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Towards an improved European response to situations of crisis and fragility



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This paper is the outcome of several consultations within the Practitioners' Network Thematic Working Group on Division of Labor. On the basis of a first proposal formulated by the Group Leader in October 2014 (AFD), a debate among Member experts was organized and led to an enriched version which was then submitted for a written consultation leading to the finalization of the present publication.

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Towards an improved European response to situations of crisis and fragility¹

The need for donor coordination for better development outcomes and increased effectiveness in contexts of fragility is well established and expressed in all the commitments for aid effectiveness, both at international and European levels. In the context of the New Deal, the EU and most Member States committed to focus on new ways of engaging, to support inclusive country-led and country-owned transitions out of fragility based on a country-led fragility assessment.

Despite the flexibility offered in principle by the main reference documents – listed in Annex 1 – field actors often find that modalities of aid coordination show insufficient adaptation to the specificities of the context. The challenge lies in delivering on the commitment to more effective European donor coordination on the field, and therefore translating well-agreed general principles in specific operational solutions in the context of crisis and fragility.

The present note aims at analyzing the characteristics that are specific to situations of crisis and fragility and the needs encountered on the field in order to draw recommendations for coordination among European donors that are better suited to fragile States. The series of recommendations developed below can be summarized in one sentence: combine strong political push in favor of European coordination with local (i.e. field office) responsibility for designing solutions based on simple principles of sets of options for EU donor collaboration.

Following this initial diagnosis, the Practitioners' Network could engage a study based on a few country case-studies to further investigate recurrent challenges and innovative options for more effective coordination mechanisms in these contexts, including, budgets allowing, country examples where joint programming has progressed and country examples where EU aid is still programmed in the traditional way.

Diagnosis: adapting to the context in situations of crisis and fragility

Situations of crisis and fragility, though extremely diverse and often characterized by a rapidly evolving context, present a number of specificities that lead to rethinking means of implementation in a more flexible and innovative way.

Deficiency of capacities and the need to act fast

Deficiencies in governance structures and capacity reduce the capacity to carry out public policies and typically lead to lower levels of appropriation of development aid programs. Moreover, crisis and post-crisis situations require that investments and short-term capacity building efforts be delivered quickly so as to restore trust and confidence and cover immediate population needs; these should however be developed in strong coordination with longer term investments and capacity building strategies aimed at tangible development outcomes for the partner countries.

It is however important to distinguish situations of structural fragility and countries affected by a crisis. The crises may be of different natures and multiple causes (extreme violence, epidemic, natural disaster, food security...). Deficiency of security and capacity often interact, one feeding into the other (Afghanistan, Liberia, Somalia, etc.).

Large scope of needs

¹ In this note, we understand “situations of crisis and fragility” as those situations referred to by the OECD/DAC’s international network on conflict and fragility. We will specify when we refer more specifically to situations of crisis and/or violence.



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The scale of the needs in situations of crisis often makes it necessary to link relief, rehabilitation and development efforts. This means acting in an articulated way on both short and long-term needs, therefore combining the expertise of humanitarian and development actors. This may also lead to supporting a wide spectrum of activities from governance to social and economic consolidation, depending on the needs of each context.

A perceived need to adapt Donor Coordination at country level

Situations of fragility and crisis are the stage to various actors who are convinced of the urgency and priority of their missions. While in some cases (such as Haiti in 2010 or Mali in 2013) the difficulty lies in coordinating the actions of a vast number of international actors – both humanitarian and development – in others (aid orphans such as CAR), the challenge consists in mobilizing additional human, financial and technical resources. With their limited capacity, fragile States have difficulty coordinating such a variety of interventions, each of which is characterized by its own modalities, instruments, volumes, etc. Despite the importance of the principles of ownership and alignment, the fact is that responsibility for aid coordination lies to a greater extent on donors.

