

Unclassified

DCD/DAC/RD(2010)3/RD8

Organisation de Coopération et de Développement Économiques  
Organisation for Economic Co-operation and Development

08-Mar-2010

English text only

DEVELOPMENT CO-OPERATION DIRECTORATE  
DEVELOPMENT ASSISTANCE COMMITTEE

INTERNATIONAL NETWORK ON CONFLICT AND FRAGILITY

EXECUTIVE SUMMARY, GLOBAL REPORT, FRAGILE STATES PRINCIPLES SURVEY

Room Document 8

DAC Meeting, 16 March 2010

*This Executive Summary from the Global Report of the Fragile States Principles Survey is submitted for INFORMATION under Item 6 of the Draft Annotated Agenda [DCD/DAC/A(2010)3].*

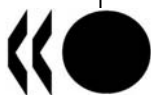
*This document is only available in PDF Format.*

Contact:

Juana de Catheu - Tel.: +33(0)1 45 24 15 23 - Email: [juana.decatheu@oecd.org](mailto:juana.decatheu@oecd.org)

JT03279644

Document complet disponible sur OLIS dans son format d'origine  
Complete document available on OLIS in its original format



DCD/DAC/RD(2010)3/RD8  
Unclassified

English text only



# Monitoring the Principles for Good International Engagement in Fragile States and Situations

---

Fragile States Principles Monitoring Survey: Global Report



## Foreword

---

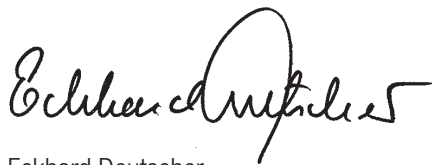
When world leaders come together in September 2010 to review progress towards the Millennium Development Goals (MDGs), they will be confronted by a harsh reality: many fragile states are falling behind. This is despite hard, often dangerous work on the ground, backed by the 38% of total official development assistance that is allocated to fragile states (2008). Much remains to be done to understand the trajectories of these countries, identify priority areas for action and take stock of the collective impact of the combined engagement by diplomats, aid and security actors.

The key to making progress, according to OECD ministers, is to recognise that fragile situations require different responses than more stable situations. To guide complex interventions in these countries, they adopted the OECD *Principles for Good International Engagement in Fragile States and Situations* in 2006. At the Third High Level Forum on Aid Effectiveness in Accra, six countries – Afghanistan, the Central African Republic, the Democratic Republic of the Congo, Haiti, Sierra Leone and Timor-Leste – decided to monitor the implementation of these Principles in their countries through an innovative process of multi-stakeholder consultation.

This report brings together the results of this exercise, conducted in 2009. These views from the ground make vital reading for partner governments, donors and civil society. In Haiti, for example, they take on an added urgency in the wake of the earthquake in January 2010: the issues identified in the national consultations – a certain disconnect between the elites and ordinary citizens; good rapid response capacity when it comes to security but a vulnerability to natural disasters; and the need to rethink Haiti’s “business model” in view of its unique strengths and weaknesses – are all the more relevant as we embark on “rebuilding back better”. In Afghanistan, the assessment that international engagement is overly dominated by short-term security objectives at the expense of a more needs-based approach sends out a powerful call for behaviour change.

The findings and recommendations in this Global Report have been developed and agreed in-country by a diverse range of stakeholders through a transparent consultation process marked by a strong spirit of mutual accountability. The governments of the six countries under review, along with the donors on the ground, have shown an enormous sense of responsibility by agreeing to discuss openly the quality of international engagement and what is required from national counterparts. This honest approach will help ensure that we recognise our shortcomings, and also build on our achievements, which are significant. Although many hurdles remain, Sierra Leone and Timor-Leste, for example, are now in a better situation than they were ten years ago.

This timely scorecard from the ground will not only inform national and international stakeholders working to make the six countries more resilient, but will also make an important contribution to the ongoing dialogue between donors, partner countries, policy communities and NGOs on how to improve development effectiveness in countries that are in a situation of fragility.



Eckhard Deutscher  
Chair of the Development Assistance Committee  
Organisation for Economic Co-operation and Development



Olivier Kamitatu Etsu  
Minister of Planning, Democratic Republic of Congo  
Chair of the Fragile States Monitoring Survey

# Acknowledgments

---

This report was prepared by the Development Co-operation Directorate of the OECD. The authors are Alex Duncan, Gareth Williams (The Policy Practice) and Juana de Catheu (OECD).

