



## **The DAC's main findings and recommendations**

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# The DAC's main findings and recommendations

## Belgium is committed to least developed countries and fragile contexts

### ***Belgium, an advocate for the plight of poor countries and fragile contexts***

As a strong advocate for the plight of least developed countries (LDCs) and fragile contexts, Belgian co-operation aims to reduce poverty and prevent conflicts, as illustrated by its geographical priorities. Bilateral government co-operation stands out for its focus on West Africa and the Great Lakes region, and 13 of its 14 partner countries and territories are either categorised as fragile or least developed following its withdrawal from six (mostly middle-income) countries. Moreover, with 0.14% of its gross national income (GNI) allocated as official development assistance (ODA) to LDCs, Belgium is more generous than the Development Assistance Committee (DAC) average towards these countries.

### ***Belgium's advocacy for gender equality, conflict prevention and global citizenship is recognised***

Belgium has succeeded in mobilising the international community on issues such as conflict prevention, mainly in Central Africa and the Sahel; gender equality, especially sexual and reproductive health and rights through the "She decides" initiative; and children's rights. Belgium is also recognised by its peers for its dialogue with partner governments on human rights and governance issues. With its geographical and thematic expertise and a solid strategic framework, Belgium is in a position to demonstrate its added value on fragility issues. Belgium also stands out for putting one of its new thematic priorities on the European agenda: digital for development.

The importance that Belgium attaches to addressing global issues is also reflected in its commitment to global citizenship education. Its political will aligned with the 2030 Agenda, as well as its evidence-based approach and inclusive partnerships, have enabled its target audiences to be aware of, understand and adhere to the values of global citizenship.

### ***Partnerships emphasise each actor's mandate***

Partnerships with multilateral organisations, civil society and the private sector are at the heart of the implementation of Belgian co-operation. These partnerships strengthen the mandates of each partner, while limiting transaction costs, thanks to: 1) funding mechanisms that are predictable, flexible and mostly in the form of contributions to central budgets; and 2) reporting obligations which focus on relevance, results and learning and which enhance the value of individual mandates. Belgium also participates actively in donor co-ordination mechanisms, both at headquarters and in the field, with a view to increasing overall efficiency and effectiveness.

Belgium is a strong advocate of the multilateral system for its standard-setting and co-ordination role and its ability to both address global issues and make Belgium's voice heard on the international and European stage. In particular, Belgium is committed to the reform of the United Nations, with a view to strengthening its legitimacy, representativeness and effectiveness. Its decision to reduce the number of multilateral partners from 20 to 15 has made strategic dialogue easier. The decision to increase such dialogue in the field through embassies offers opportunities to amplify Belgium's voice.

Non-government actors (NGAs) are key partners for Belgium, receiving 21% of bilateral ODA in 2017-18, which is seven percentage points above the DAC average. The Directorate-General for Development Co-operation and Humanitarian Aid (DGD) has embarked on an ambitious process of streamlining and consolidating its engagement with Belgian NGAs, with whom the partnership strategy has yet to be finalised. New common strategic frameworks are key to this process and have made it possible to co-ordinate partners around shared objectives while preserving their right of initiative. The fact that Belgium's co-operation agency, Enabel, now has a mandate to establish agreements with local NGA partners should make it possible to better integrate the social and political dimensions of fragility in its programmes.

The Belgian Sustainable Development Goals (SDGs) Charter is at the heart of a reaffirmed partnership with the private sector. In addition to supporting the local private sector in partner countries and territories, the partnership extends to the Belgian and international private sector in order to mobilise technical and financial capacity and to help change practices in favour of sustainable development. This is well illustrated by the Beyond Chocolate initiative, which has highlighted development issues in a key sector of the Belgian economy.

