

Evaluating Coordination and Complementarity of Country Strategy Papers with National Development Priorities

This evaluation is one of a series of joint evaluation studies, initiated by the Heads of European Union Member States' evaluation services and the European Commission (EUHES). The evaluations aim at assessing the role played by the Maastricht Treaty precepts of coordination, complementarity and coherence in the European Commission (EC) and the EU Member States' development cooperation policies.

The evaluation study also recognises the wider and growing demand from both donors and partner countries for:

- Increasing alignment with partner countries' development strategies
- Cuts in transaction costs related to development cooperation through alignment of administrative procedures and systems
- Strengthening the coordination and complementarity in development aid

Examine role of CSPs

Since the late 1990s the European Commission, like many other donors, has made a major effort to build up a comprehensive system for planning and management of development aid, based on formulation, implementation and monitoring of development aid around Country Strategy Papers (CSPs). This has provided some scope for administrative decentralisation and for considerable increase in technical capacity at the EC delegations worldwide. As part of this focus on CSPs the EC has emphasised the need for alignment, coordination and complementarity in development cooperation and for their integration in the CSP planning and process at headquarter as well as delegation levels.

CSPs DO NOT CONTRIBUTE SUBSTANTIALLY TO IMPROVED ALIGNMENT, COORDINATION AND COMPLEMENTARITY

The focus of this study is to examine the role of CSPs and other similar "mechanisms" of the EC and their equivalent in Member States (MS) in improving coordination and complementarity between EC and MS, and to assess country ownership of development policies and cooperation strategies.

The study was carried out by Copenhagen Development Consulting (CopenhagenDC) and based its findings on eight relatively well functioning Least Developed Countries (LDCs). It is mainly a desk based review of Burkina Faso, Cameroon, Ghana, Nicaragua, Mozambique, Tanzania, Vietnam and Zambia supplemented by field visits to Nicaragua, Tanzania and Zambia. Each case study focused on four donors; EC, DFID, Denmark, The Netherlands plus a fifth donor with specific presence in the specific country.

Overall conclusion

The overall conclusion is that the EC CSPs as well as most of other donors' CSPs do not contribute substantially to improved alignment, coordination and complementarity in development cooperation and can in some cases be a constraint. The reason is that that "traditional CSPs" are effectively documents dominated by headquarters, which might restrain the flexibility at local embassy or delegation level to enter into an open and "true" dialogue with the partner Government and other donors. In addition, CSPs are little known and used outside the donor agency. While the majority of donors' CSPs fall into this category of "traditional CSPs" there are signs that some donors are moving towards more flexible and strategic joint planning arrangements.

The study also examines other processes and mechanisms such as the OECD/ DAC and Nordic+ initiatives on harmonisation. It finds that initiatives like the Joint Action Plan for

Key Recommendations from the Study

- a. CSP concepts should be reassessed and adjusted so that they link up with and respect the basic principles of the DAC/Nordic+ experiences, building on donors' decentralisation and delegation of competencies to the embassies/delegations and on local initiatives for alignment and co-ordination;
- b. A way should be found for permanent institutional rooting of Aid Partner Groups (APGs) in the partner countries;
- c. Donors should expand their area of co-ordination through the APGs from being mainly BS to also including other aid modalities;
- d. It should be carefully analysed and assessed and the needed actions should be taken minimize the risks of mismanagement linked to shifts in aid modalities (towards BS) and increased partner country responsibilities;
- e. It should be carefully assessed how best to combine BS and SWAps within a perspective of capacity building of partner country institutions and increased alignment/local ownership;
- f. It should be explored to what extent it is possible to expand the Nordic+/DAC approach to alignment and co-ordination from the relatively well-functioning LDCs to other LDCs;
- g. Three specific studies should be set through as soon as possible (see sect. 8.4):
 - Analysis of risk of misuse of funds channelled through different aid modalities;
 - Analysis of possible conflicts between poverty or growth orientation of aid;
 - Analysis of the effects of debt relief (as part of the BS) on alignment, co-ordination and complementarity in the development co-operation.

Effective Aid Delivery and the increasing use of new aid modalities such as Budget Support (BS) have contributed more effectively to alignment, coordination and complementarity than the CSPs. In response, CSPs should among other things have clearly defined delegation of competencies to delegations/ embassies and locally adapted coordination at partner country level with other EU MS strategies and priorities.

The study examines additional areas of work that could take forward the harmonisation agenda so that they link up with and respect the basic principles of the DAC/ Nordic + experiences. Donors should carefully consider how best to combine budget support and SWAps within a perspective of capacity building of

partner country institutions and increased alignment/ local ownership. It also recommends further analysis of risk of misuse of funds channelled through different aid modalities, possible conflicts between poverty or growth orientation of aid and the effects of debt relief (as part of BS) on alignment, coordination and complementarity in development cooperation

I hope you find this study useful and informative and that it helps to stimulate further important contributions to the ongoing process of donor harmonisation.

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The final report of this study can be accessed at:
http://www.three-cs.net/3cs_publications

Website dedicated to the final products
of the six evaluations <http://www.three-cs.net>

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This series of info briefs is published in English with an accompanying website (www.three-cs.net). Each issue focuses on a specific theme relating to the 3Cs initiative of the Heads of Evaluation for External Cooperation of the EU Member States and the European Commission.

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3Cs Initiative

This initiative was launched by the Heads of Evaluation of the EU Member States and the European Commission.

Comments, suggestions

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This initiative is facilitated by

