

CONCEPT NOTE: FAST-TRACKING DIVISION OF LABOUR

Background

The Fast-Tracking (FT) of Division of Labour (DoL) was first discussed at the EU Technical Experts Meeting in Brussels in December 2007. The purpose of the FT DoL is to help implement the EU Code of Conduct on Division of Labour adopted by the Council of Ministers in May 2007. In May 2008 the EU Council called for further efforts by the Commission and Member States to fast-track DoL in partner countries. DoL will also be extensively discussed at the High Level Forum on Aid Effectiveness in Ghana in September 2008.

Objective

The FT DoL intends to support a select group of partner countries in the process of implementing in-country division of labour. The end objective is to achieve better development results through more effective aid. EU Member States (MS) and the European Commission (COM) will systematically collaborate on the ground, using the principles of the EU Code of Conduct on DoL (CoC) as their reference.

Supporting on-going in-country process

The EU CoC is a voluntary and flexible instrument, and should be implemented with country-based approaches taking into account the specific situation of the partner countries. To the extent possible implementation of the EU CoC should respect local decision-making processes, especially on-going DoL processes addressing a larger donor community.

On the other hand, experiences from the partner countries have shown that one of the key drivers for implementation of the EU CoC on the ground is a solid political will and a resolute engagement of the highest decision-making levels in donor headquarters. Recognising local processes already mobilised to advance aid effectiveness and division of labour, and fully integrating the FT DoL into these, EU urges their country offices to complement and support these processes further in order to fast track progress through the collective political weight of the EU.

Facilitating role of donors

This is an open process in which a pro-active facilitating role of a MS or COM is asked for. Therefore, a number of countries have been identified where MS and COM are active and willing to *facilitate* the DoL-process on the ground (for example through local staff time, financial resources for consultants and studies etc.), with the partner country in the lead. Parallel processes with on-going DoL exercises are to be avoided. Close cooperation with the other EU MS and COM, identified as supportive actors for the specific partner countries, should be sought.

Facilitation will take place at headquarters as well as country level. Germany and the COM will be responsible for the overall coordination of the FT DoL at HQ level. This may include organising meetings, video conferences, or email exchanges, as appropriate.

The choices for the lead facilitating role in each country are being proposed in close cooperation between capitals and the representatives on the ground. Elements which led to the current set of countries are: a local structure for coordination has been established; the process for DoL has been started; a regional balance; countries are aid dependent and have to work with a considerable number of donors; and EU donors have a significant share in ODA. The list of proposed FT DoL countries, including the facilitating and supporting donors, can be found in annex 1. Since the FT DoL is a dynamic process the current list might change over time.

Tools for fast tracking

In annex 2 a reference note is included on the roles of the HQ and local (in-country) facilitating EU donor. This note could be seen as a "menu of options". Representatives in capitals and in the partner country of the facilitating donor will decide how to implement the FT DoL, depending on the specific situation on the ground.

The COM is in the process of developing an EU Toolkit for in-country DoL. This EU Toolkit is based on experiences and feedback from the ground. Furthermore, the OECD/DAC and COM commissioned a study for '*A Compendium on good practices on division of labour*', which includes a description of 30 cases, lessons learnt and good practices. The EU Toolkit and the Compendium will be shared with the facilitating donors after being finalised. Both can be used to further strengthen local processes.

Annex 2 - Reference note for lead facilitators of Fast Track of Division of Labour (FT DoL)

Objective:

- Support the partner country and other donors to enhance progress on aid effectiveness by implementing DoL at the country level, based on the EU CoC.

Targeted results:

- Commitment by Governments and donors in partner countries to DoL process.
- Enhanced capacity of partner countries to lead for results oriented aid management, including DoL process.
- Enhanced capacity of donor offices to implement DoL.
- Planning and organisation of DoL process started and/or progress achieved in partner countries.
- Creation of opportunities for streamlining donor presence.
- Identification of possibilities for co-financing identified at the country level.
- Identification of challenges to implementation of DoL at country level and communication to capitals.
- Better communication and understanding of DoL processes between HQ and field.

Roles/Activities

Roles of HQ facilitators:

- Explain purpose and modality of FT DoL exercise to in-country facilitators.
- Provide support to in-country facilitators in the form of web-based knowledge management, and provide human and financial resources to effectively take on in-country facilitating role.
- Analyse developments on the ground.
- Liaise with other donors' HQs and help to solve problems and support decision making process (on sector involvement, co-financing etc).
- Share the EU toolkit for DoL and Compendium on good practices, when finalised (both can be used as reference for in-country DoL).
- Develop website with best practices of DoL and EU Toolkit.
- Report regularly on progress, discuss lessons learnt from country cases and discuss further actions to be taken.
- Share lessons learnt with in-country facilitators.

Role of local (in-country) facilitators:

- Support to partner country by way of development assistance as well as development of tools for DoL (such as mapping donor aid flows; assessing relative advantages of donors, etc).
- Support to the development of a country strategy/roadmap/plan for DoL to be agreed by the partner country and donors.
- Provision of capacity development to partner country staff to lead the aid effectiveness agenda.
- Coordinate donor monitoring and reporting to HQs (facilitator).
- Develop tools and guidance notes and train staff of interested donors to create an enabling environment.