Nevertheless, however much convinced of the necessity for better coordination at European level, development operations on the field in those complex geographies require more support in terms of coordination and division of labor. Current guidance and instructions tackling division of labour related aspects:

- are not always adapted well enough to the specificities of the field;
- may generate additional solicitations in an already complicated daily management (countless coordination meetings);
- are not always sufficiently clear in terms of expectations from the actors involved and nature of the envisaged division of labor;
- would benefit from an increased support to local decisions/initiatives;
- would gain from being supported by increased resources for joint action.

Rather than an obstacle, the differences between the modalities of intervention of EU donors can be leveraged to become an asset for effective delivery and impact in fragile states. This calls for a common European ambition. It also requires clear guiding objectives as well as a set of options for working together that can be combined and refined at the level of field offices.

Three proposals for a more effective European response in fragile States

The following proposals stem from the capitalization of field-experiences and discussions among practitioners in the context of the Practitioners' Network. They aim at widening the possible modalities of European coordination in fragile States. The guiding principle is that any modality of organization must be defined and interpreted locally in accordance with the needs and donor set-up that are specific to each context.

1. Combine strong top-down political push ...

While donors can be driven by political agendas that increase the obstacles to coordination, the first step to a more effective European response in fragile States is a strong political will to work together – and the adequate incentives for individual actors. Therefore, common messages should be sent from headquarters to field offices of European development partners in fragile States indicating that working together is part of headquarters' expectations. In the context of the EU approach to resilience for example, a joint letter signed by DEVCO, ECHO, EEAS and the



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development DGs of all EU member states was sent to the embassies and heads of EU delegations to promote European collaboration.

Headquarters should also provide local offices with necessary means to do so effectively. In this perspective, it is important to promote, building on existing initiatives:

- full use of joint analysis such post-disaster needs assessments and post-conflict needs assessments, joint identification whenever possible and early dialogue in program design;
- specific arrangements that waive standard bureaucratic procedures and allow for greater flexibility on the field (in crisis situations, this favors the emergence of fast-track solutions);
- adaptation of project cycles;
- risk tolerance (dealing effectively with fragility requires taking deliberately calculated risks that have to be weighed against risks inherent to non-action);
- better linkages between European programming and implementation.

Rather than a set of standard modalities of aid coordination, the field needs to be offered an “à la carte” menu to choose the solutions that are most appropriate locally.

2. ...with bottom-up solutions...

It is essential to foster and support collective intelligence at local level by drawing upon the flexibility granted by division of labor principles and the possibility to adapt European aid coordination mechanisms. It is up to European donors present on the field to collectively sketch out mechanisms for collective action that correspond to the country's situation and the existing dynamics between European donors, while not necessarily following a unique modality.

2.1. Principles for joint programming and implementation

In accordance with this approach, the modalities of coordination among European donors in situations of crisis and fragility could be driven by the following objectives:

- **provide for under-provided “public goods”**

Example 1: Capacity building is one of the typically under-provided public goods in such contexts, as immediate and tangible results are urgently needed and more visible. The pooling of funds and human resources can be a way to provide for more ambitious and comprehensive capacity building programs that are necessary for the success of projects financed by all donors. Indeed, a recent study produced by the LenCD network² has shown the importance of capacity building in these contexts. This entails adapting training to the context (for example through training and coaching activities), establishing the programs in a flexible and progressive manner based on jointly identified needs;

Example 2: Northern low-density regions of the Sahel severely lack regional transport, energy or communication infrastructures. These costly regional programs, which cannot be financed by single donors, require the pooling of resources.

- **combine the comparative advantages of each European actor**

² “Current thinking on capacity development in fragile and conflict-affected States”, Brian Lucas, brian@lencd.org, Draft working paper, August 2014



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Each EU donor has a different mix of financial instruments and resources, sectorial expertise, access to national technical expertise and research communities and country knowledge. When combined, this gives the European aid system unequalled capacity to deliver impact.