The authors acknowledge with thanks the contributions of a large team across the six countries surveyed and donor headquarters.

Leaders in the six countries set the scene and the tone for the national consultations:

- President José Ramos-Horta, Timor-Leste
- Prime Minister Jean-Max Bellerive, Haiti
- Prime Minister Kay Rala Xanana Gusmão, Timor-Leste
- Minister Samura Kamara, Minister of Finance and Economic Development, Sierra Leone
- Minister Olivier Kamitatu Etsu, Minister of Planning, Democratic Republic of Congo (DRC)
- Minister Sylvain Maliko, Minister of Economy, Planning and International Co-operation, Central African Republic (CAR)
- Deputy Minister Mustafa Mastoor, Deputy Minister of Finance, Afghanistan
- Minister Emilia Pires, Minister of Finance, Timor-Leste.

Minister Olivier Kamitatu Etsu has assumed the chairmanship of the Survey.

National Co-ordinators and International Focal Points made the country consultations happen, bringing together a wide spectrum of stakeholders and ensuring a transparent process:

## National Co-ordinators

**Afghanistan:** Hamid Jalil, Aid Management Director, Ministry of Finance

**CAR:** Bendert Bokia, Director, Ministry of Economy, Planning and International Co-operation

**DRC:** Benjamin Bonge and Theo Kanene, Directors, Ministry of Planning

**Haiti:** Yves Robert Jean, Director General, Ministry of Planning

**Sierra Leone:** Kawusu Kebbay, National Director, Development Assistance Co-ordination Office, Ministry of Finance and Economic Development

**Timor-Leste:** Helder da Costa, Coordinator of the Aid Effectiveness and National Priorities Secretariat, Ministry of Finance.

## International Focal Points

**Afghanistan:** Mark Ward, Special Adviser, United Nations Assistance Mission in Afghanistan (UNAMA)

**CAR:** Ambassador Jean-Pierre Vidon, Ambassador of France to CAR

Anne-Marie Cluckers, Country Director, United Nations Development Program (UNDP), CAR

Kamal El Kheshen, Vice President, African Development Bank

**DRC:** Ross Mountain, Deputy Special Representative of the Secretary General, UN Resident Co-ordinator, Humanitarian Co-ordinator, United Nations Mission in DRC (MONUC)/UNDP

**Haiti:** Roberts Waddle, Embassy of Canada, Haiti

**Sierra Leone:** Dominic O'Neill, Head of the UK Department for International Development, Sierra Leone

Michael von der Schulenburg, Executive Representative of the Secretary General, National Integrated Peacebuilding Office in Sierra Leone (UNIPSIL)

**Timor-Leste:** Homa-Zahra Fotouhi, Senior Operations Officer, World Bank

Jemal Sharah, Counsellor, Australian Agency for International Development.

All the national and international stakeholders who contributed to making the national consultations a constructive dialogue are gratefully acknowledged, and in particular the mayors, prefects and civil society leaders who came from the provinces, sometimes travelling for days.

The authors of the Country Reports – the foundations of the Global Report – are Pierre-Antoine Braud (Bridging International); Amber Davidson; Françoise Jacob (Altai); Philip Lancaster and Charlotte Vaillant (ITAD).

Other valuable assistance was provided by Alex Stevens; Alan Whaites and Anja De Beer in Afghanistan; Gibert Aho, Stephan Massing, Medjomo Coulibaly, Armand Kasumbu Borrey, Michel Nourredine Kassa, Fatima Keko and Sebastian Silva-Leander in DRC; Mamadou Bah, Luiz da Costa, Jean Couturier, Ambassador Francesco Gosetti di Sturmeck, Sylvie Proulx and Jean-Robert Simonise in Haiti; Per Bjalkander, Ellie Cockburn, Ben Dickinson, Philip Dive, Margarete Jacob and Alain Lempereur in Sierra Leone; Ali Gillies, Leigh Mitchell, Ambassador Juan Carlos Rey and Florentino Sarmiento in Timor-Leste; Vincent Alexandre, Patrick Berckmans, François Gaulme, Alain Lempereur and Alexandra Trzeciak-Duval in CAR.

Jane Alexander (DFID), Laura Bailey (World Bank), Francois Gaulme (France) and Arve Ofstad (Norway) provided valuable inputs into the methodology for the Survey. Maria Zandt (OECD) contributed the quantitative data and invaluable research assistance. Fiona Hall and Christelle Thomas provided editorial assistance. Juria Chuah designed and typeset the Survey reports.

