



Donor Approaches to Governance Assessments

OECD/DAC GOVNET Conference on Governance Assessment and Aid Effectiveness

London, 20-21 February 2008

Brief summary of discussions and action points: *Opportunities to work together and engage better with partner countries*

During a 2-day conference in London organized by the OECD's Development Assistance Committee (DAC) Network on Governance (GOVNET) on February 20-21, more than 100 governance specialists from 28 development agencies, 13 colleagues from 9 developing countries, civil society and academia discussed why, how and when donors assess governance in partner countries and which impact these assessments have¹. The conference sought to take stock of present practices, stimulate mutual learning between donors and partners and find ways to cooperate so that assessments are better used by in-country stakeholders engaged in improving governance. The GOVNET event, which was hosted by DFID built on a survey of the approaches actually used by donors and on 10 country case studies.

Key conclusions emerging from the conference include:

- ***It is timely to clarify purposes, underlying assumptions and types of different tools and approaches.*** This can help reduce the number and enhance the quality of the numerous donor governance assessments which have emerged over the last decade. This proliferation came in part because donors realized the importance of governance for aid effectiveness and because donors are increasingly using aid delivery modalities such as budget support which are premised on minimal standards of governance. A starting point for this clarification process could be the development of a government assessment tool typology to identify avenues for rationalization/harmonization measures.
- ***There is a frontier to be jointly explored at sector and thematic level.*** While general governance assessments usefully may serve aid allocation and general advocacy purposes, sector-specific and thematic assessments hold promise for more actionable approaches in relation to e.g. water, transport, human rights, corruption, and conflict.
- ***Transparency should be the default option but should be carefully handled.*** Depending on the purpose of an assessment it may be for restricted circulation – but donors and partners should push for more transparency. Assessment methodologies with their strengths and weaknesses should be made publicly accessible.
- ***Much more can be done to strengthen partner country-owned assessment processes.*** While donor-driven assessments serve donor decision making, policy dialogue and programming, the key impetus for enhanced governance is coming from domestic political processes which are best stimulated by home-grown assessments of governance by government and civil society stakeholders.

¹ See conference website at www.oecd.org/dac/governance/govassessment

- **Donor incentives to work together can be strengthened.** Joint learning and shared basic norms can make it more rewarding for agencies to work together. The prospect of better quality joint assessments of conflict risks and corruption vulnerabilities would be an incentive for senior level agency staff to push for joint approaches.
- **Harmonization must bring added value.** The conference identified promising opportunities for working together as mentioned above, but it also made clear that diversity in this area is to be expected and even desired, and that harmonization efforts must not lead to the least common denominator. The challenge will be to identify areas for strategic, incremental change towards better informed and better executed governance assessments which strengthen domestic processes towards better governance for development.

Over the next months the results of the conference will be condensed in **operational principles** and a **sourcebook** offering practical advice to (i) governance specialists working with assessments, (ii) agency staff working in sectors and with themes where governance is an everyday activity, and (iii) partner country stakeholders involved in governance assessments. The sourcebook, which will offer practical and up-to-date guidance will be web-based and will compile methodologies available based on the survey developed for this conference and include links to other major initiatives in the area of governance assessments so as to avoid overlap and duplication. The sourcebook **website** will be hosted by OECD/DAC and thus accommodate, in a practical manner, the request from conference participants for a common portal to the work in this area. OECD/DAC will also explore a simple and resource effective way of monitoring how GOVNET members make progress towards harmonization in this area

Key upcoming outputs:

the results of the conference will be condensed in:

- some operational **principles**
- a web-based **sourcebook**
- a **website** hosted by OECD/DAC (which will provide a link to other key initiatives in this area)

The GOVNET will review the results of the governance assessment projects in its next scheduled meeting on 16-18th June 2008, where possible messages to higher level foras such as the Accra High Level Forum-3 in September 2008 will also be discussed.