

Executive summary

Around 1.5 billion people live in countries affected by repeated cycles of violence and insecurity. These countries represent a central challenge for development and are a priority for many states' national security interests. Sustained and co-ordinated support is required to tackle the risks and vulnerabilities inherent in such situations. The continued relevance and influence of OECD governments will in part depend on their ability to deliver results and make a difference in these most challenging of environments.

Official development assistance (ODA) to fragile states has doubled over the past decade, reaching USD 46 billion in 2009, or about 40% of total ODA. Despite this, no low-income fragile or conflict-affected country has yet achieved a single Millennium Development Goal (MDG). This is a stark reminder both of the needs that drive donors and their partners to focus on fragility, and of the challenges that remain. *International Support to Post-Conflict Transition* looks at the reasons behind this and suggests a new way forward.

The guidance is founded on the recognition that four critical obstacles block more effective use of aid in transition contexts:

- **Fragmented aid architecture and overlapping guiding principles.** The Paris Declaration on Aid Effectiveness assumes a level of capacity and institutional complexity that may simply be unrealistic in most transition contexts. As a result, development funding is slow to materialise before national capacities and plans have been developed. This means that humanitarian assistance is stretched to the brink and relied upon to fund a broader set of transition priorities far beyond its mandate and expertise. Responsibilities are also spread across multiple institutional mandates and budget lines, thus complicating efforts to work together across communities and to draw on the strengths of these different mandates.
- **Risk-averse behaviour on the part of donors and implementing partners.** Donor approaches focus on risk avoidance rather than context-specific risk management. Accountability and reporting requirements that are used during transition have often been designed for more stable environments. Risk assessment frameworks tend to

be bureaucratic and to focus on addressing donor institutions' fiduciary and reputational risks rather than the risks of state failure and a return to conflict.

- **Lack of prioritisation in plans and strategies.** Development plans and strategies are grounded in the recognition of the massive needs that are present during transition, but often fail to prioritise and sequence activities. This has resulted in overambitious plans that make unrealistic assumptions about absorptive capacities and what can be delivered within short timeframes. The result is long delays and limited impact.
- **Incoherence across instruments.** Donors struggle to understand how different aid instruments can be used in parallel to support rapid and sustainable delivery. Their aid instrument designs are often based on specific institutional mandates and operating procedures rather than on effective delivery approaches. This has resulted in both duplication and a fragmentation of efforts, preventing strategic linking of different instruments to a coherent delivery strategy.

Recognising the need to address the above shortcomings to improve the quality of aid during transition, partner countries and some international actors are calling for a shift in the way aid and support are provided. At the core of this is the recognition that the MDGs are not an adequate framework to guide international support to transition. A broader view of support is required, focussing on i) the need to support statebuilding by strengthening the political settlement, core state capacities and legitimacy; ii) strengthening civil society and state-society relations; whilst iii) continuing to guarantee people's access to basic services. This includes addressing the challenges of linking emergency and development responses and of prioritising and delivering aid in contexts where state legitimacy is put into question, where governments are unable or unwilling to protect and defend human rights, where large-scale violations and insecurity prevent effective monitoring of international support, and where risks are writ large.

With the full range of actors engaged in humanitarian, diplomatic, security and development operations in mind, **this guidance explains why a different approach is required during transition. It shows how to provide rapid, flexible and predictable development funding while balancing the risks and opportunities that come with such engagement.** Development partners need to accept that a pragmatic approach is fundamental to generate results in transition contexts, and that

greater simplicity is required in planning and accountability frameworks, procedures and instruments. Therefore a gradual application of the Paris Declaration principles and more realistic assumptions about what can be achieved by different actors within different timeframes are needed. Engagement must be country-specific and driven by actors on the ground, and international partners need to tailor their policies and procedures to transitional challenges and allow for an early and flexible release of development funds. At the core of an amended approach is the need for more serious collaboration, joint analysis and willingness to be held collectively accountable to agreed objectives.

This guidance sets out specific recommendations to improve transition support in four key areas. These recommendations might require reforms to existing policies and procedures, but should nonetheless be understood within the existing legal requirements that guide bilateral partners' funding decisions and allocations:

- i) **Find better ways of dealing with risk** (Chapter 1). This should be done by clarifying the relationship between different guiding principles and improving approaches to risk taking and risk management. Effective aid in these contexts may demand a significant degree of risk appetite — a willingness to consider risk in relation to opportunities — and a recognition that the risks of non-engagement in these contexts are often more significant. A joint assessment of contextual risks should be the basis for engagement, and development partners should look at collective management of specific risks. Procedures of international engagement should allow for targeted risk taking, including by using simplified emergency procedures for procurement and financial management. Bilateral partners should also support the reform of multi-lateral organisations' abilities to pool risks more effectively.
- ii) **Help governments in transition to prioritise their development plans** (Chapter 2). A fundamental principle of development today is that the governments of partner countries, rather than donor countries, should lead and guide planning and prioritisation exercises. However, countries in transition face particular challenges that limit government-led planning. Rapid and transformative results call for the use of simplified approaches that move beyond assessments of needs to an actual agreement on priorities. Government leadership should be supported at the strategic level, but shorter planning cycles should also be used to allow for a frequent reassessment of priorities to ensure continued relevance. Various sector plans should be integrated into a single planning framework, with clear links to how different institutions can support the delivery of collectively agreed priorities.

- iii) **Mix and match aid instruments according to the national context and priorities** (Chapter 3). Humanitarian, security and development instruments are very different in the way they are able to link with national actors and make use of country systems, and the specific conditions under which such linking will take place. A mix of aid instruments can improve financing for agreed priorities based on harmonisation, institutional transformation, speed and flexibility, and scope for risk management. The mix should account for both rapid and sustained delivery, and should in particular focus on country-specific instruments and pooled funds that allow for a gradual increase in the use of country systems. As multilateral actors are expected to play key co-ordination and implementation roles during transition, continued investments are also required to strengthen their systems and processes.
- iv) **Improve collective engagement through the use of transition compacts** (Chapter 4). A “compact” is a flexible agreement between national and international partners. Compacts represent a solution to many of the challenges of transitional contexts: they link agreement on priorities with a strategy for how these priorities should be funded; and they allow for joint prioritisation between national and international actors and frequent reviews of progress, thus addressing donor concerns about capacity, legitimacy and risks of engagement, and ensuring mutual accountability. Compacts can initially be agreed among a limited set of actors and then scaled up to include other development partners, although participation needs to be carefully considered to strengthen legitimacy from the outset. Success requires devolved responsibility and decision making, strong multilateral capacity to co-ordinate and lead the international response, commitment to aid transparency, support to local aid tracking and co-ordination structures, and a focus on capacity development.

Delivering on the above recommendations will require significant improvements to both policy and practice. Annex A outlines some of the steps and reforms that donors should consider when implementing this guidance.



From:
International Support to Post-Conflict Transition
Rethinking Policy, Changing Practice

Access the complete publication at:
<https://doi.org/10.1787/9789264168336-en>

Please cite this chapter as:

OECD (2012), "Executive summary", in *International Support to Post-Conflict Transition: Rethinking Policy, Changing Practice*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/9789264168336-3-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.