



Draft zero

Fragile States Principles Monitoring Survey

Global Report

This draft Global Report (version 1, 22 December 2009) is shared with National Coordinators and International Focal Points in the six countries of the 2009 Fragile States Monitoring Survey as well as with members of the International Network on Conflict and Fragility (INCAF) FOR COMMENTS.

Comments are gratefully received until 14 January at fsprinciples@oecd.org.

To be completed:

Title page

Copyright page

Foreword

Acknowledgements, credits

Introduction	4
Section 1 – Global Findings	6
Chapter 1 – Guiding principles	6
Principle 1 - Take context as the starting point	6
Principle 2 – Do no harm	9
Chapter 2 – building inclusive, accountable, capable and stable states	11
Principle 3 – Focus on state-building as the central objective	11
Principle 4 – Prioritise prevention	13
Principle 5 - Recognise the links between political, security and development objectives	14
Principle 6 - Promote non-discrimination as a basis for inclusive and stable societies	15
Chapter 3 – Working more effectively	17
Principle 7 - Align with local priorities in different ways in different contexts	17
Principle 8 - Agree on practical co-ordination mechanisms between international actors	19
Principle 9 - Act fast... but stay engaged long enough to give success a chance	20
Principle 10 – Avoid pockets of exclusion	21
Chapter 4 - Recommendations	22

Summary – to be done

Introduction

The purpose of this report is to provide recommendations to improve the impact of international engagement in fragile states. It does this through synthesising the findings from six country reports prepared in Afghanistan, Central African Republic (CAR), Democratic Republic of Congo (DRC), Haiti, Sierra Leone and Timor Leste.

The background to this work is that a set of ten Principles for Good International Engagement in Fragile States were adopted in 2007 by ministers of the OECD. The ministers recognised that situations of fragility require a different response from what is appropriate to more stable countries. The principles are intended to guide international engagement in fragile states across a wide agenda, including security, diplomacy, development cooperation, peacebuilding, humanitarian action, trade and investment. The principles complement the commitments set out in the Paris Declaration on Aid Effectiveness (2005).

Box 1 - The Principles for Good International Engagement in Fragile States

The ten principles are set out in full in OECD 2007. In brief they are:

1. Take context as the starting point
2. Do no harm
3. Focus on state-building as the central objective
4. Prioritise prevention
5. Recognise the links between political, security and development objectives
6. Promote non-discrimination as a basis for inclusive and stable societies
7. Align with local priorities in different ways in different contexts
8. Agree on practical co-ordination mechanisms between international actors
9. Act fast ... but stay engaged long enough to give success a chance
10. Avoid pockets of exclusion

In 2008 at the Accra High Level Forum, governments and development partners in six countries in situations of fragility decided to examine the implementation of the ten principles with the aim of arriving at common diagnosis on the impact of international engagement, and of identifying priority actions for improved impact in future.

The approach adopted in each country was a multi-stakeholder consultation. This was organised by the partner government, which designated a National Coordinator, supported in

each country by an International Focal Point, whose task was to ensure that all international actors were briefed to take an active part in the consultation. Between 50 and 200 participants took part in each meeting. From the host country they represented a range of ministries, local authorities, civil society organisations and members of parliament, and on the international front ambassadors, heads of development cooperation, humanitarian organisations and occasionally the private sector. The diagnosis and priority actions provided the basis for country reports and the present document, and will feed directly into planning and/or implementation frameworks in the country concerned.

Types of countries. The countries selected reflect in their diversity the range of conditions found in fragile states. A useful five-way classification of fragile states has been elaborated (OPM/IDL 2008¹) which can help provide a basis for generalising findings and recommendations:

1. **Increasing risk of conflict:** deterioration in governance, rising conflict risk and increased diversion between government and international community on development strategy
2. **Prolonged crisis or impasse:** no consensus between government and the international community on development strategy
3. **Ongoing conflict** between key national stakeholders, underlining the stability, reach, capacity and legitimacy of the state
4. **Post-conflict or peace-building transition:** peace, national reconciliation or agreed transition process supported by the international community. Government priorities generally expressed through a transitional results framework, based on a joint national-international needs assessment
5. **Gradual improvement:** state capacity improving and reform efforts have made some progress, but situation remains fragile and capacity-constrained. Includes many 'post-post conflict countries', where reform progress has been positive but gradual.

.....

The **structure of this report** is as follows: Section 1 (Chapters 1 to 3) sets out the findings of the consultations against each of the ten principles. Section 2 (Chapter 4) provides global recommendations for actions to be taken, whether by governments, by international actors, and jointly.

Section 1 – Global Findings

Chapter 1 – Guiding principles

Principle 1 - Take context as the starting point

In all of the country consultations there was broad agreement that a thorough understanding of the country context and historical trajectory is essential to formulate a sound strategic response to the problem of fragility. There is a general recognition that the term ‘fragile state’ encompasses a broad range of conditions, and that it is essential to understand the different dimensions of fragility including low capacity, limited legitimacy, weak accountability, and dislocation between state and society. It is essential to recognise the differences between countries, which may be at different points along a transition towards or away from fragility. A recent typology of fragile states distinguishes between 5 categories: (1) increasing risk of conflict, deteriorating governance, (2) prolonged crisis or impasse, (3) ongoing conflict between key national stakeholders, (4) post-conflict or peace-building transition, or (5) gradual improvement.¹ Box 2 highlights some of the important contextual differences between the six countries covered by this document.

While emphasising the importance of context, most of the country consultations revealed substantial differences between stakeholders in terms of their understanding of the nature and causes of fragility. In Afghanistan the understanding of context was considered to be the principle “where perceptions and opinions appear the most divergent between donors and the rest of the actors.” In Central African Republic there are different interpretations of the extent to which the country has emerged from conflict with some stakeholders characterising the country as ‘post-conflict’ and others emphasising the ongoing rebel control of the north and risk of reversion to more widespread conflict. In Sierra Leone, there is rising donor confidence in the national government, but differences of view remain between those who consider this to be a thin institutional veneer over a mass of unresolved issues, and those who believe that the country is ready to make a major step forward but lacks only the necessary economic means.

In any conflict-prone society there is bound to be much argument about the causes of conflict, and it is not surprising that international actors will also hold diverging views. In part the different readings of country context reflect the specific goals of different stakeholders. In the case of Haiti it was suggested that *context* has often been used as *pretext* in the sense that actors are trying to push predetermined political agendas and have constructed particular contextual narratives to justify these. Development partners were said to be particularly prone

¹ Evaluation of the Implementation of the Paris Declaration: Thematic Study --- The Applicability of the Paris Declaration in Fragile and Conflict-affected Situations,¹ Oxford Policy Management and IDL Group, August 2008 (p.6).

to this tendency, and often seek to import strategies that they have pursued in other countries without sufficiently adapting to local conditions.

