

Governance assessments, domestic accountability and agency reform

Date: 6 July 2009

Venue: FRIDE Offices – Goya 5-7, Pasaje 2ª – Madrid

Background and purpose of the seminar

During the last decades, a compact between aid recipient countries and donors has emerged which, roughly speaking, trades good governance for better aid. The aid effectiveness agenda has developed in parallel with the governance agenda. Emerging global principles on what “good aid” should be have been reinterpreted in various ways at country level, focussing on the development of country systems and effective aid delivery (“aid effectiveness”). Meanwhile, the governance debate increasingly acknowledges that the domestic political context and political feasibility of reform matter more for pro-poor policies than comparing institutions to universal normative standards (“good enough governance”).

These two streams meet in the instruments of governance assessments. After trying to address the problem of project proliferation, donors have dispersed again on a higher level and have produced a great variety of evidence on the quality of institutions and democratic practices in recipient countries. Being at the core of the “aid deal”, governance assessments entail two competing objectives. From an aid effectiveness perspective, greater harmonisation between donors and enhanced ownership by recipient countries should also apply to the production of evidence. This is meant to put partner governments in the driving seat and avoid transaction costs. From a governance perspective, scholars and aid practitioners request that instruments be more theoretically grounded, methodologically robust, better able to capture underlying power structures, and more effective in recognising and fostering progressive change. Possibly, there is a trade off between these objectives, when governments’ willingness to lead interfaces with donors’ wish to look beneath formal structures of power and politics.

Additionally, an increasing concern about the impact of donor presence on the domestic accountability of aid-dependent states towards their citizens poses the challenge of how governance assessments could become nationally owned and more meaningful within the domestic public sphere.

The focus on context-specific governance assessments that are both aligned and rigorous poses an immense challenge for day-to-day practice in aid agencies. Not only do new instruments that capture the political economy and engage with the domestic debate have to be designed. Even more challenging is how to ensure the uptake of their findings in working practices and make the necessary institutional changes (recruitment, incentives, postings and devolution of decision making) to ensure this.

This seminar aims to bring together a range of European practitioners, planners and scholars to share recent experiences about developing instruments and making them useful both within agencies and within the domestic public sphere. Particular focus will be given to political economy analyses. Hosted in Madrid, the seminar will also allow for a discussion on institutional reform and the development of new tools for the Spanish aid system.

Seminar objectives

Participants will

- be aware of the current challenges that governance assessments pose to the aid partnership and domestic accountability and be able to identify the implications and consequences of each type of assessment instrument;
- learn about experiences with applied political economy analysis instruments;
- identify practices on how to make political economy analyses operational and define skills and organisational requirements in agencies

Session outline and proposed speakers

09.00 – 10.00 Introduction

Typology of governance assessments and main challenges

This introductory session lays out the range of assessment tools, their methodologies and utilization context. It aims to raise awareness about the political implications of the choice of instruments for the partnership dimension and its impact on citizen-state relations in aid recipient countries.

- Stefan Meyer, Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE)

10.00 – 11.30 Session 1

Ensuring uptake of political analysis within agencies

Developing long-term perspectives on political change is adverse to incentives to disbursement pressure and project lifecycles in agencies. Sophisticated political analysis does often not go well with an operational results focus. This session will enquire on how instruments can be devised in order to be significant for aid practitioners. At the same time, it asks in which way agency reform – human resources, organisation and culture – might contribute to giving aid a more transformative character towards supporting progressive change.

- Gareth Williams, Policy Practice, UK
- Marisa Ramos, Governance unit, Spanish Agency for International Development Cooperation (AECID)

11.30 – 12.00 Coffee break

12.00 – 14.00 Session 2

The European governance incentive tranche – harmonising Europeans? Supporting reform?

Three years ago, the European Commission (EC) launched a mechanism in which an assessment – the EC governance profile – feeds into the political dialogue and triggers an incentive. In the wake of its current revision, this session examines if this tool could serve as a harmonising anchor point for European donors and how political economy analyses could be integrated.

- Alfonso Pascual, DG Development, European Commission
- Nadia Molenaers, Institute of Development Policy and Management, University of Antwerp

14.00 – 15.00 Lunch

15.00 – 16.30 Session 3

The need to analyse power and politics and lessons learnt in making agencies context-sensitive

This session aims to present lessons learnt from the application of concrete instruments, namely the Dutch Strategic Governance and Corruption Assessment

- Marcel van den Boogaard, Dutch Ministry of Foreign Affairs (MINBUZA)

16.45 – 18.00 Session 4

Producing evidence for engaging with the domestic public sphere

State-building is founded on political processes to negotiate state-society relations and power relationships among elites and social groups. Hence, the framing of evidence, which is used to gain legitimacy or marshal critique, is an important element. How could the knowledge produced by donors make more sense for the domestic debate?

- Bjørn Førde, Oslo Governance Centre, United Nations Development Programme (UNDP)

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