eligible countries) of the SPA have changed over time. There are currently 21 donors and supporting institutions and 31 eligible countries.

#### Characteristics of the SPA as a coordination mechanism

##### **A very effective coordination mechanism:**

The SPA has provided a unique opportunity for effective coordination throughout its existence. As its agenda has evolved, the policy coordination function of the SPA has grown in importance relative to the mobilization of resources. Over time, the scope of SPA coordination has expanded from a focus on mobilizing financing for a crisis response to one which encompasses donor practices to enhance aid quality and effectiveness, and most recently to efforts for a consensus approach on related development issues. Recognizing that reform programs should be examined with an understanding of the context in which they are being implemented, the partners have discussed issues of debt, political change, and the importance of the nature and pattern of growth.

The SPA partnership has increasingly sought the views of Africans in its deliberations, to bring in different perspectives on African development issues. In this context, two eminent Africans were invited to address the December 1996 meeting in Paris. In June 1998, the semi-annual SPA meeting will be held in Abidjan and the plenary session will be preceded by a session with a select group of African senior officials to discuss the role of the SPA and to hear the African voice. This has happened in reaction to criticisms of the SPA as a donor-driven mechanism whereby donors coordinated their assistance based on conditions they set without much consultation with recipient countries.

The SPA remains a donor-driven mechanisms and is likely to remain so. As long as assistance is provided to countries who agree to undertake World Bank/IMF designed economic reforms, ownership by African countries can be doubted.

There is more potential, however, for the newest SPA related program, the Sector Development Programs (SDPs)/Sector Investment Programs (SIPs), to involve recipient countries to a much greater extent and therefore address the issue of ownership more directly. SDPs/SIPs are appropriate for countries that have already undertaken macroeconomic reforms and have an adequate policy framework to support substantial investments in essential sectors (sections V and VI provide more information as well as an explanation for the SDP/SIP terminology).

Overall, the SPA is a very efficient mechanism for coordination of assistance to Africa. It is still regarded as donor-driven, however. As such, it could benefit from further efforts to establish true policy dialogues with African partners. "Consensus building" is often used as a euphemism for convincing African countries that they must undertake economic reforms dictated by the World Bank to obtain financial assistance. Under such circumstances, there is a strong incentive to agree with reforms and go through the motions. Unless the recipient government has had a say in the content of the reforms and is convinced of their benefits, ownership will be an empty word. The recent Independent Evaluation of the SPA completed in November of 1997 pointed to this as well:

Above all, the SPA needs to address a growing mismatch between the mission and practices of a donors' club conceived in a time of crisis and the new paradigm of participatory development and domestic ownership of reform endorsed by SPA members in the context of the Development Assistance Committee's goals in Shaping the 21st Century.<sup>10</sup>

#### **Donor-driven mechanisms vs. ownership:**

Donor-driven coordination mechanisms are perceived by recipient countries as "ganging up", independent of the value of coordinating conditionality.

On one hand, aid cannot be used efficiently if one donor imposes economic reforms as a condition for aid, another donor imposes significantly different economic and/or political reforms, and a third imposes no condition.

Consensus is necessary, but such a consensus should not be imposed by a more powerful donor such as the World Bank. The bilateral donors have a role to play in balancing the power of the World Bank. African countries themselves must be allowed to participate more in critical policy dialogue that affects them.<sup>11</sup>

Some countries may not have the necessary policy analysis skills. The World Bank and other donors' skills should not be substituted for recipient country skills. These must be developed and the donors can assist in that area. They have been doing so.

The Working Groups have provided crucial opportunities for information exchange. The donors understand better what the World Bank and IMF are doing and the IMF and the Bank get a better understanding of what donors need. According to the Bank, partnership has meant (a) working closely with the recipient countries, and (b) assuring that the main stakeholders within countries work together toward the same ends, too.

In working groups and workshops, Africans have been invited on an *ad hoc* basis. Invitees have usually been academics, NGO representatives, and other members of civil society.

**Linkages:**

There is considerable potential for strengthening mutually reinforcing linkages between SPA -- essentially a forum for discussing cross-country issues -- and Consultative Groups and Round Tables, both of them focal points for discussing country specific aid issues. The Consultative Groups and Round Tables could allow recipient countries to participate more in SPA policy dialogue and provide feedback to the SPA. The need for greater coordination at the sector level between the SPA and the Consultative Groups and Round Tables is expected to arise in connection with the further development of Sector Development Programs (SDPs).

### **BOX 8: SPA Working Groups dealing with coordination issues**

Two of the SPA's working groups are particularly relevant to the issue of aid coordination: 1) the working group on public expenditures; and 2) the working group on economic management.

These two Working Groups are both coordination mechanisms in the sense that they provide opportunities for donors to build consensus around specific issues, and a mechanism for addressing coordination issues.