The widely varying interpretations of context reflect the lack of a rigorous and shared methodology to analyse the nature and causes of fragility. With a few exceptions the various interpretations of context put forward in the stakeholder workshops did not appear to be based on in-depth analysis, and there was little evidence of the use of existing frameworks for political economy analysis, conflict assessment and the assessment of state-building challenges. In some cases existing analysis was found to be incomplete or unbalanced. For example, in Afghanistan the focus of donor analysis tended to reflect the preoccupations of the home country, different opinions on the relative importance of security and development, and varying positions on the need for and objectives of military intervention. In Haiti there is reported to have been a tendency to focus too much on governance and security to the detriment of the broader economic, cultural, regional and global context.

The experience of the six countries also suggests that analysis needs to be sustained and updated over time. One good example of sustained analysis and consultation was encountered in Timor Leste where stakeholders have recognised the constantly evolving context and the need to shift from crisis to development response. However, in Haiti donors' analysis was said to be unduly static, and had not given enough emphasis to the important security and governance improvements that have recently taken place.

In practice the competing interpretations of context are often based on the understanding of individuals with widely varying experience, access to information and key informants. In the case of donor agencies such tacit knowledge held by staff members is often constrained by the fact access to the field may be limited by security concerns, expatriate staff turnover is rapid, and arrangements to ensure institutional memory are uneven.

One of the main obstacles to sound analysis is the weakness of basic data in fragile states where national statistical capacity has often been eroded and information flows poorly. In several countries it was noted that nationally-based analytical capacity is limited, and there are few sources of independent advice that is not subject to overt political influence (Afghanistan, DRC).

In the face of these knowledge gaps there are two main options to broaden and improve the flow of information. The first is for development agencies to engage in joint studies or at least to share the results of their analyses more broadly. The second is to organise multi-stakeholder dialogue as a means for parties to exchange views and deepen their contextual understanding. However, the evidence from the national consultations suggests that neither of these mechanisms are well developed.

All of these factors indicate that the implementation of the first of the ten principles has been partial. While the importance of context is clearly recognised, the analytical effort required to understand the country context has not been sufficient, shared or sustained. Operational strategies and programmes therefore tend to be inadequately rooted in an understanding of the

country context. For reasons examined under the following principles, this has limited their effectiveness, and often resulted in international actors supporting the wrong things at the wrong time. There has been a general tendency to underplay basic development constraints and underestimate the scale of the state-building challenge. In Afghanistan it was reported that this has led to programmes that are “too ambitious, too complex, and the implementation is of sub-standard quality.”

Box 2 – Six countries, six different contexts

The six countries reviewed in this report illustrate very different contexts and historical trajectories. Some of the key features of each are summarised below.

Afghanistan. Deep structural poverty and difficult access to many regions; a dysfunctional state with a disconnection between state and population; a growing insurgency and insufficient economic opportunities together with a thriving illicit economy; a high dependency on international aid; and the focus of intense multilateral political interest.

Central African Republic. Massive human rights violations during the Bokassa regime; Recent conflict with continued rebel control of the north of the country; CAR is part of an unstable region and there are several cross-border threats; state control over its territory is limited with central government effectively confined to Bangui. Capacity and confidence in government very limited

Democratic Republic of Congo – Legacy of a highly corrupt and predatory state. Post-Mobutu there has been a gradual improvement in state accountability and capability. The eastern provinces have suffered prolonged conflict driven by resource competition and spillovers of conflicts from neighbouring countries. DRC has difficult but improving relations with its neighbours.

Haiti – A legacy of misrule, political instability, human rights abuses and insecurity has reduced the country to a situation of grinding poverty. Despite recent improvements in security and governance, there is still widespread corruption, criminality and a culture of impunity.

Sierra Leone - The colonial period distributed power between a colony and traditional chiefs in ways that complicate development. Civil war and state breakdown have been followed by seven years of post conflict governance. Sierra Leone is well along the road to recovery and is laying the foundation for a peaceful, well governed state.

Timor Leste - The context has been unstable over time, with a need to shift between crisis and development response; it has been hard to define a coherent path towards sustainable development. Not only are state institutions weak, but there is a need for nation-building alongside state-building.

Principle 2 – Do no harm

The national consultations identified numerous ways in which international interventions can inadvertently undermine the state-building process. These include:

- worsening societal tensions through inequitable development (see principles 6 and 10),
- damaging state capacity by undermining incentives for local revenue raising and establishing parallel implementations structures (see principles 3 and 7)
- working at cross-purposes and promoting conflicting policies (see principle 8)
- undermining state legitimacy by creating strong forms of accountability between governments and donors while neglecting domestic accountability (principle 3),
- creating unsustainable and unaffordable government,
- holding unrealistic assumptions about the pace and direction of statebuilding.

Specific examples of the harm that arise in the six countries will be provided throughout this report under the relevant principles. For the purposes of this section it is useful to highlight some general lessons about how and why international engagement may cause harm.

The general sense gained from the six national stakeholder consultations is that international actors have not been sufficiently attuned to the risk that their actions may harm the national state-building process. There was little evidence that international actors have attempted to assess these risks on a systematic basis when designing their intervention strategies. For example, in several of the countries international actors have expressed considerable confidence in supporting elections as a key step in the state-building process without paying sufficient attention to the risks of electoral fraud (Afghanistan) or electoral violence (DRC, Haiti).

There are essentially two types of harm that may result from international action: inadvertent harm, and harm that arises as a part of a trade-off between competing objectives. Inadvertent harm is often the result of an inadequate understanding of the country context. Greater adherence to principle 1 would substantially reduce this risk, but there are difficult trade-offs involved, in particular where taking the time to complete a proper contextual analysis might delay action to tackle immediate security and humanitarian concerns. However, even in cases where rapid international intervention is required (principle 9) and information is incomplete (principle 1), international actors have the responsibility to think more carefully about risks and to put basic mitigation measures in place. Robust strategies to combat the risk of electoral fraud or electoral violence is one example.

