

The Partnership for Democratic Governance



The ability to deliver essential public services and government functions is a prerequisite for well-functioning, legitimate states. It is also a necessity if states are to meet the most basic needs of their citizens while maintaining security and stability, bringing in foreign direct investment, pursuing poverty reduction objectives and strengthening governance.

In order to take a more strategic approach to this key development challenge, several members of the Organisation for Economic Co-operation and Development (OECD), together with the United Nations Development Programme (UNDP) and a group of middle-income countries, launched the **Partnership for Democratic Governance (PDG)** in 2007. It is housed by the OECD and supported by the UNDP.

What is the PDG?

The **Partnership for Democratic Governance (PDG)** is a multilateral group of like-minded countries and organisations whose goal is to assist states in post-conflict and fragile situations to build their governance capacity and improve service delivery to their citizens.

A hub for knowledge and a clearing house for good practice, the PDG assists developing countries to get a “governance kick start” in key sectors where the provision of interim international and regional personnel makes good sense. These sectors can include procurement, customs, immigration, justice, audit, taxation and public financial management.

The PDG builds upon and supports ongoing work at the Organisation for Economic Co-operation and Development (OECD) and elsewhere on fragile states, aid effectiveness and state-building. In order to assist in carrying out these functions, an Advisory Unit has been established within the OECD.

Some of the characteristics of the PDG Operating Model are:

- ▶ A unique combination of members’ work on **South-South and triangular co-operation**, the OECD’s expertise in knowledge-based products and UNDP’s hands-on, country-level experience;
- ▶ A demand-driven initiative that responds to specific developing country requests and is consistent with the OECD Development Assistance Committee’s (DAC) good practice on aid effectiveness, governance, capacity development and state-building;
- ▶ A flexible and incremental approach that gives priority to requests for assistance with easily transferable technical skills, where the results of such assistance can be achieved with interim qualified personnel and monitored by civil society; and
- ▶ Increasing developing countries’ ownership in setting priorities, terms of contracts, exit strategies and accountability mechanisms. At the same time, project funding and personal risks are shared among a range of partners.

Who are its members?

Current members include the governments of Australia, Canada, Chile, Denmark, Japan, Korea, Mexico, Poland, Turkey and the United States, as well as the African Development Bank (AfDB), the Inter-American Development Bank (IDB) and the Organization of American States (OAS). Observers include Brazil, New Zealand and the United Kingdom. The UNDP plays a facilitation role in the PDG’s work through its extensive global presence and in-country networks.

The PDG welcomes new members from OECD economies and middle-income countries as well as from lower income-countries and international organisations. Discussions are currently underway with a number of prospective members. Countries and international organisations interested in seeking PDG membership should first contact the PDG Chair (the OECD Secretary-General) via the Partnership’s Advisory Unit.

What does it do?

The PDG’s main purpose is to help developing country governments, in the absence of national capacities, and as an interim measure, to be more responsive to their citizens through helping to design initiatives and projects for the effective delivery of public services and core state functions by interim personnel for a specific period of time.

In response to a request from a developing country, the Partnership facilitates the improvement of selected government services and core state functions, and helps develop the capacity of government to ensure delivery of effective, accountable services and functions. It also develops knowledge of the opportunities and constraints to governance by testing, evaluating and sharing innovations in this field. It works only where specific short-term capacity gaps relevant to its mandate can be identified and where these gaps fall within the remit of national development planning.

PDG in the World

Georgia: In response to an official request from the Georgian Ministry of Finance for PDG support to improve aid effectiveness and to enhance donor co-ordination, the Advisory Unit provided the Ministry with assistance to design the project in February/March 2009. The project will move to the implementation phase as soon as funding has been secured.

Grenada: At the request of the Grenadian Ministry of Finance, the PDG will provide legal drafting support for the preparation of a new Public Procurement Act and secondary legislation. This support from the Partnership—provided in close co-operation with OAS—will be accompanied by a concerted collaborative effort by international partners to assist in the implementation of the new legislation and the creation of a modern, effective and operational Public Procurement Authority. The objective of this collaborative effort is to mobilise as many international partners as possible, both within and outside of PDG membership, to support the creation of a modern and effective procurement system—one that could serve as a model for other States in the region. The PDG Advisory Unit was asked by the Government to act as the Secretariat of this collaborative effort.