The Working Group on public expenditures has been looking at ways to improve the Public Expenditure Review (PER) process. The PER is a process under which analysis is conducted of a government's budget processes and systems, and of the resulting allocation and disbursement of public expenditure. In the context of efforts to integrate aid flows in regular budgets, such PERs have an important role. This Working Group noted in June 1997 that improved donor coordination in the conduct of PERs as well as in the provision of technical assistance for PERs is crucial. The Working Group also suggested that to coordinate assistance in this area, a coordinating group chaired by the government should be established.

The Working Group on Economic Management held a workshop on "Adapting Aid Modalities" on October 21-22 in Brussels. The second day of the workshop was dedicated to the issue of "Common Implementation Arrangements for Pilot SIPs/SDPs." The World Bank is taking a lead role in promoting the idea of common implementation arrangements in the context of SIPs. The main areas for harmonization of arrangements are:

- common monitoring and reporting arrangements;
- common methodology, processes and standards for evaluating proposed programs;
- common arrangements and criteria for determining the level and composition of program tranches;
- common donor coordination arrangements;
- common financial arrangements;
- common procurement, contracting and contract management arrangements.<sup>12</sup>

There are no significant obstacles to harmonization in the first four areas. The obstacles for common financial arrangements come primarily from the lack of government capacity (which needs to be addressed). The only major obstacle from the donor's perspective concerns the sixth and last area: common procurement, contracting and contract management arrangements.<sup>13</sup>

### **2. Paris Club, HIPC's Debt Initiative, CGAP, CARPE**

- Since the early 1980s, Paris Club creditors have coordinated their efforts to provide debt rescheduling and debt relief to low-income countries unable to deal with their debt burden. Over the years, a number of deals have been agreed upon among creditors, increasing the level of debt relief with each new agreement. The Naples terms, agreed upon in 1994 are still being implemented.

- The Heavily Indebted Poor Countries (HIPC) debt initiative was an IMF/World Bank proposal endorsed by governments in the fall of 1996. It provides a mechanism for substantially reducing the debt burden of poor countries with good policy performance. Most of the eligible countries are in Sub-Saharan Africa. This initiative is meant to supplement any Paris Club actions. Countries for which existing mechanisms would not lead to debt sustainability in spite of their good policy performance would be eligible for additional support through the initiative.
- The Consultative Group to Assist the Poorest (CGAP) is a multi-donor effort to reduce poverty by systematically focusing resources in the field of micro-finance. One of CGAP's objectives is to strengthen donor coordination in the field of micro-finance. The CGAP was formally constituted in June of 1995, with the participation of ten donors.
- CARPE (Central African Regional Program for the Environment) is a five year project developed by USAID to address the issue of deforestation in the Congo Basin forest. The CARPE project places a strong emphasis on coordination with other donors. The evolution of donor coordination within the project is expected to go through three levels.

The first level of coordination is one of information sharing: Donors meet regularly and exchange information about on-going activities or new initiatives. Most previous activities within the region have tended to remain at this level.

The second level of coordination is one of consultation and harmonization: The donor agenda evolves from information sharing to consultation on policy issues, and donors begin to harmonize their activities to achieve economies and reduce inconsistencies. For example, in April 1997, the first Congo Basin donors' meeting was held in Brussels, hosted by the European Union. Such meetings represent a first step toward increased consultation.

The third level of coordination is one of "donor partnerships": New activities are increasingly based on principles of joint design and implementation, and policy dialogue is increasingly conducted on a joint basis.<sup>14</sup>

### **C. GLOBAL PARTNERSHIPS: The Example of ADEA**

ADEA (Association for the Development of Education in Africa) was established in 1988 at the initiative of the World Bank. It was first intended as a tool for collaboration and coordination between development agencies in support of education in Africa and was called "Donors to African Education". ADEA now focuses on "developing partnerships between Ministers of Education and funding agencies to promote effective education policies based on African leadership and ownership."<sup>15</sup> ADEA is currently headquartered

in Paris, within UNESCO. In 1991, the Caucus of African Ministers of Education was established. At the same time, the Bureau of African Ministers of Education was established to represent Ministers within the Steering Committee of ADEA.. The Steering Committee, made up of seven African Ministers of Education and funding agencies is the governing body of ADEA. Both the Caucus and Bureau have been instrumental in moving ADEA away from being a “donors’ club”.<sup>16</sup>

One of ADEA’s activities has been the development of an information system consisting of an inventory of all development agencies’ ongoing projects and programs of assistance to education in Africa. The system was seen as a tool to facilitate the coordination of efforts, especially among funding agencies. PRISME (Program and Project Information System on Education) is regularly upgraded and updated.<sup>17</sup> JICA seconded one of its staff to undertake an important part of the content updating of PRISME between October 1996 and February 1997.<sup>18</sup>

## **CONCLUSION:**

### **African-led, donor-driven frameworks and partnerships:**

While regional organizations have great potential as intermediate organizations helping to operationalize and implement the consensus arrived at in global frameworks, this potential has not yet been fully realized. Most regional and sub-regional organizations have undergone substantial reforms in the past few years and still need to prove their renewed vitality and effectiveness.