The second type of harm arises as part of a trade-off between competing objectives or between short-term and long-term goals. Alongside the linkages, there are inherent trade-offs between political, security and development objectives, which are discussed fully under principle 5. International actors also tend to prioritise immediate measures to end conflict and stabilise the

state, which may in the longer term harm state legitimacy and capacity. For example, in Sierra Leone the lack of government capacity to absorb aid effectively in the immediate post-conflict period forced major donors to assume a significant share of the human resource cost of establishing a bureaucracy capable of running key government institutions. Government efforts to wean itself off international aid will in future be complicated by the existence of large numbers of public sector employees in key positions currently benefitting from internationally funded salary top ups. The problem of corruption was highlighted in several national consultations, and in three cases was identified as an area where the international community has not been sufficiently active (Afghanistan, DRC, Haiti). Again this reflects a difficult trade-off because over time rampant corruption is likely undermine state legitimacy, but tougher actions to combat corruption may risk upsetting the fragile balance, for example by forcing an interruption in aid flows or alienating sections of the elite who are in a position to threaten state stability.

Chapter 2 – building inclusive, accountable, capable and stable states

Principle 3 – Focus on state-building as the central objective

In all six countries state-building was identified the most important requirement for bringing about lasting peace and development. The principal tasks in state-building were seen, in line with the OECD definition, as encompassing building state legitimacy and the capabilities necessary to meet citizens' needs and expectations. There are five essential dimensions, as set out in OECD (2009): 'the endogenous political processes that drive state-building; the legitimacy of the state in society; the relations between state and society; the expectations society has of the state; and the capacities of the state to perform its basic functions (security, the rule of law, taxation, management of economic development and the environment, and the delivery of essential services).

Most of the six country consultations covered each of these dimensions, but coverage varied. There was a tendency to emphasise problems of capacity and institution building, while questions of state legitimacy, accountability and state-society relations received rather less attention. However, in all cases the creation of state legitimacy was viewed as being a core task. Several of the country studies underlined the importance of a political settlement (in which key groups see it as in their interest to support particular institutional arrangements for securing and exercising state power) and of positive state-society relations that can enhance public accountability and government performance. In the case of Timor Leste the latter dimension was viewed as being particularly important, and the consultation highlighted the need to reinforce healthy and positive state-society relations by strengthening the accountability of the state to its citizens, ensuring adequate consultation, and treating Timorese citizens as active partners in development rather than just targets or beneficiaries. In this sense the challenge was viewed as being as much about 'nation-building' as 'state-building'.

The studies all underlined the importance of state performance in securing and sustaining its legitimacy. Particular emphasis was placed on the state providing a range of services required and reasonably expected by citizens. This issue was particularly prominent in CAR where some stakeholders emphasised the limited presence of the state outside the capital city, Bangui, and its inability to deliver security, economic development and essential services. In this context there is very little identification with the state, and state legitimacy was consequently described by stakeholder participants as 'doubtful'. However, it is clear that state performance is no guarantee of legitimacy. In the case of Afghanistan, the country report notes that in spite of progress in terms of capacity and institution building, "support to the Afghan state from the general public stagnates, and in some regions, has decreased."² The causes of this tendency were considered to be public frustration at the lack of economic development and employment,

² Afghanistan report, page 26

the reliance of government on international military support, and weak citizen participation in government and public affairs.

Most of the country consultations highlighted the need to strengthen public accountability and transparency as a vital element of state-building. The absence of these factors was also commonly identified as a threat to state legitimacy and stability. For example in the DRC the stakeholder consultation expressed the concern that large-scale donor assistance has resulted in a situation where accountability tends to flow from the government to donors rather than from government to citizens. Domestic accountability is weakened in all of the six countries by the limited reliance on local taxpayers for government revenue, although there are clear differences between countries' revenue-raising efforts. In Haiti, the culture of impunity and inability to bring corrupt officials to account were heavily criticised as being neglected parts of the state-building agenda.

Most of the country consultations focused on capacity-building as being at the heart of the state-building challenge. In most cases capacity-building is a stated priority in the intervention strategies of international actors, but results have been mixed. In Sierra Leone international support for capacity building was said to have laid the foundations for a 'peaceful well-governed state'. Afghanistan has also seen slow but significant progress in institutional and organisational terms as well as individual training and orientation. However, in the DRC visible results in capacity-building were found to be lacking. In many cases international intervention appears to have been detrimental to capacity-building, in particular where donors have avoided using national systems, established parallel project implementation units, paid salary top-ups or brought in expatriate technical assistance. Such practices are common in all six countries (in the DRC there are reported to be 146 project implementation units), and reflect a desire to achieve rapid results, and to reduce the risk of corruption and misuse of funds. Consequently there has typically been an erosion of capacity in government departments as staff have moved to better paid positions on donor projects. It is difficult to escape this vicious circle unless there is concerted support for the building of robust public sector institutions that can retain staff and gain the confidence of citizens and international actors.

In several of the country studies donor approaches to capacity-building were criticised for being piecemeal and failing to address cross-government and systemic challenges. Some approaches have excessively stressed building the competencies of individual public servants rather than of groups or systems. In CAR capacity-building was described as a smokescreen, which obscures the real problem of lack of confidence and corruption in public service. There has also been a tendency to focus resources on selected parts of government, creating islands of capability within a generally dysfunctional system. In some cases this has led to visible results within the targeted service, but the impact will be constrained where this support does not extend to connected parts of government. For example in Haiti there has been encouraging progress in police reform and capacity-strengthening, but international support to the judiciary has lagged far behind. Another criticism of donor approaches to capacity-building raised in several countries (e.g. CAR, Haiti) is that there has been an excessive focus on working with

central government, and a neglect of local government. Furthermore, there has often been a technocratic focus on the executive and relative neglect of the other arms of government.

There are further aspects of donor practice, which were criticised for placing undue demands on limited local capacity. This relates in particular to the limited use of government systems and the proliferation of donor projects and programmes each with their own procedural requirements. Despite some improvements, donor funded technical assistance was found to be short-term, project related, and donor-driven, characteristics which have limited the transfer of skills to local counterparts. This is discussed further below against Principle 7 on alignment.

Principle 4 – Prioritise prevention

Recognising the risk of reversion to conflict, the country consultations highlighted the importance of prioritising prevention strategies. Participants agreed that a critical requirement for effective prevention is to have detailed high-quality and up-to-date analysis covering the causes of conflict and conflict triggers. However, there was little evidence that international and national actors have systematically analysed conflict risks within the six countries or engaged in ongoing monitoring.

In spite of these analytical shortcomings the national consultations highlighted a range of causal factors that need to be kept in view in designing prevention strategies. These include: (1) regional disparities, which often coincide with ethnic differences (e.g. Sierra Leone), (2) corruption and other forms of abuse of public office that undermine trust in government (e.g. Haiti, DRC), (3) competition for natural resources (e.g. DRC), (4) youth unemployment, (5) the weakness of security forces (e.g. CAR), and (6) cross-border incursions and disputes (e.g. CAR, DRC).

