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FOR EUROPEAN DEVELOPMENT COOPERATION



Improving European coordination in fragile states

Main report

Carried out by



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The headquarter analysis and field research parts contain respectively two and ten case study analyses. These documents are not included in this document but available to the PN in separate annexes.

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LIST OF ACRONYMS

AECID	<i>Agencia Española de Cooperación Internacional para el Desarrollo</i>
AFD	<i>Agence de Developpement Francaise</i>
ANFICT	<i>Agence Nationale de Financement des Collectivités Territoriales</i>
ARTF	Afghanistan Reconstruction Trust Fund
BAGRI	<i>Banque Agricole Nationale de Niger</i>
BF	Basket Fund
BTC	Belgian Technical Cooperation
CAR	Central African Republic
CNP-SS	<i>Comité National de Pilotage du Secteur de la Santé</i>
CSO	Civil Society Organisation
DA	Delegation Agreement
DAC	Development Assistance Committee
DAG	Donor Assistance Group
DC	Delegated Cooperation
DCF	Development Cooperation Forum
DEVCO	Directorate-General of International Development Cooperation
DFID	Department for International Development
DoL	Division of Labour
DRC	Democratic Republic of Congo
ECHO	Directorate-General for Civil Protection and Humanitarian Aid Operations
EDF	European Development Fund
EDSP	Education Development Strategic Plan
EEAS	European External Action Service
EIB	European Investment Bank
EU	European Union
EUROCLIMA	EU-Latin America Climate Change Programme
FAO	Food and Agriculture Agency
FCS	<i>Fonds Commun de Santé</i>
FISAN	<i>Fonds d'investissement pour la securité alimentaire et nutritionnelle</i>
G20	Group of Twenty
GFATM	Global Fund to Fight AIDS, Tuberculosis and Malaria
GIBS	<i>Groupe Inter Bailleurs Santé</i>
GIZ	<i>Gesellschaft für Internationale Zusammenarbeit</i>
GPEDC	Global Partnership for Effective Development Co-operation
HLFs	High Level Forums
HQ	Headquarter
HR	Human Rights
IDB	Inter-American Investment Bank
IDPS	International Dialogue on Peace and Statebuilding
IHL	International Humanitarian Law
ILO	International Labour Organisation
JDT	Joint Donor Team
JFA	Joint Financing Agreement

JI	Joint Implementation
JICA	Japan International Cooperation Agency
JP	Joint Programming
KfW	KfW Development Bank - <i>KfW Entwicklungsbank</i>
LuxDev	Luxembourg Agency for Development Cooperation
MDBS	Multi-Donor Budget Support
MDLF	Municipal Development Lending Fund
MDTFs	Multi-Donor Trust Funds
MoEHE	Ministry of Education and Higher Education
MRI	Mutual Resilience Initiative
NGO	Non-Governmental Organisation
NORAD	Norwegian Agency For Development Cooperation
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PAFMIR	<i>Projet d'Amélioration de la Formation professionnelle en Milieu Rural</i>
PARIS	<i>Programme d'Appui à la Reconstruction des Infrastructures Scolaires</i>
PCNAs	Post-Conflict Need Assessments
PDNAs	Post-Disaster Need Assessments
PEGASE	<i>Mécanisme Palestino-Européen de Gestion de l'Aide Socio-Economique</i>
PN	Practitioners' Network For European Development Cooperation
PSC	Political and Security Committee
PSGs	Peacebuilding and Statebuilding Goals
SDC	Swiss Development Cooperation
SIDA	Swedish International Development Cooperation Agency
SME	Small and Medium Enterprises
SWAPs	Sector-Wide Approaches
TA	Transfer Agreement
TF	Trust Fund
TVET	Technical and Vocational Educational Training
UJAS	Uganda Joint Assistance Strategy
UN	United Nations
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
WB	World Bank

I. LITERATURE REVIEW

1. INTRODUCTION

The principle of donor coordination has been around in international development thinking for more than six decades. From the very outset of international development cooperation in the 1950s, donor countries have sought ways to better coordinate their aid programmes (Esman & Cheever, 1967; Hayman, 1975; Delputte, 2013). A case in point was the establishment of the OECD-DAC in 1961, which marked the first major attempt to improve coordination among Western development donors (Verschaeve & Orbie, 2016a). At that time, coordination was mainly understood as meaning ‘by donors among donors’ with a central role for the OECD-DAC, the United Nations Development Programme (UNDP) and the World Bank (WB) (Hayman, 2006). Only at the end of the 1980s, more emphasis was put on the principle of ownership (Aldasoro et al., 2010).

However, it was not until more recently that the **principle of donor coordination became ‘incontournable’ in development thinking**, most notably in the context of the OECD’s High Level Forums (HLFs) on aid effectiveness in Rome (2003), Paris (2005), Accra (2008) and Busan (2011). The European Union (EU) has also actively engaged with these debates since the 2000s (EU, 2005, 2011, 2016). Following a period of general aid fatigue in the 1990s whereby the added value of development programmes was frequently criticised, the international community sought ways to improve the effectiveness of aid. In doing so, the blame for the allegedly limited impact of aid was linked not only to the behaviour of partner countries, but also to the proliferation and fragmentation of donor countries’ aid programmes (Carbone, 2016; Klingebiel, Mano & Negro, 2016; Eyben, 2012 Birdsall, 2008; Fengler & Kharas, 2011). Indeed, recent years have witnessed growing aid fragmentation, referring to the situation whereby too many donors provide too little aid to too many countries in an uncoordinated way. **This creates an international development landscape in which international efforts strongly overlap in certain countries (and sectors) – the so-called “aid darlings” – whereas elsewhere, in the so-called “aid orphans”, aid programmes are largely absent** (Nunnenkamp, Sotirova & Thiele, 2016; OECD, 2011a).

Aid fragmentation has important unintended consequences, which undermine overall aid effectiveness (OECD, 2011b). These can be overcome through improved donor coordination. **Across countries and sectors**, improved coordination contributes to a better global aid allocation pattern, e.g. by addressing the issue of aid darlings and orphans (OECD, 2011a). **Within countries**, donor coordination contributes to more aid effectiveness by reducing transaction costs for donor and partner countries. Starting with the latter group of partner countries, each aid relationship entails transaction costs, which burden their administrative capacity. In the absence of donor coordination, these transaction costs quickly expand partner countries’ aid absorption capacities as donors typically have their own

priorities, strategies, reporting requirements and procurement rules (Nunnenkamp, Sotirova & Thiele, 2016; Bigsten and Tengstam, 2015; Faust & Messner, 2007; Aldasoro et al., 2010; Birdsall, 2008). Furthermore, donor countries often compete for visibility and short-term results, further undermining the partner countries' public sector capacities (Delputte, 2013; Barry & Boidin, 2012; Brautigam in Birdsall, 2008). A lack of coordination imposes high transaction costs on donor countries as well. This stems from the fact that duplication and competition lead to inefficiency and even wastage of scarce aid resources (Bourguignon & Platteau, 2015; Delputte & Orbie, 2014; Furness & Vollmer, 2013; OECD, 2011). For example, a 2009 study for the European Commission estimates that EU institutions and Member States could save EUR 3-6 billion per year by reducing the fragmentation of European aid programmes (Carlsson et al., 2009, p. 13). At a more general level, other studies also show the positive impact of improved donor coordination on aid effectiveness (e.g. Bigsten & Tengstam, 2015; Leblanc & Beaulieu, 2006).

The central focus of this literature review is on donor coordination in fragile states¹. Fragile states constitute one of the most challenging working environments in which to achieve sustainable development (OECD, 2016a; World Bank, 2011). This stems from the fact that fragile states suffer from violent conflicts, climate-related crises, natural disasters or migration flows, often in combination, resulting in an increasing concentration of extreme poverty and crises within their borders (Stockholm Declaration, 2016). The Brookings Institution, for example, recently predicted that by 2030 two-third of the world's poorest will live in a situation of conflict and fragility (Chandy, Ledlie & Penciakova, 2013). Therefore, fragile states have become a key priority for development actors at the bilateral (e.g. DFID, 2015), regional (e.g. EU, 2011, 2015) and multilateral level (New Deal, 2011; OECD, 2016a; Stockholm Declaration, 2016; UN, 2015; World Bank, 2011). Of particular relevance for this study are the initiatives taken at the European level to improve donor coordination in fragile states. Already in 2009, the European Report for Development called upon the EU institutions and Member States to forge a new European approach, prioritizing improving coordination, to help overcoming fragility in Africa (ERD, 2009, p. 105). Also more recently, various initiatives have been taken at the European level in this regard, including but not limited to, the communication on Resilience (2017), the new EU global strategy (2016) and the revised European Consensus on Development (2017).

¹ In line with the OECD's 2015 State of Fragility report (2015) and current international development thinking, this literature review adopts a comprehensive view on 'fragile states'. More specifically, we recognise the diversity of risks and vulnerabilities that lead to fragility and define fragile states as countries which score low on five interrelated criteria: (1) violence, (2) access to justice for all, (3) effective, accountable and inclusive institutions, (4) economic foundations and (5) capacity to adapt to social, economic and environmental shocks and disasters (see OECD, 2015).

A key challenge for fragile states is the need to improve aid effectiveness, since **ineffective development programmes are more likely to occur in situations of fragility** as these are typically characterised by (i) lower administrative capacities on the part of the partner countries, a (ii) broader and more diverse spectrum of involved international actors, and (iii) a more complex and challenging political, social and economic environment (ECDPM, 2015; Wennmann, 2010). From the very outset, the international aid effectiveness agenda has paid particular attention to fragile states, pioneered by the UK's Department for International Cooperation (DFID) with the publication of two seminal documents on "Why we need to work more effectively in fragile states" (2005) and "Improving the Development Response in Difficult Environments" (2004). This is reflected most clearly in the Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008) – putting strong emphasis on fragile states – as well as in the OECD's Principles for Good International Engagement in Fragile States (2005) and the New Deal for Engagement in Fragile States (2011) – putting strong emphasis on aid effectiveness. Furthermore, regional players, most notably the EU, have recently highlighted the importance of improving aid effectiveness in contexts of fragility (EU, 2011; 2013, 2016). The 2009 European Report on Development aimed to 'overcome fragility in Africa' by 'forging a new European approach' which includes 'a better coordination between the EC and its member states' (ERD, 2009, 105).

Of particular relevance for this literature review is the fact that the above international commitments place strong emphasis on improving donor coordination in fragile states. Fragile states are especially vulnerable to aid ineffectiveness (Hearn, 2016; Furness & Vollmer, 2013; OECD, 2011). Indeed, not only do fragile states tend to have lower aid absorption capacity due to limited institutional resources (e.g. Toh & Kasturi, 2014); they are often confronted with a highly fragmented aid landscape. This is especially true for (post)crisis situations where both development and humanitarian actors operate within the borders of the same country. Furthermore, situations of fragility can rapidly evolve in the contexts of crises, making donor coordination all the more relevant in many cases (ECDPM, 2016; Hearn, 2016; Keddar, 2011).

The central aim of this study is to improve our understanding of current knowledge on donor coordination in fragile states. Through a systematic review of the literature on this topic, covering both academic research and policy evaluations, we aim to identify relevant enabling and constraining factors for successful donor coordination and joint implementation. This is a timely undertaking, as despite the strong political commitments at headquarters political level, there continues to be a strong need for improved donor coordination on the ground. Furthermore, the successful implementation of the United Nations (UN) 2030 Agenda for Sustainable Development (2015) will depend, amongst other things, upon improving aid effectiveness and donor coordination in situations of fragility.

In the remainder of this document, we will first provide a general overview of the academic literature on donor coordination, elaborating on the various ways in which donor coordination can be defined. Section 3 then discusses general progress on donor coordination in fragile states and provides an overview of the main approaches, instruments and actors involved in donor coordination. The fourth and final section provides a detailed overview of the main constraining and enabling factors for donor coordination in fragile states, distinguishing between factors related to (i) donor and (ii) partner countries.

2. DEFINING DONOR COORDINATION

Defining donor coordination is a challenging, if not impossible, task given its multi-dimensional and complex nature. The most basic understanding of donor coordination is that different actors work together to solve a collective problem (Kjellman, Harpviken, Millard & Strand, 2003). A more complex and comprehensive definition – which is widely applied within academia and policy circles – is the one provided by the World Bank, defining coordination as

“the activities of two or more development partners that are intended to mobilize aid resources or to harmonize their policies, programmes, procedures and practices so as to maximize the development effectiveness of aid resources” (World Bank, 1999: 3).

Taking the latter definition as a point of departure, the remainder of this section further breaks down the concept of donor coordination alongside the **different dimensions** that are put forward in the literature, specifically: (i) objectives of coordination, (ii) governance of coordination, (iii) time of coordination, (iv) level of coordination, (v) degree of coordination and (vi) area of coordination.

2.1. Objectives of coordination

First and foremost, donor coordination aims to maximise the **effectiveness** of development programmes, as has already been highlighted in the introduction. Through improved coordination, both donor and partner countries are able to reduce the transaction costs of their aid relationships, thus ensuring more value for money. For donor countries, improved donor coordination results in a reduction of the number of aid relations as it significantly reduces transaction costs for the government. For donors, it decreases competition and duplication of efforts, resulting in a more efficient and effective allocation of official development assistance (ODA) (Nunnenkamp, Sotirova & Thiele, 2016; Bigsten & Tengstam, 2015; Faust & Messner, 2007; Kjellman et al., 2003).

At the same time, donor coordination may also serve a **political** objective, i.e. maximising the influence of the coordinating donors *vis-à-vis* the government of the partner country (Bigsten et al., 2011). For example, the EU – meaning both the EU institutions and Member States – openly acknowledges that improved donor coordination adds to the Union’s political clout (e.g. EU, 2016; European Commission, 2016). This political leverage may be used to promote

development as well as other donors' policy objectives (Dearden, 2011; Bigsten et al., 2011). Indeed, some have pointed to the 'self-promotional side of aid coordination' (Forster and Stokke, 1999, cited in Hayman, 2009), referring to the broader political and economic benefits for donors that take the lead in coordination efforts. This leads us to consider the next dimension of coordination, namely the governance dimension.

2.2. Governance of coordination

The governance of coordination concerns the questions of (i) **which actors are involved** in donor coordination, (ii) **who takes the lead** in the process and (iii) **what should be coordinated** (Bourguignon & Platteau, 2015; Delputte, 2013; Klingebiel, Morazan & Negre, 2013).

First, which actors are involved largely depends on the specific context and their respective preferences. Hence, donor coordination at country level can have different compositions. In theory, it may range from a small initiative between only two actors to a large-scale initiative involving all relevant actors present in the country. Furthermore, coordination can be limited to development actors only or be (much) broader, also including humanitarian, security, diplomatic and other actors. The latter is particularly true in **contexts of fragility**, which are often characterised by a wide range of different types of actors and challenges, **requiring 'whole-of-government' approaches** (Hearn, 2016; ECDPM, 2016; OECD, 2006), or in the case of the EU a 'whole-of-Union response' (EU, 2013: 12). In this regard, Example 1 provides insights from the EU's comprehensive approach to Somalia.

Example 1: The European Union's comprehensive approach to Somalia

The EU's comprehensive approach to Somalia is a clear example of a 'whole-of-government' approach in a context of fragility, seeking to improve coordination across the various EU actors operating within the country. More specifically, the EU is engaged in Somalia in various ways, i.e. providing political and diplomatic support, development assistance, humanitarian aid and security support. To assure coordination across these efforts, the EU adopted a comprehensive approach, linked to the Somalia Compact, which was drafted by the partner country in the context of the New Deal on Fragile States and endorsed by the European Union at the EU-Somalia summit in 2013. Intra-EU coordination is structured around the five Peacebuilding and Statebuilding Goals (PSGs). For example, the EU is strongly involved in peace and stability building through a number of missions (e.g. EU NAVFOR, EUCAP), which in turn also facilitates its humanitarian efforts (e.g. protecting aid shipments from piracy) and trade (e.g. establishing safe naval trade routes) (e.g. Pirozzi, 2013; Erhart & Petretto, 2012).

Second, the question is who takes the lead in the coordination process. In line with the Paris Declaration (2005), the Accra Agenda for Action (2008) and the Busan Partnership for Effective Development Co-operation (2011), **coordination should ideally be led by the government of the partner**

country based on the principle of ownership (Delputte, 2013). This is particularly relevant in contexts of fragility as the New Deal for Engagement in Fragile States (2011) explicitly envisages peace and statebuilding through supporting nationally-owned and led development plans. In the absence of clear leadership by the partner government, which is **all the more challenging in fragile states**, the thorny question arises of who should take the lead (Klingebiel, Morazan & Negre, 2013). **In most partner countries, coordination has been driven by donors**, usually under the lead of UNDP, the WB or an alliance of like-minded donors. This may sometimes lead to tensions, or as neatly put by Whittington and Calhoun (1988) “all donors want to coordinate but no one wants to be coordinated” (pp. 306-307).

Third, the **potential scope of what should be coordinated is extremely wide**. Attempts at forging coordination can be hampered by conceptual ambiguity – both in policy discourse and in academic literature – on what exactly coordination involves. **The wide-ranging consensus on the need for more and better coordination obscures the fact that there is a considerable lack of clarity about what should be coordinated** (Delputte, 2013). Donors and governments can decide to coordinate information exchange, policies, aid allocation, aid instruments, procedures and/or programming. Donor coordination can imply working towards a consensus on policies, principles, guidelines and strategic objectives and better integrating individual programmes and projects with national priorities (Penh, Medina, & Behrend, 2004), although it might also link to sectoral policies and priorities (World Bank, 1999). Furthermore, coordination can involve the simplification and ultimately the harmonisation of procedures, practices and requirements in planning, implementation, disbursement mechanisms and evaluations (Faust & Messner, 2007). This can, for example, involve a reduction of missions and reports (de Renzio et al., 2004). The latter are more technical forms of coordination than, for example, the harmonisation of goals, which are more political. All this can be governed through more or less formal mechanisms.

2.3. Timing of coordination

The third dimension of coordination refers to the time at which donors seek to harmonise their policies, programmes, procedures and practices. More specifically, a distinction needs to be made between **ex ante coordination** and **ex post coordination** (Klingebiel, Morazan & Negre, 2013; Woods, 2011). In the literature, the **ex ante coordination is generally considered the more desirable option** and refers to those instances where donors seek to harmonise their efforts prior to making key decisions (Woods, 2011). A case in point is the EU’s **Joint Programming** initiative as it establishes a framework to harmonise donor efforts in the planning phase (Furness & Vollmer, 2013). Another example concerns the international efforts undertaken by the OECD-DAC and others to **address the issue of aid orphans**, which essentially aim to coordinate aid allocation patterns across donors in the programming phase to assure adequate funding to aid orphans (Hearn, 2016; OECD, 2014a).

Ex post coordination, on the other hand, refers to the situation whereby donors seek to harmonise their efforts after key decisions on policy priorities or aid allocation have been made. While such efforts are considered to be less efficient from an economic point of view (Schulpen & Habraken, 2016), they **do have the potential to greatly improve aid effectiveness**. For instance, they can remedy specific problems that had not been anticipated in the *ex ante* phase. Also, they could serve as a stepping stone towards *ex ante* coordination in related areas between the same donors (Woods, 2011). A textbook example is **information sharing** among donors about the development programmes that are being implemented in a particular partner country and/or sector (Woods, 2011; Stratmann, 2000). **Joint multi-donor evaluation exercises** (see, for example, OECD-DAC, 2000, 2005) which aim to reduce transaction costs (i.e. avoiding overlapping bilateral evaluations) constitute another example of *ex post* coordination. This can pave the way for better donor coordination in the future through the development of a shared understanding of what went wrong and what went right (Andersen & Broegaard, 2012; OECD, 2010). Unfortunately, despite their crucial importance, systematic and comprehensive evaluations are relatively limited in number and not always publicly available. Example 2 provides insights from a joint evaluation exercise relating to the international response to the Indian Ocean tsunami. Importantly, *ex post coordination* can be achieved at the field level in the absence of (and as a second best alternative to) coordination steered from the headquarters level. This also links to the next dimension, namely the level of coordination.

Example 2: Joint evaluation(s) of the international response to the Indian Ocean tsunami

A textbook example of coordination in the context of evaluation is the joint evaluation of the international response to the Indian Ocean tsunami. On 26 December 2004, a massive earthquake off the west coast of Northern Sumatra generated a series of tsunamis that killed people in 14 countries around the Indian Ocean, including fragile states such as Bangladesh, Myanmar and Sri Lanka. More than 227,000 people lost their lives and another 1.7 million people were displaced. This led to a massive global response – fuelled by the media – producing the inflow of \$13.5 billion of ODA in less than two years. For understandable reasons, this resulted in substantial coordination issues (Bennet, Bertrand & Harkin, 2006). Hence, to learn lessons on what could be improved in similar situations in the future, a large group of donors (i.e. Sida, TEC, Actionaid, BMZ, CIDA, Coraid, Danida, Dara, Irish Aid, DFID, FAO, IFRD, JICA, *Ministère des Affaires Étrangères* France, *Ministère des Affaires Étrangères* Luxembourg, Norad, NZAID, DEZA, UN, UNDP, UNFPA, UNICEF, USAID, WFP, WHO, World Vision) joined efforts to establish the Tsunami Evaluation Commission, which conducted a series of joint evaluations into the topic (e.g. Bennet, Bertrand & Harkin, 2006; Telford, Cosgrave & Houghton, 2006), leading to several

recommendations on how to improve donor coordination in the future (e.g. prioritising the strengthening of capacity of both donor and partner countries, changing institutional regulations of several international NGOS – e.g. International Red Cross).

2.4. Level of coordination

Donor coordination takes place at different levels. The literature distinguishes between three broad levels of coordination: the (i) **policy formulation**, (ii) **programming** and (iii) **implementation** level (Klingebiel, Mano & Negro, 2016; Delputte, 2013).

First, the **policy formulation** level, as evident from its name, is the broadest and most political and is all about setting principles, standards, strategic approaches and allocation patterns. This is done almost exclusively at **headquarter (HQ) level**, typically within the framework of existing international/plurilateral/regional organisations and/or conferences. Classic examples are the OECD-DAC, the EU, the GPEDC, G20 and UN-DCF, which, apart from their varying memberships, have in common that they seek to achieve greater coherence and harmonisation of the development activities of different development actors (Verschaeve & Orbie, 2016; Fues & Saltzmann, 2015; Janus, Klingebiel & Mahn, 2014). Of particular relevance for donor coordination in fragile states are the efforts of the OECD-DAC's Network on Conflict and Fragility (INCAF) and the International Dialogue on Peacebuilding and Statebuilding, which resulted in, respectively, the adoption of the Principles for Good Engagement in Fragile States and Situations (2007) and the New Deal for Engagement in Fragile States with its five PSGs (2011).

Second, coordination at **programming** level is about agreeing upon certain approaches and strategies in the aid programming phase, taking into account, for example, the partner country's development strategy and systems (Klingebiel, Morazan & Negro, 2013: 23). This is done both at **HQ and country level**. Importantly, **a growing number of donors are increasingly placing their country delegations at the centre of the programming phase, which has two major advantages that are particularly relevant in the context of fragile states**. First, it allows for flexibility to respond to partner country needs, which are particularly challenging in fragile countries. Second, it allows maximum involvement of the partner countries' government, which has already been identified as a major challenge in fragile states. However, these advantages do not diminish the importance of steering and political support from the HQ level. A key example of coordination at programming level is the EU's initiative on Joint Programming (2006).

Third, coordination at the **implementation** level refers to those efforts which are intended to harmonise the aid provision phase as well as those designed

to recognize existing aid procedures (Delputte & Orbie, 2014; Klingebiel, Morazan & Negre, 2013). Examples are decisions to move towards **common funding or pooled resourcing**. This form of coordination largely – but not exclusively – takes place at the **country level** and is also referred to as **Joint Implementation**.

2.5. Degree of coordination

The fifth and final dimension of coordination relates to the fact that donor coordination takes place in various degrees. More specifically, there is a widespread consensus in the literature that coordination initiatives can be ranked on a spectrum ranging from basic to more complex approaches (see Figure 1). **The higher donors move up this spectrum, the more complex coordination becomes** (Delputte, 2013; Klingebiel, Morazan & Negre, 2013; World Bank, 1999).

Figure 1: Donor Coordination Spectrum



From a theoretical point of view, the lower boundary of the spectrum starts with situations of ‘non-coordination’. However, research has shown that such situations are virtually non-existent as donors almost always interact in some way or another (Ronald, 2011). Therefore, the *de facto* most basic degree of coordination is the ‘informal interactions’ that take place among donors. A more advanced degree of coordination is information exchange. This can be done in an informal basis as well as in a more structured and institutionalised way, e.g. through regular coordination meetings. A more far-reaching step is the conduct of joint analysis and evaluation. These forms of coordination can then enable donors to identify where they duplicate each other’s efforts in order to adapt themselves. This can lead to *ad hoc* coordinated responses or to more structural joint positions, strategies and/or divisions of labour (Fengler & Kharas, 2011; Faust & Messner, 2007). The highest and most complex form of donor coordination consists of fully integrated approaches. Such approaches can take different forms. For example, the European Development Fund (EDF) is often portrayed as one of the most integrated – but also complex – donor coordination approaches (Klingebiel, Morazan & Negre, 2013).

It is important to point out that **the highest degree of coordination does not necessarily mean the best degree of coordination**. First, higher degrees of coordination also imply higher transaction costs and the risk of coordination

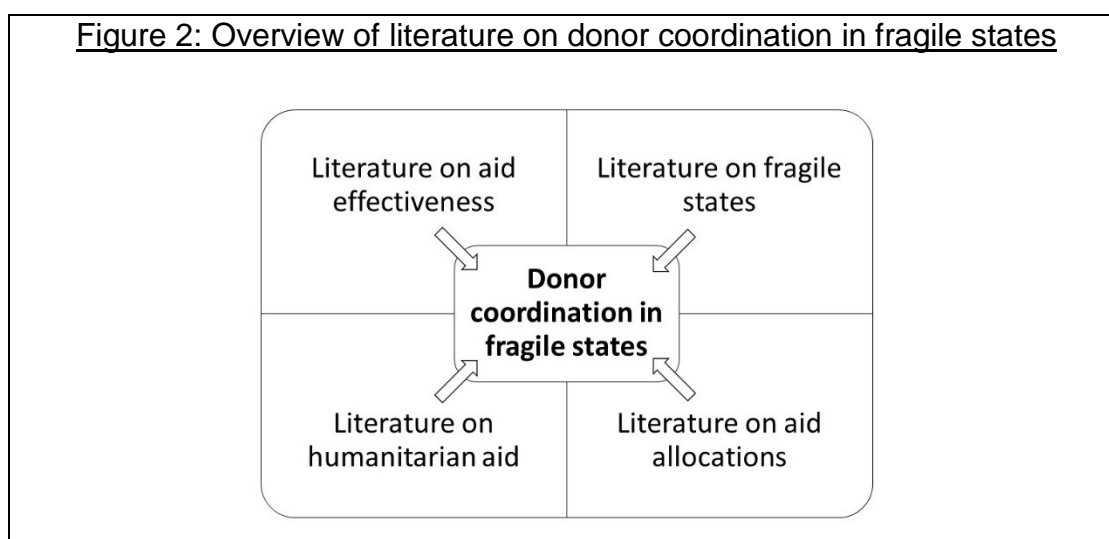
fatigue for the actors involved, whilst also increasing perceived political costs for the donors in terms of losing visibility. Second, more intensive coordination between donors might lead to a decrease in autonomy and ownership on the part of both donor and partner countries (Bourguignon & Platteau, 2015; Delputte, 2013; Klingebiel, Morazan & Negre, 2013). In fact, coordination at the degree of information exchange can already be quite an achievement in some contexts, while also paving the way for more far-reaching coordination initiatives.

