

Strengthening Development Partnerships

A Working Checklist

As part of the continuing work of the OECD's Development Assistance Committee (DAC) aimed at effective implementation of the Development Partnerships Strategy, a Forum of Development Partners was convened on 19 January 1998 in conjunction with the Committee's Senior Level Meeting. The Forum presentations — focused on five partner countries, together with much other experience by DAC members — led the Senior level participants to the following points as a working checklist to guide efforts toward improving partnerships, and simplifying and harmonising donor procedures.

1. Donors should encourage recipient partners to formulate their own development strategies - setting out the local priorities, plans and instruments for implementing such strategies. This process should systematically involve civil society, as well as consultation with external partners. Where such locally-owned strategies are compatible with internationally agreed goals, donors should work to implement their aid programmes in a co-ordinated manner on the basis of such locally owned strategies and accept their discipline.
2. Donors should stimulate and help strengthen recipient partner-led co-ordination of development co-operation. The capacity for local co-ordination (which can and should also strengthen the international process) may be improved by donors' own delegation of decision-making authority from headquarters to field missions. At the international level, the possible advantages and disadvantages of organising Consultative Group (and Round Table) meetings in the capitals of the recipient partners concerned, should be further tested in practice.
3. Transparency of donor and recipient partner interests and mutual trust should be increased through continuous dialogue, both informal and through systematic work on themes and sectors through standing sub-groups, preferably led by the host government.
4. External partners should agree in principle to adjust more to local procedures, where necessary helping recipient countries to bring their procedures and management capacities up to international standards. There may be useful DAC roles in identifying best practices and helping organise pilot exercises to move toward the simplification and harmonisation of procedures.

5. Practices involving tied aid are prominently identified among procedures that can impair local ownership and capacity-building, with substantial economic and credibility costs. The proposal for a DAC Recommendation to start with untying aid to Least Developed Countries could be a step toward improved partnerships in this area, yielding additional tangible benefits for partners from competitive bidding and from local procurement.
6. Donors share the objective of ending the proliferation of projects and providing their aid increasingly in forms of programme and budget assistance to support the country's strategic priorities for development. To this end, they need to help strengthen partner countries' capacities to manage such aid, and further test the various approaches and conditions under which they can pool their contributions in country funds for major sectors or key goals e.g., poverty eradication. The integration of aid spending into the overall budget context may require donors to manage their own significant inputs differently to help strengthen local revenue pools.
7. There is a widely felt need to support local capacity building by changing the existing modalities for providing technical co-operation, which often appears expensive and excessive, hampering true ownership and the use and development of local capacities.
8. The practices of joint monitoring and evaluation of development programmes by donor and recipient partners should be further developed and applied, with a view to learning together the lessons of achievements and failures.
9. Improving the coherence between external partners' development co-operation policies and their other policies (such as those affecting trade and investment) affecting recipient partners is clearly seen as increasingly important to help the developing countries concerned move toward reduced dependence on aid.
10. Innovative ways of financing should be constructed so as to have ODA play catalytic and leverage roles in generating and attracting other forms of domestic and foreign investment; the roles of grants, loans, forms of support for the local private sector, and "matching" contributions by beneficiaries merit further careful assessment and coherent policies.
11. External partners should continue to help lessen the debt burden of recipient partners; in this context, among others, the modality of various types of "debt swaps" should be considered.