- **reach a critical mass of aid actors in a given context to gain leverage capacity**

Having most relevant actors act under a coherent approach helps to avoid the “marginal player syndrome”³ (i.e. the impression of powerlessness of one or few agencies with insufficient weight to have significant impact). This leads donors to concentrate on micro-level impact rather than structural actions that are necessary for resilience or post-crisis recovery. It also gives European donors more credibility to persuade or put pressure on governments at crucial moments of its crisis resolution or recovery process. Finally, it helps EU donors to engage and bring non-DAC donors onboard.

- **plan the implication of national authorities according to the evolution of their capacity**

The implication of national authorities in aid programming and donor coordination needs flexible and adaptive modalities in order to adjust to their evolving capacity and willingness – so as to strike an evolving balance between swift impact of aid programs and national ownership. Whenever governments are not willing or not fully capable of meeting their obligations, other local actors should be implicated.

2.2. Options for “à la carte” menu for joint programming and implementation

A non-exhaustive “à la carte” menu, aimed at facilitating the implementation of a swifter, more flexible and more visible EU response at project level, could be composed of the following options:

- Joint analysis and assessments (fragility / conflict assessments, scenario analysis, fiduciary risk assessment, etc);
- Joint mapping exercises (sectors, instruments, geographical areas covered by the different donors and humanitarian actors), such as those included in PDNAs and PCNAs;
- Exercises to identify and accompany local dynamics, in particular local “development champions” (i.e. local actors acknowledged for their day to day proximity with field issues and for their capacity to have special weight in decisions) and ensure ownership;
- Joint engagement and exit strategies at the country, sector or project level;
- local coordination resources to absorb some of the coordination costs incurred and allow for the optimization of analysis, aid evaluation and technical cooperation;
- The deployment of common logistical facilities, facilitation of joint field offices and/or other logistical means of implementation;
- The development of common reporting, financial requirements and results-based approach,;
- In terms of division of labor, instead of a classic distribution of sectors⁴ among donors, other modalities could be explored in each specific context:
 - *A sub-sector division of labor* seems better-suited, in certain cases, than sector division. It allows to better coverage of the requirements of a sector by drawing upon the complementarities that exist in terms of means of implementation, instruments and financial volumes between donors intervening in different sub-sectors. In a sector division, the combination of a lead donor and less active donors (which delegate the

³ Cf. Severino, Ray, 2010, The End of ODA II, Center for Global Development

⁴ Whose definition is, without doubt, broad and varies from one institution to the other.



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former in the political sectorial dialogue with the government) has fewer opportunities for complementary and sometimes lacks traction on line ministries.

- *A geographic division of labor* tends to happen spontaneously and by way of pragmatism in crisis situations where donors realize that they are unable to cover the whole territory. They act fast through pilot projects and programs, addressing needs in several sectors at once. This patchwork approach can hinder States' capacity to carry out coherent policies at national level. This must be accompanied with (i) exchanges around the projects carried out on different parts of the territory in order to avoid inconsistencies and allow for their inscription in a coherent, long-term, overall national policy and (ii) efforts to capitalize on pilot experiences and on their results so as to replicate and scale them up when relevant.
- *A cross-sectorial approach* combining program subcomponents in different sectors (ex. school canteens relying on local production; the combination of professional training and high labor intensity projects for the rehabilitation of public infrastructures). This approach is complementary to the two aforementioned options, and allows for the delivery of a critical mass of development impact in a given area.

Example: EU country roadmaps for engagement with civil society

The September 2012 Communication from the European Commission "The Roots of democracy and sustainable development: Europe's engagement with Civil Society in external relations" envisages the elaboration of Roadmaps at country level. Conceived as a joint initiative between the European Union and Member States, the purpose of the Roadmaps is to develop a common strategic framework for the engagement of EU Delegations and Member States with civil society at country level, with a view to improving the impact, predictability and visibility of EU actions. Roadmaps are also intended to improve the consistency of EU cooperation vis-à-vis civil society, across sectors and instruments, and to progressively promote better coordination within EU Delegations, Member States and other relevant actors.