3. THE CHALLENGE OF DONOR COORDINATION IN FRAGILE STATES

The central objective of this review is to conduct a systematic review of the literature on donor coordination in fragile states, covering both academic and policy-related studies and evaluations. In order to obtain an in-depth understanding of the challenge of donor coordination in fragile states, Section 3 will therefore take stock of donor coordination in fragile states, starting with a number of general reflections on the literature (Section 3.1.), followed by an overview of overall progress on donor coordination in fragile states (Section 3.2.), the main instruments and approaches taken by donors (Section 3.3.), and the main actors involved in coordination initiatives (Section 3.4).

3.1. General reflections on the state of the literature

We can distinguish between **four strands of literature** that have looked into the issue of donor coordination in fragile states through their respective lenses. These are the studies on **(i) aid effectiveness, (ii) fragile states, (iii) humanitarian aid and (iv) aid allocation**. For example, the literature on aid effectiveness pays ample attention to the issue of aid coordination, although only a selection of these studies focuses on donor coordination at country level. Those studies looking at the country level in fragile states are usually limited to one or more case studies. In a similar vein, the literature on aid allocation pays much attention to the harmonisation of donors' ODA spending, although only a subset of this literature focuses on the issue of better coordination of aid allocations to aid orphans, which are often fragile states (e.g. Guinea, Sierra Leone, Niger). Schematically, the existing literature can thus be visualised as follows (figure 2).



Based on a closer look at these four strands of literature, as well as the way in which they interact and intersect, **three important gaps can be identified**.

First, quite ironically, studies that deal with the issue of donor coordination (in fragile states) are at present **poorly integrated**, typically approaching the

issue from their respective fields without sufficiently taking into account what has been done by others. Indeed, to our knowledge, there have been no efforts to integrate the main findings of the different strands of literature (see Figure 2) on what works and what does not work in terms of donor coordination in fragile states.

Second, most research on donor coordination in fragile states focuses on efforts at the policy and programming level, whereas the **implementation level has been studied to a much lesser extent** (e.g. Hearn, 2016; Bigsten & Tengstam, 2015; Toh & Kasturi, 2014; Delputte, 2013; Furness & Vollmer, 2013). This is particularly true with regard to the fundamental academic studies on this topic, although policy-oriented studies also show a bias towards the former two levels. Illustrative examples are the evaluations on the mainstreaming of the PSGs and New Deal principles in donors' policies (e.g. OECD-DAC peer reviews) or the programming of aid (e.g. EU joint programming evaluations).

Third, studies **insufficiently grasp the complexity of donor coordination in fragile states**. Indeed, while it has been established that situations of fragility are often difficult to study (ECDPM, 2016; Toh & Kasturi, 2014; Keddar, 2011), stemming from the fact that they are characterised by a larger number of variables at play – e.g. the far greater diversity of actors in fragile states - studies do little to accommodate to this context, typically taking insufficient account of the local context by only engaging in desk research and/or approaching the issue from a narrow perspective. Hence, studies should ideally approach the topic from a more holistic perspective, inter alia by engaging in field research in the fragile states.

3.2. Progress on donor coordination in fragile states

According to the literature, **overall progress on donor coordination in fragile states is limited**. Despite the fact that the issue has featured prominently on the international agenda for over a decade – examples are the Paris Declaration (2005), the OECD's Principles for Good International Engagement in Fragile States (2005) and the New Deal for Engagement in Fragile States (2011) – most fragile states continue to suffer from low levels of donor coordination (e.g. Carbone, 2016; Leiderer, 2015; Nunnenkamp, Sotirova & Thiele, 2016; OECD, 2011). This claim has been established both in academic (e.g. Carbone, 2016; ECDPM, 2016; Hearn, 2016; Nunnenkamp, Sotirova & Thiele, 2016; Leiderer, 2015; Furness & Vollmer, 2013) and in policy studies and evaluations, such as the OECD's follow-up surveys on the implementation of the Principles for Good International Engagement in Fragile States and Situations (OECD, 2011; 2009) or more recently the monitoring reports of the GPEDC and the IDPS on the implementation of the New Deal for Engagement in Fragile States (GPECD, 2014; IDPS, 2014).

Importantly, the above studies also indicate that progress towards improved donor coordination in fragile states has **stalled in recent years** (Leiderer,

2015; IDPS, 2014; OECD, 2011; OPM/IDL, 2008). While initially, i.e. in the period between 2005 and 2009, several donors took important steps to achieve more coordination, recent years have witnessed a trend of stalling – and in some cases even declining – efforts (Hearn, 2016; Leiderer, 2015; Keddir, 2011; OECD, 2011; 2009). Therefore, various scholars and policy-makers have openly come to wonder whether donors are suffering from “**harmonisation and coordination fatigue**” (Leiderer, 2015: 445; but also Carbone, 2016; Eyben, 2012; OECD, 2011).

Example 3: Joint Donor Team in South Sudan

An illustrative example of the waning momentum for aid coordination is the evolution of the Joint Donor Team (JDT) in South Sudan. The JDT was established in 2005 by the Netherlands, Norway, Sweden and the UK, and Denmark and Canada joined at a later date. For quite some time, this JDT was regarded by the international community as a flagship example of advanced donor coordination in fragile contexts, including delegated cooperation (e.g. DFID, 2010; OPM/IDL, 2008). However, its role and relevance started to decline from 2011 onwards as most of the above donors established bilateral relations with South Sudan after its independence, through which they also represented their respective development programmes (e.g. DFID, 2014; Rijksoverheid Nederland, 2012; ERD, 2009).

Literature on donor coordination in fragile states reveals a second general pattern, namely that thus far **most progress has been made at the policy level**², **whereas fewer improvements have been made at the programming and implementation level** (Carbone, 2016; European Parliament, 2015; IDPS, 2014; Furness & Vollmer, 2013). This issue echoes a larger, more structural problem in international development cooperation, which is the divide between headquarters level and the field. More specifically, while it is crucial to establish policy principles, strategies and instruments at headquarters level – which is in itself not an easy task – the real challenge typically lies in translating and adapting these to the specific contexts and conditions in the field (e.g. Bodenstein, Faust & Furness, 2016; Carbone, 2013, Bué, 2010).

Again, however, systematic and comprehensive assessments of coordination at field level are lacking. It thus remains unclear whether practitioners have effectively established in-country coordination initiatives that are more ambitious than the waning political climate for coordination at headquarters

² Notable examples are the Paris Declaration on Aid Effectiveness (2005), the OECD's Principles for Good International Engagement in Fragile States (2005) – in particular Principle 8 – and the New Deal for Engagement in Fragile States (2011) which has recently been reaffirmed in the Stockholm Declaration on Addressing Fragility and Building Peace in a Changing World (2016). Furthermore, at regional level, the EU has (re)affirmed and/or further advanced these principles on several occasions, e.g. in the Code of Conduct on Complementary and Division of Labour in Development Policy (2007), the Agenda for Change (2011) and the EU's comprehensive approach to external conflict and crises (2013).

level would suggest. At the same time, it should be noticed that in recent years a wide set of instruments has been developed for the purpose of coordination, which continues to be refined and elaborated as will be illustrated in the next section.

3.3. Instruments and approaches for donor coordination in fragile states

Despite the supposedly waning political interest in donor coordination (see previous section), recent years have witnessed a proliferation of coordination instruments and approaches that are currently being refined and elaborated. This section provides an overview of the most relevant ones, as put forward in the literature, with a specific focus on instruments and approaches at the **programming and implementation level**, as that these are the levels at which the members of the PN operate. Importantly, it should be noted that while the different instruments and approaches are presented separately, they are often interlinked and/or overlapping in nature.

Coordination structures at sector, country and regional level

The **most common way of improving donor coordination in fragile states** is through the use or establishment of coordination structures at sector, country and regional level (Carbone, 2016; Delputte & Orbie, 2014; Klingebiel, Morazan & Negre, 2013; DFID, 2010). These coordination structures **vary considerably in terms of their (i) institutionalisation level, (ii) scope and (iii) membership.**

First, the level of institutionalisation of coordination structures varies significantly. Coordination can be highly institutionalised, for example when a fixed body of donors meets on a regular basis, or when joint strategies or common agreements for planning, management and delivery of aid are developed. However, donors can also coordinate on an *ad hoc* basis, for example in the context of discussions on policies, priorities and principles in the political dialogue with the partner country or, in a specific crisis, donors can decide to adopt a common position or coordinate their responses (Delputte, 2013). The partner country may also seek to establish donor-specific and/or broader coordination structures (see below).

Second, coordination structures can be set up to improve coordination at the national or regional level or focus on a specific sector (e.g. health) and/or theme (e.g. Ebola). Sub-groups, task forces and working groups may also be established and may serve as a venue for joint action or simply be used as platforms for information exchange (e.g. Carbone, 2016, Nunnenkamp, Sotirova & Thiele, 2016; Fuchs, Nunnenkamp & Ohler, 2015).

Third, in terms of membership, coordination structures at regional, country and sector level can be very broad (e.g. including development, humanitarian, security and political actors) or have a much more restricted membership which is linked to, for example, affiliation to the EU or Nordic Plus countries (Delputte & Orbie, 2014; Wohlgemuth & Saasa, 2008). Importantly, the involvement of the partner country can also vary. One example of strong partner country ownership on coordination is the Donor Assistance Group (DAG) in Ethiopia, which was established in 2001 to improve coordination between the government and 30 bi- and multilateral donors (DFID, 2010). However, in fragile countries, effective involvement of the partner country can be more difficult.

In sum, **there is no fixed template** for coordination structures at regional, country and sector level. Rather, the literature shows that they vary considerably, depending on the specific local context as well as on the interests and preferences of their respective stakeholders. For that reason, it is also impossible to draw general conclusions about their added value from the literature. However, it has been established that **coordination structures can be highly relevant instruments for improved donor coordination and may also serve as a stepping stone for more advanced degrees of donor coordination** (Nunnenkamp, Sotirova & Thiele, 2016; Delputte, 2013; DFID, 2010).

Joint needs assessments and analysis

Developing a common understanding of the specific context and causes of fragility through joint needs assessments and analysis is typically not an end in itself but a means to more advanced forms of donor coordination (Hearn, 2016; DFID, 2010). The most relevant joint needs assessments and analysis instruments for fragile states are: **(i) Post-Conflict Need Assessments (PCNAs) / Post-Disaster Need Assessments (PDNAs) and (ii) Fragility Assessments.**

PCNAs and PDNAs are multilateral exercises undertaken by the EU, UN and WB in association with regional development banks under national government leadership. They were introduced in 2008 in a joint declaration by the EU, UN and WB as an attempt to develop a common approach to joint needs assessments and recovery planning. This declaration covered the assessments needed after a conflict (i.e. PCNA) and disaster (i.e. PDNA), putting forward the specific processes and methodologies to follow (EU, UN & WB, 2008). The overarching objective was to come up with unified responses to post-crisis situations in fragile and non-fragile countries (Garassi & Allen, 2016).

Fragility Assessments, on the other hand, are exclusively developed for fragile states, in particular the g7+ countries. They are put forward as a key pillar of the New Deal for Engagement in Fragile States (2011) and refer to

periodic country-led assessments in which all stakeholders take part, potentially including donor countries. More specifically, through a set of established methodologies (e.g. the fragility spectrum), these assessments aim to identify the causes and features of fragility. This assessment should serve as the basis for a national development strategy – the ‘one vision, one plan’ – upon which coordination efforts can build (Hearn, 2016; Hughes, Hooley, Hage & Ingram, 2014). Important in this regard are also the existence of several early warning systems, including the EU Early Warning System analysis, as they allow for timely collective action and feed into fragility assessments.

Importantly, **both the PCNAs/PDNAs and Fragility Assessments are reviewed positively in the literature.** This stems from the fact that they are widely applied and have proven their merits in several situations (Garassi & Allen, 2016; Hearn, 2016; GPEDC, 2014; Hughes, Hooley, Hage & Ingram, 2014). Despite these advantages, a number of **shortcomings** have also been observed. First, there has been an overlap between the different approaches (and thus potential duplication of efforts). Second, the quality of the process has not always been optimal due to the exclusion of certain actors (e.g. non-traditional aid providers) (Garass & Allen, 2016; Hearn, 2016). Third, some fragile states allow insufficient time for the fragility assessment process (Hearn, 2016).

Joint strategic frameworks

Joint strategic frameworks – also commonly referred to as **joint country assistance strategies** – are a popular instrument to reduce aid fragmentation at the country level (Woods, 2011; DFID, 2010). In its purest form, joint strategic frameworks bring the different partner countries together under an agreed assistance framework which aligns with the local partner’s overarching development strategy. More specifically, the document puts forward a common strategy which ensures that donors and the partner country’s government share a common vision, operate on the basis of shared principles and put forward common targets and benchmarks which are specific and measurable. For this reason, joint strategic frameworks ideally build upon a joint needs assessment and analysis (DFID, 2010; Linn, 2009). Joint strategic frameworks can be – and have been – drafted without the involvement of local stakeholders (e.g. Ernst, 2011), although this is only a second-best option given that ownership is a precondition for aid effectiveness (Faust, 2010).

Importantly, the international aid effectiveness agenda did not initially envisage joint strategic frameworks, both in general and with regard to fragile states. Indeed, the Paris Declaration (2005), Accra Agenda for Action (2008) and OECD Principles for Good International Engagement in Fragile States (2005) departed from the idea that donor coordination should be based on the national planning and strategy documents. However, in practice, this turned out to be impossible in most cases as country strategies typically focus on

what the respective country is planning to do, rather than on the specific contributions of each donor (Linn, 2009). Here lies the **biggest added value of joint strategic frameworks as they translate general principles from HQ level into specific deliverables at country level on the basis of which donors can coordinate their actions** (DFID, 2010; Linn, 2009). This has been picked up at the policy level and the New Deal for Engagement in Fragile States (2011) explicitly envisages the creation of ‘one vision, one plan’ (i.e. a national strategy to move out of fragility with short-, medium- and long-term targets) to be implemented through ‘**compacts**’ (i.e. a joint strategic framework between the country and other stakeholders on how to implement the national development strategy) (Hearn, 2016).

From a donor coordination point of view, joint strategic frameworks thus provide – at least on paper – a detailed document as a basis for their attempts at coordination. This coordination can take different forms, ranging from improved information exchange and/or joint monitoring systems on the specific targets that are put forward, to much more advanced forms of cooperation such as division of labour (see *infra*). The drafting of a joint strategic framework can also serve as a stepping stone for further coordination in the (near) future (Linn, 2011; DFID, 2010. Woods, 2010). The main (potential) **shortcomings** of joint strategic frameworks that are identified in the literature relate to the fact that the drafting of these documents can be transaction-intensive, especially if a large group of stakeholders is involved, and that the documents remain too vague on the issue of who should take the lead on certain aspects of the agreements (Ernst, 2011: DFID, 2010).

Example 4: Uganda Joint Assistance Strategy (UJAS)

One of the very first joint strategic frameworks, both in general and in fragile states, was the UJAS. The UJAS was signed in 2005 by the African Development Bank (AfDB), Germany, the Netherlands, Norway, Sweden, the United Kingdom, the World Bank Group and, in 2006, Austria. Together, it accounted for about one third of all aid in Uganda. Furthermore, other large donors such as the US, European Commission and Denmark collaborated with the UJAS signatories, although they did not enter the agreement themselves. Content-wise, the ambition of the UJAS was to translate the 2004 revision of the Poverty Eradication Action Plan into coordinated donor actions. Specific objectives were, for example, limiting the number of UJAS partners per sector, having shared representation (i.e. one UJAS partner representing the rest of the group *vis-à-vis* the government) and establishing joint analytical frameworks for needs assessments and evaluations. However, **while the establishment of the UJAS agreements heralded an important step towards improved donor coordination, it did suffer from a number of challenges**. For example, (i) it turned out to be very hard to reduce the number of UJAS partners in popular/important sectors, (ii) different opinions existed on how to address corruption and governance issues and (iii) the process was very time-consuming due to the need to consult with HQ (Ernst, 2011). For these and other reasons, the signatory partners agreed in 2010 to let the UJAS expire, while maintaining the level of coordination at implementation level.

Division of labour agreements

Linked to the previous section, division of labour (DoL) agreements are one particular type of joint strategic frameworks which help reduce aid fragmentation in developing countries, including fragile states. More specifically, the main goal of DoL agreements is to tackle aid fragmentation by reducing the number of donors involved in the same kind of activities. This is achieved through **specialisation**, i.e. identifying the particular strengths of each donor upon which it should focus its development activities. This essentially entails donor specialisation, something that can be pursued at country level (e.g. reducing the number of donors per sector) and cross-country level (e.g. reducing the number of donors per country) (Klingebiel, Mahn & Negre, 2016; Klingebiel, Morazan & Negre, 2013; Schulz, 2009; Mürle, 2007). Finally, DoL agreements are **particularly useful when donors are unable or unwilling to fully harmonise their approaches** (DFID, 2010). Indeed, and as pointed out by the WB, *“when donor objectives cannot be fully harmonised, it is important that they at least be complementary”* (WB, 2006: 30).

In the context of fragile states, DoL agreements are seen in the literature as important instruments to improve donor coordination (e.g. Pietschmann, 2016; Klingebiel, Morazan & Negre, 2013; OECD, 2011; DFID, 2010; Mürle, 2007). This stems, first of all, from the fact that fragile states suffer from high levels of aid fragmentation, both at country and cross-country level, making the potential efficiency gains of DoL agreements much higher. At **country level**, as fragile states are high-risk environments to operate within, donors typically have a tendency to spread their risk by setting up activities in multiple sectors (OECD, 2011; DFID, 2010).³ A similar dynamic of risk avoidance can be found at **cross-country** level where donors allocate more funding to fragile states which are considered to be less risky. This creates very unbalanced aid allocation patterns among fragile states (Schulpen & Habraken; OECD, 2015; Ericsson & Steensen, 2014).

At the same time, however, the literature also shows that **progress on DoL in fragile states is limited, despite the efforts of several actors – notably the EU with its Code of Conduct on Complementarity and Division of Labour** (EU, 2007). First, DoL agreements are often the product of difficult and time-consuming processes, especially when in “fashionable” sectors (e.g. climate change) and/or countries (i.e. aid darlings) (Mackie, 2016; Wenzel, Buercky & Knill, 2010). Second, participation by partner countries is limited in most cases (e.g. Rwanda, Uganda, Zambia), often due to a lack of capacities and/or interests (Leiderer, 2015; Klingebiel, Morazan & Negre, 2013; DFID, 2010). Third, the implementation of DoL agreements remains a challenge in several cases due to the fact that they require the reprogramming of aid

³ There may be other reasons why donors’ aid is fragmented across sectors at country level. For instance, donors may think that they have the capacities to do work in different sectors, or they may respond to various, often decentralised requests by the partner country.

decisions and development of exit strategies for specific countries and/or sectors, which both require time and the involvement of HQ levels (Mackie, 2016; Bürcky, 2011). Fourth, effective division of labour in fragile states is particularly difficult in more political areas of development cooperation, such as support to governance (ERD, 2009). Fifth, arguments on 'division of labour commitments' have sometimes been (mis)used by donors to withdraw from certain sectors within a partner country although less development-related and political motivations were at play, when it would have been more rational to stay in the sector based on expertise and comparative advantages (e.g. Delputte, 2013). This 'sector-exit strategy' has been used by Belgium to step out of the health sector in the DRC in 2000, a decision that was criticised and eventually reversed (BTC, 2013), and there are more examples where 'the EU Division of Labour policy has not been good for health' (AFGH, 2011).

Sixth and final, DoL agreements have thus far mainly addressed fragmentation at country level, whereas virtually no attention has been paid to aid fragmentation at cross-country level, referring to the issue of aid orphans and darlings (Schulpen & Habraken, 2016; Pietschmann, 2016). This may be an important shortcoming because some recent studies put forward the hypothesis that it is **most efficient to first tackle aid fragmentation at macro level – i.e. across countries – before developing DoL agreements on how to reduce fragmentation within countries** (e.g. Schulpen & Habraken, 2016). In reality, however, the idea of cross-country DoLs has not yet been tested. For example, in the context of the EU, these ideas were advanced by Spain during its presidency of the Council (2010), although few actual commitments were made at that time, let alone specific actions taken by the different EU Member States.

Multi-Donor Trust Funds

Multi-Donor Trust Funds (MDTFs) are **increasingly popular instruments for donor coordination in fragile contexts** (Reinsberg, 2016; UN, 2013; DFID, 2010). MDTFs serve as a **pooled funding modality**, typically large in scale and established for a specific development purpose with financial contributions from one or more donors and, at the risk of oversimplification, typically address **three types of challenges which are commonly found in fragile state contexts**: (i) natural disasters [e.g. UN ESCAP Trust Fund for Tsunami, Disaster and Climate Preparedness (UN-ESCAP)], (ii) wars or post-war interventions [e.g. Afghanistan Reconstruction Trust Fund (ARTF)] and (iii) global and regional critical issues [e.g. Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM)] and the EU Emergency Trust Fund for Africa] (European Union, 2015; Reinsberg, Michaelowa & Eichenauer, 2015). In terms of governance architecture, most MDTFs are set up very similarly as they are typically managed by an administrative agent, often the World Bank or the UN agencies, and involve some kind of central steering committee (Reinsberg, Michaelowa & Eichenauer, 2015; WB, 2011). Finally, it is important to point out that MDTFs can be composed of 'traditional' donors

only, or also include non-state actors such as private foundations (e.g. the Bill & Melinda Gates Foundation is a major contributor to the GFATM). Furthermore, MDTFs can be set up as instruments to finance specific development projects, but also serve as blending instruments whereby its funds are strategically used to attract additional financing (e.g. the EU-Africa Infrastructure Trust Fund).

For donors, MDTFs have the potential to reduce the costs of information sharing, administration and coordination and to serve as a stepping stone for other coordinated actions (OECD, 2015; WB, 2011; DFID, 2010). Furthermore, research has indicated that they can increase tolerance for the risks of using country systems in fragile situations (Manuel et al., 2012). **Specifically for fragile states, the added value of MDTFs** involves at least four aspects. First, MDTFs offer the opportunity to work with a group of donors through a common framework, thus easing the burden on the partner countries' governments (WB, 2011; OPM/IDL, 2008). Second, MDTFs typically improve the predictability and flexibility of resource flows, which are both essential in the process of state- and peacebuilding (Manuel et al., 2012; DFID, 2010). Third, MDTFs are (much) more flexible in terms of responding rapidly to humanitarian disasters and other crises, which makes them particularly well-suited for international engagement in fragile states (Mossello, Mason & Aludra, 2016). Fourth and final, MDTFs are generally considered to be **one of the most advanced tools for Joint Implementation**. For example, in a recent PN review of three EU trust funds – the Bêkou Trust Fund, the Madad Trust Fund, and the three windows of the EU Emergency Trust Fund for Africa (North of Africa, Sahel and Lake Chad and Horn of Africa) – it has been pointed out that MDTFs have great potential for improving aid effectiveness in fragile states due to the fact that they allow donors to 'deliver European aid to specific objectives in target regions, sharing analysis and implementing capacities under a common umbrella of a variety of European actors' (PN, 2017).

The literature, however, also reveals a number of **shortcomings** to MDTFs **from a coordination point of view**. First, in most cases – even the most successful – donors find coordination processes too time-consuming. This raises questions about the extent to which they genuinely reduce transaction costs on the donor side (WB, 2011). Second, MDTFs are often too ambitious or unrealistic as they take insufficient account of the local context in fragile states, often due to strong involvement of the HQ level in the design of the fund (Barakat, Rzeszut & Martin, 2012). Third, while MDTFs improve coordination among the participating donors, they often fail to coordinate with those donors outside the pool (WB, 2011). Fourth, while on paper MDTFs – in line with international aid effectiveness principles – aim to support fragile states' development strategies and country systems, research shows that donors often continue to earmark funds for specific sectors and priorities (Eichenauer & Knack, 2016; Barakat, Rzeszut & Martin, 2012), thereby constraining local ownership. Fifth, and related to the previous point, MDTFs

tend to be less aligned to partner country systems than other aid modalities such as budget support or basket funds (see also Figure 5). Sixth, proliferation of MDTFs – and by extension other forms of pooled funding – has entailed the risk of fragmentation of pooled funding instruments. This happened, for example, in South Sudan with pooled funding instruments and programmes, including the Capacity Building Trust Fund, the European Commission’s Humanitarian Plus Programme, the Multi-Donor Trust Fund – South, the Basic Services Fund and the European Commission’s Recovery and Rehabilitation Programme (Chandy, 2011; Ndikumana, 2015). Seventh, in terms of EU coordination, research indicates that due to capacity constraints, the European Commission has not been able to become an important host of trust funds whereas it extensively participates in trust funds at other international development organisations. Moreover, when the Commission delegates to these organisations, it does not impose strong substantive earmarking, but requires a high level of legal and administrative (micro-management) controls (Michaelowa et al, 2016).

Finally, and on a more general note, it also needs to be pointed out that MDTFs – and pooled funding arrangements more generally – have become increasingly popular in recent years as a means to advance aid effectiveness in fragile states (Coppin, 2012). This may be good news since, theoretically at least, a ‘good pooled fund’ is broadly in line with the Paris Declaration Principles. However, comparative research on this topic is largely lacking. There is therefore an urgent need for more systematic data and studies on the effectiveness of MDTFs and pooled funding more generally in order to test the expectations on all sides about what MDTFs can (and cannot) deliver. This is particularly relevant given that pooled funding arrangements exist in various forms and shapes with different levels of ownership by the partner government(s) (Coppin et al. 2011; Reinsberg, Michaelowa & Eichenauer, 2015). Indeed, the few comparative studies that do exist – most notably the ODI study of 2012 by Erin Coppin on three pooled funding arrangements, namely the ARTF, the Southern Sudan Multi-Donor Trust Fund (MDTF-SS)] and the Liberia Health Sector Pooled Fund (LHSPF) – show a great deal of variation in their compliance with Paris-related indicators (see Figure 4).