Heather Baser, Per Bjalkander (UNIPSIL), Ana Paula Fernandes (Portugal), Margarete Jacob (OECD), Theo Kanene (DRC), Michael Koros (Canada), Rachel Locke (United States), Stephan Massing (OECD), Marjolaine Nicod (OECD), Masumi Owa (Japan), Roberts Waddle (Canada), Asbjorn Wee (OECD), Rory Keane (OECD) and Claudia Pragua (Germany) provided comments on earlier drafts of the Global Report. The authors remain responsible for any error and omission.

## Executive summary

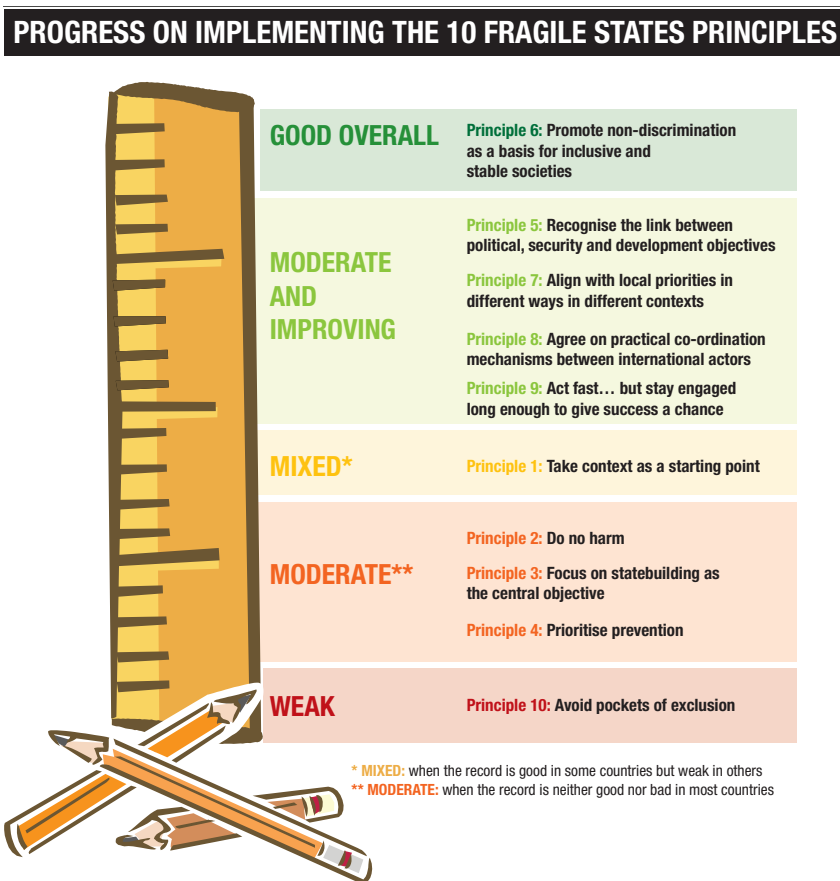
Fragile states present acute and persistent challenges for their citizens and for the international community. Most are off target for meeting the Millennium Development Goals. Many lack security and political stability. All suffer from a degree of social unrest and division. International actors are actively involved in these countries across the agendas of development, security, diplomacy, trade, migration and beyond. Aid to fragile states represents 30% of all Official Development Assistance and UN peacekeeping missions are at a historic peak with 116,000 personnel currently deployed (eight times more Blue Helmets than in 1999).

Because of what is at stake – lifting close to a billion people out of poverty, stabilising entire sub-regions and managing global risks – and because of the multiple challenges encountered in fragile states, it is vital to get hard information on what works and what does not. The Fragile States Principles Monitoring Survey provides evidence from the ground by reviewing progress in implementing the *Principles for Good International Engagement in Fragile States and Situations* in six countries: Afghanistan, the Central African Republic (CAR), the Democratic Republic of Congo (DRC), Haiti, Sierra Leone and Timor-Leste.

The objectives of the baseline Survey are two-fold:

- (i) Process: to catalyse dialogue among national and international stakeholders and foster consensus around shared goals and key priorities;
- (ii) Output: to highlight areas that are important from a field perspective but are not always given adequate attention, and to monitor the quality of international engagement *over time*. The present Report forms a baseline against which progress will be monitored in 2011.