Donor driven frameworks for operationalization have an important role to play, in spite of the tendency for all frameworks to move towards “partnerships” and joint ownership. Frameworks that may have been conceived of and initiated by donors are increasingly positioned as “partnerships”, as in the case of ADEA. Still, good coordination among donors is essential to finding long-term practical solutions to Africa’s development problems, especially those problems that are closely linked to its external environment (i.e., mobilizing external resources, dealing with debt).

### **Specialized operationalization frameworks:**

Partnerships such as ADEA, which promote joint operationalization and joint ownership have the most potential in the near future. To be successful, partnerships should strive to address very specific issues. At this intermediate level of operationalization, issues must be looked at in depth. It is therefore not possible to deal with broad issues.

Operationalization is the crucial link between consensus building and implementation. Without operationalization, the consensus remains a vague understanding



among development partners. Operationalization means taking the consensus, breaking it into smaller, manageable pieces, getting all the relevant partners for each individual piece around a table and coming to an agreement regarding who will do what, how and when. Depending on individual development partners' interests in each "piece", operationalization frameworks that evolve may be African-led, donor driven or partnerships. Ideally, they should all be partnerships.

## ENDNOTES: SECTION IV

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- <sup>1</sup> Economic Commission for Africa, "Serving Africa Better: Strategic Directions for the Economic Commission for Africa," May 1996, p. 6.
- <sup>2</sup> Economic Commission for Africa, "Serving Africa Better: Strategic Directions for the Economic Commission for Africa," May 1996, p. 12.
- <sup>3</sup> ECA, African Information Society Initiative (AIS): An Action Framework to Build Africa's Information and Communication Infrastructure, August 1996, p. 12.
- <sup>4</sup> <http://www.bellanet.org/partners/picta>.
- <sup>5</sup> The ADB lends to African countries eligible for non-concessional loans. The ADF lends to lower income African nations on concessional terms. The Nigeria Trust Fund is an instrument established by the Government of Nigeria and managed by the AfDB. It lends to lower income countries at a 4 percent interest rate, with a 25-year repayment period, including a five-year grace period.
- <sup>6</sup> Andreas Nolke. "Aid Coordination Profiles - Headquarters Level, sub-Saharan Africa: No.4: The African Development Bank." Working Paper, May 1992, p.42.
- <sup>7</sup> Member states include Djibouti, Ethiopia, Eritrea, Kenya, Somalia, Sudan and Uganda. IGAD's headquarters are located in Djibouti.
- <sup>8</sup> The GHAI (Greater Horn of Africa Initiative) is a U.S. effort launched in 1994 to implement new approaches to humanitarian and development challenges in the Horn of Africa. It is based on five principles: 1) African ownership of the approaches implemented by USAID in partnership; 2) strategic coordination across bureaucratic boundaries; 3) linkages of relief programs with development programs; 4) regional approaches to regional problems; and 5) promotion of stability through change.
- <sup>9</sup> SADC members include Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.
- <sup>10</sup> OED, "The Special Program of Assistance for Africa (SPA): Independent Evaluation of the SPA as a Mechanism to Promote Adjustment and Development in Sub-Saharan Africa," (draft for final review), November 12, 1997, World Bank, Operations Evaluation Department., p. 15.
- <sup>11</sup> As a prelude to donor-only plenary meetings, each member of a panel of 2-3 African ministers (usually finance ministers) makes a presentation, and then the panel engages in a discussion with the donors.
- <sup>12</sup> SPA Working Group on Economic Management Issues: Terms of Reference for SPA-4 Period, September 18, 1997.
- <sup>13</sup> Background Note prepared by Steve Weissman (World Bank) on "Moving Toward Common Implementation Arrangements." October 3, 1997.
- <sup>14</sup> <http://carpe.gecp.virginia.edu/DonorPAge.html>
- <sup>15</sup> <http://www.bellanet.org/partners/adea>.
- <sup>16</sup> "The Caucus and Bureau of African Ministers," ADEA Newsletter January-March 1997, p.4-5.
- <sup>17</sup> Beedeeanun Conhye, "Reinforcing Coordination Efforts in Education: ADEA's Program and Project Information System on Education (PRISME)," ADEA Newsletter Vol. 9, No. 3, July-September 1997.
- <sup>18</sup> "ADEA's Project Information System (PRISM)" ADEA Newsletter, Vol. 9, No. 1, January-March 1997, p. 15.

## V. COUNTRY LEVEL FRAMEWORKS

Previous studies of aid coordination have noted that it is at the country level that aid coordination is most important.<sup>1</sup> Certainly, it is at the country level, rather than at the regional or global level, that the impact of aid coordination (or lack thereof) is most immediate and visible.

Extremes of aid coordination at the country level (dealing with a specific sector) are presented below. On the left side are the characteristics of poor coordination. On the right side are the characteristics of effective coordination. Most African countries are somewhere in the middle. Some are starting to move towards the right side. In addition, coordination is not necessarily uniformly effective or lacking within a single country. Case studies often show that in some sectors or specific areas within a country, coordination among donors and the government is very effective while in other areas or sectors it is not.<sup>2</sup>

## **LACK OF COORDINATION**

The line ministry has no national strategy for the sector.