Figure 4: MDTFs and pooled funds' performance based on Paris indicators

	Indicator	ARTF	LHSPF	MDTF-SS
Ownership	Pooled fund relationship to relevant government strategy	█	█	█
	Ministerial accountability for expenditure to legislature	█	█	█
	Location of pooled fund financial management in ministry	█	█	█
Alignment	CABRI's 8 on-budget indicators			
	... on plan	█	█	█
	... on budget	█	█	█
	... on treasury	█	█	█
	... on parliament	█	█	█
	... on procurement	█	█	█
	... on accounting	█	█	█
	... on audit	█	█	█
	... on report	█	█	█
	Low proportion of funds that can be earmarked	█	█	█
	Flexibility of technical assistance to work beyond pooled fund	█	█	█
	Salary top-ups go beyond management unit staff	█	█	█
	Business conducted using national budget classifications	█	█	█
	Pooled fund documentation and reports made publicly available	█	█	█
	Project preparation and approval guidelines available	█	█	█
Business conducted in national currency	█	█	█	
Business conducted in sync with the national financial year	█	█	█	
Harmonisation	Regular interface with wide group of donors	█	█	█
	Experience and competence of fund administrator	█	█	█
	Protocol for misuse of funds includes national accountability processes	█	█	█
Delivery of results	Finance: commitments to projects/financing received	█	█	█
	Finance: actual spending/planned spending	█	█	█
	Flexibility to reallocate funds to different priorities within year	█	█	█
Mutual accountability	No requirement of counterpart funding	█	█	█
	Monitoring of pooled fund includes government processes	█	█	█
	Timeliness of pooled fund reports	█	█	█
	Independent (not joint) reviews	█	█	█

Source: Coppin et al (2011)

Basket Funds

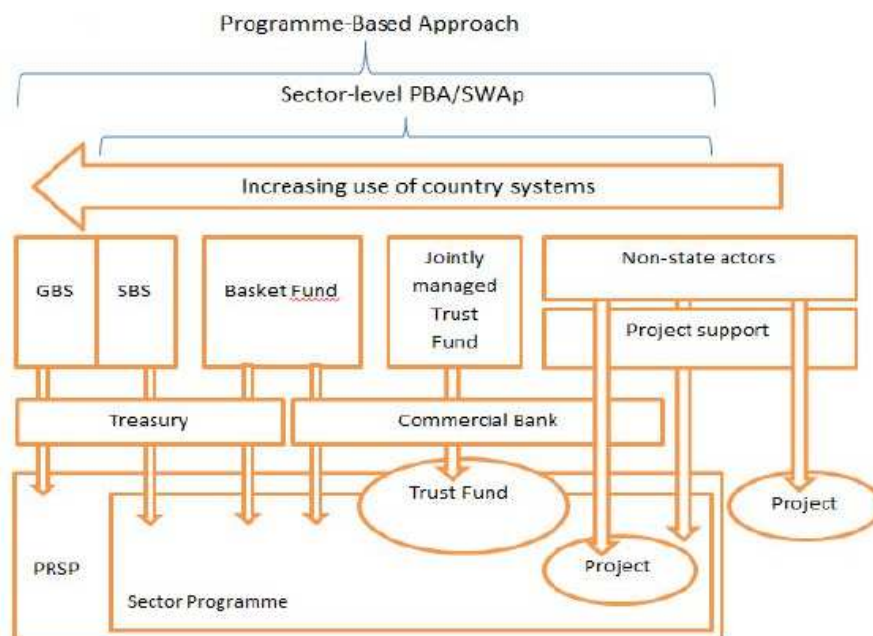
Similar to MDTFs, basket funds (BFs) – also commonly referred to as pooled funds – have become an **increasingly popular aid modality for donor coordination in fragile contexts** in recent years. However, despite their growing popularity, there is no clear-cut definition of BFs among donors, stemming from the fact that they come in all shapes and sizes (De Maesschalck, Gagiano, Molenaers, Renard & Verbeke, 2014; Manuel et al., 2012). Sticking to the OECD's DAC reporting directives, BFs can be seen as an aid modality whereby donors contribute

'funds to an autonomous account, managed jointly with other donors and/or the recipient. The account will have specific purposes, modes of disbursement and accountability mechanisms and a limited time frame. Basket Funds are characterised by common project documents, common funding contracts and common reporting/audit procedures with all donors' (OECD, 2016c).

As such, in the context of the various financing mechanisms that donors have at their disposal for funding PBAs and Sector-Wide Approaches (SWAPs),

BFs are a middle ground between budget support instruments, which rely predominantly on partner country systems, and MDTFs and other aid modalities (e.g. project aid), which rely on country systems to a much lesser extent (see Figure 5).

Figure 5: Financing instruments for PBAs and SWAPs



(Source: De Maesschalck et. al., 2014, p. 8)

In the context of fragile states, BFs are considered a **very significant instrument to improve donor coordination and joint implementation**. This is the case for two main reasons. First, the existing literature shows that the move towards BFs has substantially reduced transaction costs for donors and partner countries, including fragile states. Furthermore, it has been established that BFs (have the potential to) foster more congruence between donors' priorities as well as closer alignment between donors and partner countries (Leiderer, 2015; IOB, 2011; OPM, 2010). Second, it has been shown that BFs are particularly useful in the context of fragile states as they fill an important gap in donors' aid portfolios. More specifically, while in the spirit of the aid and development effectiveness agenda donors are supposed to shift their ODA away from projects towards more harmonised aid modalities (i.e. general and sectoral budget support), the latter is often considered to be problematic in contexts of fragility due to the political climate or poor government capacities on the recipient side. BFs thus offer donors the possibility to comply with the Paris principles as they facilitate a harmonised approach (see Figure 5) while at the same time offering enough leeway to align to the recipient to a greater or lesser extent, based upon the local context (De Maesschalck et. al., 2014).

At the same time, the literature identifies a number of **shortcomings**. First, studies show that while policy-makers in partner countries have a general

awareness of BFs, they often still lack an in-depth understanding of the potential and shortcomings of this aid modality, which in turn hampers strong local buy-in (Meghani, Abdulwahab, Privor-Dumm & Wonodi, 2015). Furthermore, donors tend to have unrealistically high expectation of BFs (Ndikumana, 2015; Coppin, 2012), according to the limited systematic research on this topic (see supra). Second, a number of scholars argue that the recent proliferation of this aid modality simply adds new structures to the already complex development landscape, creating a paradoxical situation whereby there is a need to coordinate coordination mechanisms in a number of countries (Woods & Welsch, 2007). This seems to be particularly true in fragile states. Again, South Sudan is a case in point, as it has witnessed a strong proliferation of BFs and other pooled funding arrangements (e.g. MDTFs), resulting in high levels of aid fragmentation (Ndikumana, 2015; OECD, 2014b).

Multi-donor budget support

Multi-donor budget support (MDBS) is another approach to improve donor coordination in fragile states and partner countries more generally. Budget support involves the direct transfer of funds to a partner country's budget so that it can be managed through the existing national systems. It serves as a means to strengthen country ownership, fund national development strategies and promote sound and transparent public finances (Koch & Molenaers, 2016; Faust, Koch & Leiderer, 2011). As can also be seen from Figure 5, budget support takes country systems much more explicitly into account than other modalities such as basket funds and multi-donor trust funds. Budget support is therefore typically considered to be the most advanced form of program-based approach⁴ (PBA) (SIDA, 2008). MDBS emerged in the second half of the 2000s as a particular form of budget support, its main feature being that budget support is provided jointly by a group of donors. For this purpose, **donors typically set up a donor group to coordinate policy dialogue with the partner country's government.** For this purpose, they jointly agree upon the conditions that need to be in place for the disbursement of the funds. These donor groups are generally chaired by one or more donors on a rotating basis. In this way, **MDBS typically provide a strong framework for donor coordination** (Klingebiel, Morazan & Negre, 2013; Leiderer, 2010).

However, the actual impact of MDBS as an instrument for donors to engage in fragile contexts is unclear. A number of shortcomings have been noted in the literature. While theoretically MDBS has great potential to reduce transaction costs for donors, several studies show that this is not the case

⁴ PBAs were proposed by the OECD-DAC in 2008 in the context of the Accra Agenda for Action. It defines PBAs as a way of engaging in development cooperation based on the principles of coordinated support for locally owned initiatives, such as national development strategies and/or sector and thematic programmes. PBAs are characterised by (i) host country leadership, (ii) a single comprehensive programme and budget framework, (iii) a formalised process for donor coordination and harmonisation and (iv) efforts to increase the use of local systems for programme design and implementation (Klingebiel, Morazan & Negre, 2013).

(Klingebiel, Morazan & Negre, 2013; Dijkstra, de Kemp & Bergkamp, 2012; OPM/IDL, 2008). On the contrary, in the case of Mali and Zambia, some evaluations of MDBS show that, in reality, the instrument often complements rather than substitutes for other forms of aid (Leiderer, 2013; Leiderer & Faust, 2012). Another criticism that is frequently raised in the literature is that MDBS can only work effectively if donors reach a clear consensus on the political conditionality attached to the disbursement of funds, which is seldom the case (Faust, Koch & Leiderer, 2011). Moreover, a lack of coordination at cross-country level (i.e. double standards) further undermines the effectiveness of MDBS (de Catheu, 2013; Del Biondo, 2011).

Joint programming

In recent years, joint programming has become a popular instrument to advance donor coordination at country level. While being used and promoted by different actors (e.g. the United Nations Development Assistance Framework, UNDAF), it is particularly relevant in the context of the EU and its Member States. **Within the EU, joint programming has been strongly promoted in recent years as a key approach to reduce aid fragmentation.** It emerged from the EU Code of Conduct on Complementarity and Division of Labour (EU, 2007) and is set to become the new norm for European donor coordination (ECDPM, 2015; Furness & Vollmer, 2013). The main objective of joint programming is to incorporate the bilateral country programming of the EU Member States and institutions into a single EU country strategy which aligns with the partner country's national development plan. Importantly, if deemed appropriate, other non-EU donors can be consulted and invited to participate as well (Klingebiel, Mahn & Negre, 2016). The actual process of joint programming does not follow a fixed template. However, it consists on paper of different elements, several of which have already been mentioned above: **(i) a joint analysis and response, (ii) indication of the intervention sectors of EU and Member States active in that country, (iii) division of labour, and (iv) indicative multi-annual financial allocations** per sector and donor (ECDPM, 2013). It is important to point out that joint programming is considered by some (e.g. the European Commission) as a **stepping stone for Joint Implementation**, motivated by the fact that the latter should be easier to achieve in a context of prior joint planning among European donors (Furness & Vollmer, 2013; Klingebiel, Morazan & Negre, 2013).

At present, joint programming has been implemented, at different stages, in 55 countries, including several fragile states such as Ethiopia, Haiti, Myanmar, Mali and South Sudan (ECDPM, 2015). In fact, joint programming has been piloted by the EU in fragile states, more specifically in Haiti and South Sudan. **Based on these first experiences, the literature is rather critical** about the instrument. While various studies show that it has potential to become a useful and valuable coordination tool, it has thus far not lived up to its full potential (Carbone, 2016; ECDPM, 2015; Furness & Vollmer, 2013). At least

three areas of shortcomings have been noticed. First, thus far, European donors have only succeeded in adopting a joint programming strategy in 20 countries, while being blocked in the process of debating on how and whether or not to embark on joint programming in the remaining 35 countries (DEVCO, EEAS & NEAR, 2016). Hence, the biggest advantage of the instrument thus far seems to be **improved information exchange** among European donors (ECDPM, 2015; Furness & Vollmer, 2013). Second, **the claim that joint programming paves the way for Joint Implementation has only materialised in a small number of countries** (i.e. Kenya and Cambodia) (ECDPM, 2015). Third and final, in a number of cases (e.g. South Sudan), joint programming of country strategy papers demonstrated a **lack of flexibility to adapt to rapidly changing circumstances, raising questions about its added value in fragile situations** (Furness & Vollmer, 2013; Klingebiel, Morazan & Negre, 2013).

Joint Implementation arrangements

Last but not least, donor coordination in fragile states can be pursued through Joint Implementation arrangements. While the term is regularly used in Brussels' policy-making contexts, there is no clear definition. As a working definition, we can define Joint Implementation as a set of arrangements that seek to advance coordination **in the field at the implementation level**. Contrary to most of the coordination arrangements discussed above, this is where the 'practitioners' or 'development actors' can and should play a pivotal role. Joint Implementation is often seen as the logical result and full realisation of joint programming; however, it could be argued that joint programming can result from Joint Implementation arrangements as well.

Furthermore, we can distinguish between **'soft' and 'hard' forms** of Joint Implementation. The former concern joint efforts for sharing analytical and logistical capacities. Analytical capacities could include joint studies, evaluations, monitoring and training, whereas logistical capacities concern offices, cars and equipment that could be shared. Joint missions and sharing of staff would also fall within this category. Sharing of staff arguably improves the capacities of donors – especially the smaller ones – to analyse and deal with the complex situations of fragile states (DFID, 2010). However, there is almost no research on such 'soft' forms of joint programming. This stems not only from its limited use by donors and practitioners, but also from the relatively confined budgetary and institutional implications of these shared analytical and logistical capacities. Despite the lack of in-depth research into its implications, there seems to be much 'low hanging fruit' in engaging in soft Joint Implementation. Hard Joint Implementation implies more tangible budgetary and institutional commitments, such as the establishment of the pooled funding arrangements (e.g. MDTF, BF) discussed in the previous sections. Here too, literature is relatively limited. Whereas it is clear that a large variety of pooled funding arrangements exists, not least when it comes

to the alignment with partner government, their effectiveness and coordination potential have scarcely been analysed in a systematic way.

As with almost all forms of coordination without harmonisation, Joint Implementation has the disadvantage that overcoming differences between donors' visions, objectives and procedures can be **time-consuming**, raising questions about whether reductions in transaction costs are sufficiently achieved. The latter is particularly true when donors have engaged with a specific country through a mixture of bilateral and joint relations (European Parliament, 2015; DFID, 2010; Mürle, 2007).

A specific and far-reaching form of Joint Implementation is **delegated cooperation (DC)**. Delegated cooperation means that one development actor – i.e. the 'lead actor' or 'lead donor' – acts with authority on behalf of one or more other donors – i.e. the 'delegating actors', 'delegating donors' or 'silent partners' (OECD, 2003). As such, delegated cooperation can also be seen as a form of division of labour (see above). The actual level and form of delegation vary from delegating responsibility for a specific element of a joint project (e.g. conducting a specific evaluation) to responsibility for the project as a whole or an entire sector/country programme (DFID, 2010; NORAD, 2009, 2006; OECD, 2003). The underlying rationale is that delegated cooperation **reduces transaction costs for donors** – i.e. lead donors typically have comparative advantages over the other donors in a specific country or sector – and partner countries – i.e. partner country governments have to deal with fewer donors (EuropeAid, 2011; OECD, 2003). Chandy states that delegated cooperation is 'particularly useful in fragile states, both to moderate the burden on recipients and to facilitate a more efficient allocation of resources among donors toward those with the expertise and appetite to engage deeply in the recipient country' (Chandy, 2011). However, delegated cooperation, and Joint Implementation arrangements more generally, do not always result in structural changes. The Joint Donor Team in South Sudan (see above) is one case in point.

The EU was already advocating DC in its Code of Conduct (2007) and the modality has increasingly used by the EU and some Member States (in particular Germany, France, Belgium and the Netherlands). Between 2007 and 2012, the Commission signed 71 Delegation Agreements (DAs) and 31 Transfer Agreements (TAs) with Member State bodies (European Parliament, 2015), and the number of DAs has further increased since then. That said, the share of DC remains less than 1% of the total in the overall EU and Member States' aid budget. A recent evaluation concluded that delegated cooperation by the EU '**has mainly been designed and used as an operational tool contributing to strengthened relations between EU institutions and the Member States**, in particular the relations between the EU and some implementing agencies', but that its impact on aid efficiency and aid effectiveness has been limited (ECORYS, 2016). The study also notes that the focus on relations with the Member States has mostly been operational,

whereas ‘the EU has never put DC high on the agenda in its discussions with Member States and therefore they still consider DC as an EU instrument and not as a joint tool’. Participation by Member States is unequal and unbalanced, and DCs could be turned into a stronger joint instrument. Interestingly, DC has been most effective at the sector level and when it builds on specific expertise and/or previous experience within the sector concerned. In this regard, there are **good examples in ‘politically sensitive situations and when it comes to sharing risks’** (ECORYS, 2016) – conditions that clearly apply to contexts of crisis and fragility.

Joint Implementation can also involve more **‘bottom-up’ coordination by practitioners for the shared provision of public goods**, here defined as those goods and services that cannot be provided by single donors as they require the pooling of resources, while at the same time offer clear benefits for several donors. Examples – not necessarily always – include joint studies, shared logistics, joint analysis, joint mapping exercises, joint field visits and common reporting. Whereas such initiatives, as highlighted by the PN (Working Paper Series No.1), seem promising in the sense that they provide public goods without dramatically increasing coordination costs and can provide the building blocks for wider donor coordination schemes such as joint programming, we have not come across recent research on such initiatives.

3.4. Main actors engaged in donor coordination in fragile states

Providing a comprehensive overview of which (and to what extent) donors are involved in donor coordination in fragile states is a mission impossible. This stems from the fact that **donors are involved in various – often parallel – forms and types of coordination at different levels.**

That said, the literature clearly shows that a number of actors are much more prominently involved in donor coordination than others. At the multilateral level, these are the **UN and WB**.⁵ Due to their global legitimacy, credibility and authority, both actors often take up the role of lead donor and/or coordinator in fragile states (e.g. Delputte & Orbie, 2014; Lawson, 2013; Söderbaum & Stalgren, 2008). This is illustrated by the fact that the UN and WB frequently serve as administrators of MDTFs (see Section 3.3.5).

At the regional level, the actors that are most strongly involved in the donor coordination in fragile states are the **EU and Nordic Plus** grouping. Both actors have been involved in donor coordination at country level for quite some time, as is evident from donor coordination groups for their respective

⁵ Note that we do not focus on coordination at the policy level, which is why we do not list organisations such as the OECD-DAC or IDPS.

members or advanced forms of Joint Implementation agreements, such as delegated cooperation (Klingebiel, Mano & Negre, 2016; Delputte & Orbie, 2014; DFID, 2010; NORAD, 2006). However, it should be noted out that the relevance of the Nordic Plus grouping has been declining in recent years because of the strong overlap in membership with the EU, amongst other reasons (Elgström & Delputte, 2016). On the other hand, the relevance of the EU for donor coordination in fragile states is substantial. Joint programming, for example, is an EU- specific instrument to reduce aid fragmentation (see Section 3.3.6.). Furthermore, the EU is typically perceived by the international community as a champion of aid coordination (OECD, 2012; Gänzle, Grimm & Makhan, 2012) and for that reason it often assumes a lead coordinating role alongside multilateral actors such as the UN or WB (e.g. EU, UN & WB, 2008).

Finally, at individual donor level, the literature identifies the Nordic Plus countries and EU15 Member States – referred to as the **‘old’ EU Member States** – as main actors involved in donor coordination. More specifically, and in contrast to other influential donors such as the US or Japan, these donors are much more prominently involved in coordination initiatives, both in general and in the context of EU initiatives, for example (e.g. Klingebiel, Mahn & Negre, 2016; IDPS, 2014; Bürcky, 2011; OECD, 2008b). Pinpointing individual donors is impossible based on the existing literature due to the considerable variation between donors’ specific instruments, approaches and focus on specific fragile states. For example, an 2014 INCAF survey on the use of MDTFs in a selection of fragile states reveals that Germany, the US and the UK are fairly similar in terms of using MDTFs as a coordination instrument (see Figure 6), while other studies show that these countries vary considerably in their use of other coordination instruments and approaches (e.g. Fitzgerald, 2016; Nunnenkamp, Sotirovo & Thiele, 2016).

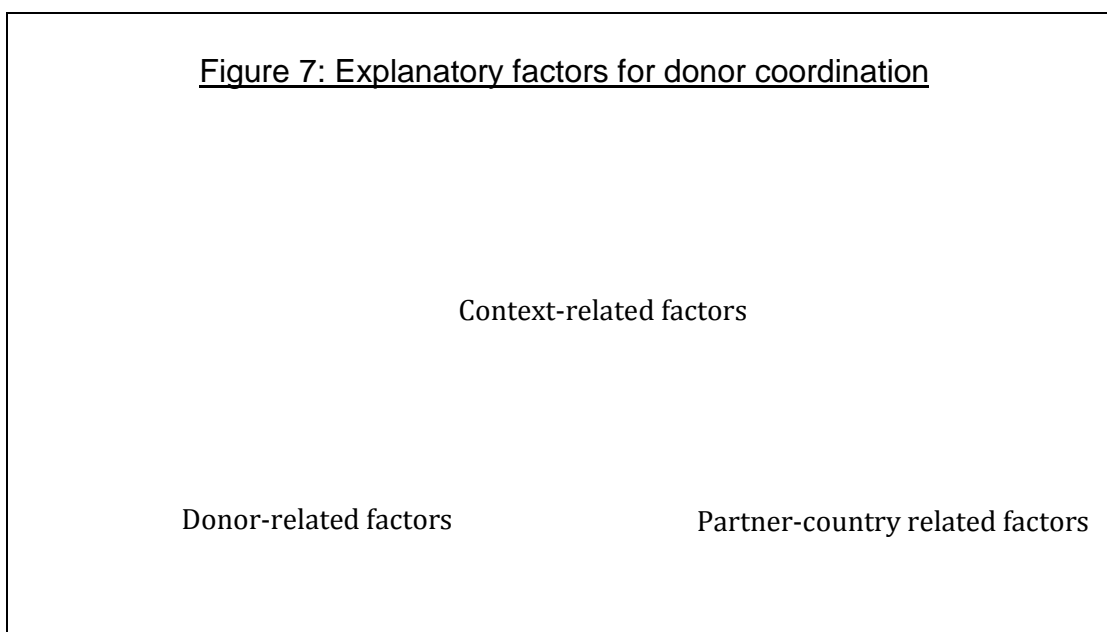
Figure 6: Use of MDTFs

Donor	Afghanistan	DRC	Liberia	Sierra Leone	Somalia	South Sudan	Timor Leste
Australia	ARTF						HSSP
Belgium							
Canada	ARTF					MDTF CBTF HPF	
Denmark	ARTF						
EC	ARTF LOTFA				SDF CHF		
Finland	ARTF						
France	ARTF						
Germany	ARTF	2 funds	LRTF			MDTF	
Japan	ARTF AITF LOTFA						
Portugal							
Sweden	ARTF	CHF					
Switzerland	LOTFA					HPF	
UK	ARTF				SDF MPTF		
UNDP					MPTF		
USA	ARTF AITF		PFM & Civil Service Reform Funds				
World Bank	ARTF						

[Source: 2014 INCAF Member / Country Survey Responses]

4. EXPLAINING SUCCESS AND FAILURE OF DONOR COORDINATION IN FRAGILE STATES

The previous section clearly demonstrated that recent years have witnessed a proliferation of initiatives, instruments and approaches to improve donor coordination in fragile states. However, overall progress to reduce aid fragmentation in fragile states remains limited, especially when focusing at the programming and implementation level, and there are indications that the political momentum for donor coordination is waning. Therefore, this fourth and final section elaborates on the main variables that are put forward in the literature to explain success and/or failure of donor coordination in fragile states. In doing so, we distinguish between two types of factors related to the (i) donor and (ii) the partner country.



Importantly, donor and partner country factors are mutually influenced by the larger context (see Figure 7). To give one example, the specific type of crisis (e.g. humanitarian vs. security crises) shapes and constrains what is possible in terms of donor coordination on the part of both the donor and partner countries. For fragile states, humanitarian aid crises might severely affect the government capacities (e.g. an earthquake can severely hamper local infrastructure), whereas that is not necessarily the case for security crises (e.g. violent conflicts can be induced by the government itself). In a similar vein, for donors, humanitarian crises might have little to no impact on their interests in a given fragile state, whereas in the context of violence, these might be jeopardised much more severely. The lesson to be learned from both these hypothetical examples is that it makes little sense to discuss context-related factors separately as what matters is the way in which they

shape donor- and partner country-related factors. Therefore, the remainder of this section will discuss the latter in more detail, outlining – if relevant – how larger context- related factors play a role as well.

4.1. Donor-related factors

The literature identifies a wide range of factors that impact on donor coordination in fragile states. A first set of factors relates to the **national interests of donor countries**. The underlying idea is that the primary concern of donors is to maximise their influence over partner countries. This may be for political reasons (e.g. securing support for certain policy objectives) and/or economic motivations (e.g. securing import/export of certain products and foreign investment) (Carbone, 2016; Calleja, Rachael & Dane, 2015; Fuchs, Nunnenkamp & Ohler, 2015; Delputte, 2013). Hence, by engaging in coordination, donors run the risk of being confronted with an outcome that conflicts with their interests, explaining why “all donors want to co-ordinate but no one wants to be coordinated” (Whittington & Calhoun, 1988: pp. 306-307). The importance of ‘interests’ as a factor plays out differently for different types of countries. For example, it has been established **that large donors (e.g. US, UK, France, Germany) and/or donors with a special relationship vis-à-vis a particular partner country (e.g. a former colonial power) are more inclined to engage in power politics, whereas smaller donors are generally more open to coordination** (Carbone, 2016; Fuchs, Nunnenkamp & Ohler, 2015). This is at least the case when looking at the issue from a ‘national interest’ perspective, given that smaller donors also tend to have lower capacities to engage in coordination (see donors’ staff capacities).

A second set of explanatory factors links to the **bureaucratic interests of institutions within donor countries**. Donor coordination in fragile states ideally involves a broad range of institutions, including those responsible for humanitarian, development, security and diplomatic affairs (ECDPM, 2016). Each of these institutions has its own preferences and interests which might be jeopardised by engaging in coordination processes. The latter are likely to become veto players during the coordination process, especially when coordination would (potentially) reduce the power of certain institutions (Carbone, 2016).

A third set of factors relates to **visibility concerns**. Hoisting the national flag in third countries has often been a politically important consideration in development policy. One of the main disadvantages of coordination is a decreasing or even loss of individual visibility as a donor. This potentially hampers coordination efforts as some countries aim for high individual visibility to increase their political leverage *vis-à-vis* the partner country and/or to increase their own legitimacy towards their constituency (Bodenstein, Faust & Furness, 2016; Klingebiel, Morazan & Negre, 2013).

A fourth set of factors links to the **administrative set-up of donor countries**. More specifically, some donors are *by design* more capable of engaging in

coordination efforts than others. For example, a number of donors have legal and administrative provisions in place which prevent them from engaging in (advanced) forms of Joint Implementation such as delegated cooperation (Klingebiel, Morazan & Negre, 2013; EuropeAid, 2011; Mürle, 2007). These can be overcome through administrative reforms at the level of the respective donor countries and/or a sound understanding of the specific institutional limitations of each donor prior to entering in negotiations on Joint Implementation agreements (NORAD, 2006; OECD, 2003). Other administrative factors that shape/constrain donor coordination are donor programming cycles – influencing joint programming initiatives, for example (ECDPM, 2015; Furness & Vollmer, 2013) – and electoral cycles – influencing general policy directions and risk-avoiding behaviour by donors (Bodenstein, Faust & Furness, 2016).

A fifth set of factors concerns donors' **staff capacities**, both at HQ and country level. As evident from Section 3, donor coordination instruments and approaches in fragile states can be complex and time-consuming. As such, they often require substantial input from staff. Consequently, small, understaffed and overstretched administrations are less inclined to engage in coordination processes and if they do, they tend to be less successful due to the fact that an in-depth understanding of the context of fragility is essential for establishing effective coordination initiatives (Carbone, 2016; ECDPM, 2015; DFID, 2010; OECD, 2003). Importantly, the literature identifies various ways to increase donor capacities, ranging from staff training (Klingebiel, Morazan & Negre, 2013) to the hiring of shared personnel (DFID, 2010; OECD, 2003). Furthermore, the need for donor capacity can be reduced by engaging in delegated cooperation and other forms of DoL (Wenzel, Bürkcy & Knill, 2010; Mürle, 2007) as well as by making use of multilateral organisations such as the UN or WB to administer MDTFs (DFID, 2010) or deal with the logistics of humanitarian interventions, for example (Balcik et al., 2010).

A sixth set of factors concerns **the role of individuals and the personal relations within and across donors**. Indeed, in recent years a growing number of studies have come to highlight the importance of the individual level, referring to the expertise, motivation and personal relationships between practitioners (Klingebiel, Morazan & Negre, 2016; ECDPM, 2015; Delputte & Orbie, 2014; Delputte, 2013). In this regard, the presence of '**coordination champions**' has been recognised as an important factor contributing to the success of coordination. Additionally, good professional relationships at the individual level serve as an enabling factor for donor coordination. These relationships can build upon a similar professional background and/or expertise, but might also stem from Joint Implementation practices such as working in shared offices/buildings (ECDPM, 2016; Klingebiel, Morazan & Negre, 2016; DFID, 2010).