### 1. Findings<sup>1</sup>



**Principle 1: Take context as the starting point.** The implementation of this Principle is judged in most countries to be *mixed*. While the importance of context is clearly recognised, the analytical effort required to understand the country context has not always been shared (Afghanistan; CAR; Haiti) or sustained (CAR; Haiti). Moreover, actual programming has not always been adequately rooted in an understanding of the country context (Afghanistan).

<sup>1</sup> The qualifications given here are based on the assessments in the different Country Reports, following a mixed methods approach (see Box 1) and according to the scale: weak; moderate or mixed; moderate and improving; good. Implementation is moderate when it is neither good nor bad in most countries. Implementation is mixed when it is good in some countries and limited in others.

**Principle 2: Do no harm.** The implementation of this Principle is judged to be *moderate*. In most cases international intervention has had a positive effect on balance, but the country consultations drew attention to many examples of harm, mainly where international presence leads to the weakening of state capacity and/or legitimacy and where the uneven distribution of aid funds leads to an unintentional widening of social disparities. There is little evidence that international actors have attempted to assess these risks in a systematic way.

**Principle 3: Focus on statebuilding as the central objective.** The implementation of this Principle is judged to be *moderate*. There is a clear and increasing focus on statebuilding (*e.g.* massive investment in censuses, elections and technical assistance) and recognition of the multiple dimensions of this task – including capacity, accountability and legitimacy. However, the results of statebuilding efforts have been variable between countries. There has tended to be a technical focus on institutional development within the executive, with less attention to the other arms of government and to fostering constructive state-society relations. Certain aspects of donor practice, in particular the use of parallel implementation structures and salary top-ups, have been harmful to capacity development.

**Principle 4: Prioritise prevention.** The implementation of this Principle is judged to be *moderate*. International actors have engaged in specific initiatives which are relevant to crisis prevention, but their coverage has been patchy, effectiveness has been mixed, and they have not been planned within an overall strategy for crisis prevention. First, there was little evidence that international and national actors have analysed risks within the six countries in a systematic or sustained manner. Second, international actors have not developed comprehensive and shared crisis prevention strategies centring on such an analysis. Thirdly, rapid response capacity has been deemed adequate in most countries with a large peacekeeping mission, but limited in others.

**Principle 5: Recognise the links between political, security and development objectives.** The implementation of this Principle by international actors varies between countries and is overall judged to be *moderate and improving*. There is broad recognition of the need for a comprehensive and integrated approach, as reflected in the six countries' main strategic frameworks. However, in operational terms, a *modus operandi* has been hard to agree, and political, security and development objectives have often proven to be more contradictory than complementary. Afghanistan, where the security agenda was deemed to dominate and undermine development objectives, is a case in point. Integrated, whole-of-government country strategies (*i.e.* agreed across foreign affairs, defence, aid and beyond) from donor countries are still an exception.

**Principle 6: Promote non-discrimination as a basis for inclusive and stable societies.** The implementation of this Principle by international actors is judged to be *good*. International actors are usually highly aware of the importance of non-discrimination, and have been vocal in criticising discriminatory practices and encouraging more inclusive policies, particularly in the area of gender. However, many forms of discrimination are deep seated and difficult to tackle, and advocacy efforts have not always been translated into results.

**Principle 7: Align with local priorities in different ways in different contexts.** The implementation of this Principle was judged to be *moderate and improving*. International actors have supported partner countries in developing national strategies, although many of these need further strengthening. Donor country strategies are aligned in all countries where national priorities are well defined – less so when strategies are insufficiently prioritised. However, efforts are needed to deepen alignment in operational terms: use of country systems; alignment on sector-wide approaches; alignment on sub-national priorities and planning. Too many parallel project implementation units (PIUs) continue to be set up and used for too long.

**Principle 8: Agree on practical co-ordination mechanisms between international actors.** Implementation of this Principle is *moderate and improving*. Several countries report that fragmentation of donor activities (particularly in Afghanistan, DRC and Haiti) is a challenge, and actions that may be rational for individual donors can cause systemic harm. Most countries have active donor co-ordination arrangements that work reasonably well for the exchange of information and to some extent for harmonising activities – notably multi-donor trust funds (Afghanistan, DRC), budget support donor groups (Sierra Leone) and delegated co-operation arrangements. However, while sector-wide approaches exist (*e.g.* DRC and Haiti), in none of the countries are formal arrangements reported for dividing labour among donors.