3. ... for European collective action fostered by the European Commission

Experience also reveals the relevance of setting up concrete mechanisms that facilitate synergies among the specific capacities of various donors and create a collective action dynamic. The European Commission (EC) is uniquely positioned to support such a dynamic at the European level. Its major added-value lies in coordinating, facilitating and incentivizing a collective European action that combines the know-how of different Member States' aid actors. Incentives could include the provision of 'common services' (such as research capacity, staff training, regular security briefings, etc.) and delegations of funds to European donors working under a common European approach. Inducements could also include leading on joint preparation of Conflict Analysis and Joint Response Strategy documents which enable all European donors to work under a common European umbrella. Such processes reinforce and foster mutual learning and the utilization of best practices – thus enhancing European crisis management capacity. The Commission can play a central role in providing the leadership needed to advance these efforts both in the context of the nascent Comprehensive Approach, its implementation, and its evaluation.

This ambition for a more integrated European aid system in fragile states is based on the assumption that European development efforts can have a better impact and be more visible if the Commission and EU Member States act in strong coordination, mutualizing resources to facilitate their collective action and do together what they cannot do alone. The EC would gain strong influence and implementation capacity in situations of conflict and fragility if it invested more in its main added value as a European multilateral actor: the design, facilitation and evaluation of collective European efforts across the LRRD spectrum of activities. In crisis and post-crisis situations, Member States



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can greatly benefit from the Commission's support in establishing mechanisms that facilitates joint action between European donors from the humanitarian and development fields.

First lessons from the Békou Trust Fund

Fund delegations and the financing of common services through trust funds could serve as incentives for European donors to subscribe to this collective framework (common LRRD strategy, common governance, pooling of human resources and intelligence) and to jointly implement projects (joint project appraisal, pilot project upscaling). This Trust Fund adds a new string to the European system's bow by moving beyond coordination between member states towards joint organization of resources, expertise and implementation capacity. Numerous recommendations in this note figure among the objectives of the Békou Fund:

- *flexible articulation of emergency management, rehabilitation and development solutions (combining simple, small and rapidly disbursed projects and larger-scale projects setting the stage for development);*
- *bring long-term thinking into the management of the emergency-development continuum, by financing the grey-zone between crisis and recovery phases;*
- *reducing the risk of early withdrawal of international financing before the country's economy has had a chance to recover;*
- *mobilizing a critical mass of financing and implementation capacity;*
- *support to local dynamics where and when they exist, support to local actors in strengthening CAR administration (central and local);*
- *flexible projects, which can be adapted to a quickly evolving situation;*
- *maintaining strong implication of CAR authorities throughout the process, according to their capacity.*

Trust funds are no silver bullets for aid coordination or post-conflict reconstruction, and imply important coordination costs. Evaluations on post-crisis trust funds show that these instruments can serve or disserve aid effectiveness depending on context and donor dynamics. What is noteworthy in the recent experience of the Békou European trust fund for the Central African Republic is that it is an experiment in moving beyond coordination towards the pooling of European resources, expertise and implementation capacity. We must wait for the Békou fund's first results to conduct an assessment of this instrument's capacity to live up to its objectives.

In the meantime, there are other existing tools from which lessons can be learned: blending facilities, delegated cooperation, mutual reliance initiative and other forms of co-financing.



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Conclusion

The need for more effective donor coordination in situations of crisis and fragility is all the more urgent that the international community is faced with new security and development threats in the Sahel, central Africa and the Middle East. This common challenge is an opportunity to create a more integrated and effective European response to contexts of crisis and fragility by translating well-agreed general principles of aid coordination in operational solutions adapted to the local context. The European aid system has an unequalled potential to have a strong structuring impact; seizing this potential requires that it invests in widening possible modalities of European coordination and collective action to combine the comparative advantages of each European actor in aid delivery.

In this perspective, the European Commission role and value added will be to facilitate, encourage and coordinate collective actions among Member States and possibly more broadly.

As a next step, the Practitioners' Network could engage a study based on country case-studies to further investigate good practices, recurrent challenges and innovative options for more effective European coordination mechanisms and joint implementation in the contexts of crisis and fragility.