Last but not least, a seventh set of factors relates to the prevailing **ideas and identities of donors**. More specifically, most – if not all – donors have a set of ideas about the ideal level, framework and principles underlying coordination. For example, while some donors consider the EU level to be the most ideal level of coordination, others are more inclined towards other groupings, such as the Nordic Plus grouping or the UN. In a similar vein, some donors prefer fully integrated coordination approaches, whereas others prefer to engage in DoL arrangements. What is important in this regard is that a lack of common understanding on coordination is a strong constraining factor (Bodenstein, Faust & Furness, 2016; ECDPM, 2016; Delputte, 2013; Klingebiel, Morazan & Negre, 2013). This is most likely to occur when donors have a strong identity in international development matters. For example, donors with a strong self-perception of being a good donor (e.g. UK) are less likely to engage in coordination (Carbone, 2016). In a similar vein, like-mindedness may be more important for successful coordination than formal membership of an institution or organisation. The like-minded Nordic Plus group is an example in this regard (e.g. Orbie & Delputte, 2014).

4.2. Partner country-related factors

As outlined in Section 3, partner countries ideally play a central role in donor coordination processes in fragile states. It therefore comes as no surprise that **the specific nature of a fragile state has a strong impact on the success or failure of donor coordination**. A first set of factors that impact on donor coordination relates to the **interests of partner countries**. More specifically, depending on their policy priorities, they can oppose or facilitate donor coordination. High levels of donor coordination, for example, entail higher risks for increased conditionality (e.g. on governance issues), lower levels of ownership and a reduced ability to maintain independent relationships with donor countries. At the same time, coordination may reduce aid fragmentation, which in turn results in higher levels of aid effectiveness. Low levels of donor coordination, on the other hand, may result in high levels of aid fragmentation, which is detrimental from a development point of view. However, it also creates a situation in which fragile states are less likely to be confronted with conditionality and puts them in a stronger bargaining position *vis-à-vis* donor countries (Klingebiel, Morazan & Negre, 2016; Bourguignon & Platteau, 2015; Keddar, 2011). Governments in fragile states may therefore have a short-term political interest in limited donor coordination.

A second factor that is important to take into account is the **capacity of the partner country**. More specifically, a key enabling factor for donor coordination in fragile states is local ownership. For example, it has been established that donor coordination is more likely to take place and be successful if the partner country government takes the lead in the process through the establishment of a national development strategy (e.g. for G7+ countries, ‘one vision, one plan’) upon which coordination efforts can build (Carbone, 2016; Hearn, 2016; Hooley, Hage & Ingram, 2014; IDPS, 2014; DFID, 2010).

A third factor that is put forward in the literature is the prevalence of **natural resources in the partner country**. More specifically, studies have indicated that it is much harder to achieve donor coordination in developing countries – including fragile states – with abundant natural resources (Carbone, 2016; Calleja, Rachael & Dane, 2015; Fuchs, Nunnenkamp & Ohler, 2015). Essentially, this directly links to national interests of donor countries which are more likely to engage in power politics – and therefore less likely to coordinate their action – in countries of strategic interest (see supra). Furthermore, it illustrates once more how the ‘resource curse’ (see Sachs & Warner, 2001) – also commonly referred to as the paradox of plenty – undermines development.

A fourth factor relates to the **ideas and identity of partner countries**. The argument is similar to the one presented in Section 4.1. on donor-related factors, namely that donor coordination is more likely to take place and be successful if a common understanding exists among all stakeholders. Given the central role of fragile states in donor coordination processes – at least in an ideal scenario – like-mindedness between donors and partner countries may also contribute to increased coordination (Horita, 2014; DFID, 2010; Seybolt, 2009; OPM/IDL, 2008).

A fifth factor concerns the **structure of the donor landscape in partner countries**. More specifically, studies have shown that the composition of donors has an impact on how the dynamics of donor fragmentation – and thus also coordination – play out. Indeed, econometric studies have shown that aid fragmentation is more severe in partner countries – including fragile states – which lack a leading donor in terms of budget, due to ineffective competition among smaller donors (Calleja & Rowlands, 2015; Annen & Moers, 2012). Hence, from a theoretical point of view, donor coordination is more challenging in these countries due to the higher level of fragmentation, although, on the other hand, Section 4.1. also showed that the presence of one larger donor and/or donors with a special relationship vis-à-vis partner country hampers donor coordination as well (e.g. Carbone, 2016; Fuchs, Nunnenkamp & Ohler, 2015).

A sixth factor which influences donor coordination is the **presence of China and other BRICs** in fragile states. On the one hand, donor coordination may be more challenging in a country where China and other BRICs have a strong presence. On the other hand, this may be perceived as an enabling factor for increased coordination – i.e. differences among ‘traditional’ donors fade in contrast to non-traditional donors. In the limited literature on this issue so far, support for the first perspective seems stronger as an increasing number of studies have shown that the presence of China or other BRICS makes coordination more challenging. More specifically, due to the presence of a large emerging donor, traditional donors are more likely to engage in competition with one another in order to secure their access to the local government (Carbone, 2016; Fuchs, Nunnenkamp & Ohler, 2015).

A seventh and final factor that is put forward in the literature is the set of **existing donor coordination initiatives**. This is important in two ways. First, donor coordination in fragile states typically does not start from scratch. On the contrary, most partner countries have already a set of existing initiatives and frameworks in place that need to be taken into account and limit what is possible in the future. For example, research has shown that the existence of Nordic Plus and donor-wide coordination frameworks in Tanzania and Zambia constrained EU donor coordination in both countries (Delputte & Orbie, 2014). Furthermore, at a more general level, various studies show that donor and partner countries are increasingly experiencing “*general aid effectiveness fatigue*” (Leiderer, 2015; 445) and even coordination overdose, which hamper their willingness to engage in new or existing coordination efforts. For obvious reasons, this constraining factor is more likely to appear in fragile states with a high number of existing donor coordination initiatives (Carbone, 2016; Leiderer, 2015; Eyben, 2012; OECD, 2011).

5. CONCLUSIONS

The central aim of this study was to improve our understanding of current knowledge on donor coordination in fragile states through a systematic review of the literature on this topic, covering both academic research and policy evaluations. In Section 2, we established conceptual clarity and provided a better understanding of the different dimensions of coordination. Section 3 identified the specific challenges of donor coordination in fragile states, reflecting on overall progress, reviewing the different instruments and approaches, and assessing the role of the main actors engaged in donor coordination in fragile states. Finally, Section 4 identified the relevant enabling and constraining factors for successful coordination and Joint Implementation in fragile states.

In this final section we summarise the six major conclusions of the study.

- First, this literature review points to a fascinating paradox about the general climate for donor coordination in recent years. On the one hand, over the past decade, support for coordination has declined remarkably. Indeed, the spirit of the Paris Agenda and the momentum that this created for increased donor coordination has clearly waned. Interestingly, coordination efforts of all types and formats are still taking place and new initiatives are still being launched. This paradox merits further investigation into the motivations of development donors to engage in coordination efforts.
- Second, so far, no comprehensive and systematic study has been done on donor coordination in fragile states. Existing studies typically focus on one specific aspect or level of coordination, often in relation to a particular country or sector. Also, no attempts have been made to integrate findings from the different strands of literature that have been identified in this study on what works and what does not work. This clearly indicates the need for a comprehensive and systematic study into donor coordination at different levels, taking into account not only coordination initiatives at headquarters level (top down), but also, and even more importantly, the mechanisms at the partner country level (bottom up).
- Third, there is an overall consensus in the literature that all the coordination initiatives have the potential to contribute to improved aid effectiveness in fragile states, eventually leading to better development outcomes. However, all coordination mechanisms suffer from different shortcomings, which have again not been systematically investigated.
- Fourth, this applies in particular to joint implementation, as research into both the ‘soft’ and ‘hard’ variants has been relatively limited. The proliferation of pooled funding arrangements, which differ considerably on various indicators and not least in terms of alignment with the partner country’s systems, can be difficult in fragile states and requires more in-depth evaluation.
- Fifth, the literature has identified a wide variety of constraining and enabling factors for successful coordination. However, so far, no in-depth understanding has been gained of the mechanisms behind these

explanations. Hence the need for a deeper analysis of how these factors interact with each during coordination processes in the partner countries.

- Sixth, existing studies are unclear about the role of the EU regarding donor coordination in fragile states. While the EU is certainly considered to be more than just another (European) donor, there is far less clarity about its role in terms of coordination. This fuzziness about what the EU is and ought to be calls for more evidence-based analysis of its dual role as a donor and coordinator.

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II. HEADQUARTER ANALYSIS

The analysis of headquarter (HQ) centered initiatives on European coordination reveal a **paradox: while the number of new initiatives is limited, in line with the generally declining political momentum for European coordination, we equally notice a growing dynamic for coordination** through (1) shared analysis and trainings from EU institutions, (2) the emergence of trust fund initiatives, (3) the application of joint programming, and most notably (4) field-driven coordination initiatives. Following an analysis of these evolutions, this report summarizes the **enabling and constraining factors** have been identified to account for these tendencies. Finally, we conclude with some reflections on the role of the EU in this regard.

1. INTRODUCTION

Phase 1 concerns **the headquarters (HQ) level analysis** of European coordination in fragile states. It builds on the literature review and sets the basis for research at field level.

The **general objectives** of this phase are (a) mapping which coordination initiatives have been steered from HQs, with particular attention for examples that are considered successful and from which lessons can be drawn, and (b) better understanding the emergence of these coordination initiatives, the level of ownership at HQ level, formalization etc, with particular attention for enabling and constraining factors as they are perceived by interviewees.

Methodologically, 57 interviews have been taken with representatives of different donors and agencies based in Brussels and other European capitals. The interviews were semi-structured as the survey and framework outlined in the methodological note has been used as a guideline, while sufficient room was left for flexibility depending on the interviewees' input. The interviewees represent both diplomats and practitioners (including fragility experts) and altogether cover 8 member states. Within the EU institutions, 4 officials working at the European External Action Service (EEAS) and 7 officials working at the European Commission (DEVCO B7, DEVCO A2 and ECHO) have been interviewed. While most interviewees are based in European capitals, also a number of practitioners at field level have been interviewed (e.g. for the Gaziantep case). Interviews were attended by at least two team members and have generally been followed-up by providing the interviewee

with the provisional findings in the framework and asking for further additions, clarifications and modifications.

This phase has resulted in this synthesis document with a summary of and reflections on the main findings from this HQ phase, and an elaboration of the Gaziantep and Somali Compact case studies (see Notes 1.1 and 1.2 in annex).

2. WHAT? PARADOX

2.1. Limited headquarter-centered initiatives

Interviews largely confirmed the finding from the literature review that the momentum for EU coordination for development, which characterized many initiatives since the mid-2000s in the stream of the international aid effectiveness agenda, has been declining in the European capitals. References to the EU initiatives on division of labour and complementarity, to the aid effectiveness agenda, or to the (old and new) European Consensus are very limited. Interviewees would rarely refer spontaneously to these initiatives.

Instead, **most interviewees (including fragility experts) spontaneously refer to initiatives in the field.** Even when probing explicitly for HQ steered initiatives on European coordination in fragile states, examples given would mostly refer to coordination activities within countries of the Global South (and not only fragile countries). This is particularly true for interviewees based in European capitals. While one might have expected a diversity of European cooperation initiatives in relation to fragile states – either highly or lowly institutionalized, involving few or many member states – the main finding is that these have not emerged from the interviews.⁶

This finding does not only hold for EU/Europe-wide coordination initiatives. It was **equally difficult to find ‘mini-lateral’ or ‘intra-European’ initiatives** for coordination in fragile states between a limited number of European countries. Given the different visions on development policy within Europe, that are historically grown and anchored in domestic politics, one might have expected that smaller groups of like-minded countries would more easily engage in coordination initiatives among themselves instead of at the EU-wide level. However, at least at HQ level, such ‘mini-lateral’ or ‘intra-European’ initiatives barely emerged.

While the Visegrad countries (in particular Czech Republic and Slovak Republic) have intentions to cooperate more intensively in specific countries, this remains at an embryonic level. There has been some coordination between the ‘Southern’ member states (specifically, Spain, Italy and/or

⁶ Interestingly, the PN was often mentioned as a useful forum for European coordination, but this is obviously not intended to be the focus of the study. Also the Capacity4Dev initiative and its ‘resilience and fragility group’ were mentioned a few times.

France) but only in the context of Trust Funds in Africa (see below). Although the Nordics have long been considered like-minded countries in development, their coordination towards fragile states has not been strengthened in recent years. It was even indicated that Nordic cooperation has been declining over the past year, a finding that corresponds with recent studies on this topic (see literature review). However, the Somali Compact example may indicate that Nordic like-mindedness continues to play in some cases, and also reference was made to delegated cooperation between Nordic countries in fragile states such as Niger, Somalia and Zimbabwe. No explicit references were made to the Nordic+ group.

In the absence of concrete information on European coordination initiatives, a number of **general EU policy documents** have been mentioned by interviewees. For example, there were references to the EU Gender Action Plan (2015); the EU Action Plan on human rights and democracy (2015); the Commission Communication on Resilience (2012); the EEAS/Commission Communication on the EU's comprehensive approach to conflict and crisis (2013), the EU's Global Strategy (2016), and the upcoming new Resilience Communication (2017). However, these documents are either not very new and/or of more of a declaratory, general political nature. Similarly, also at the global level a number of general political commitments have been identified, most prominently the New Deal for Engagement in Fragile States (see literature review; see Somali Compact case). While there may be a European/EU coordination dimension to the emergence and implementation of the New Deal (see the Somali Compact case), this is not a specific EU/European coordination initiative. Moreover, existing coordination schemes such as the Joint Programming exercises or the Mutual Reliance Initiative (see below) do not focus specifically on fragile states.

Again, the main finding holds that **general operational initiatives on European coordination towards fragile states have barely been found**. Moreover, it remains to be seen in the field phase to what extent the above-mentioned documents effectively inform donors' and practitioners' coordination practices.

Despite this sober picture, a number of **interesting dynamics** are taking place that are highly relevant for European coordination in fragile states. Indeed, this phase also revealed a growing dynamic for coordination through (1) shared analysis and trainings from EU institutions, (2) the emergence of trust fund initiatives, (3) the application of joint programming, and most notably (4) field-driven coordination initiatives.

2.2. Shared analysis and trainings

First, a number of recent initiatives steered from the **EU institutions** that do not qualify as 'coordination' narrowly defined, may nevertheless have the potential to forge coordination in the medium or longer term. It concerns two sets of activities whereby the EU institutions **provide services for EU member states'** officials and practitioners in terms of **analytical capacity**.

The first set concerns **shared analysis** of the situation in fragile states, based on the premise that a common understanding of the root causes of fragility are key to joint action between European donors and practitioners. Specifically, within the European Commission (DEVCO B7, Fragility and Crisis Management Unit) and the EEAS (Conflict Prevention, Peace-Building and Mediation Instruments Division) a number of Conflict Analysis and Early Warning System analysis tools have been developed. Based on shared analysis, comprehensive EU action would be facilitated. For instance, interactive 1-2 days conflict analysis workshops are considered.

However, it is yet unclear to what extent EU member states have been involved in the process of this joint analysis and how successful these have been. The 'Guidance note on the use of Conflict Analysis in support of EU external action' highlights the relevance of this approach, yet also emphasizes the benefits for EU staff and the possible drawbacks of involving other stakeholders including EU member states. It is unclear to what extent representatives of EU member states and development practitioners have been involved in the design and implementation of these shared analyses exercises (shared analysis versus joint analysis), and how they evaluate them.

The second set concerns **trainings** that are organized in the framework of the EEAS-based European Security and Defense College. DEVCO and ECHO attempt to integrate respectively the development and humanitarian aid perspective into these trainings, which are offered for EU and member states staff. An example is the joint DEVCO-EEAS training on 'Fragility, Security and Development in a Changing World' that is organized with participation from the EU Member States. Also trainings on 'Conflict Analysis' and 'Security Sector Reform' include perspectives from DEVCO and ECHO, and are always attended by member state participants.

Again, it is clear that these can potentially play a catalyst role in forging a common European approach to fragile states, thereby facilitating coordination between European donors and practitioners. Organizers acknowledge the relevance of "mixing development people with the military crowd". However, the impact of these trainings remains to be analyzed, as evaluations from a development practitioners' perspective are not available. The fact that none of our interviewees mentioned these trainings may indicate that they are still insufficiently known within the capitals.⁷ It seems likely that these trainings are still largely directed towards the 'Brussels bubble' and that they target more foreign policy oriented officials and diplomats, whereas development practitioners are not aware of this potentially promising practice of coordination.

2.3. Emergence of Trust Funds

Second, the emergence of **Trust Funds** equally provide an opportunity for (European) coordination. Pooling European resources under an EU-managed

⁷ Similarly, joint missions were not mentioned.

fund for a specific purpose and/or region has become an increasingly popular instruments for cooperation with the Global South in recent years. Noticeable examples mentioned by interviewees and relevant for fragile states are the Bêkou Trust Fund, the Madad Trust Fund, the Afghanistan Reconstruction Trust Fund, and the EU's Emergency Trust Fund for Africa (that includes three regional windows).

These **potentially provide a promising avenue for European coordination**, specifically targeted at fragile states. For instance, the interviews made it clear that the Emergency Trust Fund for Africa has allowed for coordination between Spain and Italy in Senegal, between Spain and France in Senegal, and between Spain and France in Niger. The Bêkou Trust Fund has facilitated cooperation between the EU institutions and France, Germany and the Netherlands in the CAR.

The opportunities for cooperation within these relatively new structures could certainly be exploited more. However, it should be noticed that these funds have **not primarily been established for the purpose of coordination**. Increased European coordination is at best a desirable side effect. Instead, flexibility, efficiency and impact have been priority motivations behind the creation of trust funds, in response to domestic (European) interests such as migration flows in the context of the EU Emergency Trust Fund for Africa. Interviewees frequently criticized the legitimacy of the trust funds modalities. In particular, **the Emergency Trust Fund** has been criticized by several interviewees. It is generally perceived to be limited in transparency of decision-making processes at HQ level (e.g. limited input in decision-making, unclear technical guidelines...) on the one hand, and for lacking ownership by partner country governments (e.g. TF managers based in Brussels) on the other hand.⁸

Even apart from these critiques, the extent to which the trust funds have been a **window of opportunity or a missed opportunity** for enhanced coordination remains to be researched. Interviewees' responses suggest that so far the trust funds have not always been coordination-enhancing and that they have not (yet) served as a tool for joint implementation.⁹

2.4. Mutual Reliance Initiative

Another HQ steered initiative that combines the financial resources of several donors is the **Mutual Reliance Initiative (MRI)**. Established in 2011, the MRI allows AFD, KfW and EIB to co-finance each other's investment projects in EU partner countries. This allows for a larger project finance capacity through a structured division of labour. It implies delegation to one 'lead' institution by the other(s) of most of the work in terms of appraisal and monitoring of a given project. Following a test phase in 14 countries in Sub-Saharan Africa,

⁸ In this regard the Colombia Trust Fund was cited as a better practice because the trust fund manager is based in Bogota.

⁹ The finding that Joint Implementation is rarely happening also resonates with the ongoing (not yet published) evaluation on Joint Programming (p.22).

North Africa and the Middle East, MRI Operational Guidelines have been developed.¹⁰ The MRI is more modest compared to e.g. the EU Emergency Trust Fund for Africa in terms of budgets involved, number of partners (three 'like-minded' development banks: EIB, KfW and AFD) and procedures (mostly mutual recognition instead of harmonization). It effectively implements a division of labour between the institutions, based on their respective expertise. Also the Neighbourhood Investment Facility and the Latin-America Investment Facility have been mentioned by interviewees. These constitute blending facilities involving several EU member states.

However, contrary to the abovementioned Trust Funds, the MRI is not specifically targeting fragile states, which makes it difficult to be context sensitive in its implementation.

2.5. Application of Joint Programming

Third, **Joint Programming** has often been cited as a major approach towards European cooperation in fragile states. Although initiatives for joint programming date back to the early 2010s, it has now become to be seen as normal practice. Joint Programming exercises are **still in an experimental phase**, with only recently a number of divergent practices emerging in some countries from which lessons could be drawn. In the interviews, reference was often made to Joint Programming in Palestine, which seems to be a 'best case' example, whereas Joint Programming in other fragile states such as Haiti, CAR, Niger or the DRC was considered less successful.

Perhaps paradoxically, while the political momentum for Joint Programming in the EU context may not be as big as it once was, **the practice of Joint Programming has only just started**. Furthermore, there seem opportunities to widen the JP exercise by including wider considerations relating to e.g. climate change and even security policy, although this equally raises a number of challenges.

There is a wide recognition that JP is not a magic formula that can be applied from headquarters' level, and that this **should be primarily steered from the field**. In those instances where JP appears relatively successful, it builds on pre-existing collaboration between donors and/or agencies. It is also generally acknowledged that effective JP would require a strong leadership from the EU and its Delegations in third countries, and that there is scope for improvements in this regard. For instance, it was mentioned that the EU could do more to streamline procedures, contracts etc., and also that it could provide training sessions for EU member states and their agencies in the field (in order to enhance knowledge with practitioners). In general, it remains to be seen to what extent Joint Programming can effectively lead to Joint Implementation.

¹⁰ <http://www.eib.org/products/blending/mri/index.htm>

2.6. Field-driven coordination initiatives

Fourth, **European coordination initiatives on the ground** seem to be proliferating in several third countries. Indeed, the many examples given by interviewees suggest that within fragile states (and other developing countries) a diversity of coordination practices between (a number of) EU member state donors and agencies, with varying degrees of institutionalization, has been initiated in recent years.

Interviewees most frequently referred to such initiatives, even when explicitly asked to focus on European headquarter-centered coordination. Cases in point are the AFD-KfW Partnership in Jordan, G13 and EUROCLIMA (in Latin America), cooperation between Belgium and the Netherlands in the policy sector in Burundi, Czech Republic and Slovak Republic cooperation plans in the water and sanitation sector in Moldova, AECID and IDB cooperation under a Fund to Finance SMEs in Haiti, the Cruda programme with France, GIZ and AECID in Lebanon, Turkey and Jordan, EU, France and German cooperation in some sectors in Laos, etc.¹¹

Noticeable initiatives that merit further research are the Gaziantep Initiative involving pooled expertise of GIZ and Expertise France (facilitated by the EEAS) based in Turkey and implemented in Syria, and the Somali Compact involving all donors in the country (see Notes 1.1 and 1.2 in annex).

The examples given frequently do not concern fragile states. Even if explicitly asking for examples from crisis and fragile contexts, interviewees often spontaneously came up with examples from other countries. This is probably because the best cases are usually not in fragile states as **coordinating in fragile states is more challenging**. Indeed, several interviewees stressed that (European) coordination in fragile states involves considerable constraints compared to other contexts, not least because of the volatility of the situation on the ground and the weakness of the local government(s).

At the same time, it is widely confirmed that **coordination is all the more needed in a fragile context**. Importantly, the significance of enhanced coordination is not put into question (“In fragile contexts it is almost natural to work together with other actors”). Interviewees also came up with several examples how this could be done, e.g. by concluding more Delegated Cooperation agreements.

In addition, it was often emphasized that in **such a context, flexibility for local practitioners and diplomats is all the more important**. Sufficient room of manoeuvre from HQ is considered to be an enabling factor for coordination in fragile states. At the same, time, **political support from HQ** level for donor coordination continues to be crucial (although not clarified what

¹¹ In the realm of humanitarian aid, ECHO is involved in various coordination efforts on the ground that include practitioners, diplomats and security actors, as part of the EU’s ‘integrated’ approach whilst also maintaining its independence.

exactly this could entail). Several interviewees emphasized that this is lacking and emphasized that HQ should do more to stimulate coordination in the field:

“coordination is not on the agenda of capitals. It happens at country level. This is an obstacle to coordination”

“we have a joke about the relationship between HQ and the field and we define it by delegation by omission. It’s a joke but it reflects this laissez-faire attitude”

“Capitals should intervene more”

At the same time, the importance of *room of manoeuvre* from HQ was emphasized to allow for bottom-up cooperation initiatives within partner countries. These could also be informal coordination (“Whatever works informally works well.”) Apart from more political support for coordination initiatives, practitioners ask for more flexibility in this regard and less administrative requirements.

When asked for the **role of the EU** in these local coordination efforts, a wide **consensus** appeared that **the EU should play a special role**. To be sure, officials and practitioners from some EU member states (e.g. France, Spain, Italy) seem more inclined to support a strong role of the EU in coordinating in fragile states than those based in other member states. Nevertheless, the dominant perception is that the EU is not ‘just another donor’. There is common ground in the expectation that the EU could and should play some sort of **facilitating role** – not least on the ground and in practical ways. For instance, one interviewee suggested the need for common trainings on modalities like ‘delegated cooperation’. She voiced a frustration that even officials working at the EU Delegation were not fully informed about the technicalities of delegated cooperation, which is further complicated by the fact that the rules change regularly. A main recommendation was to organize trainings on such matters or open up existing trainings to staff of the agencies.




In sum, whereas there is limited support for a federal state-like authority for the EU in development policy (“member states don’t need another UN or World Bank”), there seems to be support for a more enabling role (“the EU Delegation should not act as an additional member state but should coordinate the EU’s approach”). What exactly the EU could do as a ‘service provider’ for cooperation in fragile states has not been clarified by interviewees in this phase and remains subject for further study.

3. WHY? ENABLING AND CONSTRAINING FACTORS

A large amount of enabling and constraining factors emerged from the interviews. While many are context-sensitive, the most important and generalizable factors are summarized in Table 1.1. The table also illustrates how **similar factors can work in both enabling and constraining ways**: these are indicated on the same line. For instance, politicization can be a

driver for coordination in the particular context of Palestine, whereas it can also be constraining in that national interests overshadow coordination concerns. How it eventually plays out, remains a matter for empirical (field) analysis. The table also shows how several explanations are interlinked. For instance, individuals' commitments do matter, but in line with a sociology of institutions perspective, this should be seen within a wider institutional context.

Table 1.1: Enabling and constraining factors

ENABLING		CONSTRAINING
<i>Characteristics of fragile states</i>		
needs, volatility and complexity require quick, flexible and efficient (joint) response; "In fragile contexts it is almost natural to work together with other actors"		weak state apparatus makes partner country ownership of coordination efforts makes more complicated
"weak context means there is a higher need for coordination, especially in the absence of third country leadership, therefore we are sometimes forced to coordinate"		
<i>Politicization and securitization</i>		
high politics interests in fragile states may foster coordination (Palestine? Afghanistan? Emergency Trust Fund?)		national interests of member states and visibility concerns (national flag; donor competition) can make coordination more difficult; tendency for short-term results
<i>Interests of donors</i>		
"smaller donors have more incentive but less capacity..."		"... on the other hand, the bigger donors have less incentive and more capacity"
"We prefer to coordinate with European countries because we are strongly linked to the EU system. We have a preference due to common interests."		member states' particular political interests in certain countries or sectors; "It is a problem with our politicians"
<i>Ideas and identities</i>		
"European family", shared values amongst European member state donors and agencies facilitate coordination		"each institution works according to its own philosophy"
"smaller donors can make an input where they have special		

knowledge.”

Institutions

EEAS and comprehensive/integrated approach (incl devt, security, human aid) stimulate inter-institutional coherence and coordination



still institutional boundaries within HQ, within field, between HQ-field, rendering coordination more difficult

room of manoeuvre and ‘laissez faire’ from HQ can facilitate coordination

HQ constraints: lack of political support from HQ; burdensome requirements; or simply no interest in coordination (“delegation by omission”)

EU as a ‘services provider’ (public goods for donor community)

EU often ‘just another donor’ and burdensome requirements; EU trust funds not always stimulating coordination

some HQ steered initiatives specific for fragile states (e.g. Somali Compact; TFs; New Deal)

some HQ steered coordination initiatives (e.g. MRI; JP) not specifically designed for fragile states

Budgets

limited budgets and economies of scale provoke coordination



limited resources and capacities make it difficult to engage in often time-consuming coordination (“It was luxury to coordinate and in fragile states we did not have the time for that”)

Individuals

personalities on the ground (practitioners) willing to engage in coordination



Lack of training, knowledge, time or commitment (linked to institutional incentives) constrains coordination; continuity of people is not always guaranteed



DILEMMA

COORDINATION FOR WHAT?