### ***A strong supporter of the humanitarian cause, Belgium is faithful to its principles***

Belgium is a highly valued humanitarian actor, both for its strategic advocacy such as in the United Nations Security Council between 2019 and 2020, and for its efforts to ensure flexible and predictable funding. Belgium has also made ambitious commitments in the context of the Grand Bargain, and these are regularly monitored. For example, Belgium has exceeded its target of allocating 25% of humanitarian aid to local actors by 2020. It has also trained its staff in how to increase the share of cash-based assistance. Interest in innovative humanitarian approaches has been one of the distinctive features of the Belgian approach in recent years, from the launch of the first "Humanitarian Impact Bond" to the organisation of a "hackathon" to develop a digital application to support emergency operations.

### **Belgium can build on its achievements**

#### ***The comprehensive approach could be the basis for government-wide co-ordination***

As a result of the attention paid to fragile contexts, Belgium has strengthened its whole-of-government co-ordination mechanisms to consolidate the link between development, peace and humanitarian actions. These mechanisms are part of the "comprehensive approach", based on the mobilisation of task forces that bring together key federal departments – sometimes alongside external actors – around specific issues. Mobilised on an ad-hoc basis, these task forces are as yet rarely subject to overall co-ordination and shared learning mechanisms, however.

## Recommendation

1. The Federal Public Service (FPS) Foreign Affairs should expand the mechanisms set up under the comprehensive approach, strengthen co-ordination between task forces and involve key partners more systematically. It should build on this approach to anchor the whole-of-government approach in its development agenda.

### ***Efforts to support the nexus would benefit from a system-wide strategy that includes suitable implementation approaches***

Despite its advocacy for conflict prevention, the resources allocated to peacebuilding, conflict prevention and United Nations peace and security reform do not match Belgium's vision. Moreover, with the exception of a "social cohesion" budget line that can be mobilised by all actors, programming by delivery channels hinders the implementation of the development, peace and humanitarian nexus. For example, multilateral organisations working in protracted emergencies are usually labelled as humanitarian agencies, which can be unhelpful when managing the complex realities of crisis and fragility contexts.

Belgium has strengthened its results-based management and has adopted an informed risk management strategy. This is a crucial development at a time when Belgium is mainly active in fragile contexts. However, not all staff within the FPS and Enabel have fully made the new approach to risk analysis and management, which is largely based on the Fragility Resilience Assessment Management Exercise (FRAME), their own. In addition, contingency scenarios developed in country portfolios are not mobilised to adapt programming to changes in context. While the agency has processes in place to allow for adaptive programming and management, the annual requirement to report to the DGD its contribution to pre-identified expected results, as stated in its management contract, together with the pressure to demonstrate effectiveness after two to three years of interventions, could conflict with the need for non-linear approaches in volatile contexts.

## Recommendation

2. DGD should continue to adapt its approaches to ensure that programming is driven by resilience and development needs, rather than implementation modalities, by:
  - ensuring that budget lines, funding channels and management systems provide the necessary flexibility for adaptive management and partnerships
  - continuing to raise awareness among its staff and that of its partners, including those in support roles, of the implications of operational issues specific to fragile contexts.

### ***The reform of the co-operation system could make it more effective, but requires stronger strategic steering***

Belgium has embarked on an ambitious institutional and organisational reform that has strengthened partners' autonomy. To take full advantage of these reforms, the DGD must take up its strategic steering role.

The reform has, in particular, broadened the mandate of the development agency Enabel (formerly the Belgian Technical Co-operation or BTC), increased its autonomy and flexibility, brought decision-making closer to the field, and helped establish partnerships between the agency and a wide range of actors.

However, full advantage is not being taken of the new flexibility offered by the reforms. In particular, despite portfolio management within the agency, the delegation of administrative authority remains limited, which is undermining procedural efficiency.

As identified during the 2015 peer review, although the DGD has a good overview of the actors present in its partner countries and territories and their objectives, each partnership is conducted as a silo and is not integrated into country strategies structured around the priorities of Belgian co-operation. Progress in streamlining non-government co-operation around common strategic frameworks and developing shared diagnostics in fragile contexts could be a good step towards developing comprehensive country strategies, at the very least for priority countries and territories.