Guatemala: At the request of the Guatemalan authorities, the Advisory Unit has helped design a project to assist the Government in strengthening the national system of development councils and promoting municipal leadership. In the framework of this project, short-term personnel would be made available to the Government.

Haiti: The Advisory Unit has been engaged in dialogue with multilateral and bilateral PDG members and with the Haitian government to explore the possibility of a pilot project in the country. The PDG Advisory Unit conducted two assessment missions in Haiti in October 2008 and February 2009 and identified a number of potential areas for PDG support. Following the recommendation of the June 2009 Steering Group meeting in June 2009, the Advisory Unit is currently exploring further options for engagement in Haiti, in close consultation with PDG members.

Liberia: As a result of the findings from its May 2009 mission, the PDG Advisory Unit—in collaboration with the Ministry of Justice, Ministry of Gender and Development, Liberian National Police, UNDP and the Norwegian Refugee Council—has outlined the type of technical assistance that will be given to strengthen the justice sector. Partners have expressed an interest in the PDG bringing in specialists to bolster the Women and Children's Protection Unit's ability to carry out its mandate. These individuals will be experts in the areas of investigating and prosecuting sexual assault cases, as well as providing social and medical services. Discussions are on-going to determine how best the PDG will co-ordinate with other partners working in-country in this sector.

Timor-Leste: The PDG provided a matchmaking facility for the Government of Timor-Leste in support of its concept of *Fatin Buka Hatene* (or 'information houses for state building'). This work has resulted in a proposal presented to the Council of Ministers for the development of this program through Government of Timor-Leste co-funding and has helped bring together technical expertise and potential funding partners.



How will the PDG's work bring about real change?

Cases of foreign consultants leaving no sustainable results behind and being accountable to donor governments—rather than to the countries in which they work—are only too well known. At the same time, long-term capacity building efforts can mean that urgent reconstruction needs are not addressed and can drive struggling states further into crisis. While measuring the impact of traditional interventions is difficult, evidence suggests that current practice around capacity building, particularly in fragile states, is flawed.

The PDG's work is expected to help to redress this problem through a combination of innovative approaches which promote stronger incentives for sustainable local institutions while helping countries meet their urgent needs to get over a temporary reform "hump".

Which countries are eligible for PDG support?

After receiving a request from a developing country, the PDG Advisory Unit assesses whether conditions in the country are favourable to successful delivery of services under PDG-sponsored contracts. The decision on whether to approve a request for PDG sponsorship is made by the PDG Steering Group. Considerations include:

- ▶ The government has identified a need for PDG services within the broader context of its national development strategy and demonstrates political commitment to achieving results. (...)

"A truly unique and innovative approach to good governance (...) the PDG is the only concerted international effort to assist developing countries to improve their governance and build sustainable capacity in their own institutions."

Angel Gurría
OECD Secretary-General
PDG Launch, October 2007

- ▶ There is a clearly defined transfer strategy, with explicit benchmarks and timelines, for building sustainable indigenous capacity for delivering services that have been provided under the aegis of the PDG once contracts have expired.
- ▶ Recipient Country Governments and the PDG's Advisory Unit have identified experts who can meet the needs of the developing country, and international donors have agreed to fund PDG-supported projects.

What is the PDG's value to its key stakeholders?

For developing countries, the PDG represents an innovative approach whereby the country drives the reform within the context of its national strategy, but where funding and risks are shared among many. For member countries and international organisations, the PDG represents a concerted international effort to examine how the international community can directly support service delivery and core policy functions through the provision of interim expertise. The PDG concentrates attention, expertise, and resources on this important area.

The focus on capacity development and delivering public services complements the OECD's ongoing work on aid effectiveness, governance and fragile states, and capacity development. The role of the PDG's Advisory Unit matches well the OECD's traditional areas of comparative advantage: as a powerful convenor for international debate, discussion and networking, impartial analysis, the development of best practice guidance and peer learning. The collaboration with UNDP provides the Partnership with a field-based perspective in client countries and facilitates the Partnership's activities on the ground.

Is it ODA?

Yes. In accordance with the statistical reporting directives, voluntary contributions supporting the PDG in respect of special funds for technical co-operation activities and funds in support of the PDG Advisory Unit are considered Official Development Assistance (ODA).

How can I contact the PDG?

For more information on the Partnership for Democratic Governance, please contact the Advisory Unit:

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