- Aid effectiveness concerns?
- Political influence?
- Security and migration interests?

Further complicating the analysis is the observation that the **purpose of coordination** is not always clear. In addition to the well-known aid effectiveness concerns that have advocated coordination since Paris (2005), interviews reveal that also other considerations are at play such as political impact with the partner government, and migration and security related interests. There are many agendas behind the drive for coordination which makes it hard to evaluate the enabling and constraining factors *for development*. Despite the strong case for coordination in fragile states, as illustrated in the literature review, coordination may be less development-friendly if the underlying purposes are of a political, migration or security nature. While the politicization and securitization presents a number of opportunities for enhanced European coordination in fragile states, it equally presents a number of challenges that need to be seriously considered. These require careful analysis in the case study phase.

III. FIELD RESEARCH

Building on a literature review and headquarter phase, this study focuses on **European coordination in fragile states based on four country cases: Niger, DRC, Haiti and Palestine**. Despite numerous constraints against coordination, the study identifies 10 interesting practices of coordination in these countries. A comparative analysis of these practices, some of which are more successful than others, allows drawing lessons on enabling conditions for European coordination. This leads to the main finding that **successful coordination hinges on four conditions: (a) mixing ‘soft’ and ‘hard’ joint implementation, (b) involving a small number of like-minded actors, (c) finding ways to align with the partner country, and (d) providing flexibility for practitioners, while guaranteeing political backing**. Importantly, each of these should be combined to allow for successful coordination. We conclude that the **European Union could and should play a facilitating role** in supporting these four conditions, while also being more active in providing common goods and services such as **joint analysis, joint communication and joint trainings**. While this already happens to a limited extent, there is much scope for improvement.

EXECUTIVE SUMMARY

- Building on a Literature Review and Headquarter Analysis on **European coordination in contexts of crisis and fragility**, this phase of the study focuses on four country cases: **Niger, DRC, Haiti and Palestine**
- For this purpose, we searched for practices of **joint implementation** and provision of **common goods and services**, from which lessons could be drawn
- The research reveals numerous **constraints** against European coordination in fragile states, and creative examples of coordination are very **limited**
- Nonetheless, there is a **near-consensus** that, in contexts of crisis and fragility, coordination is all the more **necessary**
- Moreover, we identify **10 interesting practices**, some of which are more successful than others: (1) FISAN (food security, Niger), (2) JFA/BTC-GIZ (education, Palestine), (3) AREA C (social infrastructure, Palestine), (4) GIBS (health, DRC), (5) FAO (agriculture, Palestine), (6) KINSHASA (fragility initiative, DRC), (7) HR/IHL (human rights CSOs, Palestine), (8) FCS (health fund, Niger), (9) PARIS (school planning, Haiti), and (10) PAFMIR (vocational training, Haiti)
- These cooperation practices are examined, based on 127 **interviews**, including **field research** in Niger and Palestine, producing two deliverables
- First, each cooperation practice is analyzed separately, focusing on **strengths & weaknesses**, as well as **enabling & constraining factors** (deliverable: 10 Notes, see annex)
- Second, we **comparatively analyse** them with a view to detecting **enablers** for European coordination (deliverable: this report)
- This research leads to the **main finding** that successful coordination hinges on four factors:
 - a. **mixing ‘soft’ and ‘hard’ joint implementation**
 - b. **involving a small number of like-minded actors**
 - c. **finding ways to align with the partner country**
 - d. **providing flexibility for practitioners, while guaranteeing political backing**
- Importantly, none of these factors is sufficient in itself. There is not one solution: the most successful cases show that they should be **combined**
- The most successful ‘cases’ are in fact not narrow cases: they form **clusters of various – soft and hard joint implementation, informal and formal coordination – cooperation practices that mutually interact**
- Alignment is particularly important. Working in a fragile context cannot be an excuse not to search ways to involve and strengthen the government(s). The ‘spirit of Paris’ is relatively strong with donors and

practitioners in the field, but waning among a minority of interviewees, while more subtle practices of '**backward alignment**' seem to emerge

- More (successful) examples of coordination are found in **Palestine** than in the other countries, which can be explained by the country's more **enabling environment** in terms of governance and development, and the **donors' interests** to share risks
- In general, the **interplay between institutional and ideational factors** is key to understanding why some practices work better than others. Further **in-depth and comparative social science research** to better understand these factors and their interrelations should be encouraged
- There is no consensus on the role of the **European Union** in coordination in fragile states. Instead of the donor, coordinator/harmonizer, and political force roles, the **facilitating role** is the most promising one
- First, the EU should do more to **facilitate the four enabling factors identified in this study**, thereby also supporting smaller coordinating groups that have emerged bottom-up within the countries and in which it is not directly involved
- Second, the EU should do more to provide common goods and services such as **shared infrastructure, shared analysis, joint communication, joint missions and joint training**. This is the low-hanging fruit for the EU to fostering European coordination without engaging in top-down (micro-)management.
- Such a facilitator role corresponds with the **EU's *raison d'être*** as a supranational institution addressing functional issues and solving collective action problems, whilst also reflecting wider and on-going debates on the future of Europe

1. INTRODUCTION

Building on a Literature Review and Headquarter Analysis phase on European coordination in contexts of crisis and fragility, this phase of the study involves a **field analysis** in Niger, Democratic Republic of Congo (DRC), Haiti and Palestine. The main purpose of this phase is to find interesting (more or less successful) practices of joint implementation and provision of common goods and services, from which lessons could be drawn that are relevant for practitioners. Based on **10 practices** of European coordination in the four countries, we will identify **four enablers that should be combined to forge successful coordination** and draw **recommendations** from these findings.

Despite this focus on enablers, however, it should be emphasized that, in general, creative and innovative examples of coordination between practitioners have been limited. Therefore, the next section (Section 2) will first elaborate on this general finding, pointing out the various constraints against (European) coordination in fragile states. The subsequent sections then elaborate on the enabling factors for coordination by outlining the methodology behind the research (Section 3) and the main findings (Section 4). Section 5 reflects on the role that the European Union could or should play in this regard. Section 6 formulates conclusions, recommendations and final reflections.

This phase provides two **deliverables**:

1. **Ten ‘interesting’ cooperation practices** are studied more in-depth in **separate notes**. Although they are not necessarily ‘best’ practices, analysing their strengths and weaknesses, as well as the enabling and constraining factors at play, makes it possible to draw lessons on ‘what works’ (and does not work) and formulate recommendations (see 10 Notes in annex).
2. **This report** provides **general findings and lessons** than can be drawn from comparing these 10 coordination practices (see this report).

2. LIMITED COORDINATION: CONSTRAINTS

2.1. Limits and constraints

The main purpose of this phase is to find **best practices of joint implementation and provision of common goods and services**, from which lessons can be drawn that are relevant for practitioners. What this concretely entails is summarized in Tables 2.1 and 2.2, which have been the main guidance for the field study interviews.

Before elaborating on the case studies and main findings, however, it should be emphasized that, **in general, creative examples of coordination between practitioners have been very limited**. Although we will identify 10 'interesting' practices of (European) coordination in contexts of crisis and fragility, these are exceptions and not all of them are successful.

First, specific instances of (in)formal and creative coordination practices between practitioners from which lessons can be drawn, turned out to be hard to find. Even when systematically going through the list of possible practices of coordination (see Table 2.1) and the possible provision of common goods and services (see Table 2.2) together with the interviewees, the number of examples that emerged was very limited. Table 2.10 provides an overview of other coordination practices in Niger, Palestine and Haiti that were not classified as 'interesting' (cf criteria in section 3.1) for the purpose of this study.

Second, existing cooperation initiatives mentioned were usually not of a very innovative nature, in the sense that modalities and models were developed that could serve as inspiring examples for other sectors and countries. (Even the PEGASE in Palestine was not seen as a particularly innovative instrument, and also not as one that can be exported to other countries or regions.) While this study will show that we can certainly draw lessons from these practices, they are generally 'interesting' without being particularly innovative.

Table 2.1: Joint implementation practices (interview guide)

Soft JI	Hard JI
Joint analysis	Budget support
Cartography	Common reporting, financial requirements and results-based approach
Joint CS consultation	Common funds
Joint secretariat	Trust funds
Joint engagement / exit strategies, country/sector/ project level	Division of labour (sectorial, sub-sectorial, geographic, cross-sectorial)
Per diems	Delegated cooperation

Note: the categories of “soft JI” and “hard JI” have been created for analytic purposes and the reality should be considered as a continuum between soft and hard JI

Table 2.2: Provision of common goods and services (interview guide)

Research capacity	Coordination units
Staff trainings	Mutualisation of services
Remote management	Third party monitoring
Regular security briefings	Joint/shared logistics (e.g. office)
Joint secretariat	Joint analysis

On **joint implementation**: interviewees would usually only indicate the most typical instances of coordination such as common funds/basketed funds. Even the number of delegated cooperation agreements turned out to be limited and not all interviewees were fully aware of what delegated cooperation involves. The EU Emergency Trust Fund for Africa – established end 2015 to address the challenges of migration in African countries – was also frequently mentioned in Niger, but then usually in a negative way as it barely involves coordination in the field (see section 4.4 on the Trust Fund as a ‘missed opportunity’ for European coordination).

On **common goods and services**: interviewees would usually remain silent and the discussion would be on which public goods and services would ideally be pursued in the future.

Within each of the four countries, formal structures for **sector-wide** coordination between international donors exist. To various degrees, the European Union (EU), its member states and non-members (Norway and

Switzerland) are engaging in **Joint Programming** exercises. However, these often remain at the general policy level and implementation has usually not started yet. Again, concrete instances of coordination amongst practitioners are quasi-absent.

This general finding may not be surprising as it **resonates with the previous phases** of the study: the Literature Review revealed the small amount of studies dealing with joint implementation; phase 1 (see Phase 1 Report, HQ analysis) showed that HQ-steered joint implementation is also limited. While coordination may be all the more necessary in contexts of crisis and fragility, this study confirms that it is also all the more difficult to do in practice. The well-known statement that “everyone wants to coordinate, but nobody wants to be coordinated” also appeared true during the field phase. For instance, several interviewees indicated that they want to do more delegated cooperation. However, this was always from the perspective of being on the receiving side and benefiting from other donors’ contributions, while the appetite for delegating funding to other agencies was much smaller.

Echoing these two previous phases, some explanations for limited cooperation emerge. The most frequently mentioned **constraints** that emerged from 127 interviews during the field phase can be summarised through the 4i framework (Table 2.3).

Table 2.3: Most frequently cited constraints against coordination

	European donors and practitioners	Partner county
Individuals	<ul style="list-style-type: none"> - dependence on committed individuals - quick staff turnover 	<ul style="list-style-type: none"> - individual agendas of policy-makers and officials
Ideas	<ul style="list-style-type: none"> - different visions on general principles and/or approaches - waning Paris spirit 	<ul style="list-style-type: none"> - different visions on general principles and/or approaches
Institutions	<ul style="list-style-type: none"> - limited flexibility and no incentives from HQ - high transaction costs 	<ul style="list-style-type: none"> - capacity constraints - weak donor-wide coordination structures
Interests	<ul style="list-style-type: none"> - political interests HQ - domestic politics (populism, migration, political sensitivity) in Europe - competition for resources - visibility 	<ul style="list-style-type: none"> - no interest in coordination

2.2. The spirit of Paris

One noticeable factor is the **'spirit of Paris'**. Interviewees regularly mention the Paris agenda on aid effectiveness. When mentioning 'Paris', they do not literally refer to the Paris Declaration on Aid Effectiveness at the Second High-Level Forum on Aid Effectiveness. 'Paris' symbolizes the principles of ownership of and alignment with the partner government, while the subsequent conferences of Accra (2008) and Busan (2011) are barely mentioned. Also, interviewees would scarcely refer to the 'New Deal for Engagement in Fragile States', although ownership and alignment are also importance principles in this initiative. Instead, **'Paris' spontaneously came up in almost every interview, referring to general notions of ownership and alignment.** Interestingly, we can discern three different perspectives on how 'Paris' is perceived (Table 2.4).

- **Defending Paris:** the majority of **European practitioners** that we interviewed do not dispute the continuing relevance of ownership and alignment as key **development principles**. While recognizing that this is extremely difficult in contexts of crisis and fragility, they acknowledge that these principles should ideally be pursued and they try to find ways to do so. Indeed, we will see that the most successful coordination practices are precisely those where continuous efforts are being made to somehow involve with the government.

Also from the side of the **partner country**, 'Paris' was often mentioned as what should be the guiding principle in international cooperation. For instance, one technical expert in Palestine emphasized that "Paris was not stupid, it did not come out of nothing, it was experience-based" (non-EU93). In Niger, an interviewee stated: "Il faut que les bailleurs de fonds respectent la Déclaration de Paris – je n'ai plus envie de mentionner la déclaration – il faut avoir confiance dans le Niger. Si les collaborateurs ne sont pas nigériens il faut se méfier » (non-EU81).

- **Criticizing Paris:** a minority of **European practitioners** is critical about today's relevance of the Paris principles, especially in a context of fragile states. This provoked more cynical statements, such as "Paris is the capital of France", and "Paris is dead and we're all fighting to get part of the cake" (EU105); or in on the Common Health Fund in Niger "the reason for launching it was the Paris Declaration, but now they do not talk much about it anymore, it is gone" (EU76). Another European practitioner in Niger expressed it as follows: "now coordination is found less important than before: the Holy Bible is put aside, on Paris and the partnership approach. Decisions come from (the capital) on our table, it is very politicized"

In relation to the Emergency Trust Fund, several interviewees expressed the feeling that "we are going backwards in terms of coordination – after Paris, Accra, Busan, we talked about mutual responsibility but now we said, stop... It is a global trend." (EU63; translated)

Officials in the **partner countries** are aware of this waning spirit of Paris. While dealing with the government is indeed inevitably difficult, this should, as one interviewee from the Palestinian government side emphasised, not be used as an excuse to engage in parallel activities but rather to assist and empower the authorities. “The obligation comes from both sides, but more on the donor community because they are the stronger partner”. However, the same interviewee deplored a growing tendency with donors to “go alone” and engage less with the governmental levels (non-EU112). Similarly, in Haiti one interviewee emphasized that “the role of international cooperation is to support the authorities and the government” (non-EU149), and another one stressed that “donors must boost the capacity of the government to manage itself (...) this must be a priority” (non-EU35).

- **Paris upside down:** amongst those interviewees referring to ‘Paris’, a **subtle but potentially far-reaching discursive shift** is taking place whereby the Paris principles are re-interpreted to allow for **political influence** with the partner government. This could also be called **‘backward alignment’**: donors determining what the government’s policy should be rather than the other way around. Perhaps without explicitly realizing, several interviewees refer to Paris when emphasizing how important it is to ‘influence’ or ‘impose’ (sic) our agenda on the policies of the third country government. This re-interpretation of the Paris agenda is an issue of concern because it could undermine its very developmental basis and allow for political interests to overshadow developmental goals. Given the weakness of most ministries and officials at different levels of government in fragile states, assisting and empowering the government without unduly influencing it proves to be dancing on a tightrope.

Table 2.4: Interviewees’ views on ‘Paris’

	View	What is Paris?
1.	Defending Paris	a development principle
2.	Criticizing Paris	the capital of France
3.	Re-interpreting Paris	a political strategy

2.3 Searching for enabling factors

Notwithstanding these different views on Paris, there is a **near-consensus amongst interviewees that (European) coordination is even more necessary** in a fragile state context. Again resonating with the HQ phase of this study (see Phase 1 Report, HQ analysis), the rationale behind coordination is barely questioned. While interviewees strongly emphasize the various obstacles they are confronted with to engage in more coordination, there is a consensus on the need for working more together in various ways.

The importance of joint implementation practices and provision of common goods and services is explicitly recognized.

Starting from this premise, this research searched for **'interesting' practices – if not necessarily best practices or creative examples – of European coordination in fragile states that allow us to formulate conclusions on enabling factors for coordination.** Despite the finding that European coordination is generally limited and faced with various obstacles, the four countries did reveal a number of interesting cases. Some of these originate back to the 'Paris era' of the end 2000s (e.g. GIBS in DRC, FCS in Niger, JFA in Palestine) whereas other practices of coordination are more recent. While they differ greatly in context, topics and modalities, together they illustrate the diversity of cooperation instances in fragile states. Moreover, comparing them makes it possible to draw general lessons and formulate recommendations.

Before elaborating on these findings, the next section will explain the methodological approach for analyzing and evaluating the 10 cooperation practices that are central to this study.

3. METHODOLOGY: EVALUATING INTERESTING PRACTICES

Three separate methodological steps have been undertaken in order to be able to draw lessons from the examined coordination practices: (1) determining which are ‘interesting’ practices for the study, (2) evaluating which of these are more or less successful, and (3) explaining why some are more successful than others. Table 2.5 summarizes how each question is addressed and what output it generates.

Table 2.5: Methodological approach: three-step approach

Question	Approach	Output
1. <i>How to determine what constitutes an ‘interesting practice’?</i>	Practitioners’ involvement. Inductive selection using 2 criteria	Identification of 10 coordination practices (Table 2.6)
2. <i>How to evaluate which practices are more successful than others?</i>	Classification on continuum most-least successful, based on 2 main criteria	- Separate analysis of each coordination practice: 10 separate Notes (annex) - Comparative analysis: this report (Section 4; Table 2.11)
3. <i>How to explain why some are more successful than others?</i>	Comparative analysis using 4i pragmatic framework: individuals, ideas, institutions, interests	Comparative evaluation: this report (Section 4; Table 2.11)

3.1. What is an interesting practice?

First, how to determine what constitutes an ‘interesting practice’? In order to determine this, we first and foremost focused on **concrete instances of cooperation that involve practitioners**. In line with the general purpose of the study, the aim is not to analyse general and political coordination schemes such as Joint Programming, but rather to research those specific practices of (European) coordination in which practitioners participate and that may enable us to draw lessons on joint implementation and provision of common goods and services.

In addition to this general selection criterion, **two additional criteria** have been taken into account, which are also in line with the general purposes of the study. These were not determined beforehand and were developed inductively throughout the field research, emerging from the input and perception of the practitioners that were interviewed. In order to qualify as an interesting practice of coordination, the practice should:

- (1) involve a sufficient number of **European** donors and practitioners (at least three)
- (2) be **perceived** as interesting by stakeholders in the field.

Furthermore, at the general level of the case selection, we aimed to provide a **variation** of modalities, countries and policy areas across the cases, in order to allow for a comprehensive analysis that illustrates the potential diversity and richness of the different contexts, topics and modalities.

Following this largely inductive approach, 10 practices have been selected (out of approximately 25 identified practices, see more in Table X) for further analysis in this phase. As will become clear, several of these involve sub-practices of (European) coordination. These are summarized in Table 2.6, which also already includes other basic data on each of the cases:

Table 2.6: Interesting practices, overview

Case	Emergence	Mechanism(s)	Membership	Instruments mobilized	Common goods and services	Strengths	Weaknesses
FISAN Food security	Field, 2012	Support for credit scheme	LuxDev, SDC, SK, possibly AfD and KfW	Technical assistance; linked to EU budget support conditions	capacity building; Joint studies; Joint pilot initiatives	Highest political support by the President	Not yet adopted in law; Unequal state-donor relationship
JFA/BTC-GIZ Education	Field, 2010	JFA: Pooled Fund; Del cooperation; BTC-GIZ: Joint management structure	JFA: BE, FI, IE, NO, KfW; BTC & GIZ, others (e.g. EU, SDC)	JFA: Budget; Policy dialogue; BTC-GIZ: technical assistance – hiring consultant, co-funding activities	JFA: joint analysis; common disbursement, procurement, audit; BTC-GIZ: Joint missions, workshops, communication	JFA: Reduced transaction costs, DOL; Good relations with ministry; Risk sharing; BTC-GIZ: DOL; Flexible	JFA: alignment (procurement); BTC-GIZ: uncertain relations with the PA; weak sector-wide coordination
AREA C Social infrastr	HQ & field, 2014	Pooled Fund; Transfer agreements	EU (lead), DK, FR/AfD, UK	Budget; Informal technical working group	Joint funding, joint reporting etc; information exchange; Pol backing	Risk sharing; less transaction costs; informal (4 musketeers)	divisions within EU; political sensitivity in Europe
GIBS Health	Field, 2005	Donor wide coordination (plenary & sub-groups)	GE, BE, DFID, SE, EU, many non-EU	Meetings; Permanent secretary	Info sharing; common positions towards govt; common commitments	Example for other sectors; harmonizing admin issues	Parallel structure, alignment; implementation
FAO Agriculture	Field, 2016	Pooled fund	EU, AECID, DK, NL, SDC, FAO	Budget; Joint project steering committee and Programme Management Unit	joint reporting, monitoring etc.	Lower transaction costs; influencing Pal & Isr govts; critical mass	Different views; Admin complexities; Competition, duplication; Alignment
KINSHASA Fragility	HQ and field, 2015	Joint Workshop; Task force; reflection group	EU, BE/BTC, GE, DFID, FR/AfD, GIZ, KfW, NL, SE	Budget (COM and BE); Facilitated by Acropolis	information exchange, joint analysis; common table, action plan?	Chatham House rules; common understanding	from operational to information sharing; lost momentum
PARIS Schools	Field, 2009	Joint working group	MTPTC, SDC, IDB; AECID, UNICEF	Centralised & de-centralised decisions	Technical plans, practical guides; Meeting space; Seconded expert	Scaling up of the initiative; alignment; large donors	technical capacity; long process and delays
FCS Health	Field, 2005	Pooled fund	AfD, WB, AECID, UNICEF, GAVI	Budget	Technical assistants; co-financing	alignment & ownership; Less transaction costs; reliability	Low execution rates; Hidden transaction costs; pol dialogue
HR/IHL Human rights	HQ & field 2004	Pooled fund for secretariat	NL, DK, SE, SDC, NO (left)	Budget	Joint secretariat	Stable funding; Risk sharing and hiding	High transaction costs; Unclear future; political backing
PAFMIR Vocat training	Field 2015	Del cooperation	EU, AfD	Budget; missions; joint studies, action plans, evaluation, communication	Technical assistants	Lower transaction costs; AfD expertise	time consuming procedures; Administ requirements; absorption capacity; ownership

As stated above, the number of ‘creative’ modalities is limited. Cooperation often involves a pooled fund and/or information exchange. Delegated cooperation and joint studies/analyses also occur frequently. However, the study shows that there is significant variation in the way in which different modalities work in practice and in how they are (not) combined. Similarly, there is considerable divergence in how successful they are, as will be elaborated below.

3.2. How to evaluate successfulness?

Second, how to evaluate which practices are more successful than others? Again, the criteria were largely developed inductively throughout the field research. Two main criteria emerged from this, relating to both the ‘perceived’ and ‘effective’ relevance of the coordination practice (Table 2.7).

(1) Stakeholders’ perception of the coordination practice:

- a. How do they perceive the coordination as such?
- b. How do they perceive its impact and relevance?
- c. Do they perceive it as a model for other sectors and/or countries?

(2) Effective relevance of the coordination practice:

- a. Primary documents, secondary literature and other evaluations
- b. Coordination ‘dynamic’; attracting more participants

Table 2.7: Criteria for evaluation of most/least successful practices

The more frequently these criteria are being identified for a specific coordination practice, compared to the other practices in the pool of this study, the more it will be considered successful. As such a ‘retrospective’ research of what has been (considered as) successful has been combined with a ‘prospective’ approach on promising practices. Following this approach, and instead of developing strict categories, we classify the coordination practices alongside a **continuum from most to least successful** (Table 2.8).

Table 2.8: Continuum: Most and least successful practices

MOST SUCCESSFUL		LEAST SUCCESSFUL
FISAN-JFA-AREAC	GIBS-FAO-KINSHASA-FCS	PARIS-PAFMIR-HR/IHL

Several clarifications should be made on this distinction.

- First, as this is the result of a comparative analysis, the ‘least successful’ practices are not necessarily unsuccessful. Given the constraints within a certain country and/or sector, they can even be relatively successful. However, this distinction is based on a comparison with other practices within the same country and within the other countries of this study, alongside the above-mentioned criteria.
- Second, also the most successful practices do contain risks and challenges. These can be ‘external’ given the difficult context of crisis and fragility, but they can also be ‘internal’ and relate to sub-optimal functioning of the coordination mechanisms. While the most successful cases score higher on the above-mentioned criteria, the analysis shows that their long-term sustainability is by no means achieved.
- Third, there are differences in newness of the coordination practices: while some are relatively recent others have existed for a long time. For relatively new initiatives (which most practices are), we have taken into account to which extent they are promising (again, according to both stakeholders’ perception and effective relevance).
- Fourth, each of the identified coordination practices would merit from further, in-depth research into its emergence, functioning and impact. All the practices that have been researched have been the subject of evaluation studies made by consultants, most of which are unfortunately undisclosed (thereby missing an opportunity to provide the ‘common service’ of information). Given constraints of time and resources, the analysis of each of the ten practices remains inevitably at a rather general level. At the same time, however, the variety of issues and countries also guarantees the empirical richness of the study, and points to relevant cases for further follow-up research.

In terms of **data and methods**, we mostly relied on interviews with ‘stakeholders’. Stakeholders include primarily the European donor and practitioner side as well as the governmental/partner government side. Due to time constraints, as well as difficulties to identify representative organizations, a limited number of non-governmental organizations were interviewed. Interviewees include participants in coordination practices (e.g. European donors) as well as outsiders (e.g. non-European donors) and government officials involved. Given the complexity of the coordination practices and the relatively limited amount of cases, we have opted for a **qualitative evaluation** and therefore did not ask for ‘scores’ to assess coordination practices. Interviews were semi-structured and usually involved five elements: (1) identification of interesting coordination practices, (2) strengths, weaknesses and challenges of these practices, (3) enabling and constraining factors, (4) role of the EU, and (5) finally recommendations and follow-up. Through interview invitations by email and/or preliminary phone calls, interviewees

were informed beforehand about the research scope. Depending on the input provided by the interviewee, we elaborated on some elements.

The number of people interviewed is about 37 for Niger, 59 for Palestine, 21 for DRC and 10 for Haiti, while also some interviews of the headquarter phase (57 interviews with representatives of different donors and agencies in Brussels and other European capitals) were useful. We have guaranteed **anonymity** to all interviewees. Interviewees have been numbered and are referred to as belonging to two broad categories: 'EU' (diplomats and practitioners from the EU institutions and EU member states) or 'non-EU' (non-EU countries in Europe and in the partner countries, civil society, international organizations, partner country representatives). We have sometimes been deliberately vague with interviewee references in order to guarantee anonymity. While this approach can make it difficult for the reader to understand the background of some analysis, it was deemed necessary for at some interviewees because of the sensitivity of information (especially on less successful coordination practices). The authors of the study have detailed interview minutes; upon request and after the authors have consulted the interviewees more information may be provided. While the interviewees have provided invaluable data and insights, they cannot be held responsible for the analysis, interpretations and remaining errors in this study which should be attributed to the authors.

In addition to gauging the perception of stakeholders, we also relied on primary documents (e.g. agreements, memorandums, letters), consultancy studies, media coverage and secondary academic literature where these sources were available. Through **triangulation** of these data sources with the interviews, in line with the above-mentioned criteria, the coordination practices are categorized on the continuum from most to least successful.

