

Economic and Social Council

Launching the

Development Cooperation Forum

Geneva, 5 July 2007

Special Event (1:15 pm – 3:00 pm)

Background Note for Informal Policy Dialogue

“Strengthening national capacities and leadership in partnership with donors”

An important outcome of the 2005 World Summit was the commitment of developing countries to adopt and implement by 2006 comprehensive national development strategies to achieve the internationally agreed development goals (IADGs), including the MDGs. A credible, comprehensive national development strategy will reduce the likelihood of donors developing their own priorities independently, which reduces the risk of promoting incoherent or conflicting development visions and programmes.

Hence, a sound national development strategy is an essential element in fostering alignment of external development assistance with country priorities. However, for this logic to apply, it is critical that the strategy is genuinely nationally-owned and provides a clear framework for setting long-term development priorities.

While national development strategies are the principal vehicle for advancing the implementation of the IADGs at the country-level, it is important to bear in mind that these goals are targets, not policy strategies. Operationalizing these goals directly at the country level, without due consideration for social, political and economic considerations, may potentially undermine the effectiveness of existing development strategies and constrain the ongoing development process. Development assistance focusing on the realization of the IADGs will therefore only be effective when these goals reflect domestically held priorities.

Partner countries should accordingly define and govern the development process, with donors providing support that reinforces proactive national leadership. Yet, empowering partner countries to lead the development process may be difficult at times with national capacities wanting in breadth what they often possess in limited number.

As partner countries have to own up to their responsibility of balancing a participatory and results-oriented development process, donors similarly have to acknowledge that the onus is also on them to contribute to the strengthening of national capacities, including the ability of governments to exert genuine leadership in the development partnership.

Strict donor adherence to using national systems and procedures for managing aid flows is an important element in this national capacity building process. The channeling of donor resources outside of budget, for example, poses significant challenges for partner countries in terms of national capacity development. The more donors work around national systems and procedures, the more they weaken these mechanisms to the detriment of development in partner countries.

Similarly, the idea of mutual accountability will only render results if development partners have the capacities to hold each other accountable. Thus without adequate capacities to monitor, analyze and negotiate improved behaviour, partner countries may find themselves at a disadvantage leading to asymmetry for possible repercussions for breaching common agreements. The challenge is ultimately for partner countries and donors to engage in a partnership as equals; a partnership reinforced by an understanding of the demands that each partner face from their respective publics.

Potential discussion questions

1. What are the main challenges in enabling country-driven formulation and implementation of national development strategies?
2. In which areas are developing countries experiencing capacity constraints most critically? How can these constraints be alleviated in the partnership with donors?
3. Are developing countries taking a more proactive leadership role in the partnership with donors? How can developed countries facilitate national ownership and leadership in the development process?
4. What are the main challenges in broadening the use of national administrative systems in the development partnership?
5. What are the principal obstacles to further promoting a development partnership based on mutual accountability?