External aid to the sector is not integrated into the national budget. The Ministry of Finance is not informed of project planning activities until projects have already been launched and local costs are accumulating.

Aid projects are planted here and there in an almost haphazard way and in excessive numbers.

The line ministry strives to obtain external assistance from a multitude of donors, seeking to maximize the number of projects and amounts of funds disbursed without much attention to actual need, management capacity, sustainability or recurring costs.

Given the lack of leadership on the part of the government regarding the identification of sectoral priorities and needs, donors rely on their own, often distinct priorities for that sector.

Each donor has its own procedures, project cycles, procurement and reporting requirements.

Uncoordinated donor missions place a heavy burden on the government

Donors exhibit "herd behavior". Swings in intellectual analysis lead to waves of new types of projects at the expense of sustained support in specific priority areas.

## **EFFECTIVE COORDINATION<sup>3</sup>**

The line ministry, in consultation with civil society, and with assistance from the donor community (as necessary) has developed a national strategy for the sector.

The line ministry has worked with the Ministry of Finance to incorporate the sectoral strategy into the national budget, including both local costs and external financing.

Aid projects are integrated within programs that are part of the national strategy for the sector.

The line ministry strives to find the most appropriate form of external assistance and the most appropriate donor for the aid it needs, based on the national strategy for the sector. The line ministry rejects any form of assistance offered by donors that does not fit within the national strategy and programs.

Given the guidance provided by the government in terms of sectoral priorities, donors are able to develop their aid programs based on the national strategy.

The donors have worked among themselves to harmonize their procedures and requirements.

Donors are organizing joint donor missions for program planning, monitoring and evaluation.

Donors have committed themselves to providing sustained support in priority areas identified by the government. In addition, donors have divided up the responsibilities for support among themselves to ensure comprehensive coverage while taking into account each donor's comparative advantage.

At the country level, four elements are particularly important in determining the extent of aid coordination: 1) the role of the recipient government; 2) the relative power and influence of specific donors and groups of donors; 3) the role of individuals; 4) organizational factors.

It is also at the country level that the best known tools of aid coordination have been developed. These are the Round Tables and Consultative Group Meetings. In addition, there has been increased interest in recent years in sectoral coordination.

#### **A. DETERMINANTS OF AID COORDINATION AT THE COUNTRY LEVEL:**

##### **1. The role of the recipient government:**

All recent studies stress that recipient governments should be responsible for aid coordination. In practice, it does not happen very often. There are exceptions, however, as the case of Botswana indicates (see Box 9 below).

#### **BOX 9: Aid Coordination and Management in Botswana**

In Botswana, "strong planning and coordination by the government has rendered formal donor coordination mechanisms unnecessary, both at the national and sectoral level."<sup>4</sup> Botswana is neither a Round Table nor a Consultative Group country. Instead, the government deals with donors on an individual basis.<sup>5</sup>

At independence, Britain provided half of the government's budget. Over the years, Botswana has worked hard to diversify its sources of aid. The government worked to attract aid from a large number of donors and build donor confidence through efficient management of project and the government budget. Donor confidence in government administration helped maintain aid levels and reduced donor demands for costly parallel management structures. To facilitate donor coordination, Botswana has encouraged donors to specialize in particular sectors.

Botswana is perhaps unique among African countries in the extent to which aid resources are centrally managed and fully integrated into a national development planning and budgeting process.

The model of Botswana has appealed to some of its neighbors. Both Namibia and South Africa have initiated consultation processes to learn from Botswana's aid management.

It is unlikely that one model of aid coordination can be equally useful to all countries or even all African countries. The capabilities and preferences of each government are different. In most cases, however, the role of the recipient government in aid coordination must be strengthened. There are also circumstances where a strong coordinating function given to a multilateral agency can be necessary. This is the case in post-conflict situations where the neutrality of multilateral donors is appreciated and the recipient government does not have the capacity to undertake the huge task of coordinating reconstruction assistance.

## **2. The relative power and influence of specific donors and groups of donors:**

Apart from the pervasively powerful role of the World Bank, individual countries often have distinctive ties to specific donors. Some of the most common explanations for specific aid ties between donors and recipients are listed below:

- Access to raw materials
- Commercial ties
- Cultural/language ties
- Historical and/or colonial ties
- Ideological ties
- Geopolitical security concerns

In the post-colonial era, France and Britain maintained close aid relationships with their former colonies. In the Cold War era, the United States forged strategic alliances to contain communism wherever possible and shared that responsibility with the other western donors.

With the end of the Cold War, the pressures have changed. Former colonial powers are increasingly distancing themselves from countries with which they have had preferential ties in the past. There is no communism to contain. Instead, there is a broad consensus among donors to push for economic and political reforms as a condition for aid.

In terms of aid effectiveness, the most recent logic argues in favor of selectivity. As a result, a small number of countries said to be cooperating with the World Bank on economic policy reforms and taking steps in terms of political reforms are being targeted for massive support by a large group of donors. The combined support of many donors is expected to bring better results. For this to be true, such support needs to be carefully coordinated to avoid duplication of efforts and overburdening of the government.