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Annex: The principles of effective coordination

Joint-programming, a step towards more effective donor coordination in situations of fragility?

Our states and institutions have all adhered to the principles formulated into the Paris Declaration on aid effectiveness and the Accra Agenda for Action. Division of labor was designed as one of the methods to do so, “based on the lessons of experience” and “interpreted in the light of the specific situation of each partner country”. It aims at being a “pragmatic” approach that “increases complementarity and can reduce transaction costs”. Hence, “donors commit to (i) make full use of their respective comparative advantage at sector or country level by delegating, where appropriate, authority to lead donors for the execution of programs, activities and tasks and (ii) work together to harmonize separate procedures”⁵.

The Paris Declaration spells out specific engagements to reinforce aid effectiveness in fragile States: “donors commit to harmonize their activities. Harmonization is all the more crucial in the absence of strong government leadership. It should focus on upstream analysis, joint assessments, joint strategies, co-ordination of political engagement; and practical initiatives such as the establishment of joint donor offices.”

The European Union has reiterated this commitment to aid effectiveness in 2007 with the “EU Code of Conduct on Complementarity and Division of Labor” (2007) which proposed limiting country involvement to three sectors per EU donor and five EU donors per sector, with a specific attention paid to aid orphans and fragile states⁶. The Lisbon Treaty has provisions for enhanced donor coordination between EU and its Member States. (Articles 208 and 210 TFEU⁷). The 2011 Council conclusions representing the common EU position to the Busan High Level Forum on Aid Effectiveness⁸ launched the idea joint multiannual programming, Joint programming is due to “enhance(s) the effectiveness and coherence of EU and Member States' aid, increase(s) the impact and deliver(ing) better results, reduce(s) fragmentation, increase(s) transparency, predictability and accountability”⁹. One of the main characteristics of joint programming is “in-country division of labor: who is working in which sectors”. Furthermore, it is reminded that the process should nevertheless remain “simple and pragmatic and conducted at partner country level in order to respond to specific needs and the situation on the ground” while not being exclusive to interested development actors. On the contrary, it should “build on the comparative advantages of all EU donors”.

The EU “calls upon donors to adapt their procedures for decision-making, funding and implementation to the specific challenges of situations of fragility”, which are situations where the joint programming exercise has actually already

⁵ Paris Declaration on Aid Effectiveness: Ownership, Harmonization, Alignment, Results and Mutual Accountability, Art. 35

⁶ “The Council recognises that reinforcing the complementarity of donor activities is of paramount importance for increasing aid effectiveness, and thus for a more effective and efficient development assistance (...). The Member States and the Commission will start to use the Code of Conduct immediately and in all developing countries in a pragmatic way. Specific attention shall be paid to aid orphans and fragile states” (Council Conclusions on the EU Code of Conduct on Complementarity and Division of Labour in Development Policy, 15 May 2007)

⁷ Art 208 TFEU: “1 Union policy in the field of development cooperation shall be conducted within the framework of the principles and objectives of the Union's external action. Union's development cooperation policy and that of the Member States complement and reinforce each other. Art 210 TFEU: 1. In order to promote the complementarity and efficiency of their action, the Union and the Member States shall coordinate their policies on development cooperation and shall consult each other on their aid programmes, including in international organisations and during international conferences. They may undertake joint action. Member States shall contribute if necessary to the implementation of Union aid programmes. 2 The Commission may take any useful initiative to promote the coordination referred to in paragraph 1.”

⁸ In 2011 the 4th High Level Forum on Aid Effectiveness in Busan endorsed the New Deal for Engagement in Fragile States

⁹ Council of the European Union, EU Common Position for the Fourth High Level Forum on Aid Effectiveness (Busan 29 November – 1 December 2011), Council Conclusions



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begun (Haiti and South Sudan were the first two pilot countries). Indeed a pilot exercise of joint programming is currently being conducted in around 20 fragile States among partner countries.

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