In this context of partner autonomy, knowledge management is critical. Within the DGD, efforts have focused on approaches to learn across channels of delivery, supported by an independent and strategic evaluation function that covers all co-operation actors. Enabel's strong geographical focus on two regions offers regional learning opportunities. In the absence of a shared strategy and clarity on the type of knowledge that each must produce, there is a risk that initiatives undertaken by the DGD and Enabel may be redundant or may not meet all expectations.

## Recommendations

3. Belgium should clarify the delegation of authority in defining co-operation policy, developing country portfolios and managing strategic and technical knowledge in order to streamline decision making and optimise learning.
4. Belgium should develop comprehensive country and regional strategies that include all delivery channels active in priority regions, countries and territories, and focus the dialogue with implementing partners on priorities identified in the process.

### ***Though mindful of the principles of transparency and aid effectiveness, promoting ownership is challenging***

Belgium has made significant progress in improving the transparency and accountability of its development co-operation vis-à-vis the Belgian public and in partner countries and territories. Mindful of the need to achieve ownership of co-operation by society in partner countries and territories as a whole, Belgium is involved in wide-ranging consultations, although to date the private sector remains poorly represented. Belgian programming takes an inclusive approach, based on detailed contextual analyses. Despite this, alignment with the development priorities of partner countries and territories, partner country ownership and the use of country systems are declining. The recent reforms have also undermined the synchronisation of bilateral consultations with decision making and the definition of portfolios for direct bilateral co-operation. Aware of these limitations, Belgium is reviewing its *modus operandi* to ensure that consultations are conducted early enough to feed into these processes.

## Recommendation

5. Drawing on its experience of robust dialogue, Belgium should ensure that the governments of partner countries and territories are involved sufficiently early enough in defining country portfolios in order to strengthen ownership and mutual accountability and ensure sustainable results.

### ***Progress in mobilising additional resources for sustainable development and poverty reduction should continue***

Belgium has launched several initiatives to mobilise additional resources for development finance. These initiatives, with varying levels of success, include waiving tax exemption on ODA expenditure in developing countries, issuing humanitarian impact bonds and creating an investment fund within the Belgian Investment Company for Developing Countries (BIO) that is open to private investment.

As BIO's place in the Belgian co-operation system is growing, and as recommended in the last peer review, it has strengthened its ex-ante analysis mechanisms to ensure that its investments contribute to the SDGs and to the objectives of Belgian co-operation. Nevertheless, these efforts focus primarily on the general principles and less on the results of each investment in each context. Similarly, BIO's reporting to the DAC does not include detailed information on activities.

## Recommendation

6. BIO should strengthen its efforts to measure and communicate ex-ante and ex-post results for each investment, and to seek synergies with Enabel's portfolio.

### **Belgium needs to address some challenges**

#### ***The modernised and holistic strategic framework could guide decision making better***

Belgium has modernised its strategic framework, renewing its partnership with the private sector and adding the theme of digital for development to its strategic priorities while staying focused on fragile contexts. This strategic reorientation has led to a multiplication of themes but has not clarified priorities; how the various themes interact in addressing the causes and consequences of fragility; or how gender, environment and migration issues are integrated into the overall co-operation portfolio. It is also difficult to mobilise strategic funding targeting gender issues and measure its impact outside of the "She decides" initiative. Clarifying thematic complementarities and grasping the opportunities offered by focusing on the two fragile sub-regions of the Sahel and Central Africa could make Belgium's strategic framework more ambitious and enhance ownership by partners.

The strategic notes, not systematically used, provide little guidance for implementing partners, i.e. the development agency Enabel and NGAs. As the DGD is considering updating its strategic notes, in particular to promote its contribution to the SDGs, the themes selected and the content of the notes will influence DGD's ability to convey new ideas to political actors and steer implementing partners.

