

Regional Co-operation as a Tool for Improving Aid Effectiveness

Proposal for an OECD Pilot Initiative on West Africa

Key Ideas:

- ▶ Improve regional aid effectiveness in compliance with the core principles of the Paris Declaration;
- ▶ Promote innovative regional development co-operation tools;
- ▶ Develop incentives for regional economic co-operation.

The SWAC presents nine action proposals, building on the know-how and various resources of the OECD Development Cluster and the SWAC's West African partner organisations. The initiative aims to produce short-term, measurable results in a pilot region (West Africa); outcomes could also feed into a more general reflection on regional aid effectiveness.

▶ *Regional issues need to be included in the Paris Declaration.*

The SWAC's proposal is based on the following observation: regional aid – the aid given to groups of developing countries or their respective regional organisations– is not mentioned in the Paris Declaration on Aid Effectiveness.

Yet, in practice, there is regional aid. The donors finance many projects and programmes in the areas of agriculture, environment, food security, health, infrastructures, institutional support to regional organisations, livestock, water and sanitation management, etc. Regional aid has a record of remarkable success stories. Donors providing regional aid and partner countries' regional organisations make efforts to comply with the core principles of the Paris Declaration.

However, the SWAC's experience with joint work undertaken in collaboration with its West African partners highlights that regional co-operation is insufficiently integrated in aid programmes that have a direct impact on the livelihoods of African people. While respecting the principle of "subsidiarity" and without pretending that this will solve all the problems, regional co-operation could be better and more often used in national development strategies. Regional issues in the analysis and work on aid effectiveness need to be formally included in the Paris Declaration. This would help validate/recognize what is already being done – or tried to be undertaken in practice.

SWAC ACTION PROPOSALS

▶ **Proposal 1: Mapping Regional Aid**

This mapping study on regional aid in West Africa would initially focus on the donor support given to the three main regional organisations: ECOWAS, UEMOA and CILSS.

▶ **Proposal 2: Regional Dimension of Aid to West African Countries**

This mapping study would analyze aid granted to West African countries from a regional perspective. The notion of geographic coherence of aid could emerge from such an exercise.

▶ **Proposal 3: A Regionally-oriented Peer Review**

The SWAC proposes to place regional co-operation within the DAC's Peer Review Programme by adding new questions to the "DAC Peer Review Content Guide" and analysing regional development co-operation as a special issue within the 2009-2010 peer reviews cycle; the DCD/DAC could also conduct a review on donor support to West African regional organisations.

▶ **Proposal 4: Building Synergy between Regional Organisations**

The SWAC proposes to facilitate the building of synergy between the work of ECOWAS, UEMOA and the CILSS.

▶ **Proposal 5: Cross-border Co-operation**

Drawing on the European and West African experiences, guidelines on good practices and lessons learned from cross-border co-operation projects in zones of instability and post-conflict settings could be elaborated. The SWAC also proposes to help ECOWAS with the implementation of a Road Map, in particular the establishment of a regional cross-border co-operation fund.

▶ **Proposal 6: National Approach to Regional Co-operation**

This innovative approach places national and local concerns within a regional co-operation framework. The SWAC proposes to present the NARCO approach and initial findings of the Ghana case study to DAC members in order to gain support for the second phase of the Ghana case study and for the launching of a second case study in another West African country.

▶ **Proposal 7: Innovative Practices in Regional Co-operation**

These Guidelines on good practices and lessons learned from worldwide regional co-operation initiatives would provide an excellent regional co-operation tool for development regions and their development partners.

▶ **Proposal 8: A Regional Economic Outlook on West Africa**

Drawing on the experience of the African Economic Outlook, the OECD could launch a Regional Economic Outlook on West Africa that would analyze annually the performances of West African economies from a regional perspective.

▶ **Proposal 9: Towards a Specific Status for Developing Regions**

The SWAC proposes to launch within the OECD a brainstorming process on a Specific Status for Developing Regions. Using the examples of EPAs and cotton negotiations, a case study on West Africa would tend to explain why West African countries have not been able to develop a co-ordinated, united approach. The OECD could deepen this analysis by proposing innovative ways in which the international community could develop incentives to facilitate the building of regional coalitions between developing countries of the same region.

PARTNERS

The proposed activities could be managed by members of the OECD Development Cluster (DCD/DAC, DEV and SWAC), in close collaboration with the SWAC's West African partner organisations (ECOWAS, UEMOA and CILSS).

Sahel and West Africa Club/OECD

Le Seine Saint-Germain, 4 Boulevard des Iles
92130 Issy-les-Moulineaux

Postal Address:

2 rue André Pascal

75775 Paris cedex 16

Phone: +33 (0)1 45 24 89 87

Fax: +33 (0)1 45 24 90 31

www.westafricaclub.org