### **3. The role of individuals:**

As already noted in many studies, coordination is often the result of the efforts on individuals.<sup>6</sup> It is often not sufficiently institutionalized. As a recent United Nations report noted, “several country representatives of the United Nations system have highlighted the lack of adequate incentives for them to devote to supporting resident coordinator system functions. The system may rely too much on personal efforts, without supporting them with resources and recognition in career development or other types of management support.”<sup>7</sup>

The same is true within bilateral agencies. Results of a survey of JICA offices in Africa show that the effectiveness of coordination meetings is often dependent on the personality and skills of the individual (s) chairing the meeting more than the institution chairing the meeting. Concern is often expressed about the continuation of good coordination work after these individuals leave for other posts.

### **4. Organizational factors:<sup>8</sup>**

- The volume of financial resources is one of the major determinants of a donor’s role in coordination. The coordination functions provided by some important bilateral donors (for example in specific sectors) can be problematic, however, when they are perceived as coordinating with the intend of pursuing their own agenda.
- Manpower is an important factor in determining an agency’s role in coordination. USAID has historically had the largest field presence. Agencies with a large field presence may not be as interested in coordinating with others as agencies with limited staff resources.<sup>9</sup> They may feel that they are influential enough to get what they want on their own. Smaller aid missions may be more inclined to work with others to achieve their goals. The impact of manpower is not necessarily limited to field staff. The World Bank, for example, may have limited permanent staff in the field but relies heavily on high level consultant and expert missions to the field. The Bank is able to mobilize its analytical resources at headquarters for field purposes.

To some extent, the ability to play an important coordinating role may depend on staff composition in terms of technical expertise as well as staff autonomy. JICA, for example, is known for the lack of autonomy of its staff.<sup>10</sup>

- Multilateral agencies appear to have a more important role than bilateral agencies in terms of coordination. This may be related to the fact that they often have to consult with bilaterals in the field and at headquarters prior to launching projects in specific countries when they are dependent on the same bilaterals for funding.

- Increasingly, individual donors are taking a lead role in coordination within specific sectors in which they have a special interest or experience. This trend has been encouraged by the World Bank, partly responding to criticism of its overpowering role in coordination and partly because of the costs involved. This allows for more equally shared coordination responsibilities among donors, in the absence of government leadership in the coordination of donors.

## **B. AID COORDINATION TOOLS AT THE COUNTRY LEVEL:**

Aid coordination tools at the country level are often numerous. Some are broad in scope such as the Round Tables and Consultative Group Meetings (a.k.a. aid groups), some are more specific, addressing sector issues such as health, education, etc. The number of coordination groups at the country level is not a good indicator of the quality of coordination efforts, as some donor representatives and government officials alike complain that there are too many coordination meetings.

### **1. Round Tables and Consultative Group Meetings**

#### Main differences between Round Tables and Consultative Groups

Round Tables and Consultative Group meetings are two-day conferences bringing together senior officials from a single recipient country and high-level representatives from the donor community involved in the country. The Round Tables are a UNDP instrument, dealing mostly with technical assistance issues as well as broad development issues, and involve a large number of UN agencies. The Consultative Group meetings are a World Bank instrument designed to address macroeconomic issues and structural adjustment programs. Countries are either “Round Table Countries” or “CG Countries”. There has been a “geographic” division of responsibilities among the World Bank and UNDP, with UNDP’s Round Tables covering most of the small, low income countries. These differences have been disappearing in recent years.<sup>11</sup> In addition, there have been calls for merging the two processes.<sup>12</sup>

#### Main characteristics of aid groups

##### **• Pledges are not followed up**

A 1995 World Bank report dealing with Ghana noted that “some donor representatives have criticized CG meetings for being places where governments and donors alike brag about their accomplishments and make “pledges” that are not followed up.”<sup>13</sup>



- **Level of discussion is not detailed enough to be constructive<sup>14</sup>**

Round Table have tended in the past to be so broad and try to address so many different issues that the discussions could not be specific enough given the amount of time allocated. Consultative Groups, on the other hand, have been criticized for having evolved into elaborate charades whereby recipient governments announced reforms weeks prior to the meeting to facilitate discussions and maximize aid flows, and donors came to officially sign off on aid commitments agreed on in advance of the meeting.

- **Lack of government ownership**

Aid Group processes are rarely owned by governments. Major documents have often been prepared by consultants and donor staff.<sup>15</sup> In recent years, there have been increasing calls to broaden the participation in Consultative Group meetings and Round Tables to include representatives of civil society (NGOs) and the private sector. This is consistent with the movement towards participatory approaches to development, democratization and good governance. It is also consistent with the appeals for greater country ownership of development programs. Government ownership of development programs may not be sufficient when both the private sector and civil societies are expected to play an important role in the implementation of development programs. Country ownership is necessary.

In addition, to allow for such increased participation in Consultative Group Meetings and Round Tables, the meetings have increasingly been held in Africa as opposed to Geneva or Paris. This allows for increased participation from a wider range of government officials and therefore more government ownership.