There was little sense from the country consultations that international actors have developed comprehensive and shared conflict prevention strategies centring on an analysis of all of these factors. In many cases broader approaches to state-building were assumed to encompass conflict prevention. However, the discussions did highlight a number of specific initiatives in the six countries, which were primarily aimed at reducing the risk of future conflict.

- **Security sector reform** was emphasised as a key element of conflict prevention in most of the countries. The issues covered varied widely and included ensuring equitable and ethnically balanced army recruitment (CAR), increasing security presence in insecure areas (CAR), dealing with abuses committed by security forces (DRC), police reform (Afghanistan, Haiti) and addressing rivalries within and between the police and army (Timor Leste).
- **Disarmament, demobilisation and rehabilitation (DDR)** was highlighted in three countries (Afghanistan, CAR and DRC) as a means to reduce the security risk posed by ex-combatants. In CAR, workshop participants considered that DDR programmes had not worked well, had sometimes led to renewed violence, and had resulted in international donors displaying undue preference towards ex-combatants.

- **Electoral management and risk assessment.** Elections are intended to provide a peaceful mechanism for political competition, but in most of the countries it was acknowledged that elections can raise tensions and trigger conflict. There were calls for international actors to be more proactive in undertaking electoral risk assessments and more robust in providing the level of electoral support needed to contain such risks.
- **International/regional peacekeeping.** International military forces and peacekeepers are active in all of the countries under study. While their contribution to bringing about improved security was frequently acknowledged, there was relatively little discussion of the appropriateness of their mandates and operational strategies. There was a general sense that international forces operate outside of national frameworks for security and development. In DRC MONUC was described as “a state within a state”, and in CAR the various international forces (MINURCAT, BONUCA and MICOPAX) were considered to be inadequately coordinated and detached from non-security actors.
- **Reconciliation mechanisms.** Reconciliation mechanisms and transitional justice were discussed in several country consultations, and were considered to be an important means of reducing the risk that grievances arising from past events could fuel future insecurity and conflict. In CAR participants criticised the absence of such mechanisms stating that the “the truth has not been told” on violence committed both in recent years and earlier under the Bokassa regime. Consultative dialogue between stakeholders was viewed as being a critical part of the reconciliation and confidence building process. The consultation in Afghanistan also noted the absence of a national reconciliation process as an impediment to peace.

Principle 5 - Recognise the links between political, security and development objectives

The principle of recognising these links was widely and strongly endorsed by those consulted for the country studies. There was active debate both around the degree to which these three dimensions were all mutually consistent and reinforcing, and how far there were trade-offs which needed to be recognised and managed. In three countries (DRC, Sierra Leone and Timor Leste) participants considered that policy documents contained a good analysis of the complex inter-relationships between political, security and development objectives.

The many instances in which these three dimensions are mutually reinforcing are clear: a degree of security is required for sustained development, investment, growth, and poverty reduction to take place; meeting citizen’s reasonable material expectations is necessary for security, as is a political settlement; and so on. There are several examples from the six countries of how such ideas have begun to influence the shape of intervention strategies. For example, investment in reforming the security sector and the justice sector has received increasing priority because it is identified as a central means of bringing together and

reconciling the complementary and competing demands of security, development and political agendas.

Yet there are also trade-offs, perhaps felt most acutely in Afghanistan, where there has been a major effort to develop an integrated approach through the Afghanistan National Development Strategy (ANDS), but major shortcomings have been experienced in practice. The Afghanistan country report refers to 'a range of frictions existing between the three policy communities [defence, diplomacy and development], each shaping donor country responses depending on priorities established in the home countries.' The report points to the 'systematic prevalence of military objectives and strategies over development needs and practices', which affects the response of development actors, such as by restricting their presence in areas where the military operates.

One of the main challenges in introducing an integrated approach has been to put in place effective coordination structures linking the military, diplomatic and development corps. Most of the country reports point to the absence or weakness of such structures. In Afghanistan various military-civilian platforms have been established, but have proven inefficient mainly because of the dominance of the military agenda, the failure of the various parties to understand each other, and the rapid turnover of staff (particularly amongst the military). In Timor Leste the country report notes major shortcomings in the coordination arrangements for security sector reform.

In general terms the country consultations suggest that the integrated approach has been broadly accepted as a principle, but progress in turning this into practice has been more limited. The country reports note a few successes, such as police reform in Haiti and the building of a professional and trustworthy army in Sierra Leone, but for the most part they reflect on the limitations of programmes that have tried to link political, security and development objectives. The country reports point to a large and unfinished agenda. For example, in DRC and CAR security sector reform is singled out as an area where international support has been insufficient, ineffective and poorly coordinated.

Principle 6 - Promote non-discrimination as a basis for inclusive and stable societies

A recurring theme throughout all of the country consultations is that widening social divisions can create social grievances that become a threat to state legitimacy and stability. Such divisions may be the result of deliberate policies of discrimination which act to favour certain groups while disadvantaging others, or may be the unintended consequence of uneven patterns of development. National governments and their international partners need to be aware of these risks, and put in place policies that promote non-discrimination and inclusiveness. This depends in particular on defending human rights, rigorously enforcing the rule of law, avoiding a culture of impunity and steering clear of favouritism in public life.

The country consultations highlighted several dimensions of inequality and exclusion that are both a cause and consequence of state fragility. In all six countries there is a clear urban-rural divide in access to economic opportunities and public services. This was most extreme in CAR where the capital city, Bangui, receives a hugely disproportionate share of government and donor resources. Excessive focus on the concerns of the capital city were also noted in the country reports for Haiti and Timor Leste.

In addition to the rural-urban divide, some of the country consultations pointed to regional inequalities in development spending. In CAR and DRC aid spending was considered to be allocated in favour of the most conflict-prone areas, at the expense of more stable regions, which still had substantial humanitarian and development needs. In Haiti development agencies were reported to be concentrated in the south of the country, where infrastructure is better. In Afghanistan development programmes are often only able to operate in the presence of international forces which provide security. There was relatively little discussion in the country consultations about whether the geographical unevenness of development coincides with ethnic differences, but it is clear that such tendencies have the potential to amplify existing ethnic tensions. In CAR it was reported that inter-ethnic strife has re-emerged as a risk in the north-east of the country, which has been largely neglected by government and development agencies.

Most of the country consultations also highlighted risks of social exclusion, in particular the marginalisation of youth and lack of employment opportunities, which was emphasised in Haiti and Timor Leste. Gender dimensions were also commonly discussed with positive trends observed in DRC (relating to international action to combat sexual violence) and Haiti (relating to a general reduction in gender discrimination), but more limited results in Afghanistan.