Based on this methodology, **10 separate analyses of the coordination practices** have been drafted (see Notes in annex). Each of the notes follows the same structure: following a background section and basic description of the mechanism (according to the template in Table 2.9), the coordination practice is evaluated along its main strengths, weaknesses and/or challenges, after which explanations (enabling and constraining factors) for its (un)successfulness are elaborated. The concluding part includes a summary, recommendations and reflections on the EU's role. We have presented a draft version of each note to **key stakeholders involved** in the coordination practice. Most of them have provided feedback on the notes by email, which we have integrated in the final version where deemed necessary to improve the data and analysis. Again, however, the interviewees cannot be held responsible for the analysis and interpretations.

Table 2.9: Description of coordination practices: template

	Mechanism	Emergency and timing	Membership	Scope	Formalization	Instruments mobilized	Provision of goods and services
2.1							
...							
2.10							

However, more coordination practices have been observed, as can be seen from Table 2.10. This includes cases that are limited and/or not particularly relevant in terms of lesson drawing, although further research into some of them (e.g. coordination initiatives in the water sector in Niger and the West Bank Protection Consortium in Palestine) may be worthwhile for follow-up research. Moreover, some cases involve a cluster of different coordination practices – and as will be explained below, this is particularly true for the ‘most successful’ cases.

Table 2.10: Additional example of coordination practices

	description	sector	donors involved	coordination mechanism
Niger	Abduction d'Eau Potable multi-villages à Kiéché	water	BTC, LuxDev	Hard - Co-financing (2015-2017)
	Support PASEHA Programme d'Appui au Sector Eau, Hygiène et Assainissement à Diffa & Zinder	water	DK, LuxDev	Hard - Co-financing (tbc)
	Renforcement de la coopération dans le cadre de la mise en œuvre de leurs projets et programmes en lien avec les politiques et stratégies au niveau national en matière de petite irrigation et la mise en cohérence et l'harmonisation des planifications opérationnelles.	Irrigation	KfW, AFD, IFAD	Soft - Memorandum of Understanding (draft 2016, not yet adopted)
	Common Fund for the National Dispositive on the Prevention and Management of Food Crises	Food security / humanit	FR, IT, ES, CH, US, BE, FAO, UNDP, UNICEF	Hard - Common Fund (since mid-2000s)
Palestine	Funding the Independent Commission for Human Rights (Palestinian national human rights organization)	Human rights	SE, NO, DK, NL, CH (lead donor)	Hard - Donors' Union, involving joint missions, joint evaluation, joint reporting
	Donor coordination for the Municipal Development Lending Fund (MDLF) via the Municipal Development programme II (MDPII).	(local) infrastructure	AFD; DK via WB + advisor via DANIDA; EU via KfW; KfW; GIZ; SDC; SE via WB; NL via VNG International; BTC; WB	Hard - Delegated funds
	West Bank Protection Consortium	humanit	Led by Norwegian Refugee Council; DG-ECHO and five EU Member States (BE, IT, LU, ES, SE). Five INGO Partners (NRC, as lead agency, ACF, ACTED, GVC and PUI); IE, DK, FR, LV, ET, SK and HR might join	Hard - Joint framework, joint analysis; coordinated reporting using ECHO methods (since 2015)
	Industrial zones meetings	Industrial zones	JP, AFD and GIZ	Soft - Informal meetings (quarterly); sharing information and best practices (since 2013)
	conduct a joint study, including a cartography	Water	KfW and AFD	Soft - Joint study (2017)
	Joint office in Gaza for local staff member	Gaza	GIZ and BTC	Soft - Joint office; Service delivery agreement (2015)
	Trainings on human rights based approach and on human rights defenders	Human rights	EU-wide (led by EU office)	Soft - Joint trainings (2016-2017)
	The Coalition for Accountability and Integrity (AMAN)	Anti-corruption	LU, NL NO	Hard - Delegated cooperation (Lux → No)
	Delegated funds in education	education	EU, AFD	Hard - Delegated funding (EU → AFD)
	Haiti	Coordination in urban development	Urban devt	EU, AFD, AECID

3.3. How to explain variation?

Third, how to explain why some are more successful than others? This is clearly the most difficult, but also the most important question. We need to understand why some coordination practices work better than others to be able to draw lessons and formulate recommendations. For this purpose, we have taken two methodological steps.

First, we used the **pragmatic 4i's framework** (individuals, ideas, institutions, and interests). These explanations apply to both the donor and partner countries and can work in enabling or constraining ways. The 4 i's have been addressed throughout the interviews, albeit often indirectly and inductively, whereby interviewees were provided the scope to come up with their own interpretations. Only at the end of the interview or in the follow-up analysis, answers were then classified according to the 4i's (see Table 2.11).

The purpose of this classification is not to determine which 'i' has more explanatory value than others. Rather, it serves as a pragmatic framework for analysing how different (f)actors interplay in complex ways. From a **sociology of institutions** perspective, the study does indeed confirm that 'ideas' and 'institutions' dimensions are closely interwoven, especially in the best cases, which involve both soft and hard joint implementation. However, individual and interest-related (f)actors also matter in enabling *and* constraining ways.

Second, we engaged in a **comparative analysis** across the cases and countries. Because of the vast diversity of contexts, topics and practices, systematic comparisons are impossible and undesirable. **Each single practice would merit its own in-depth evaluation**, something that was not possible in the framework of this explorative study. However, the diversity of contexts, topics and practices was deliberately pursued by the PN and the research team to allow for a wide spectre of insights. What this approach loses in terms of generalizability in a strictly positivist scientific sense, can be compensated by richer and context sensitive insights. As will become clear below, this parsimony-complexity trade-off has indeed revealed several interesting common threads throughout the different practices.

Table 2.11: Explanatory framework: 4i's pragmatic and comparative approach

enabling & constraining				
	Individuals	Ideas	Institutions	Interests
	Skills, experience, commitment, relationships	Ideas and ideologies about aid and development; (European) identity; like-mindedness	Procedures, management, incentive structures, capacities, flexibility, agreements	Political, security, bureaucratic, historical, economic, influence, visibility
	Donor specific & partner country specific (f)actors			
2.1				
...				
2.10				

Based on this dual methodological approach, whereby the interesting practices that emerged from the interviews are comparatively assessed throughout the pragmatic 4i framework, we aim to learn why some practices are more successful than others. Then, **more specific research questions become:**

- How can we explain why the Food Security (FISAN) in Niger, Education (JFA/BTC-GIZ) in Palestine, and Social Investment (AREA C) cases in Palestine are best practices of coordination, compared to the others in the sample?
- How can we explain why the HR/IHL (human rights CSOs) case in Palestine and the Professional Training (PARIS) case in Haiti are amongst the least successful cases?
- How can we explain the strengths and weaknesses of the other five coordination practices?

3.4. Conclusion

This approach enabled us to identify **four different factors have emerged that correlate highly with the successfulness of a coordination practice:** (1) having a mix of 'soft' and 'hard' joint implementation; (2) having a small number of like-minded actors involved; (3) attempting to align with the partner country; and (4) providing flexibility for practitioners while also guaranteeing political backing.

As will become clear in the next section, and can already be seen from Table 2.12, it is the combination of these four factors that makes coordination practices relatively successful. In general, the **interplay between institutional and ideational factors is key** to explaining why some practices are more successful than others.

Table 2.12 summarizes the extent to which these four factors and explanations appear in each of the 10 coordination practices. More bullets indicate that the factors are more present for this case.

Table 2.12: Summary

	COORDINATION PRACTICE	Soft & hard JI	Small & like-minded	Align with partner	Flexibility & political backing
least most successful	FISAN	●●●	●●●	●●●	●●●
	JFA/BTC-GIZ	●●●	●●●	●●●	●●●
	AREA C	●●	●●●	●●●	●●●
	GIBS	●	●	●●	●●
	FAO	●●	●●●	●	●
	KINSHASA	●	●●	●	●
	PARIS	●	●●	●●	●●
	FCS	●●	●	●●●	●●
	HR/IHL	●	●●●	●	●
	PAFMIR	●	●●●	●	●

4. MAIN FINDINGS: COMBINING FOUR ENABLERS

The main findings of this study can be summarized as follows:

Most successful coordination practices combine the following four enabling factors:

- a. mixing 'soft' and 'hard' joint implementation
- b. involving a small number of like-minded countries
- c. finding ways to align with the partner country
- d. providing flexibility for practitioners, while guaranteeing political backing

Inversely, these factors apply to a (much) more limited extent in the less successful coordination practices.

These four findings are elaborated in this section.

4.1 Mixing 'soft' and 'hard' joint implementation

Going back to the distinction between 'soft' and 'hard' joint implementation (Table 2.13), **the extent to which various forms of coordination and joint implementation** is combined correlates highly with the successfulness of the cases.

On the one hand, there are initiatives that mainly involve the establishment of a 'hard' joint implementation instrument, such as the FCS (health fund) in Niger or the 'delegated cooperation' on professional training in Haiti (PARIS), without being surrounded with softer forms of cooperation (or only to a limited extent). On the other hand, there are initiatives like the 'fragility workshop' in the DRC (KINSHASA) or the 'school plan' in Haiti (PAFMIR) that remain limited to soft joint implementation.

The most successful practices combine the two in creative ways: indeed, the best practices have in common that they mix soft and hard implementation initiatives. They go beyond the creation of a single mechanism, forming **clusters of various coordination mechanisms that mutually interact**.

- In the case of FISAN, the various pilot projects and joint initiatives (soft and hard joint implementation) between the main donors created an enabling environment for successful coordination. For example, although the Danish representation had physically left Niger in 2014, it continued to be active on the ground through delegated cooperation to the SDC. This delegated cooperation was used to finance technical experts and pilot projects. The same donors, as well as LuxDev, have contributed to a number of pilot projects in the same regions of Niger and this enabled them to see opportunities for synergies and enhanced coordination. Moreover, the fact that donors already have a history of coordinating amongst one another bodes well for future and broader cooperation. For example, SDC and LuxDev had already established a co-financing

agreement including modalities for hiring experts and co-financing studies. Building on this division of labour between the partners facilitated the development of a best practice of coordination, which could later be up-scaled.

- The JFA and BTC-GIZ are two examples of interrelated coordination practices. While the JFA constitutes a classical pooled fund, it also involves joint analysis, and through the participation of Belgium and Germany it is also closely related to the BTC-GIZ cooperation. BTC-GIZ coordination involves co-financing of activities as well as joint missions, joint trainings, joint workshops, joint communication, and informal meetings between the team leaders. Other actors such as the EU and SDC are involved in some GIZ related activities through delegated cooperation, and there is mutual interaction with the donor-wide sector coordination in Palestine.
- The clustering of hard and soft joint implementation initiatives in the AREA C case is less dense, although here too there is interaction between the informal 'four musketeers' meetings and the formal Transfer Agreements between the donors and the EU. Also, the whole 'social infrastructure' cluster forms part of the larger Area C programme of the EU that also includes a 'planning' and 'land development/agriculture' cluster, each of which is financed by different groups of European donors. Finally, the initiative is strongly embedded within political decision-making in Brussels. The Council Conclusions of May 2012, which were also confirmed by the Political and Security Committee (PSC), provide the political basis for the coordination.

Table 2.13: Mixing soft and hard joint implementation

Coordination practice	Soft JI	↔	Hard JI
FISAN	Lux-Swiss-Denmark (core) GIZ-AFD Joint studies; Joint pilot initiatives; informal coordination		Credit scheme
JFA/BTC-GIZ	Norway-Ireland-Belgium-Germany-Finland (+ EU and SDC) Joint missions; joint trainings; joint workshops; informal meetings; Joint communication (video)		Pooled Fund Delegated cooperation Co-financing
AREA C	EU – Denm – AFD – UK Shared analysis; informal meetings (4 musketeers)		Transfer agreements Council and PSC Conclusions

The less successful cases display (much) less interaction between soft and hard implementation.

- The GIBS health coordination in the DRC primarily involves the negotiation of agreements between donors. For instance, donors have negotiated agreements on *per diems* and *primes*. However, these agreements remain ‘soft’ in the sense that they are not legally enforceable, and the implementation has indeed lacked behind.
- In the same country, the KINSHASA fragility initiative bumped against its limits when the soft workshop initiative also aimed to achieve hard commitments in the form of a joint action plan and operationalization. As a result, its ambition was lowered turning into an ad hoc meeting for exchange of information.
- The PARIS case in Haiti is interesting because it shows how the establishment of a working group can eventually lead to national plans to

be adopted by the government. However, interactions with related coordination activities are limited.

- In contrast to these three coordination practices, the FAO agricultural economy cooperation case in Palestine does establish a heavily institutionalized system for cooperation. However, it builds on only limited soft joint implementation. To be sure, there have been interactions between the donors through previous cooperation, e.g. between AECID and FAO, and a joint Dutch-Swiss field mission to Gaza was actually the trigger for this cooperation practice. These provide the potential for more clustering of cooperation in agriculture in Palestine. However, while the FAO practice partly builds on previous experiences, these initiatives have already expired and there are no interactions between different on-going coordination practices.
- As noticed above, the FCS (health fund) is perceived as a financing mechanism rather than a coordination mechanism (“sitting together is not coordinating”). Instead of mixing several coordination practices, the participants in the Fund actually engage in separate health-related interventions outside the framework of the Fund, contributing to the already significant donor proliferation in the health sector. Interaction with wider coordination under the Compact is limited, partly because of several deficiencies from which the Compact suffers.
- The HR/IHL Secretariat in Palestine operates on its own. There is limited interaction with ‘soft’ cooperation between the partners vis-à-vis the human rights CSOs. The Secretariat illustrates how under some circumstances cooperation can result in continuous and time-consuming negotiations between the partners to the extent that there is no scope left for further cooperation outside the framework and with the eventual beneficiaries.

In sum, what makes some cases successful is that they are not isolated cases: they are clusters of various – hard and soft, formal and informal – coordination practices at different levels.

4.2. Involving a small number of like-minded actors

Achieving such a mix of soft and hard joint implementation activities is easier when there is a relatively **small number of like-minded donors at the centre of the cluster of cooperation activities.**

The field research shows that **bottom-up coordination practices between about 4-5 donors or agencies are perceived to be more successful than grand schemes such as Joint Programming.** Joint Programming is sometimes seen as a useful exercise (e.g. in Palestine), but others are quite critical about the whole exercise. A significant number of interviewees take a wait-and-see attitude towards the implementation of Joint Programming in Palestine. This interviewee expresses what several others also suggested:

“it (Joint Programming) took a very long time, and now the challenge is to implement it meaningfully; because it is easy for countries to join up

to the spirit of Joint Programming, but now it will become more challenging: there will be a lot of creative ‘how can we say we are aligned’ rather than effectively be aligned” (EU109).

While interviewees in Palestine were cautiously optimistic about Joint Programming (which also includes Norway and Switzerland: the ‘EU+’), in the DRC and in Niger questions were raised about the EU’s willingness to effectively proceed with the whole exercise. It does not seem to be a priority of the EU Delegation in these countries.

While ideally large-scale coordination such as Joint Programming would be combined with smaller initiatives (see previous point), the practitioners that we interviewed display (much) more confidence in coordination practices amongst a relatively small number of donors. As one interviewee expressed it: “in like-minded groups we are more pragmatic: we move on the ground, it is less about grand ideas” (EU96).

However, being a small group is not sufficient: the coordinating donors/practitioners also need to be **like-minded in terms of ideas and they need to form a critical mass** in the sector. Ideally, a small number of donors embark on coordination efforts that then create a dynamic that attracts more members, unless they have sufficient critical mass in terms of budget and/or expertise amongst themselves to make a difference.

These conditions seem fulfilled in the most successful cases. Each of them concerns a relatively small number of donors/practitioners and seems to **generate a dynamic that attracts more members**. What matters more than the absolute number of participants, is that at least one large donor or agency joins the coordination practice that has been instigated by a group of small donors. This also fosters further extension of the group (“everybody wants to be with the popular folks, a bit like at high school”). In fact, as explained in Section 3, attracting more participants forms an element of the selection criteria.

- As for FISAN, besides SDC, Danish Cooperation and LuxDev, also KfW and AFD are considering to join the initiative. Such extension to more members will be crucial to guarantee the sustainability of the initiative. Indeed, the success of FISAN will depend on the contribution of other agencies – especially those considered to be the ‘bigger’ agencies in Niger – such as AFD, while the colossal size of the World Bank constitutes a challenge. For now it seems that the ‘coalition of the willing’ of LuxDev, SDC and Denmark have managed to create such a ‘multiplier effect’ based on their joint cooperation. Despite relatively smaller budgets, SDC and LuxDev displayed pro-activism in their advocacy initiatives by engaging in lobbying and pre-implementation/pilot projects, which ultimately played an important role to stimulate the interest of so-called bigger donors who already expressed an interest to join at a later stage (e.g. GIZ and KfW).

- As for the JFA, Belgium joined the pooled fund in 2013. Given the dominance of the JFPs in terms of budget and expertise (critical mass), there is no urgent need for extension of the group to more members. It could even distort efficiency and hinder effective coordination.
- As for AREA C: whereas this was originally an EU initiative, it was quickly joined by Denmark and France, and in 2016 also the UK joined, implying that a number of significant EU member states participate in this highly politically sensitive programme. Importantly, also Germany might consider its participation. This would not only enhance the leverage of the social infrastructure fund but also constitute an important political symbol about Europe's commitment to the two-state solution (European investments in Area C on West Bank).

Some less successful coordination practices have seen an unchanging or declining participation. For instance, Norway left the HR/IHL Secretariat after only three months in 2016, which reflects the challenging times in which the HR/IHL situates itself. The critical mass of the initiative can be questioned, as the Secretariat provides a relatively small share of the organisations' total funding. Other coordination practices are less successful because they may lack the critical mass:

- The contribution of the FCS (health fund) in Niger seems negligible compared to what the many other donors (outside the fund) contribute to health related projects and programmes. While the Fund might have an added value in terms of institution building and in specific niches such as sexual and reproductive health, the proliferation of donors makes it difficult to have an impact and even the most optimist observers have noted that an extension of its critical mass is necessary.
- The FAO case on agriculture in Palestine is equally challenged by the fact that many relevant donors (such as Canada and Australia, as well as many NGOs) remain outside the donor coordination framework. However, the group does include strong actors such as the EU and the FAO, with significant expertise from the Netherlands and budget from Denmark. As the implementation has not yet started, it remains to be seen how much weight the FAO initiative will have.

In our pool of cooperation practices, only the health coordination in the GIBS (DRC) concerns donor wide cooperation. Cooperation within the GIBS can be seen as moderately successful: it has managed to reach agreements on important topics such as *per diems*, *primes*, *contrat unique and medicines*, however the level of implementation is not always clear. It should also be noticed that the agreements within the GIBS are based on consensus decision-making within the sub-groups, which include fewer members.

A key advantage of engaging in cooperation with a small number of donors is that this can be based on **like-mindedness**. This brings us to the 'ideational' dimension. Shared ideas on how to promote development in a fragile context can be seen as the glue that facilitates the cooperation between small groups of states. In the most successful cases, there is a **clear consensus between**

the participants on what the root of the problem is and how it should be addressed.

The like-mindedness in these cooperation practices is summarized in Table 2.14. For FISAN, the like-mindedness situates itself at the level of development ideas; for JFA-BTC/GIZ the like-mindedness concerns a preoccupation with strengthening government institutions; and for Area C, the like-mindedness is based on a clear political statement on the two-state solution.

Table 2.14: Like-mindedness in small groups

Participants		Like-mindedness
FISAN	Luxembourg, Switzerland (SDC), Denmark, IFAD Possibly AfD and KfW	Developmental: Need for investments for small producers in agriculture and food sector, at decentralized level; consensus that existing systems need to be strengthened and that HC3N is central
JFA-BTC/GIZ	Belgium, Ireland, Finland, Norway, Germany (KfW)	Institutional: Education should be addressed through governance reforms at ministry; results-based management
AREA C	EU, Denmark, AFD, UK	Political: Two state-solution; social infrastructure in Area C should be possible if Israel does not formally object

In contrast, the moderately successful cases show less ideational convergence.

- The FAO case in Palestine has started from a common realization by the participants that agricultural exports should be promoted through a ‘global value chain’ and ‘market oriented’ approach, but through the laborious negotiation process it had become clear that the donors had different views of what this means and how it should be addressed.
- Although the success of the fragility workshop can be partly attributed to the small number of participants from the “European family”, it quickly became clear that belonging to the same family does not mean having similar visions. Different member states had different priorities, and divergences came to the fore when concrete commitments were required for the action plan.
- Within the GIBS, different ideologies on how to provide health care in a fragile state – ranging from horizontal health systems strengthening to parallel private sector approaches – have dominated discussions on the procurement and distribution of medicines, making the implementation of the agreement that was eventually reached precarious.

- Cooperation within the FCS (health fund) and the Compact in Niger is based on a loose consensus since the Paris-inspired reforms in the mid-2000s. However in practices there are not many signs of like-mindedness. Quite the contrary: both actors advocating horizontal and actors advocating vertical approaches to health care are members of the FCS and the Compact. While the Compact has in itself a clear vision, it is barely known even amongst its signatories. Therefore, in this case the like-mindedness is limited to paper and does not appear in practice.

Interestingly, like-mindedness does not necessarily mean that all participants should be practitioners (or diplomats). In a number of (relatively) successful cases (the PARIS example in Haiti, the KINSHASA workshop and the JFA in Palestine) the **mix of diplomats and practitioners** was perceived as an advantage, while in the successful case of food security (FISAN) the leading actors (SDC, LuxDev) did not make this distinction. In relatively successful cases, technical experts did play a key role (e.g. GIBS and medicines case : positive and negative experience with consultants ; FAO and study by Wageningen University ; PARIS case and SDC seconded architect).

The cases also confirm the established knowledge (see Literature Review) that **smaller donors tend to be more favourable** towards coordination in the countries studied. SDC, LuxDev, BTC/Belgium and Denmark appear in several (more or less successful) coordination practices that we have analyzed. As relatively small donors and agencies they have a bigger interest in being involved in larger groups in order to have an impact (leverage effect). Moreover, some of them seem to receive more institutional flexibility (e.g. LuxDev, SDC, Denmark) from headquarters compared to larger donors and agencies (see below).

The importance of like-mindedness does not necessarily mean that all participants should be **EU member states**. On the one hand, some relatively successful coordination initiatives include non-EU countries such as Norway (JFA case) and Switzerland (FAO case). On the other hand, there are relatively successful cases that include non-European donors (GIBS case) and other organizations (PARIS case). There is no evidence that coordination by EU member states would be more successful. In the future Joint Programming may progressively allow a convergence of analysis and visions among EU member states ; however this has not yet been witnessed in the countries of this study (see 4.2 and 5.3). The only case where participants were explicitly limited to the so-called « **European family** » was the KINSHASA workshop and its follow-up, where different ideas and interests between the EU participants emerged. What seems to matter much more than belonging to the EU, is the like-mindedness of the participants.

In some case, it seems that a **European like-mindedness** is fostered by contrast with other actors such as the World Bank and the UNDP. For instance, when it comes to health assistance (GIBS in DRC, FCS and Compact in Niger), divergences between a 'European' health strengthening

versus a 'non-European', 'US' or 'multilateral' vertical approach sometimes emerged. However, in general, and also in these specific cases, we could not find strong evidence of a distinctively 'European' like-mindedness. Interviewees also voiced little references to possible impact from China, Brazil or South Africa – which may be surprising given the intense policy debates that have held on the emerging non-OECD donors and the changing donor landscape.

Outside the scope of the 10 interesting practices, the research also revealed several instances of cooperation activities between the **AFD and the KfW**. Again, this can be seen as the result of both institutions being relatively like-minded as **development banks**. It is no coincidence that AFD and KfW, which share a similar institutional environment given their role as banks, cooperate on several occasions:

- Already in previous phase (see Phase 1 Report, HQ analysis), AFD-KfW cooperation through the Mutual Reliance Initiative was highlighted as an interesting HQ-steered example of coordination;
- In Niger, there is an AFD-KfW Memorandum of Understanding in the water sector;
- In Palestine AFD and KfW co-financed a joint study on cartography of water
- Also in Palestine, both AFD and KfW coordinate informally on their industrial zones projects, together with the Japanese cooperation

In the field, these AFD-KfW cooperation practices are relatively limited and isolated. For instance, the jointly financed cartography on the water sector in Palestine is not intended to lead to joint projects afterwards. Also, informal coordination on industrial zones is merely information exchange, for instance sharing experiences on how to address the problems that AFD, KfW and JICA face in dealing with Israeli authorities. Nevertheless, a pattern of like-minded donors engaging in functional cooperation that is mutually beneficial emerges.

Last but not least, **having a small number of like-minded participants is not a sufficient condition for successful cooperation**. It may be a necessary condition, yet there are several examples where cooperation between a limited number of donors/agencies sharing similar views has not been sufficient.

- This may be true for the FAO coordination practice; at least judging from the difficult negotiations and the perception of participants, while its implementation still remains to be evaluated.
- It certainly applies to the HR/IHL Secretariat in Palestine, where a small group of Nordic donors share similar views on the importance of human rights CSOs in Israel and Palestine, yet have been confronted with various problems.

- Similarly, the PAFMIR case on professional training in the agricultural sector in Haiti shows how very similar views on how an issue should be addressed do not guarantee efficient coordination.

What has been lacking in these cases, which involve a small number of like-minded actors, is that the following two conditions are not fulfilled: finding a way to align with the government and having sufficient institutional flexibility and/or political backing from headquarters. These two additional factors are discussed in the remainder of this section.

4.3. Finding ways to align with the partner country

Nobody expects full ownership and perfect alignment in fragile states, but the research shows that continuous efforts in this direction are key.

The challenges to guarantee the implementation of the principles of ownership and alignment in fragile states are commonly known and often emphasized. As mentioned in Section 2, a minority of interviewees even express themselves negatively about the relevance of the Paris principles in fragile states.

Nonetheless, the most promising practices of coordination are exactly those that have somehow managed to deal with the challenge to involve the partner government (Table 2.15). While there does not seem to be a magic formula, **some sort of alignment with partner country policies seems to be an important predictor for successful coordination.**

- In the case of FISAN, there has never been any doubt about the strong ownership of the government counterparts. On the one hand, this is due to the fact that FISAN is followed closely at the highest political level with the office of the President. An interviewee underlined in this context that “the success of coordination is based on the will of the state.” On the other hand, the FISAN mechanism itself allows donors to align with existing government-led initiatives, such as the ANFICT (National Agency for Financing Collective Territories) and the BAGRI (National Agricultural Bank), which predates the FISAN mechanism. In turn, this reinforces the government’s regional strategy for the sector, which sets out the roles for these institutions. As such, if and when the donors join the FISAN mechanism, they automatically sign up to adhering to Niger’s regional plan (at the policy level) and institutions (at the implementation level).
- Involving the government and its Ministry of Education is the core purpose of the JFA. The central goal is indeed to strengthen public management of the MoEHE. The strong leadership of the current Minister of Education has made this easier to achieve. Equally, BTC-GIZ activities are closely aligned to government policies, although the Higher Council for TVET might constitute a challenge.
- As the Area C territory is of existential importance for the Palestinian state, the EU’s support to social infrastructure in this area (with the risk of demolition by Israeli authorities) connects closely to the government’s preferences. Importantly, the European partners work together with a

strong semi-governmental institution (MDLF) and with local villages (Local Governance Units) for the implementation of the programme.