**Principle 9: Act fast... but stay engaged long enough to give success a chance.** Implementation of this Principle is *moderate and improving*. Several countries are perceived to have rapid response mechanisms that are in place and effective, especially for humanitarian action; while in others the rapid reaction capacity was considered low (see also Principle 4). As for staying engaged, the record is mixed. It is not enough to stay engaged: international actors need also to signal their intent to do so, including through improving the medium-term predictability of aid. There are examples of good practice, for example ten-year partnership agreements



based on jointly agreed benchmarks. Except for CAR where the shift from emergency to longer-term development can be difficult and development does not compensate for a decline in humanitarian aid, trends since 2000 show no clear signs of disengagement. However, aid remains volatile (DRC, Timor-Leste) and in the case of Timor-Leste peacekeeping efforts too. A premature shift away from security concerns is seen as a danger in several countries (Haiti, DRC).

**Principle 10: Avoid pockets of exclusion.** The implementation of this Principle is judged to be *weak – the poorest among all ten Principles*. The country consultations point to numerous imbalances in the provision of aid between countries (CAR was characterised as an “aid orphan”), between provinces (Afghanistan, DRC, Haiti) and between social groups (Haiti). International actors are not sufficiently attuned to the risk that the uneven provision of aid (DRC) or widely different modes of engagement (Afghanistan) could worsen existing pockets of exclusion, and have not developed strategies to address this risk.

## 2. Recommendations

In the spirit of mutual accountability that characterized the national consultations, the recommendations in the Country Reports are relevant for both national and international actors. The next section summarises global recommendations for international actors.

**1. Invest in joint analysis across donors and across policy communities** to identify a shared vision of the path from fragility to resilience and agree common strategic objectives. This is essential if the efforts of the wide range of actors involved – each with different mandates, approaches and resources – are to converge and achieve lasting impact. Whole-of-government and “one UN” strategies (*i.e.* one strategy for a given international actor, integrating political, security and development goals); country strategies shared by two or three donors; and pooled funding across ministries/agencies are effective ways to promote policy coherence, programmatic coherence and improved impact.

- When common objectives cannot be agreed between different policy communities on the international side, including where development, security and diplomatic priorities diverge, or where short-term objectives may undermine longer-term goals, differences will need to be managed.
- Whenever possible, analysis that is joint across donors should also be shared with government and non-governmental stakeholders in a “twin pact” – between the state and its citizens and between international actors and government counterparts.

**2. Exert leadership – or foster it.** Achieving some consensus on the analysis of context and shared strategic objectives will almost always be difficult, and require consultation and negotiation between all stakeholders. This is an endeavour which requires national leadership, where it exists or can be stimulated. When there is weak national leadership, international actors should make a special effort to consolidate their approach and forge a common way forward.

**3. Analysis should be sustained and linked to a capacity to respond.** Contexts in fragile settings often change fast and unpredictably, so there is a heightened need for recurrent analysis and adaptation of response. Early warning is not enough and must be backed up by rapid response capacity, with devolved authority to adapt modalities of engagement and reorient spending. Increasingly over time, analysis and rapid response capacity need to include national expertise and systems.

**4. Assess risks** of undermining state capacity or legitimacy or risks of aggravating social disparities; monitor impact by social group or region; recognise and manage trade-offs; when aid must be suspended, prepare a coordinated response and engage in political dialogue with government counterparts to weigh the consequences. Analyse global drivers of conflict and fragility. Review “do no harm” practices: how do international actors ensure they do no harm?

**5. Recognise that statebuilding is a fundamentally political process** which builds on a domestic political settlement.

- While the support external actors can provide in the negotiation of a political settlement can be limited, donors can contribute to securing and promoting space for state-society dialogue.
- Rather than focus only on support to the executive at central level, adopt a systemic approach to statebuilding, promoting (i) checks and balances between the three branches of government; (ii) constructive state-society relations; and (iii) participation and accountability at the local level. Programmes will need to involve a range of national stakeholders (parliamentarians, audit institutions, judiciary, civil society, political parties) which can contribute to building more resilient states.
- Put into effect the lessons of the past in how best to support processes of political competition that foster national cohesion rather than deepen divisions, especially in divided societies where identity politics play a large role.

6. **Support domestic revenue mobilisation**, as (i) one of the main state-citizen accountability linkages; (ii) a vital element to improve the state's ability to fulfill its functions and derive legitimacy from it; and (iii) a way to lessen dependency to often volatile aid. Past efforts to support domestic revenue mobilisation have paid off but remain limited in both scope and scale.