Chapter 3 – Working more effectively

Principle 7 - Align with local priorities in different ways in different contexts

Alignment has been assessed in terms of: (1) aligning with the countries' strategies and priorities, and (2) using the country's own systems rather than those of donors. In most countries, the consultations show that donors have made more progress in aligning with national priorities than with country systems.

Aligning with national strategies and priorities. A necessary condition for donors to align with partner country priorities is for a national strategy to have been developed. This needs to be credible by virtue of being based on sound technical and economic analysis and having political traction, usually because it is the product of a process of consultation that gives it legitimacy and buy-in from a range of domestic and international stakeholders. In the immediate post-conflict period, almost inevitably some of these criteria will not be fully met, but over a period the strategy can be progressively strengthened. Some of the countries under review have developed national strategies that provide the broader framework that is a necessary condition for donor alignment, even though there are areas in which both content and buy-in needs further strengthening.

Country experience varies. In the CAR workshop participants stated that the priorities of the PRSP are taken into account in international aid programming. However, in Afghanistan the ANDS is regarded as a coherent development framework, but its development ultimately took six years, and implementation has been undermined by continuing instability and challenges to state legitimacy.

Country experience also shows that, within the context of broad national strategy, a medium- to long-term planning framework linked to a medium-term and annual budgeting process, is essential for donor alignment. Achieving the requisite stable planning horizon for such frameworks can in some cases be challenging, or even impossible. In Timor Leste, the absence of a medium- to long-term planning framework was identified as one of the most significant bottlenecks to improving alignment. International actors have found it difficult to align their programmes to national priorities in an environment where national plans and priorities have been annually adjusted in the face of a rapidly changing context. In other cases (e.g. DRC), a multiplication of policy framework documents indicate that more needs to be done to create required, stable and agreed framework.

Some more fine-grained comments were made around aligning with national priorities. In DRC and in CAR, there is a need for development partners to align with provincial priorities and not just those articulated by central government; while in Haiti, comments were made that alignment was with the concerns of central government which related more with Port au Prince than the interior. In Haiti also, concerns were expressed that discussions on alignment reflected a sense of accountability between government and donors rather than between government and

citizens. In several countries, such as CAR, the need was articulated for the creation of a civil society platform to broaden the consultative process.

For all the difficulties, there has been significant progress in aligning with country priorities in most of the six countries. Implementation is more commonly seen as the problem. In CAR the greatest challenge is to secure the financial means to implement agreed strategies and building the necessary capabilities. Some participants in Timor Leste considered that donors need to be sufficiently flexible in shifting gears between emergency response and longer term development. In Haiti those consulted suggested that there is an excessive emphasis on planning; the need is rather more to focus more on implementation. In line with the recurring theme that donor support is overly centralised, in CAR, the need was expressed for an instrument for donors to be able to support decentralised entities.

Judgments on the circumstances in which international actors can realistically align behind country partners' priorities must reflect the stage that has been reached in the transition from emergency intervention to supporting longer-term development. This transition can be difficult to manage. As the Timor Leste study noted, international actors have 'found it difficult to shift gears between longer-term development and emergency response'.

Using country systems. One of the most contentious issues that emerged is the extent to which international actors are able and willing to use national systems for the management of public finance, and procurement, planning, statistics, monitoring and evaluation. Those consulted often took the view that donors are unduly reluctant to use such systems; while donors are acutely aware of the fiduciary and reputational risks they run in doing so. In CAR, only 36% official aid is on budget (2008) compared with a 2010 target of 85%. The DRC consultation noted a tendency for the international community to look for implementation short cuts and by pass national administration. There were 146 PIUs at the last count (but development partners committed to reducing this), and apart from GAVI, no international donor uses government procurements systems, reflecting a lack of capacity and confidence in the Congolese state. Institutional reforms are needed to break out of this vicious circle, but these will take time.

It is no surprise that this issue emerged as contentious in all of the country studies. The arguments reflect wider debates surrounding aid-effectiveness and the implementation of the Paris Declaration going well beyond fragile states. However, the dilemma faced by donors is particularly acute because they must balance pressures to get the job done and avoid fiduciary risk with a longer-term plan for state-building and creating national capacity. On balance the country consultations suggest that donors may be overly risk averse. As the Sierra Leone study noted: 'the time has now come to re-evaluate the level of risk donors are willing to accept and to understand that fully empowering the [Government of Sierra Leone] to manage its revenue and to account for it to both donors and to citizens of Sierra Leone is an essential step that must inevitably be taken. Determining how and when this inherently risky step must be taken is a matter requiring both careful political judgment and a good deal of faith in the intentions and capacities of individual Government leaders'.

All the country studies put a premium on international actors being able to respond flexibly to changing circumstances, and to use country systems as and when they reach the necessary standard. This calls both for sound analysis that allows such opportunities to be identified, as well as decision-making and administrative processes that allow the organisations to re-allocate resources, to restructure and re-staff themselves, and to re-programme and implement new approaches. However, there will be continuing differences of judgment not only between governments and donors, but also between donors themselves as to what level of risk they are willing to bear and how fast they should seek to change.

Principle 8 - Agree on practical co-ordination mechanisms between international actors

In the absence of strong government leadership that is capable of providing an alignment framework defining the roles and the modus operandi for international actors, the latter have a responsibility for ensuring that their own plans and interventions are effective in supporting recovery and development, and are mutually consistent. A lack of co-ordination often means that the aggregate effect of donors acting individually can result in a dysfunctional whole that causes systemic harm.

A widespread problem in the countries under review lies in the tendency towards fragmentation of donor-funded activities. Fortunately, some good progress has been made in countering this tendency and in generating good-practice approaches; these most commonly take the form of joint planning frameworks, sector-wide approaches (SWAps), and multi-donor trust funds, as for instance in Timor Leste and Sierra Leone. However, fragmentation persists because of the absence of government leadership and a continued tendency of donors to seek to implement their own programmes. As the Timor Leste study found: 'there is more urgency than ever to reduce the fragmentation of donor-funded activities. There are too many discrete aid-funded activities and these are placing a high burden on government which has limited capacity to respond.' Governments themselves have a responsibility to reduce the number of smaller donor funded projects, but there is sometimes a different perspective between central ministries of government, mainly finance and planning, and sector ministries and provincial authorities, with the latter groups often having more interest in maintaining a larger number of projects under their control.