- **A tool for donors to combine pressures**

In the 1990s, aid groups have increasingly been used by donors as a forum for discussing non-economic development goals such as good governance. Bilaterals often see the Consultative Groups as an opportunities to leverage change in such areas as government's electoral policies, human rights practices, and treatment of the media and civil society organizations. The case of donor pressures on Kenya in 1991 is often cited. At the November 1991 Consultative Group Meeting for Kenya, bilateral donors and the World Bank declined to indicate new aid commitments arguing that "good governance [was] a prerequisite for equitable economic development and would therefore be a major factor influencing aid allocations."<sup>16</sup> The coordinated donor pressure is widely credited for contributing to the Kenyan government's subsequent call for multi-party elections and other measures regarding political freedoms. For obvious reasons, this type of donor

coordination is not viewed positively by most African governments, but it can be seen as a strength of the aid groups, from the point of view of the donors.

Although most of the above discussion focused on the weaknesses of aid groups, there are some potential strengths. First, aid groups have shown their potential in special circumstances such as post-conflict reconstruction efforts. They have been effective at harmonizing donor actions and raising resources. These aid groups are quite different in their goals from conventional aid group meetings.<sup>17</sup> Second, given the changing nature of the relationship between donors and recipient governments in some African countries towards a true partnership, it is hoped that the aid groups can become a tool for the government to present its own programs and budget with the aim of convincing donors of their commitment and ability to effectively use their aid.

In some countries, the process of transferring ownership of the aid groups is moving along. For example, the 1996 Consultative Group meeting on Ethiopia was held in Addis Ababa (one of the first to be held on African soil). Two months prior to the meeting, the Government presented its sector programs to the World Bank for comments before presenting them to all the donors. The Bank made suggestions, mostly regarding the need to synthesize the documents and make them more "reader-friendly." During the meeting itself, the Government was answering questions about the programs, showing that the Government was the real creator of these programs (as opposed to the Bank) and that they were the ones who knew most about them.<sup>18</sup>

## **2. Sectoral Coordination**

Most individual donors are not able to have a significant impact on the overall economy of a recipient country. Their budgets for individual countries are limited. As a result, there is a tendency to concentrate funding in specific sectors in order to achieve maximum impact. This impact has the potential of being further maximized if donor assistance is combined in a coherent, comprehensive sectoral plan.

### Sectoral coordination meetings:

A 1995 World Bank report dealing with Ghana noted that "whereas the annual formal CG meetings were important as catalysts for government actions and for the mobilization of aid, the true coordination of donor policies and programs has come about more through periodic (generally ad hoc) sectoral CGs (often following major Bank sector reports) and through local aid group meetings in Accra."<sup>19</sup> The Round Tables, responding to criticism regarding their excessively broad agenda, are also increasingly focusing on a small number of priority sectors in each country.

### **3. Other forms of coordination at the country level:**

#### **UN Resident coordinator system:**

Country level coordination of the UN system is the responsibility of the UN Resident Coordinator who is also the UNDP Resident Representative. However, the leadership of the UNDP representative has on occasions been challenged. In some instances, other UN agencies have a much larger budget in the country than UNDP and may not easily accept UNDP's leadership. Increasingly, coordination of the UN system in specific sectors is being delegated to the "lead-agencies" in those sectors.<sup>20</sup>

The work of the resident coordinator is facilitated by the development of Country Strategy Notes (CSN). The CSN was introduced in 1992 as part of a comprehensive effort within the UN system to improve the coherence, coordination, and team-work within the resident coordinator system. It should be prepared by the government, with the assistance of and in cooperation with the UN system. The CSN, along with the analytical work underlying its preparation, could help facilitate a more effective participation by the UN system in donor-wide groups such as consultative groups and round tables. It could also be useful to external donors seeking analytical advice and therefore help mobilize a wide range of donors behind key Government priorities.

#### **Sub-groups of donors:**

Beyond collaboration on general issues of development assistance at the headquarters/policy level, sub-groups of donors often form at the country level, in more or less informal settings. While the coordination of aid from members of the European Union is mandated by various EU agreements, Nordic countries have a tradition of cooperation based on a shared culture and philosophy of development and the Common Agenda promoting joint US/Japanese development activities is a way of enhancing relations between the two donors.

### **C. SECTOR-WIDE GOVERNMENT-DONOR PARTNERSHIPS:**

The same 1995 World Bank report dealing with Ghana noted that "the two main constraints to more effective coordination at the sectoral level appear to be (i) the failure of the government to take the lead in aid coordination; and (ii) the lack of clearly defined sectoral strategies and project priorities consistent with medium term macro and expenditure frameworks."<sup>21</sup> To remedy these problems, the World Bank developed a new investment instrument, the sector investment program (SIP). Although a recent instrument, the SIP is showing a lot of promise as well as flexibility in its implementation (see Box 10). The terminology and understanding surrounding sector-wide government-donor partnerships has evolved. The term SIP is now used primarily to refer to the Bank's lending instrument

while the term SDP or sector development program is more widely used to refer to the Government's program for a particular sector, including coordinated donor contributions.