Despite being developed prior to the major international agreements on sustainable development, the Belgian co-operation strategy is in line with the general philosophy of the 2030 Agenda. The rights-based

approach serves as an analytical framework for identifying the populations left behind and those whose rights and freedoms are being violated, while always emphasising the rights of women and children. The recent research project "The SDGs as a compass for Belgian Development Co-operation" should help to identify how to strengthen this alignment. However, the strategic discourse does not specify what is expected of such a rights-based approach and how it will contribute to reducing poverty and inequality, and to leaving no one behind.

## Recommendation

7. The DGD should, in consultation with its partners, develop an overall strategic framework which clarifies:
  - the order of priorities and how these priorities and cross-cutting themes are addressed in fragile contexts
  - the operational consequences of a rights-based approach for reducing poverty and leaving no-one behind.

This reflection could serve as a roadmap for developing future thematic and regional strategies and country portfolios.

### ***The search for policy coherence focuses on external policy***

Although Belgium is committed to policy coherence for development, it does little to mobilise the co-ordinating and monitoring bodies that could measure the impact of its domestic policies on developing countries. Belgium mainly searches for coherence through its "comprehensive approach", which looks at the coherence of its foreign policy. That said, new multi-actor partnerships have helped to factor development issues into key sectors of the Belgian economy, such as the chocolate industry, medicines and the diamond trade.

## Recommendation

8. In pursuing its comprehensive approach, Belgium should mobilise the task forces created under this approach as well as other existing or upcoming mechanisms to identify domestic policies that have a negative impact on developing countries and relay the challenges to the relevant federal public services, ministries and their cabinets.

### ***Belgium still lacks a plan for increasing its ODA or achieving its financial targets***

Following years of sharp budget cuts, Belgium's ODA budget has been relatively stable since 2015, reaching 0.42% of GNI, or USD 2.2 billion, in 2019. However, this still falls far short of its international commitment to provide 0.7% of GNI as aid. Although both the public and parliament support this target, and despite recommendations in the previous peer review, Belgium still lacks a pragmatic roadmap for increasing ODA in the future. Such a roadmap will be critical in the post-COVID economic context.

Moreover, the share of programmable country aid is relatively low, which hinders Belgium's capacity to steer action. As a result, Belgium has not been able to meet its target established in its strategic framework of 50% of bilateral aid to LDCs; LDCs received only 31.2% of bilateral aid in 2017-18. It has also failed to set a deadline for achieving this target, despite recommendations in the 2015 peer review. Nevertheless, the focus of Enabel's new commitments in these contexts puts Belgium on the right track.

## Recommendation

9. Belgium should establish a roadmap to maintain the stability in ODA volumes in the short term before returning to a medium-term growth path.

### ***Staff would benefit from consolidation of reforms and workforce planning***

The DGD has managed to stabilise its staff numbers over the last three years through a strategy of exchange, internal mobility and secondment. This was in a context of pressures on all FPS Foreign Affairs, Foreign Trade and Development Co-operation staff (particularly affecting the DGD up until 2016), high staff turnover and the general tightening of budgets across the Belgian civil service. However, development co-operation jobs in the field have drastically declined, falling from 54 in 2014 to 28 in 2020. Despite increased operational budgets, the humanitarian team has also seen its staffing levels reduced, which increases fiduciary and reputational risks. Finally, the integration of former international co-operation attachés into a single career path has had a direct impact on the management of the DGD's expertise and knowledge, particularly of fragility issues. Successive reforms, carried out with little consultation, have contributed to a loss of staff momentum and orientation with regard to the DGD's new role, resulting notably in high rates of long-term absenteeism, often due to increased stress. Given that the DGD's services are evolving and technical expertise is now the sole responsibility of Enabel, it is now critical to build staff's co-ordination and strategic steering capacities and to avoid duplicating tasks that are now the agency's responsibility.

## Recommendation

10. As part of a strategic workforce planning, the DGD should map the skills available across the system, assess whether they match its strategic priorities, support the continued roll-out of recent reforms, and build capacities to deliver on those reforms. This could include job rotations across departments and with the other direct bilateral co-operation actors.

Access the full report

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