The evidence on how this principle is put into effect is very mixed. In CAR, because of a limited number of international actors, coordination among donors works rather well; there is for instance a much improved information base within the Ministry of Planning on aid spending, and a national strategic and technical committee comprising government, donors, civil society and the private sector, as well as regional and sectoral committees. Nonetheless, there is a lack of coherence across programmes (particularly across regions, and across the humanitarian and development policy communities). International NGOs are also unusually well coordinated. In DRC, where a lack of leadership on the part of government is reported, there are some new models for co-ordination, involving clusters and pooled funding, that seem to be working well,

although the consultation reports that (as in CAR), humanitarian and development aid work as parallel systems. Co-ordination is stronger in some sectors than others, and is generally weaker at the provincial level, though there are some good examples (e.g. the North Kivu Coordination System). In Haiti, there is an unusually good system of information exchange between donors, with some strong co-ordination mechanisms; there are 25 sectoral groups, which some consider excessive, of which 75% are said to function well. However, despite this co-ordination, there are a diversity of views and conflicting public policies (e.g. around cost recovery in seed distribution, and payment of labour for public works) that need to be managed.

Division of labour. On the donor side, and in line with Paris Declaration commitments, an important way forward, alongside seeking to support and strengthen government's lead, is to define more clearly a division of labour among themselves. This may involve limiting the number of donors in any given sector or area, designating lead donor, actively delegating to like-minded donors, and making use of sleeping partnerships. However, there are relatively few reports in the country studies of robust arrangements for this; in DRC, discussions on division of labour between donors have started, but are not far advanced.

Principle 9 - Act fast... but stay engaged long enough to give success a chance

The importance of maintaining a credible rapid response as circumstances change was a consistent theme, requiring flexibility of analysis, decision-making and action. The evidence is, however, mixed. In Timor Leste, there was a general view among those consulted that the international actors had acted quickly in response to crisis, with flexibility highlighted as a key determining factor in how effectively international actors were able to respond to changing circumstances. By contrast in CAR the rapid reaction capacity of both government and the international community was considered low (e.g. in mitigating the food, energy and financial crisis). In DRC, outside of humanitarian aid, the international community does not act rapidly enough, with rapid response mechanisms either absent or weak. In Haiti, the international community has proven to be quite reactive in terms of peacekeeping and dealing with humanitarian crises, and new international instruments are said to demonstrate more responsiveness, notably multi donor funds, and labour-intensive works programmes.

Several country studies noted that despite advances in peacebuilding and democratisation, a premature shift away from security concerns is often a danger; in Haiti, for instance, there was seen to be a danger of turning off the aid tap too quickly as security conditions improve; and in Afghanistan after 2001, international actors are perceived to have lost focus. In two countries, CAR and Haiti, there is perception that the decrease in humanitarian aid has not been matched by an increase in development aid, and transition plans from humanitarian to development aid are absent or weak. However, in Sierra Leone and Timor Leste there is evidence of sustained engagement by the international community, through phases from conflict through humanitarian relief into longer-term development and state-building.

It is not enough to stay engaged, but also to signal the intent to do so, in such a way that government and other stakeholders can plan strategically on the basis of a degree of assurance. For instance, in Timor Leste an International Stabilisation Force could help ensure peaceful elections in 2012; in Haiti, successful efforts at curbing crime in Port-au-Prince need to be consolidated by efforts to reform the justice sector. In DRC the stakeholder consultation called for a long-term perspective encompassing support for the 2011 local and general elections, debt relief, a sustained approach to security system reform and early planning for a hand-back of security functions from MONUC to the state.

Long term aid commitments need to be made in the form of predictable, multi-year financing of government budgets. The record is uneven. In Timor Leste, although most international actors appear to be committed to long term engagement, this is not always well reflected in forward budget and contractual commitments, partly due to the cyclical nature of programming. In Haiti, too, the study noted that some complications arise from the difference between donor and government budgetary cycles. In CAR, where some of the main donors have committed to five-year plans, only forty-five percent of disbursements are on schedule and recorded by government. In the DRC, the study noted a large gap between aid commitments and disbursements.

Principle 10 – Avoid pockets of exclusion

The issues discussed under this principle are similar to those covered under principle 6 (promoting non-discrimination), but relate in particular to the need for donor agencies to allocate aid between different countries, regions and groups in a balanced way and to avoid creating aid orphans. This requires development agencies to examine the aggregate pattern of spending of all donors, and to identify areas that appear to be neglected or overly favoured.

The country consultations identified pockets of exclusion at both the country and regional level. A major focus of the discussions in CAR was the widely held view that the country as a whole is an aid orphan that receives well below sub-Saharan African average levels of aid spending in per capita terms. The country has been described as being ‘stuck in the recovery gap’ as humanitarian aid has declined following the end of large-scale conflict, but levels of development spending remain low without a compensatory increase.

Within countries, the consultations noted geographical disparities in aid spending that have created favoured and orphaned regions. As noted under principle 6 this is most obvious in the capital city-rural divide. In CAR and DRC it was also suggested that aid has disproportionately benefitted the more conflict-prone regions, in the north-west and east of two countries respectively. This observation needs careful discussion because on the one hand focusing on conflict-prone regions may be contrary to the principle of avoiding pockets of exclusion, but on the other hand may be consistent with efforts to integrate a security and development agenda and to ensure a particular focus on those areas experiencing greatest fragility.

Section 2

Chapter 4 - Recommendations

This section sets out recommendations for governments and international actors. They are presented in cross-cutting form, bringing together the most important and recurring themes from across the ten principles, based on a synthesis of findings and recommendations emerging from the six country studies.

Stress inclusiveness and human rights across the agenda

A recommendation from all the country studies is that as early as possible in the recovery process governments and donors need to encourage patterns of political and economic development that are inclusive of citizens, respecting their human rights, and catering for their reasonable expectations. As governments and donors respond to immediate crisis, it is important not to lose sight of the importance of inclusiveness, which is vital for state legitimacy and survival.

The recommendation to promote inclusiveness recurs across several of the Fragile States Principles. For the state to establish its legitimacy it must meet citizens' reasonable expectations in relation to their human rights, living standards and access to services are met. Similarly conflict prevention demands close attention to understanding, addressing, and avoiding the causes of conflict, which in many instances relate to discrimination and exclusion. Careful contextual analysis is needed to understand the major types of discrimination and exclusion that recur in fragile states whether deliberate or unintended, including regional or ethnic inequity.