### **BOX 10: Sector Investment Programs**

The "ideal" Sector Investment Program (SIP) as developed by the World Bank, is an integrated program comprising:

- a strategy for the sector;
- a government expenditure program;
- a management framework providing for common implementation procedures for donors to the sector;
- funding commitments from donors.

SIPs have been seen as an instrument for overcoming weaknesses in the management of development assistance that are especially severe in many countries of Sub-Saharan Africa. SIPs were designed to address the following shortcomings of traditional investment programs:

- insufficient local ownership and commitment that impair sustainability;
- lack of coherent sector policy framework;
- inconsistency with an overall fiscal program;
- project duplication and fragmentation that undermine the efficient utilization of development assistance;
- confusion caused by many donors with varied practices.<sup>22</sup>

#### **Coordination as a critical element of the SIP framework**

Coordination of all the SIP partners is crucial at all stages of the process of planning and implementing a SIP. It implies coordinated preparatory work, including joint appraisal missions, phasing out or retrofitting existing project that may not be consistent with the SIP, coordinated policy advice and mechanisms for effective coordination.

#### **Remaining difficulties**

Although coordination within SIPs is a great improvement on the previous way of doing business, there is still a long way to go. Moving towards common financial arrangements has been the most difficult element of the SIPs. Instead of financing "time slices" of the overall program, as originally intended, donors have preferred to finance only selected activities of the SIPs. As a result, there remains a considerable amount of uncertainty regarding the comprehensive financing of SIPs. Showing a great deal of flexibility, the World Bank has been playing the role of "lender of last resort". Still, the Bank cannot fill all the financial gaps.<sup>23</sup>

One of the main obstacles to common financial arrangements whereby funds would be pooled and channeled through the ministerial budget is the lack of donor confidence in local management capacity and lack of transparency. Until capacity and trust are built in, progress is likely to be slow.

#### **Selective approach:**

The Sector Investment Programs are still a new instrument. A recent review of existing SIPs noted that "the scope for moving rapidly towards a full-scale SIP may be limited in many countries and sectors."<sup>24</sup> There are two dangers in prematurely attempting to implement SIPs. First, many countries do not have the required capacity to participate actively in the preparations and planning of the SIP. This reduces the potential for local ownership. Second, even where the capacity exist, the process of developing a SIP is likely to take a lot of time. There are dangers in donor pressures to accelerate the process.

There are alternatives to the World Bank's "ideal" SIP. In Mozambique, for example, donors have been experimenting with a "pooling arrangement" in the health sector.<sup>25</sup> A pooling arrangement is an agreement among several donors to combine resources in a common fund to be used to finance designated components of a sectoral program.

#### **BOX 11: Pooling Arrangement in Mozambique**

Since 1993, UNDP in Mozambique had been working to streamline its projects in the health sector. There were too many small projects and UNDP decided to merge all of them into a single program. The Netherlands provided some financing to complement UNDP's resources. As the concept of the pooling arrangement was being discussed between UNDP, the World Bank and other donors, the first donors to agree to the new arrangement were the Swiss and later the Netherlands.

The pooling arrangement responded to many of the needs of the health sector. It provides a common fund with one project document and one budget in which the Government's budget and all donor contributions are joined. There is a steering committee with members from the Government and donors to guide the fund the program. The committee will also serve to coordinate the inputs of other donors not directly contributing to the fund.

The success of this arrangement will require the donors to change their way of thinking about projects by focusing their attention on the Government's program and the most effective use of the pool of resources.<sup>26</sup>

#### **CONCLUSION:**

For coordination to be more effective at the country level, the following elements should be taken into consideration:

- 1) Strengthen the role of the government:
  - Apply self-restraint, patience (on the part of the donors);
  - Provide assistance to strengthen government capabilities;
  - Assist in developing confidence building measures.
- 2) Mitigate the power of the most influential donors:
  - Spread the coordinating responsibilities across a wide range of donors, based on sectoral/issue preferences and experience.<sup>27</sup>
  - Voice disagreements when necessary, working towards consensus building rather than acceptance of the more influential donors' perspectives.
- 3) Institutionalize coordination instead of relying on individual initiatives
  - Provide resources (staff and money) for coordination functions;
  - Reward individuals with good coordination skills;

4) Develop sector specific frameworks for country-level coordination while maintaining clear linkages to general frameworks such as the Consultative Group meetings or Round Tables.

More generally, there are a large number of coordination frameworks addressing country specific development assistance issues. There is a need to integrate all of these more systematically. For example, there should be greater coordination between the Paris Club and aid groups. Ideally, the two sets of meetings could be merged. This would reduce the transaction costs involved in the preparation, negotiation and monitoring of the outcomes of these meetings.<sup>28</sup> There is also a need to harmonize the programming instruments used by the Bretton Woods institutions, the UN agencies and bilateral donors. Ideally, donor programs should all be based on a recipient government national development strategy and sectoral programs presented to the donors for assistance.