7. **Political devolution and administrative deconcentration** can be an important part of statebuilding and peacebuilding, not just as a means of improving service delivery, but also as a means of involving citizens more closely with the functioning of the state. However, these processes should be supported carefully as they can have unintended effects, especially where central government is weak and politics fractured.

8. **Partner countries have made a strong call for country-appropriate governance:** appropriate to the political and administrative culture; and appropriate to the current capacity. International actors should aim for systems, structures and approaches that represent the **basic** set of conditions for a legitimate and functioning state. They should identify the strengths of a society, working with them and strengthening them, rather than trying to import foreign systems. Overall, international actors could be much more sensitive to the endogenous political and social processes in the countries where they work, and how their interventions may affect these.

9. **Move away from the current piecemeal approach to capacity development**, paying more attention to system strengthening than to particular components or individuals. Jointly with national stakeholders, donors should invest in shared assessments of and response to needs, cutting across individual donor agendas and administrative cultures. The joined-up assessments should consider political economy realities and the right balance of basic, technical and leadership skills that is needed. They should also be realistic and not underestimate the time and scope of the support needed, which can be sequenced in stages and should include phase-out strategies.

10. **Most consultations have warned that the root causes of fragility were in many cases still intact.** The consultations highlighted the need to build bridges across groups in divided societies, including between elites and ordinary citizens, between region-, clan-based or ethnically defined groups. Reconciliation needs to be taken more seriously. An enduring culture of impunity, in some countries, was highlighted as being extremely damaging. Countries endowed with natural resources should be further supported to turn this “curse” into a “blessing”.

11. **Crisis prevention requires a global approach which includes creating economic opportunities, with a particular focus needed on youth.** After security, economic opportunities are often the top priority of most national stakeholders, yet efforts in this area are extremely limited and fragile states rank lowest in ease of doing business. Investment in private sector development must pick up where the short-term labour intensive projects of the immediate post-crisis period leave off. Youth are often a fast-growing share of the population in all the countries surveyed and have limited access to economic opportunities – with exceptions such as in the mobile communications industry.

12. **Most national consultations have prominently raised exclusion of particular groups as a major threat to peace consolidation.** Recommendations include: (i) the need to move gradually away from a capital city-centric approach, even if it requires investment in local capacity and higher overhead costs; (ii) the need for much better monitoring of flows to provinces and for disaggregated data on development impact than currently available; (iii) in divided societies, it is vital to ensure that all voices are heard, particular those of marginalised groups; in this sense process matters as much the focus on results; (iv) the good results obtained with advocacy for non-discrimination have to be backed up by programming to translate into development results.

13. **While donor country strategies are increasingly aligned to integrated national strategies, where conditions permit alignment must be deepened in operational terms.** In most contexts, donors should be more robust in applying Paris Declaration and Accra Agenda for Action commitments, including by using proactive, phased strategies that may initially involve ring fencing, shadow alignment and use of multi-donor trust funds for progressive alignment, but should include a capacity development component.

14. **When needs are vast and donors few, there is a tendency to think that “all good things go together” but such a situation is all the more reason to join forces and aim for systemic change.** Division of labour arrangements among donors should be much more widely put in place to help minimise gaps and overlaps, and reduce transaction costs, alongside simplifying sometimes cumbersome donor requirements, relieving a critical strain on already limited capacity.

15. **National consultations have highlighted the need for a long-term focus on peacebuilding, statebuilding and security** and warned against reverting to “business as usual” too soon after the immediate crisis has passed. Fragile states present specific and deeply ingrained problems that are not amenable to a quick fix, and, if unaddressed, create risks of future instability.

16. **Aid continues to be more volatile in fragile states than in more stable environments.** While it is understood that donors must themselves adapt to conditions beyond their control, there are cases in which they should consider signing ten-year partnership agreements – with benchmarks for disbursement, and proactive dialogue when benchmarks are not being met. There is a need to monitor the risks of international support tailing off too soon, including in the security sector. A flexible use of funding remains a critical factor of successful turnarounds.

17. **Consider global aid allocations in resource allocation decisions.** Some countries risk being under-aided in relation to their needs. In the current food, fuel and financial crisis, new vulnerabilities emerge, for example in respect of food insecurity. In particular, some fragile states are dropping off donor priority lists and are becoming increasingly dependent on a handful of donors. Increased transparency in reporting forward spending commitments as well as stability in commitments are important steps being taken. At the other extreme in some fragile states the need is to reduce excessive fragmentation (too little aid from too many donors).