Means of addressing inclusiveness cover strategies to bring marginalised groups into the state-building and development processes, and political (including electoral) processes that aim to foster national cohesion rather than deepen divisions. It is also vital to tackle cultures of impunity that lead to human rights abuses and that alienate individuals and groups. National development strategies (increasingly led by governments and supported by donors) also need to give priority to inclusiveness, through broad-based economic growth (including through helping to build up the private sector), positive measures in favour of marginalised groups (for example, the need to tackle youth unemployment and to strengthen economic opportunities for women is highlighted by all the country studies), and ensuring that the principles of non-discrimination and inclusiveness are built into the full range of public policy instruments (including planning, budgeting and public expenditure, civil service and army recruitment, and sectoral and decentralisation programmes). Donors need to be alert to the risk, during the state-building process, of inadvertently building up a technocratic elite that loses its links with, and accountability to, the mass of citizens.

The need to avoid creating conditions for renewed insurgency demands particular attention to ensuring that different provinces and regions, especially those that are ethnically complex or different from the centre, are dealt with equitably. A much greater share of development aid needs to be spent outside of the capital and favoured regions, and rural areas need more attention than they commonly receive. Regions that have significant humanitarian and development needs are sometimes neglected because they have not been centres of conflict.

Promoting inclusiveness requires a vigorous and representative set of civil society groupings as a means to strengthen the voice of those who might otherwise be overlooked. At the same time there is a need to guard against the well-known risks in supporting inappropriate, divisive, or ineffective civil society entities. Empowering civil society involves governments providing basic transparency, an enabling legal framework and a willingness to engage, and donors working with stakeholders beyond government.

Ensuring inclusiveness requires that development agencies look at the whole picture of aid spending in a country to ensure that no group or region is overly favoured or overlooked. Co-ordination mechanisms, ideally leading to a clear division of labour among donors, are necessary to ensure a coherent overall pattern of support. However, the record of establishing sound divisions of labour arrangements in the countries reviewed is uneven.

Be strategic and responsive during complex transitions

Local contexts change fast and unpredictably, so from the earliest stages of engagement, donors need together to commit to, and invest in, high-quality contextual analysis (including conflict sensitivity assessment). The purpose of the analysis is to provide the basis for a shared vision of the way forward, a national strategy which can command widespread support, and well-designed recovery and development programmes.

Several pointers emerge: first the analysis needs to be jointly-undertaken, consultative, current, repeated, and dynamic; second, it needs to assess and anticipate change, and to be self-critical, pushing donors outside their comfort zones and preconceived ideas; third, there will be cases in which the analysis does not lead to consensus, and differences will need to be managed; fourth, the analysis needs to feed into decision-making that is prompt, responsive and with devolved authority to review aid modalities, reorient spending, and redesign interventions; fifth, some care needs to be taken to avoid the reality or perception that the analysis leads international actors to behave in partisan ways; and finally, increasingly over time, the analysis needs to be led by government, with donors progressively taking a supporting role. Institutionalising the analysis, through for instance strengthening and using country planning capacities, statistical systems and research organisations, is an important aim as the recovery process continues. However, in many cases donors may need to continue to analyse some sensitive political economy issues independently of government.

The principle of acting fast highlights the need for in-country rapid response capacity, of which the country studies provide good examples, as for instance in Timor Leste. The lessons

highlight the need for international actors to have access to quality information and analysis, ensure good co-ordination, devolve decision-making to the country level, and to put in place responsive budgeting and implementation machinery. The vulnerability of the early transition period needs to be recognised: but while restoring security may be the immediate goal, this priority should not divert attention from planning for longer-term political and economic development.

Recognising that state-building and institution-building are long-term tasks, there is a need for international actors to commit to working in fragile states for many years. There are few short-cuts in bringing about a political settlement that is robust enough to underpin state-building, and long-term planning and sustained implementation require long-term funding commitments. While it is understood that donors do not inhabit predictable worlds, and thus must themselves adapt to conditions beyond their control, there are many cases in which it would be desirable for donors to commit funds for longer periods than is presently the case, and to disburse more predictably.

Apply integrated approaches linking political, security and development objectives

Responding to changing context is particularly demanding where diverse stakeholders need to buy in to integrated approaches. Most important, perhaps, the principle of linking political, security and development objectives has been validated by these country studies and deserves continuing emphasis. This requires host countries to strengthen inter-ministerial coordination and international actors to improve diplomatic, development and security coordination, both in-country, and between departments in their home capitals (principally involving defence, foreign affairs, and international development). Country experience shows that there is a good case for: making use of security sector reform and justice sector reform modalities as means for integrating security and development perspectives; support to reconciliation processes, truth commissions, and national stakeholder dialogues; and mobilising experienced international mediators, preferably by means of support to South-South cooperation.

State-building is central: but aim for 'good enough governance'

Both governments and international actors should continue to emphasise state-building as the central principle for working in fragile states, stressing the dimensions of legitimacy, authority, capability and constructive state-society relations. Where there is on-going conflict or the threat of conflict, due weight should be given to immediate security considerations, but objectives should be rebalanced as early as possible in favour of longer-term state-building.

In the state-building process international actors should avoid a counsel of perfection. They should instead define and aim for 'good enough governance', that is systems, structures and approaches that represent the basic set of conditions for a legitimate and functioning state and are appropriate for the local context. Setting governance standards too high would require

unaffordable structures that cannot be sustained without large aid inflows indefinitely. This risk is exacerbated when poor donor co-ordination and the absence of a division of labour mean that there is no overview of the aggregate effects of individual donor actions. In order to reduce complexity, in some countries, the advice is not to over-engage in policy planning, but rather to focus on implementation.

Empower citizens. There is a need to recognise the crucial role played an active and informed citizenry capable of calling its government to account and applying pressure for improved performance. International actors should engage more directly with, and support, a wider range of stakeholders than just the state and central government, including political and non-political actors at community level, and local government. Decentralisation is an important part of state-building and peace-building, not just as a means of improving service delivery, but as a means of involving citizens more closely with the functioning of the state.

In supporting civil society (broadly defined to go well beyond NGOs, to include citizens' groupings, professional associations, and the media) international actors need carefully to consider the appropriate balance between assisting them through the state and directly providing them with support.

International actors should learn the complex lessons of the past in how best to support processes of political competition in situations of divided societies, in particular where identity politics plays a large role.

Adopt best practices in aid harmonisation

During the stage of conflict and immediately post conflict, so as to match government efforts to strengthen core state functions, the onus will be on the international actors to take an active role in defining mechanisms for cooperating and harmonising among themselves, and avoiding known pitfalls (many resulting from dysfunctional incentives that induce donors to pursue narrower agendas). Many relevant lessons are also available from implementing the 'Harmonisation' principle of the Paris Declaration (OECD 2008)ⁱⁱ. Over time, the aim needs to be for such harmonisation to take a back seat, as governments increasingly lead the agenda and define the systems to be used. Fully achieving this will necessarily take a number of years, but there will be areas in which an early start can be made. Donors vary in their practices, and all should aspire to the best.