Although country-level coordination has been the focus of studies before, this particular research project made an effort to take a broader approach to aid coordination. In doing so, it helped to locate country-level coordination as the implementation level, linked to and to some extent dependent on coordination frameworks at the other levels previously discussed. The following section will provide further depth into the analysis of the implementation level by focusing on a country case study of aid coordination where it was possible to identify some linkages with the other levels.

## ENDNOTES : SECTION V

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- <sup>1</sup> Walter Arensberg, Camilla Foltz and Lawrence Hausman, Coordinating International Development Assistance, World Resources Institute, August 1997, p. 26.
- <sup>2</sup> Andreas Obser, "Local Donor Coordination: Tanzania Case Study", April 1994, and Andreas Nolke, "Local Donor Coordination: Mali Case Study," July 1994. Interorganization Project, Konstanz University.
- <sup>3</sup> See Aid Effectiveness in Botswana, 1996, for an example of effective coordination.
- <sup>4</sup> Aid Effectiveness in Botswana, 1996, p. 7.
- <sup>5</sup> The absence of a debt burden means that Botswana has not been forced to negotiate with donors collectively, through the Consultative Group process.
- <sup>6</sup> Walter Arensberg, Camilla Foltz and Lawrence Hausman, Coordinating International Development Assistance, World Resources Institute, August 1997, p. 26.
- <sup>7</sup> E/1997/65 Add.2. "Field and Regional Level Coordination: Report to the Secretary General." 30 May 1997, p. 8.
- <sup>8</sup> Andreas Obser, "Local Donor Coordination: Tanzania Case Study", April 1994, and Andreas Nolke, "Local Donor Coordination: Mali Case Study," July 1994. Interorganization Project, Konstanz University. These two case studies specifically looked at organizational factors influencing coordination at the country level.
- <sup>9</sup> Walter Arensberg, Camilla Foltz and Lawrence Hausman, Coordinating International Development Assistance, World Resources Institute, August 1997, p. 19.
- <sup>10</sup> This is something JICA offices in Africa are indicating as impeding their efforts at coordination according to the survey conducted for this research.
- <sup>11</sup> Maurice Williams, with Jim Kelly, Roger Maconick, Ralf Maurer and Elizabeth Tankeu, "Aid Coordination and the NaTCAP Evaluation: UNDP's Role in Aid Effectiveness," Part I, Findings and Recommendations, UNDP, January 1995, p. 5.
- <sup>12</sup> UNDP, Aid Coordination and Aid Management by Government: A Role for UNDP, UNDP (Bureau for Policy and Programme Support), 1996, p. 16.
- <sup>13</sup> World Bank, Ghana Country Assistance Strategy, 1995.
- <sup>14</sup> World Bank. Toward Sustainable Development in Sub-Saharan Africa, World Bank, 1984, p. 39.
- <sup>15</sup> Lack of government ownership in the coordination process has been clearly documented in the case of Tanzania through a study jointly requested by the Government of Tanzania and the Danish Government. (see "Report of the Group of Independent Advisers on Development Cooperation Issues between Tanzania and its Aid Donors.", June 1995.).
- <sup>16</sup> World Bank. "Meeting of the Consultative Group for Kenya," Press Release, November 26, 1991, p. 3.
- <sup>17</sup> The first Round Table Conference on Namibia was held in November of 1995 and a Round Table on Angola was held in September of 1995.
- <sup>18</sup> Interview, October 1997.
- <sup>19</sup> World Bank, Ghana Country Assistance Strategy, 1995.
- <sup>20</sup> E/1997/65/Add.2. "Field and Regional Level Coordination: Report to the Secretary General." 30 May 1997., p. 4.
- <sup>21</sup> World Bank, Ghana Country Assistance Strategy, 1995.
- <sup>22</sup> World Bank. "Sector Investment Programs: An Update". Paper prepared for the SPA Donor Meeting, June 9-12, 1997; World Bank. "Sector Investment Programs in Sub-Saharan Africa: Issues and Recommendations." Findings No. 94, September 1997.
- <sup>23</sup> Peter Wolf. "Sector Investment Programs in Africa: Case Studies." German Development Institute, June 1997.
- <sup>24</sup> World Bank. "Sector Investment Programs in Sub-Saharan Africa: Issues and Recommendations." Findings No. 94, September 1997.
- <sup>25</sup> UNDP, "Building Development Partnership through Co-financing," Office of Evaluation and Strategic Planning, UNDP, 1996.

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<sup>26</sup> UNDP, "Building Development Partnership through Co-financing," Office of Evaluation and Strategic Planning, UNDP, 1996.

<sup>27</sup> This is only a second best option, given the emphasis put on government coordination of aid. On the other hand, even when there is government leadership in coordination, it should be possible for individual donors to take the lead in coordinating donors in specific sectors or in addressing specific issues.

<sup>28</sup> This suggestion was made in the "Report of the Group of Independent Advisers on Development Cooperation Issues Between Tanzania and its Aid Donors", June 1995, p. 25.