Table 2.15: Aligning with the governmental level(s)

Coordination practice	Dealing with governmental level(s)
FISAN	<p>Strong support from President</p> <p>Involvement of Ministry of Agriculture (technical assistants); alignment with HCI3N initiative (High Commissioner for the HCI3N involved from beginning)</p> <p>The facilities are coherent with existing instruments (eg ANFICT, BAGRI): catalyse the already existing national financing mechanism through enhanced and active coordination</p>
JFA-BTC/GIZ	<p>Strong and reform-oriented Minister of Education</p> <p>Close involvement of Ministry of Education (MoEHE) and Ministry of Finance and Planning</p> <p>Core goal of JFA is strengthening public management of Ministry of Education (ESDP)</p> <p>Interaction sector wide (sub-)working groups</p>
AREA C	<p>Closely aligned to political agenda of Palestinian Authority (Area C territory); EU-Palestine Agreement 2013; aligned with MoLG Action Plan 2012</p> <p>Implemented by strong semi-governmental institution of MDLF</p> <p>Involvement of Ministry of Local Government</p>

Inversely, those initiatives for coordination among donors and practitioners that have not adequately addressed the challenges of dealing with the governments seem more vulnerable.

- Alignment with the government is a risk for the upcoming FAO programme in Palestine, which has through its development over the past two years been very much donor-centred. It remains to be seen how and to which extent the FAO will be able to guarantee ownership and alignment with the Palestinian government.
- In the case of the HR/IHL Secretariat, ownership and alignment is inherently difficult, as the supported organizations are by definition critical (and should be critical) for the government's policies.

The challenge of involving the government is clearly present in the DRC.

- The KINSHASA workshop on fragility deliberately excluded DRC governmental actors and was limited to the "European family", because

otherwise the discussions would become too complicated and sensitive. According to some European participants, the workshop has contributed to different (more critical) thinking about their relations with the government.

- Interestingly, the GIBS has to some extent managed to align its work with the Congolese government. The GIBS has (accurately) been criticized for working totally parallel from the Comité National de Pilotage du Secteur de la Santé' (CNP-SS), which is chaired by the Health Ministry. In theory, the CNP (chaired by the Ministry) should be the leading coordination organization, but as this platform is not working well, most of the coordination takes place in the GIBS. However, the GIBS coordination practices that we researched show that donors have continuously attempted to align with the government. Institutionally, the five thematic sub-groups correspond with the technical committees within the CNP. Substantially, coordination efforts on medicines and *contrat unique* in the health sector primarily aim to align with (respectively central and provincial) governmental strategies. In the *contrat unique*, donors are experimenting with a 'virtual basket fund' that may eventually evolve towards a 'physical' one, thereby enhancing transparency and alignment towards the provinces. Whereas it would be exaggerated to see this as a perfect model for alignment in fragile states, it shows that at least to some extent, donor coordination can support governmental policies even if it formally takes place outside the Paris-style structures. This relatively close alignment with the DRC is one of the reasons why GIBS can be seen as a relatively successful example of donor coordination (and this despite its ideological diversity and wide membership, which are constraining factors against coordination).

The GIBS case demonstrates that alignment can be pursued even in coordination practices that formally do not include the government; the FCS coordination practice, however, makes it clear that alignment is not a panacea. Although the common fund for health does provide a significant degree of alignment, which is its major strength, its relevance for health support in Niger has been relatively limited because of other constraints (e.g. limited critical mass, fragmentation of resources, institutional constraints). This suggests that alignment may be a necessary but is certainly not a sufficient condition for successful coordination.

In conclusion, the most successful cases all manage to find ways to deal with the government, for instance by engaging one of the stronger Ministries, or by involving a strong semi-governmental institution. Vice versa, the least successful cases largely fail to involve the government(s).

In the context of alignment, the question of **budget support** always emerges. Except from the EU Delegation in Niger and Haiti, only very few donors in the four countries considered budget support an adequate modality. In the case of Haiti, it was recognised that budget support enabled greater coordination between the EUDEL and the few EU MS agencies on the ground, AFD and

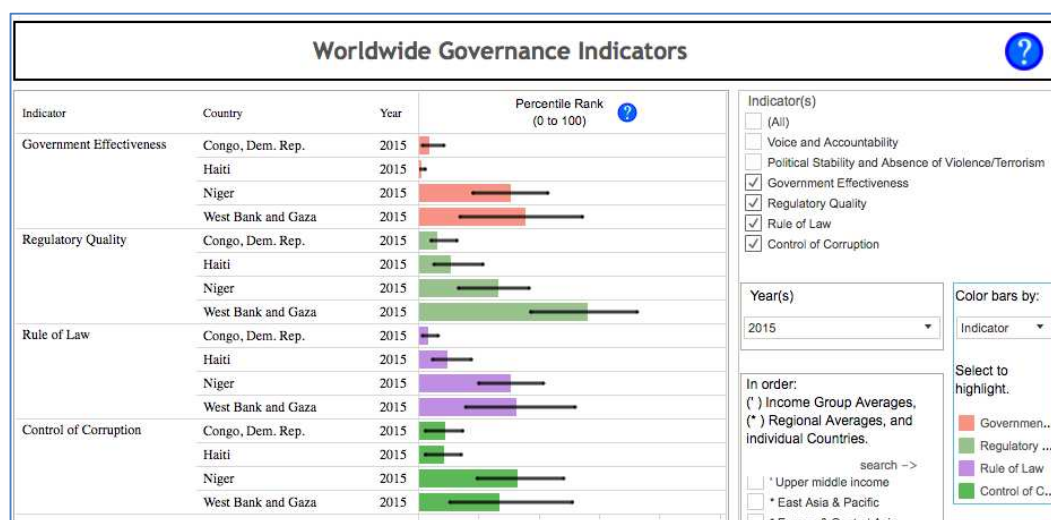
AECID. In Niger, several European interviewees criticized the EU's preference for budget support. It has also prevented the EU from being involved in the FSC (health fund).

Where budget support has not been used, donors have engaged in a variety of **pooled funding** arrangements. However, pooled funds are certainly no guarantee for success. While pooled funds may solve part of the puzzle to ensure that the Paris principles are somehow adhered in a context of fragility, by providing a 'middle way' solution whereby the donors engage with the government while keeping an influence on the decision-making and implementation, some seem more successful or promising in this regard (e.g. the JFA, and to a more limited extent FCS) than others (e.g. FAO).

Donor engagement through **parallel systems** most clearly characterizes the situation in Haiti, where a prominent Haitian interviewee called his country "The Republic of NGOs » and where an interviewee from a prominent EU donor country was not aware of the name of the local coordination structure. Also in Niger, health interventions outside the FCS (common fund), even by some of the members of the FCS, risk undermining the coordination mechanism (which is more closely aligned to the government than most other interventions).

From the perspective of alignment, it may not be surprising that the **most successful coordination practices are found in Niger and Palestine, whereas those in the DRC and Haiti score moderately at best**. A quick glance at the Worldwide Governance Indicators of the World Bank shows that both Niger and Palestine score much higher on the Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption indicators than the DRC and Haiti (see Table 2.16). This partly explains why it proves easier to involve the governments in Niger and Palestine. However, there are still moderately successful cases in the DRC (KINSHASA, GIBS) and cases that are less successful in Palestine (FAO, HR/IHL) and Niger (FSC).

Table 2.16: Worldwide Governance Indicators for DRC, Haiti, Niger, Palestine



In sum, and in line with the previous factor, involving the partner government seems a necessary but not a sufficient condition for successful coordination practices. Basically, the challenge is not to ignore the inherent weaknesses of the partner government by either delegating too much power or engaging in parallel systems. Embarking on ministries and (semi-)governmental institutions that are already relatively strong, along with commitments to further strengthen the governmental side, seems the most promising strategy.

Interestingly, this factor **interrelates with the like-mindedness** discussed in the previous part, as could be expected from a sociology of institutions perspective. Indeed, the most successful examples (e.g. JFA, FISAN) do not only exemplify similar ideas on the content of the coordination, they also witness a shared vision with and willingness to somehow align with the government.

4.4. Providing flexibility, while guaranteeing political backing

Resonating with the findings of the HQ phase (see Phase 1 Report, HQ analysis), both flexibility and political support are key ingredients for successful coordination. **The most often cited constraint for coordination relates to bureaucratic complexities.** Practitioners emphasize that flexibility is all the more necessary in the often-volatile context of fragile states. This is certainly not a given: none of our interviewees could confirm that within his/her institution there would be an **institutional incentive** in favour of coordination (e.g. evaluation reports). Quite the contrary, they often pointed to (1) cumbersome procedures required by HQ making it difficult to engage in coordination, and (2) institutional constraints that are inherent to the coordination mechanisms in the field can also constrain effective coordination.

Against this discouraging backdrop, coordination tends to depend on **committed individuals**. Their importance was already highlighted in the

Literature Review. While we found quite some examples of individuals who managed to stimulate coordination despite institutional hurdles, this dependence on individual efforts then also constitutes a major challenge for the long-term sustainability of the coordination practices. These may well collapse when individuals move on to different jobs or countries. Relatively frequent staff turnover amongst practitioners is sometimes seen as a constraint for coordination (e.g. the follow-up of the KINSHASA fragility workshop). Even in one of the more successful examples, the education (JFA-BTC/GIZ) case in Palestine, participants noticed that much depends on individuals' commitments and that therefore it may be difficult to continue with different people on board. In some successful cases, individuals seem to have really acted as 'norm entrepreneurs' forging European coordination for development (e.g. LuxDev and SDC staff in FISAN; e.g. BTC and GIZ 'chemistry of persons' in Palestine). When headquarters are not closely scrutinizing and the issues is less politicized, the impact of individuals may be relatively large. Experts and consultants can also play important roles (e.g. GIBS; PARIS; FISAN). In general, however dependence on committed individuals makes coordination vulnerable if it cannot be anchored into institutional settings.

Therefore, and in line with the sociology of institutions perspective, the **institutional context within which individuals operates is of more fundamental importance.**

First, a degree of **flexibility within the coordination structures themselves** (at the field level) is essential. On the one hand, this implies that there should be sufficient scope for informal coordination whereby actors get to know each other's expertise, possibilities and limitations. The PARIS case (school construction in Haiti) illustrates the advantages of an open and inclusive process with limited formalization. Over-formalization can be a major constraint for coordination, as one interviewee highlighted: "as soon as we formalise, it becomes a gas chamber".

On the other hand, the most successful cases seem to show that the following institutional factors enable coordination:

- **a clear division of labour (albeit not necessarily formalized)**
- **regular meetings (with a clear calendar)**
- **a focal point and well-functioning secretariat (perhaps rotating)**
- **a relatively short chain of delegation (e.g. delegated cooperation, co-financing, transfer agreements)**

For instance, coordination on education in the framework of the JFA in Palestine allows for a pragmatic and informal division of labour between the five participants. Also the rotating chair (focal point), the consensual decision-making system and the agreement on a clear calendar with fixed meetings are institutional factors that contribute to its success. Another example of institutional flexibility relates to the AREA C case in Palestine, where

Denmark, France (AFD) and the UK delegate funds to the EU Delegation through transfer agreements.

Institutional factors shed a light on why the GIBS forum on health coordination in the DRC is still considered a moderately successful practice – despite wide membership, diverging ideological positions, and limitations to ‘soft’ agreements that are difficult to enforce upon its members. Specifically, the GIBS’ success has been attributed to its **long-standing existence, its permanent secretariat, its structure in sub-groups, and the regularity of meetings**. Within this context, also the important role and institutional memory of the person of the secretary is often emphasized.

Inversely, the less successful cases also struggle with institutional issues.

- The FAO case constitutes the clearest example of how bureaucratic requirements from headquarters can overly complicate coordination. Independently from each other, several participants dubbed the almost two years of negotiations between the six partners involved (Spain/AECID, the EU, Denmark, Netherlands and SDC as funding partners and ILO as implementer) as a “nightmare”. One other interviewee called it a “mess”. This specifically related to the five different agreements that the funders need to negotiate with the FAO.
- Similarly, the HR/IHL case in Palestine constitutes an example where procedural discussions between donors absorb much of their energy at the detriment of efficient coordination. As one participant said, “we are still together, but an enormous amount of time goes to settling even very simple things... it is extremely time-consuming, even after all those years” (EU128). The mechanism is plagued by a leadership vacuum, lacks a formal or informal division of labour amongst donors, and involves (too) limited delegation to the lead donor (chair).
- In the PAFMIR case, there were notable complaints about the high level of bureaucracy vis-à-vis delegated cooperation with the EU. It was highlighted that the process of delegated cooperation with the EU is not very flexible, even if the final outcome for the implementing partner is. In the worst case, this led to failed attempts of delegating funds.

Second, a degree of **flexibility vis-a-vis headquarters** is essential. This can be seen in the three successful cases.

- The coordination dynamic around the food security (FISAN) initiative in Niger was launched and stimulated by a number of ‘norm entrepreneurs’ within SDC and LuxDev. Participants stress the importance of regular and informal contacts between individuals – for lunches or coffees – to discuss specific topics, or for more formal monthly meeting to share information.
“These meetings are not for taking decisions but better aligning ourselves. Every agency has constraints or ideas, and it is important that we understand these issues and the red lines. And, then we can encourage each other to take various initiatives”.

- The FSA/BTC-GIZ story is quite similar. Participants stress the “trust” and “good working atmosphere” between the JFPs, which allows for a flexible division of labour whereby the partners know each other’s red lines in terms of substance and procedures. Similarly, the informal coffee meetings between the BTC and GIZ team leaders on TVET are perceived as important for the cooperation, for instance because it helps to see where partners can help each other by co-funding activities. While one of the partners said that he regularly has to justify to headquarters why the cooperation is beneficial, this has so far not posed major problems and it suffices to emphasize that the agency’s logo appears everywhere.
- The AREA C case demonstrates that regular, informal meetings of the group that calls itself ‘the four musketeers’ (see also conclusions, Section 6). Again, this is a very straightforward form of delegation as it concerns Transfer Agreements from the European member states to the EU.

Stakeholders involved in these relatively successful cases did not mention significant constraints from headquarters and seem to have a sufficient degree of autonomy.

Again, the FAO case would be the counter-example, with the above-mentioned administrative complexities partly relating to heavy requirements from the capitals of some participants. One of the participants was complaining that half of his time goes to reporting back to headquarters and that he does not have time anymore to do field trips. Also at the ‘EU Office’ in Palestine (not officially called ‘EU Delegation’ given political sensitivities on the recognition of Palestine), people complained about the additional burden that comes with new coordination initiatives (such as joint videos, joint missions): “all this is extra work, and there is already heavy pressure from the capital” (EU105).

Flexibility from headquarters is not the same as neglect. Political guidance from HQ, or at least political backing, is generally considered to be necessary. When working in uncertain and volatile situations, it is important to have political support from headquarters.

- EU political support has been a major drive for the AREA C case. European coordination on this programme comes from the EU Office in Palestine and is politically supported by Council Conclusions of 2012 and the EU-Palestine Agreement of 2012 on investment in Area C. Despite the legitimate risk that investments may be demolished by Israel and therefore subject to criticism at home, the political backing from EU institutions facilitates this coordination practice. At the same time, the coordination effort has the advantage that one can ‘share risks’ with the other participant and ‘hide behind’ each other.
- This advantage of coordination was frequently mentioned in Palestine, not only in relation to the AREA C case but also in relation to education (JFA-BTC/GIZ) which involves potentially sensitive issues such as building of

school infrastructure (e.g. risk of demolition; schools that are named after martyrs or terrorists) and curriculum development (risk of politically incorrect depictions of the Israeli-Palestine conflict; may include incitement against Israel).

Hiding and risk sharing can therefore constitute enabling factors for coordination in fragile states, especially when there is a fear that development activities may backlash to domestically sensitive discussions. As one participant said in relation to Area C investment: “If Israel destroys the infrastructure, it will be EU infrastructure” (EU122). In relation to the HR/IHL Secretariat, another one said: “if alone we would be even more attacked... As a country alone, you would go for the safe options, and not take the political risks” (EU98). Another interviewee put it more cynically: “we are all cowards, we don’t want to have our flag there – if it goes to the JFA it is the Palestinians doing it.” (EU105)

What happens when political support is lacking, is demonstrated by two coordination practices that we studied.

- Most clearly, cooperation within the HR/IHL Secretariat is seriously undermined because of critique from the national capitals (and media). Support to Israeli and Palestinian human rights organizations has become very sensitive in the domestic political context of the European funders and has provoked intensive lobby campaigns from the Israeli government and organizations such as ‘NGO Monitor’. In addition to the complicated bureaucratic process (see above) this is one of the reasons why Norway withdrew in 2016 (after having participated for only three months), and given the intensive domestic pressure in some countries it seems that others might follow.
- Lack of political support for the KINSHASA fragility initiative also contributed to the evaporation of this seemingly promising process. This is with the exception of Belgium, where the workshop contributed to changing policy lines in Brussels and Kinshasa.

The Niger country study indicates that there is also a third possible scenario, whereby **political support for development cooperation can effectively increase albeit not in favour of coordination.** Several practitioners criticized the EU Emergency Trust Fund for Africa for providing tons of new aid for Niger without stimulating coordination amongst donors and without involving local stakeholders. Therefore, the **Trust Fund is seen not only as a missed opportunity for enhancing European coordination, but even as an initiative that diverts attention away from on-going programmes in Niger and potentially thwarts existing initiatives.** According to one interviewee, only after five projects had become operational and contracts with the Commission had been signed, was the issue that “we urgently need to set up a coordination mechanism” (EU51) raised. This statement of one interviewee was echoed in several other conversations with European donors and practitioners in the field:

“There was an asymmetry of information between the headquarters and the field. This is a little frustrating. The Trust Fund boosted competition instead of coordination between the agencies. We are going backwards in terms of coordination.” (EU63; translated)

This brings us to the question what role the EU could and should play in European coordination in fragile states, which will be addressed in Section 5.

4.5 Summary

There is no easy answer to the question when coordination works better in some cases than in others. This analysis has demonstrated how four factors have together contributed to making some coordination practices (e.g. FISAN, JFA-BTC/GIZ, AREA C) more successful than others (e.g. HR/IHL, PARIS). Importantly, as could already be seen from Table 2.12, the four factors should be combined in order to increase the likeliness of successful European coordination. None of the above-mentioned factors is sufficient by itself. **In terms of recommendations, this implies that all of them should be pursued together.**

Moreover, the analysis pointed out that these four factors inter-relate in complex ways. This raises the question how exactly they do inter-relate, and which factors may be more or less important? In order to answer this, we have to revert back to the 4i factors of the pragmatic analytical framework (Section 3):

- **Individuals:** people certainly play a key role. We witnessed many highly committed individuals who seem to be relentlessly working for the cause of development in difficult circumstances. They usually coordinate in the absence of incentives from headquarters to do so, and sometimes they even go against guidelines from their capitals (“It may not be the same vision as my headquarters, but we feel that we have to fight for the country here!”, non-EU155). Some of them manage to punch above their weight and can be seen as ‘policy entrepreneurs’ and even ‘norm entrepreneurs’ by forging coalitions between donors and/or with governmental actors. When asking about enabling factors for coordination, interviewees often started by pointing to “personalities”. However, when continuing the analysis it usually became apparent that deeper explanations lay behind the individual’s role, and in some cases a dependence on committed individuals was even seen as a key challenge for European coordination. **In line with the sociology of institutions perspective, this strengthens the conclusion that individual efforts can only be effective and long-lasting if they are embedded in a wider ideational and institutional context.**
- **Ideas:** like-mindedness on the analysis of the problem and the proposed solutions is key to successful coordination, and this is more likely to be achieved when cooperation starts with a small number of donors and practitioners. In the same vein, the importance of trust and a good working atmosphere was frequently emphasized.

- **Institutions – donors/practitioners:** even if donors and practitioners hold similar ideas about what the problem is and what should be done, coordination can be jeopardized if the institutional context is not favourable. Sufficient flexibility from headquarters and within the coordination mechanisms is of crucial importance, while also political backing from HQ may be needed. Again, this is easier to achieve in smaller groups. Vice versa, when institutional conditions are favourable, this provides a more beneficial context for trust and like-mindedness.
- **Institutions – partner government:** the institutional context should also provide some form of (more or less formalized) alignment with the partner country government(s). Despite the inherent difficulties to do so with fragile states, the more successful cases are also those that make continuous efforts in this regard.
- **Interests:** while self-interests are intuitively often perceived as constraining factors against coordination, under some circumstances coordination can be interest-driven. For instance, this is the case for smaller countries that aim to increase their leverage. As mentioned above, smaller countries and agencies have played a key role in several (more or less successful) coordination practices of this study. Moreover, also larger countries can have an interest in coordination, especially when this provides an opportunity to share risks and even hide behind each other. In volatile and sensitive contexts of crisis and fragility, it is all the more important to share risks. For this reason, some interviewees even went as far as saying that they prefer being 'invisible'. However, under less favourable conditions, the pursuit of visibility, competition for resources, and links with foreign and security policy as well as migration policy interests, also risk undermining European coordination for development.

The interplay between these four i's explains why some of the coordination practices that we examined are more successful than others (see Table 2.12). **When they are combined in a favourable way, European coordination does not involve single practices of cooperation but clusters of various cooperation efforts – soft and hard joint implementation, informally and formally – in different ways and at different levels.** The FISAN, JFA-BTC/GIZ and AREA C cases – in fact, they are not 'cases' but clusters of practices – are inspiring practices in this regard and their future impact should be followed up closely in further research.

More generally, it seems that the **most successful cases are situated in Palestine and Niger**, whereas the coordination practices that we examined in the DRC and Haiti score moderately at best. This is probably not due to selection effects, as we were (albeit not always successfully) searching for best practices within the four countries. For instance, the GIBS is often considered to be a model of donor coordination in the DRC and PARIS is seen as a best practice in Haiti. However, both display challenges and weaknesses and they appear as less successful when evaluating them in comparison with coordination practices in Niger and Palestine. Also, the differences cannot be explained by variation in the absolute number of donors

(see Table 2.17): the fact that many European donors are active in Palestine may induce a greater need for coordination, but then again there is also a relatively large number of donors in the DRC. From a general perspective, what seems to matter more when explaining why more coordination has been observed in Niger and Palestine are two elements:

- First, a **recipient country** specific element: while all four countries are fragile states, Niger and Palestine score much higher on **governance indicators** than the DRC and Haiti (see Table 2.16). This provides a more enabling working environment for coordination and for aligning with the government(s), which has appeared as an important success factor in this research. In terms of **human development**, Palestine scores significantly higher on the Human Development Index (ranked 114) than Haiti (163), DRC (176) and Niger (187) (UNDP, Human Development Report 2016).
- Second, a **donor country** specific element: Palestine is much more **politicized** in the EU's external action than Niger, Haiti and the DRC. In **Palestine** "even the most naive action has political consequences" (EU100) and funding decisions can backfire into domestic political debates. Moreover, EU member state representatives admit that "we are all here for political reasons" (EU109): given the importance for regional and world peace, doing development policy in Palestine is always closely linked to a country's foreign policy profile. While a cynical and realist perspective might expect high politicization to constrain coordination, we frequently observed the opposite to happen. While it is more difficult to realize EU-wide coordination (cf. Joint Programming), European donors and practitioners frequently find themselves in smaller groups with the need to 'share risks' and even 'hide behind each other', which are often cited as enabling factors for coordination. More recently, **Niger** and the whole Sahel region have become more politicized in the EU's external action because of the focus on migration flows from Africa to Europe since the Valletta Summit (one interviewee called migration "the new climate change"; EU51). While this politicization has led to a large rise of aid budgets flowing to Niger, in this case it has not stimulated coordination (quite the contrary, see Section 5).

Table 2.17: Overview of EU donors in Haiti, DRC, Niger, Palestine

HAITI		DRC		Niger		Palestine	
Donor		Donor		Donor		Donor	
France	25,845	EU Institutions	185,938	EU Institutions	134,697	EU Institutions	391,585
Germany	15,562	Germany	109,919	France	94,209	Germany	91,247
EU Institutions	10,073	Belgium	78,955	Germany	26,072	France	60,752
Belgium	5,204	France	67,640	Luxembourg	23,636	Italy	58,845
Spain	2,815	United Kingdom	36,372	Belgium	18,300	United Kingdom	39,384
Ireland	2,297	Sweden	36,350	Denmark	7,405	Belgium	38,530
Italy	1,375	Netherlands	23,444	Spain	5,460	Sweden	27,766
Luxembourg	0,903	Italy	10,830	Italy	4,342	Denmark	27,566
Sweden	0,811	Ireland	5,463	Ireland	2,161	Netherlands	21,126
United Kingdom	0,594	Spain	4,910	Sweden	1,568	Spain	16,625
Finland	0,310	Finland	3,404	Austria	0,227	Finland	9,892
Slovak Republic	0,263	Luxembourg	3,186	Czech Republic	0,081	Luxembourg	8,328
Austria	0,033	Greece	0,596	United Kingdom	..	Ireland	6,380
Czech Republic	0,014	Austria	0,304	Slovenia	..	Austria	4,125
Poland	0,010	Portugal	0,040	Slovak Republic	..	Czech Republic	1,243
Slovenia	..	Poland	0,014	Portugal	..	Poland	1,047
Portugal	..	Czech Republic	0,003	Poland	..	Greece	0,712
Netherlands	..	Slovenia	..	Netherlands	..	Slovenia	0,394
Greece	..	Slovak Republic	..	Greece	..	Slovak Republic	0,181
Denmark	..	Denmark	..	Finland	..	Portugal	0,127

Source: OECD-DAC Creditor Reporting System (CRS); Sector 1000: 'Total All Sectors', Official Development Assistance, All Channels, Current Prices, Commitments, All types (Total), US Dollar (millions), year 2015

As said, however, much variation in level of success situates itself *within* the fragile states, and this can be understood through the interplay of the four above-mentioned factors. The next section elaborates on the role that the European Union has, could, or should have played in this regard.

5. WHAT ROLE FOR THE EU?

5.1. No consensus

When asking for the EU's role in European coordination in the four countries, there was no consensus amongst interviewees. With 'EU' we are referring to the EU institutions, and mainly the European Commission's DG DEVCO and the EEAS. As such we consider the EU as a distinct actor in development policy, as stipulated in Article 4.4 of the Treaty for European Union. At the same time, we recognize the objective of complementarity between EU and member states' development policies (Article 208) and the requirement of the EU and its member states to coordinate (Article 209).

Interviewees indeed discern the EU as a distinct actor in development, usually with reference to the EU Delegation in the country. However, the EU is not generally seen to play a coordinating role. While some interviewees emphasize that the EU does and/or should play an important role in coordinating and even harmonizing, the majority of interviewees say that this is not happening (yet), and many of them also do not think that the EU should be more active in coordinating, let alone harmonizing. While at the HQ phase 1 (see Phase 1 Report, HQ analysis) we could still discern a dominant view that the EU is not 'just another donor' and should play a special role, this picture has become more blurred during the field phase.

The lack of a clear consensus on the EU's role seems to **reflect a more existential crisis of European development cooperation and European integration in general.** In this regard, it is notable that none of our interviewees – 57 at HQ level, 127 at field level – spontaneously mentioned the new 'European Consensus on Development'. This is remarkable because this document was under revision and discussion within the EU during the time of research, and it should therefore have been the 'talk of the town' in development circles. Moreover, the new Consensus does contain interesting commitments to 'working better together' and 'joint implementation', suggesting that at least at HQ level there have been discussions on European coordination. However, the new European Consensus appears not to have provoked many discussions amongst practitioners. As it seems unlikely that there is a true European consensus on development thinking and on the EU's role in this regard, the reason for the European Consensus being a non-issue must be either that it is not perceived as being relevant or that there are more priority challenges to address. In both scenarios, this is worrisome.