There is much existing good practice on suitable arrangements, including (i) in-country mechanisms (such as technical standing committees) for national and sub-national co-ordination, information exchange and dialogue, (ii) high-level, sectoral and sometimes geographical networks --- but avoiding 'harmonisation overkill', (iii) joint implementation mechanisms (such as multi-donor trust funds, SWAPs, and the use of pooled grants) and delegated co-operation to reduce fragmentation; and (iv) linkages between humanitarian and longer-term development interventions.

There is a need to streamline donor practice in a number of areas. A clearer division of labour should be established to reduce the number of projects and the management burden, and the cumbersome bureaucratic processes that some country studies report should be avoided. Shorter and more streamlined project preparation and approval processes are required. Internal human resource management of the international agencies needs to facilitate long-term engagement and reduce turnover of expatriate staff, strengthen institutional memory, and build incentives that enable staff to follow best practices. The overall levels of aid flows to particular countries need to be reviewed to avoid the phenomenon of aid orphans.

Press forward from donor co-ordination towards alignment with government

As recovery proceeds, a challenge is for government to assume full responsibility for defining aims and strategies. Country systems need to be built up to perform the essential functions of government, with donors both helping to build and increasingly using these systems. However, given the circumstances of fragile states, pragmatism will be needed in defining the pace at which, and means by which, this long-term aim can be achieved. There will be circumstances in which donors should be encouraged to take more risks in being prepared to use national systems, as a necessary means of strengthening them over time.

High priority needs to be given to developing a credible national strategy for state-building that is government-led and supported by donors. Such frameworks are required to guide national development and to provide a basis for donor alignment and results-based management.

In implementing the strategy, several priorities emerge from the country studies:

- Adopt an integrated whole-of-government approach, avoiding piecemeal approaches focussing on a few departments.
- Ensure government presence and public services across the territory, not just in the capital city and favoured areas.
- Deal rapidly with basic dysfunction of public administration (e.g. salary arrears, and investing in human resources).
- Find ways of breaking the vicious circle in which lack of confidence in government systems leads to donors establishing parallel implementation structures that further remove capacity from government systems. Sustained institutional reforms alongside, or instead of, a focus on 'getting the job done' are key to escaping this circle.
- Define a medium-term financial framework to encourage and enable donors to give multi-year financial commitments.
- Prioritise local revenue-raising as one of the main citizen/state accountability linkages and as a means of reducing aid dependency.

Aid practices. A number of lessons have emerged for the way aid donors do business during the move towards alignment. First, they need to minimise actions that in the pressure to ‘get the job done’ result in create wider and longer-term distortions that may undermine state-building objectives. These include terms of employment, in particular salary top-ups, as well as the controversial practice of setting up parallel Project Implementation Units. PIUs should be limited to those cases in which there is no feasible alternative for achieving important objectives, and they should not be sustained longer than is necessary to get the job done. Second, there is a strong case for ensuring greater medium-term and within-year predictability of aid flows. This is often difficult to achieve because of rapid changes to the context, and because of the need to direct aid according to performance.

Capacity building

A range of recommendations have been put forward in the country studies to improve the effectiveness of capacity-building initiatives. A more strategic approach is needed than is found in some countries, based on an understanding of context, of what capacity is required to achieve the goals set out for the country, and of how to encourage its development. The Timor Leste report for instance suggests the focus in capacity development should be on basic rather than higher-level skills. In terms of peace building at the community level, interventions are required to build trust and develop more social cohesion.

More attention is needed to the strategic and effective use of technical assistance, including phase-out strategies. Moreover, a broader focus is needed looking beyond the executive arm of government to include the judiciary and the legislature. Civil society should be provided with sufficient support and information to hold their own representatives to account. Taking broad approaches to capacity-building means not only paying more attention to system-strengthening than to individual capabilities, but also recognizing that attempts to reduce corruption must go hand in hand with public service reform. There is also a need to re-evaluate the level of risk donors are willing to accept in using country systems. Some of the most difficult issues arise in public finance, where progressively empowering governments to manage their revenues is an essential step that must be taken.

Align internal incentives with the desired outcomes

The ten principles provide a widely-endorsed set of measures of proven value, yet, despite some excellent examples, they are often not implemented. The reasons often lie in the nature of the framework of incentives faced by governments or international actors, which are not always conducive to optimal behaviour. For instance, donors face strong pressures to avoid fiduciary risks, which lead to their avoiding country systems for financial management and for procurement. The consequent use of parallel structures is harmful for state-building, but changing this approach is probably not possible unless donor incentives can become less risk

averse, more tolerant of experimentation and more focused on the long-term goals of state-building, at the same time as governments do more to reach internationally-accepted standards.

Government and international actors should give explicit attention to understanding these incentives, and reforming them so that they are aligned to the fullest extent possible with what is needed for optimal outcomes in fragile states. A good model is to be found in OECD 2008ⁱⁱⁱ (although this does not address the particular issues arising in situations of fragility).

Use and adapt the Paris Declaration as a road-map for aid relationships

Many of the lessons from engagement in fragile states and situations suggest that the principles of the Paris Declaration on aid effectiveness are relevant to varying degrees in fragile states. They provide a useful medium and long-term aspiration towards which government and their development partners can aim, even if their practical application needs to be tailored to the often harsh and unstable prevailing circumstances. Analysis of the country context will provide useful guidance on whether and how to apply them. As these studies show, the scope for meaningful country ownership increases as countries progress from conflict and early post-conflict recovery towards conditions in which sustained improvements in governance are possible. Similarly there is scope to move from donor-led harmonisation towards alignment with country-led priorities and progressively to make more use of country systems. Greater aid predictability and longer-term commitments would create a more stable planning and budgeting framework, but need to be combined with a stronger focus on results, improved measurement systems, and feeding results into decisions-making. Finally, one of the most practically difficult of the Paris Declaration principles is to put in place means to ensure mutual accountability between governments and international actors. Mutual commitments need to be spelled out in-country through sustained consultations, and mechanisms put in place to track the performance of the various parties.

ⁱ 'Evaluation of the Implementation of the Paris Declaration: Thematic Study --- The Applicability of the Paris Declaration in Fragile and Conflict-affected Situations,' Oxford Policy Management and IDL Group, August 2008 (p.6).

ⁱⁱ 'Aid Effectiveness: progress Report on Implementing the Paris Declaration,' OECD section II 'Harmonising – rationalising aid delivery.'

ⁱⁱⁱ 'Incentives for aid effectiveness in donor agencies: good practice and self-assessment tool,' OECD 2008.