



INDEPENDENT EVALUATION GROUP

SIX LESSONS FOR GREATER EFFECTIVENESS IN FRAGILE STATES

Addis Ababa, Ethiopia, July 24, 2007. Development in fragile states must become a top priority on the global development agenda to reverse deepening poverty and contain adverse spillovers on neighboring countries and globally, according to representatives from fragile states, donor countries, multilateral development agencies and NGOs. The group is currently meeting in Addis Ababa to share lessons on more effective ways to deal with the most intractable problems of fragile states. The conference, entitled “Engaging with Fragile States: Challenges and Opportunities”, is co-hosted by the Norwegian Agency for Development Cooperation, the United Nations Economic Commission for Africa, and the World Bank’s Independent Evaluation Group.

Fragile states are characterized by weak institutions and vulnerability to conflict. They are home to almost 500 million people, roughly half of whom earn less than a dollar a day. As other countries have grown and prospered, the population of these countries have all too often been left behind.

“Fragile states themselves must provide full leadership and take ownership of their development. However, the international community must strive to offer them the best technical and financial support possible, adapted to their specific country circumstances,” said Obiageli Ezekwesili, Vice President for Africa at the World Bank. The international community is grappling with the difficult question of how to provide the right type and level of support at the right moment to make a significant difference.

The conference participants urged national and international stakeholders to seize the development opportunities that fragile states present by applying six key lessons learned from past experience.

Move forward in manageable steps. Reforms are needed across all sectors and levels of society, but fragile states seldom have the capacity for many parallel reforms all at once. Yet, donors often push for a multitude of reforms which are often poorly coordinated. In Afghanistan, for example, this resulted in dozens of pieces of pending legislation with little likelihood of being adopted, much less implemented. “Small improvements through incremental steps, for example, in state capacity building, are preferable to ambitious, unrealistic reforms,” said Poul Engberg-Pedersen, Director-General, Norwegian Agency for Development Cooperation.

Understand the political context. Awareness of local dynamics and circumstances allows for a better understanding of the potential effects of proposed reforms on various societal groups, their expected response to them, and thus the likely success of the reform agenda. Incorporating political understanding in country strategies is all the more important in fragile states, where decision-making processes are not institutionalized and may be influenced by personal and political interests. In the Central African Republic, some donor activities have reflected a good understanding of the country’s political situation. Yet, in other fragile states, donors have often failed to appreciate the political context—in Papua New Guinea, for example, donors recognized problems such as clan loyalties, political patronage, corruption, and lack of capacity, but treated these problems as technical in nature without adequately building them into their assistance programs.

Improve capacity development and governance outcomes in fragile states. Governments and donors need to devote greater attention to strengthening institutional capacity and improving governance. "The approaches to achieving these objectives have not in many instances been well-suited to the realities on the ground. Moreover, sufficient attention needs to be paid to monitoring and evaluating outcomes" said Abdoulie Janneh, Executive Secretary, UN Economic Commission for Africa. In countries such as the Democratic Republic of Congo, governments and donors have faced the stark reality of the length of time which it takes to build functioning institutions.

Confidence-building needs to precede donor support. Donors must invest ample efforts in building confidence with governments of fragile states before they start moving forward with significant aid programs. In Liberia, close cooperation between donors and government resulted in agreement on the Governance and Economic Management Assistance Program between the National Transitional Government and various bilateral and multilateral donors. In Angola, however, analytical work by donors was perceived by senior government officials as an imposition of donor views on internal affairs, leading to limited ownership and capacity development. "Without trust and country ownership, the chances of influencing government policies are small," said Dr. Soumana Sako, Executive Secretary, Africa Capacity Building Foundation. "When foreign experts are brought in to provide technical advice, it must also be ensured that this does not compromise local capacity in the long term."

Build realistic post-conflict expectations. Public pledges of large aid programs immediately after the cessation of a conflict create high expectations, which can be frustrated by delays in implementation on the ground. This disconnect has often led to disillusionment when day-to-day living has seen few tangible improvements. "This is what we are experiencing in Liberia," said Natty B. Davis, Advisor to the President and National Coordinator of the Reconstruction and Development Committee in Liberia. "In 2004, we received a lot of international attention and more than US\$500 million in pledges to disarm and reintegrate combatants, reform the security services, maintain public sector accountability, aid refugees and prepare for elections. But some of these pledges were not followed-through and there is still a long way to go until the population can feel real change." Avoiding over-ambitious agendas and more effectively communicating realistic targets is critical.

Ensure that fragile states are not under- or over-aided. During 2002-2004, international aid to fragile states has varied widely from about US\$2 per capita in some countries to almost US\$200 in others, creating aid-orphans and aid-darlings. Examples of under-aided countries include the Central African Republic and Guinea. A much more transparent aid allocation system is needed that is consistent with the Paris Declaration, an international agreement committing countries and donors to increased harmonization, alignment and managing of aid for better results.

"Fragile states need far greater financial support from the development community in confronting their daunting challenges," said Vinod Thomas, Director-General of the World Bank's Independent Evaluation Group, "Yet, that support also depends on getting better results on the ground from the financing. That is why it is so important to learn from both the successes and setbacks of past efforts across the world, and to apply those lessons in future efforts."

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