Similarly, also other grand strategic frameworks developed in Brussels/Europe, such as those on the Comprehensive Approach, the EU Global Strategy, the New Deal, the Joint Framework Documents, and the upcoming Resilience Communication (see Phase 1 Report and Literature Review), did not come up in interviews with donors and practitioners. There appears a **significant gap between documents produced at headquarters' level and the day-to-day practices of diplomats and practitioners in the**

field. When discussing European cooperation – joint implementation, common goods and services – interviewees generally fail to embed their analysis and practices within the wider schemes that are developed in the capital. The only exception is Joint Programming, which has been assessed moderately positive (see Section 4).

5.2. Conceptual roles: theory and practice

Against this rather pessimistic backdrop, it makes sense to think more conceptually about the EU's possible role(s) in development and link these to the research findings of this study. Conceptually, four different roles for the EU can be identified:

1. **Just another donor:** This is the **project of the 1990s** when the EU became for the first time legally competent for development cooperation (Maastricht Treaty). Following many problems and scandals, the European Commission established a proper development policy machinery including the Country Strategy Papers, National Indicative Programs, and the establishment of EuropeAid.

Notwithstanding bureaucratic complexities, the EU became a powerful donor worldwide.

2. **Coordinator and harmonizer:** This is the **project of the 2000s** when the EU started to put less emphasis on 'giving' and more on 'coordinating'. Common European actions, approaches and aims were developed through various policy documents and instruments, including the Barcelona Consensus on Official Development Aid, the European Consensus on Development, the Policy Coherence for Development strategy, and the document on European Coordination and Division of Labour.

Notwithstanding continuing differences within the EU, a distinctive European profile in development has taken shape.

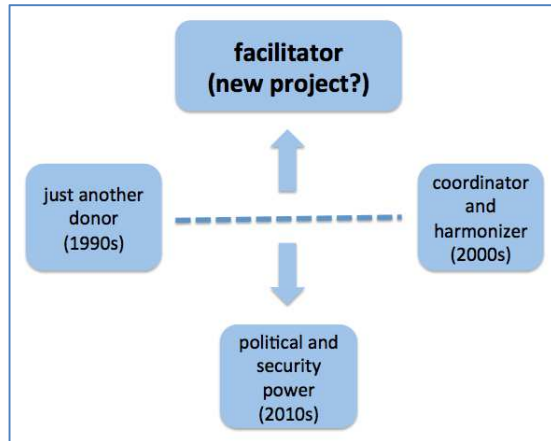
3. **Political power:** This is the **project of the 2010s** when the EU is aiming to enhance its foreign and security policy coherence with the Lisbon Treaty, the High Representative of the Union for Foreign Affairs and Security Policy, the European External Action Service, the merger of DG Development and EuropeAid into DG DEVCO, the EU and Global Strategy etc. Development, foreign and security policy are increasingly intermingled.

Notwithstanding political divisions on some issues, foreign policy coherence of the EU has been strengthened at a remarkable pace.

4. **Facilitator:** This may be the **new project** for the EU's relations with countries in the Global South, including fragile states. **Without completely abandoning the previous roles, the major added value of the EU may be to support and enable member state coordination without necessarily (1) funding, (2) harmonizing, or (3) politicizing and securitizing.** In other words, the EU can play a key role in development without having large aid budgets, without imposing common visions and approaches, and without political force.

Nevertheless, the EU's potentially facilitating role has been underexploited.

Figure 2.1: Conceptual EU roles



While each of these roles has been recognized in the research, the facilitating role emerges as the most promising one.

1. Interviewees regularly referred to the EU as ‘just another donors’. They emphasized the significant aid budget of the EU. This makes it an important player in the four countries, but not necessarily a force for (European) coordination. The EU’s specific and stringent bureaucratic procedures are regularly seen as a constraint for being part of coordination efforts (even in straightforward coordination practices such as Delegated Cooperation, see. PAFMIR case in Haiti).
2. However, a significant number of interviewees did not see the EU playing a major role in European coordination in the field. Even when it comes to Joint Programming – the European coordination exercise *par excellence* – doubts were expressed whether the EU is truly trying to make this happen in Niger and the DRC. In Palestine, Joint Programming was evaluated more positively by a majority of interviewees, although many were cautious and even critical about its relevance. In Niger, a key EU staff member expressed what also became clear from other interviews:
“We obviously have a mandate to help coordinate, but in practice I would say beyond our discussions at Chef de Cooperation level I don’t see that much happening.” (EU57)
3. When it comes to the political role, some emphasized what they perceived as the inability of the EU to come to a clear political consensus on foreign policy issues (e.g. in Palestine) whereas others lamented the politically-driven agendas from Brussels that prioritize migration and security concerns over development (e.g. in Niger). Some would hope that the EU plays a stronger political role (e.g. in Haiti: “In order to work together, the EU must be our reference point ... We need one agreement for all fragile

states” (EU144); and several interviewees in Palestine), whereas others are wary of foreign policy influence from the EU (e.g. several development practitioners in Niger).

4. While interviewees did not spontaneously come up with what we called the ‘facilitating role’ of the EU, most stated that they would support such a role when we mentioned and started discussing this. In abstract terms, this means that the EU would support European coordination without necessarily contributing with aid (role 1), imposing a model or harmonizing (role 2), or making it political (role 3).

In the remainder of this section, we argue that the facilitating role is the most promising one for the EU to pursue.

5.3. Facilitating role

What exactly would the ‘facilitating role’ encompass, and what evidence have we seen from the research in support of such a role? First, the EU can contribute to guaranteeing that the four above-mentioned factors play out favourably for European coordination, even if the EU itself is not involved as a contributing donor. Second, and more specifically, the EU could provide common goods and services that are currently not provided by the member state agencies or other actors.

Forster the four factors for coordination

Connecting to the main findings of this study, the **EU could foster the four factors that enable European coordination as shown in this study.** Instead of imposing coordination on its member states or being on the sidelines, it could:

- a. **foster synergies between ‘soft’ and ‘hard’ joint implementation:** providing analysis and studies, joint missions (regular excursions making donors and practitioners familiar with each other’s programmes within the country), joint trainings (e.g. on human rights mainstreaming, on delegated cooperation), joint workshops etc. in areas where European countries already coordinate or are planning to coordinate; and supporting the creation of instruments and action plans where cooperation remains limited to ‘soft’ joint implementation
- b. **focusing these efforts on cooperation practices of small groups of like-minded actors;** instead of promoting EU-wide (or EU+) coordination, it would be more realistic and promising to facilitate existing bottom-up instances of cooperation where a limited number of like-minded countries cooperate
- c. **in doing so, the EU could stimulate administrative reforms** (especially in its own workings but also within the member states), thereby reducing the bureaucratic burden for practitioners engaging in European coordination; at the same time, it should provide political backing where necessary
- d. **such political support would be particularly beneficial for relations with the partner government;** most European donors and practitioners

struggle to find ways to align with local government(s). Given its political weight and influence, the EU could facilitate political dialogue between the coordination groups and the government(s) of the fragile country – even in coordination mechanisms where it is not directly involved

In fact, the EU has already played a facilitating role in the most successful coordination practices that we have examined, albeit to a very limited extent (Table 2.18).

- **FISAN:** through the ‘déclencheur’ for its budget support to the Nigerian government, the EU effectively facilitates the FISAN initiative. Without sufficient progress on the food security related governance issues, the EU will withhold part of its budget for the government.
- **JFA-BTC/GIZ:** The EU funds some GIZ activities using delegated cooperation. It also plans to organize joint communication (including a joint video) in 2017.
- **AREA C:** The EU provides political support to the coordination in this politically sensitive area, inter alia through Council Conclusions and an agreement with the Palestinian Authority. The EU also organizes the Area C Interest Group (which also includes Norway and Switzerland).

While these examples are limited, they give an idea what the facilitating role of the EU could entail. **Joint Programming** also has the potential to foster the four factors that enable European coordination, if they provide relevant joint analysis, foster knowledge about existing coordination initiatives, and stimulate the latter without imposing EU frameworks. Again, the challenge is not to insist on federal models of coordination between the EU/EU+ but to leave space for various and flexible forms of coordination, primarily between European countries (including Switzerland, Norway and others) and possibly including other countries and international organizations.

Table 2.18: EU facilitating role in most successful cases?

EU Facilitating Role	
FISAN	<i>Déclencheur</i> for EU budget support
JFA/BTC-GIZ	joint communication (video); delegated cooperation
AREA C	funding and leading donor; political support; EU interest section

Providing common goods and services for coordination

Specifically, on the EU’s facilitating role, we would like to highlight the ‘**soft joint implementation**’ that the EU could facilitate, as this clearly connects to

the '**provision of common goods and services**'. We searched for such a link in this study, albeit with limited results (see Section 2). Among the interviewees, there is a **strong consensus on the need for common goods and services that are currently underprovided**. Although EU member states and other donors could equally provide common goods and services in development, the EU is particularly well-suited to do so given its position as a supranational institution that was created to solve collective action problems.

Examples of common goods and services are:

- **Sharing infrastructure and logistics:** in none of the country studies we could find evidence of the provision of common infrastructure and logistics (by the EU and/or European countries). The only exception was the brief and unsuccessful sharing of a BTC-GIZ office in Gaza. The HQ phase 1 of this study focused on the interesting 'Gaziantep' coordination practice between the EU, GIZ and Expertise France, dealing with deals specifically with cross-border operations between Turkey and Syria (see Note 1.1, annex). In general, there is much scope for improvement here.
- **Sharing studies and analysis:** while the Joint Programming exercise involves shared analysis, and some efforts in this regard are also done in Brussels at DG DEVCO and the EEAS, the study revealed a need for sharing information on various specific and country-related topics. In some cases, there is not even a basic 'cartography' available, for instance on the health sector in Niger. Much to the frustration of researchers, it has become clear that on each specific project and programme a (large) number of studies, audits and other evaluations exist that are not available for the public (and for other donors). In other words, much taxpayers' and development money is being spent to produce knowledge and insights that are then available only to the institution that has funded the study (and hopefully takes it into account). The EU could promote a more open research and information culture and play a leading role in this regard. In fact, this would be in line with already existing requirements in the domain of EU research policy (e.g. Horizon 2020) providing research funded from the public purse should be published open access. This good example could be followed in the development policies of the EU and its member states.
- **Joint communication:** even without issuing Demarches or other Common Foreign and Security Policy related statements, the EU can facilitate communication of existing coordination schemes in which it does not necessarily participate. This is important given the growing need of visibility and public support for international cooperation. The only initiative in this regard are the joint videos that the EU Office in Palestine has recently started to promote, such as the video on what European donors do in the water sector and an upcoming video on the education sector.
- **Joint missions:** while some interviewees emphasize that there are already many joint missions happening, including some organized by the

EU, others say that they would like to see more joint missions – not only with the Heads of Cooperation but also involving practitioners at all levels (EU128). In our study, the FAO case has shown that joint missions (in this case the Dutch-Swiss trip to Gaza) can be useful for sparking new cooperation initiatives. In general, it seems that joint missions facilitated by the EU and involving practitioners are scarce. These should be organized more frequently at several stages of the project cycle. The impact of joint missions potentially goes beyond the specificities of the programmes that are visited: the FAO case shows that it can foster mutual learning about each other's areas of expertise and priorities and contribute to the formation of small groups of like-minded individuals and agencies from which European coordination initiatives can be built up incrementally.

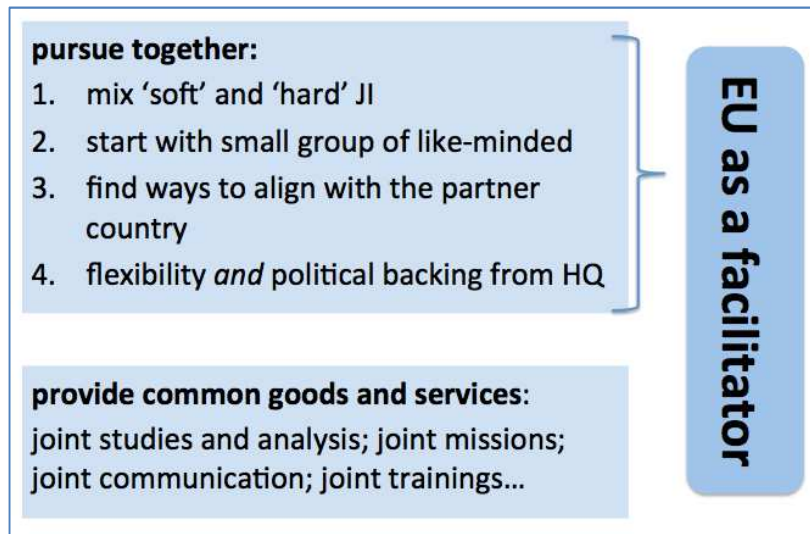
- **Joint trainings:** while the EEAS does organize trainings for EU and member state staff at headquarters' level, the HQ study (see Phase 1 Report, HQ analysis) already revealed that these **remain within the 'Brussels bubble' and are not known amongst practitioners**. The field research has confirmed this. Instead of being oriented primarily towards diplomats, the EU-organized trainings could be widened to also involve development practitioners, and more could be done to communicate their existence Europe-wide. Moreover, more trainings could be organized at field level as well. In our interviews in the four countries, only two trainings were mentioned. Concerning a human rights training in Palestine, one participant stated that the training was basically limited to giving an overview of basic EU documents on the topic (EU128). It remains to be seen whether this has started a process on human rights integration in cooperation in Palestine (non-EU93). It was also noticed that the process lacked inclusivity as it involved mostly EU Heads of Cooperation. The other one concerns a human rights mainstreaming training in Brazzaville, which was organized for EU staff only. As a coincidence, one EU member state diplomat had heard about the training and asked whether she could also attend. In the end, there were only two non-EU staff participants at the training (EU157).

Showing the need for more joint trainings, our interviews also revealed that in several cases European donors and practitioners were not aware of some basic tools of European cooperation. Both in Niger and Palestine, a number of European respondents did not know what exactly 'delegated cooperation' means. A European practitioner in a Latin American country (phase 1 research) criticized that the EU staff was not fully aware of what Joint Programming involves and that she had to explain it. In sum, there is much scope for opening up joint trainings and focusing on what is practically relevant for practitioners.

The case for a facilitator role

Both dimensions of the facilitator role are visualized in Figure 2.2. Such a facilitator role for the EU is not only desirable but also feasible.

Figure 2.2: EU facilitator role



It is **desirable** because it makes it possible to stimulate the four enabling factors that were identified in this study, without engaging in top-down management from Brussels or headquarters. While support from headquarters is essential and general policy documents are needed, the research has made it clear that successful coordination crucially builds on clusters of various cooperation practices that have emerged bottom-up between donors and practitioners in the field. The facilitator role is also **feasible** because it does not require large political or financial investments. The above-mentioned examples through which the provision of common goods and services can be facilitated – joint analysis, joint missions, joint communication, joint training – constitute **low hanging fruit** for the EU to improve coordination:

- They **appeal to a need** that was identified by interviewees in our study;
- They do **not require large budgets** and can be organized easily;
- They do **not involve high-profile** foreign and security policy visions and instruments;
- Last but not least, they **resonate with the EU's *raison d'être*** as a supranational institution that should deal with functional issues and solve collective action problems.

This leaves the question of how the EU's facility role relates to its growing assertiveness as a foreign and security power, which will be addressed below.

5.4. Political power role?

Finally, **how does this facilitating role correspond to the EU's increasing foreign and security profile in third countries?** From this study, it appears

that this growing political role of the EU and the concomitant politicization and securitization of development policy provide **opportunities but also challenges for development-friendly donor coordination in fragile states**.

The phase 1 HQ analysis already found that politicization can work both as an enabling and constraining factor for development-friendly coordination, and that it remains up to empirical (field) research to determine how this plays out. This phase also elaborated on two cooperation practices that highlight the potential opportunities of politicization for European coordination (see Phase 1 Report, HQ analysis):

- **Gaziantep Initiative:** migration and security in the EU's neighbourhood, facilitating soft and hard joint implementation (EU, GIZ, Expertise France) (see Note 1.1, annex)
- **Somali Compact:** security in fragile state, facilitating HQ steered EU coordination in the field (see Note 1.2, annex)

At the same time, the HQ phase revealed concerns on the politicization and securitization of EU development policy. These also emerged during the field phase. Most noticeably, the following concerns were raised when discussing the **EU Emergency Trust Fund for Africa** in Niger: almost unanimous concern amongst practitioners that the initiative lacks transparency, that it lacks ownership with the government in Niger, and that it prioritizes restrictive migration goals before developmental objectives. As such, the Trust Fund is not considered a legitimate forum for coordination amongst practitioners. Quite the contrary: the EU/Brussels-steered initiative (Valletta Summit of European Council; Operational Committee of the TF), the "rush for Agadez" and the "migration gold" (EU51) that donors, agencies and NGOs are pursuing, risks thwarting existing coordination initiatives on the ground and bringing the development landscape in Niger back to the pre-Paris era.

Then again, the AREA C case on social infrastructure, and to a more limited extent the JFA/BTC-GIZ coordination on education in Palestine show how the EU's growing foreign policy profile may be conducive for development-oriented coordination. The EU has facilitated the necessary political guidance for the sensitive issue of investment in Area C (West Bank). Here, the political agenda in Brussels coincides with donors' and practitioners' activities within the field, and as such the EU plays a facilitating role.

As one interviewee stated on the EU's role in Palestine:

"I personally think that there is a need for the EU to take the lead on some of these issues, because all countries have bilateral constraints, and the EU doesn't necessarily have that. The EU can represent the broad family of development actors here without fear of political backfire or trade cuts." (EU109)

However, other interviewees did not expect the EU to play such a role because divisions between member states would hinder it (e.g. EU105; EU98; EU96).

Based on these illustrations, we can conclude that **the EU's rising political profile should not necessarily contradict development-friendly coordination**. Indeed, as mentioned above, the EU could play a key role in providing the necessary political guidance and backing of cooperation practices and in fostering relations with the partner government. High profile political crises such as the refugee crisis in Turkey and the security crisis in Somalia, and the on-going conflict in Israel-Palestine, can foster European coordination, as has been shown in this study. There is however also a risk that domestic political agendas and foreign policy interests constrain development-friendly coordination, and in this context the challenges stemming from populism and elections back in Europe were often mentioned both in Niger and Palestine.

6. CONCLUSIONS AND RECOMMENDATIONS

“All for one and one for all” (Three Musketeers, Alexandre Dumas)

Building on a Literature Review and Headquarter Analysis, this study focused on European coordination in fragile states based on four country cases: Niger, DRC, Haiti and Palestine. The main purpose was to find best practices of joint implementation and provision of common goods and services, from which lessons could be drawn that are relevant for practitioners.

We started by outlining the **numerous constraints** for coordination that have been identified during the research. Coordination within fragile countries has proved to be an extremely challenging exercise whereby donors and practitioners face several external (e.g. crisis and volatility, weak state apparatus) and internal obstacles (e.g. administrative hurdles, limited institutional incentives, self-interests and competition for resources). Coordinating in such a difficult context requires courage, perseverance and conviction that this is the best approach.

Therefore, it is intriguing that – independently from each other – participants in three entirely different contexts identified themselves as the **‘three (or four) musketeers’**: **“all for one, one for all”**. This is a relevant metaphor because the study has shown that successful coordination in contexts of crisis and fragility does indeed require participants to be courageous, to be convinced that this is best for the common good, and to collaborate in small groups of like-minded actors that trust each other, in order to face the numerous constraints that they are confronted with.

However, our research into the four country cases has also made it clear that these factors are necessary but not sufficient. **Individual commitment, ideological conviction and like-mindedness in small groups can only entail successful coordination, if certain institutional context factors are in place and political backing are provided.** These main findings will be summarized in the next part of this concluding section. Based on this synthesis, we will then formulate a number of recommendations that are relevant for European donors and practitioners, and finally we will conclude with some ideas on how these issues reflect wider debates on the future of the European Union.

6.1. Main findings

In general, creative examples of coordination between practitioners have been hard to find. This may not be surprising given the constraints that donors and practitioners are facing within the countries that were examined. Importantly, however, interviewees did not dispute the need for more (European) coordination in fragile states. Moreover, following a three-step methodological approach, we could identify and evaluate **10 interesting practices of coordination** in Niger, the DRC, Palestine and Haiti. While these are generally not particularly innovative, there is an interesting variation

in the extent to which they are successful, and careful analysis leads us to draw lessons on when and how European cooperation works.

With this goal in mind, these 10 coordination practices were examined more in-depth, first separately (see Notes 2.1 until 2.10, annex) and then comparatively (this report). Despite the diversity of cases, the comparative analysis has led to the main conclusion that **successful coordination hinges on four factors**: (a) mixing ‘soft’ and ‘hard’ joint implementation, (b) involving a small number of like-minded actors, (c) finding ways to align with the partner country, and (d) providing flexibility for practitioners, while guaranteeing political backing.

Importantly, each of these should be combined to allow for successful coordination. Reverting to the 4i pragmatic framework and in line with the sociology of institutions approach, the case studies show that individuals can play an important role if their entrepreneurship is embedded within a favourable ideational and institutional context. Interests can play out favourably for coordination, especially for small actors (e.g. SDC, BTC) and/or when risk sharing is important (e.g. Palestine and Area C), but it has become clear that domestic agendas and foreign policy interests can also hinder coordination (e.g. Niger and migration).

More (successful) examples of coordination were found in **Palestine** than in the other countries. This can be explained by country-specific (more enabling environment in terms of governance and human development) and donor-specific (interests to share risks and hide behind each other) factors. Coordination proved most difficult in the DRC and Haiti. These countries also score much lower on governance indicators than Niger and Palestine, thereby again suggesting the importance of government ownership and alignment.

While there is no clear consensus on the role of the **European Union** in European coordination, we point out that the EU plays at least four distinctive roles: just another donor, coordinator/harmonizer, political power, and facilitator. These different EU roles also emerge from the case studies, although there is not much evidence that the EU fully plays its facilitator role. We argue that this is precisely where the EU could do more.

6.2. Recommendations

This brings us to the main **recommendations** that emerge from the research findings. Given the importance of the four factors for successful coordination, it is obvious that donors and practitioners should actively pursue each of these factors. Particular attention should therefore be paid to:

- a. **Potential synergies between different – soft and hard, informal and formal – clusters of cooperation.** A coordination initiative cannot be successful in isolation. The most successful coordination practices are indeed those that involve several instances of coordination carried out by different actors, ranging from joint studies and trainings to pooled funding.

- b. **Forming small groups of like-minded actors, who dispose of a critical mass in terms of budget and/or expertise, and/or who manage to generate a dynamic that attracts more participants.** While some cases show that like-mindedness within a small group is not a sufficient condition for successful coordination, the most promising cases do not start from EU-wide activities but instead from bottom-up cooperation between a smaller group of actors. Building trust and shared views on problems and solutions is of key importance.
- c. **Searching ways to align with the partner government.** Although challenges are abound, this cannot be an excuse for limiting partner government involvement. Despite the risk of ‘backward alignment’, whereby donors impose their agenda onto the partner government in more subtle ways, donors and practitioners largely recognize the ‘Paris principles’ as important. The most successful practices are those where continuous efforts are being made to align with local or central government(s), for instance through cooperation with one of the stronger ministries, through the strengthening of national plans, or through the involvement of semi-governmental institutions for the implementation. These examples make clear that even in fragile states, it is possible for donors to embark on relatively strong and committed (semi-)governmental institutions.
- d. **Providing institutional flexibility from headquarters and within the coordination mechanisms.** In this regard, it is important to have a clear division of labour (albeit not necessarily formalized), regular meetings (with a clear calendar), a focal point and well-functioning secretariat (perhaps rotating), and a relatively short chain of delegation (e.g. delegated cooperation, co-financing, transfer agreements). At the same time, **guaranteeing political backing from headquarters** is of key importance, especially in contexts of crisis and fragility where development interventions may be politically sensitive at home.

Donors and practitioners should thus start small with like-minded partners, gradually building up soft and hard joint implementation practices, thereby establishing clear but flexible institutions and guaranteeing political support back at home, and last but not least attempt to align with government partners.

The **European Union** could devote itself more to playing a facilitating role in **forging all of these four factors**. Rather than being just another donor, imposing EU-wide coordination and harmonization schemes, and enhancing its foreign and security policy clout, we argue that in the near future its most promising added value lies in the facilitation of the above-mentioned factors. **This also implies less (micro-)management from Brussels and more space for bottom-up cooperation.** To be sure, it does not mean that the other roles are no longer important; however, as a supranational institution whose *raison d’être* lies precisely in addressing functional issues and solving collective action problems, the EU should be particularly well suited to play such a facilitative role.

In this regard, we pointed to much low-hanging fruit when it comes to **facilitating ‘soft’ joint implementation for the provision of common goods and services**. Most interviewees recognized the added value and undersupply of common goods and services such as joint analysis, joint communication and joint training. While this already happens in the three most successful cases, there is much scope for improvement.

In addition, the EU and its member states should be **careful and reflexive when combining foreign and security policy agendas with development concerns**. While coherence in the security-development nexus is to be welcomed, enhanced coherence in this regard can be a double-edged sword. The EU Emergency Trust Fund for Africa show how the un-reflexive pursuit of domestic agendas in development can lead to less transparency and ownership and even impede coordination in the field – thereby returning back to the pre-Paris era. On the other hand, some cases in Palestine show that the EU’s foreign policy stance can also have a facilitating impact on European coordination, by providing the necessary political backing for European donors and practitioners to work in contexts of crisis and fragility.

Finally, **more in-depth and comparative research** is needed to understand the constraints and enablers of European coordination in fragile state. Existing studies usually take a technical and financial perspective (e.g. for the purpose of audits and mid-term reviews) and focus on single mechanisms (e.g. a specific basket fund). There is a need for more thorough social science (including political science) research into the ideas, interests, institutions and individuals behind European coordination and into its impact on the ground. Furthermore, there is a need for comparative research of (European) coordination practices within and across countries and/or within and across sectors. Due to time and resource constraints, this study has only been able to provide a first analysis of how such a comparative research, informed by the pragmatic 4i framework and a sociology of institutions perspective, could lead to relevant insights on ‘what works, why and how’ on European coordination in fragile states. Each of the 10 coordination practices that have informed this study would merit more detailed analysis that also evaluates in a long-term perspective. Further research should also explicitly take into account the role of practitioners and new challenges concerning the development-humanitarian nexus and the development-security nexus. The results of such scientific studies should be disseminated to a wider audience and inform joint trainings and workshops for diplomats and practitioners working in the field.

6.3. Concluding reflections

This analysis and the ensuing recommendations suggest that the main added value of the EU in development cooperation is not in funding or harmonizing. Instead of attempting to be one of the world’s biggest donor or imposing EU-wide models, a better way forward is to **stimulate those smaller but promising instances of cooperation that are growing bottom-up from**

like-minded donors and practitioners in the field. These can be EU member states, but they could also belong to the EU+ (e.g. Norway, Switzerland, perhaps the UK after Brexit), other non-EU countries (e.g. the US or Canada) and international organizations (e.g. FAO, ILO, UNDP, WB).

What matters in this regard is not the territorial scope of ‘Europe’ or ‘European Union’, but the functional imperative of coordination: what group of actors can deliver the ideas (like-mindedness) and critical mass (budget, expertise) for effective development policy?

Such an approach is more realistic than might seem at first sight. The importance of effective and functional cooperation has always been at the heart of European integration, going back to the founding father of ‘functionalist’ thinking, David Mitrany, and the founding father of ‘functional federalism’, Jean Monnet. Bottom-up coordination whereby various clusters of cooperation practices are gradually built up in a mutually reinforcing way, is not only what the EU leaders established in the early 1950s with the European Coal and Steel Community, it is also the ‘variable integration’ or ‘multi-speed Europe’ scenario that some European leaders are currently advocating in debates on the future of Europe.