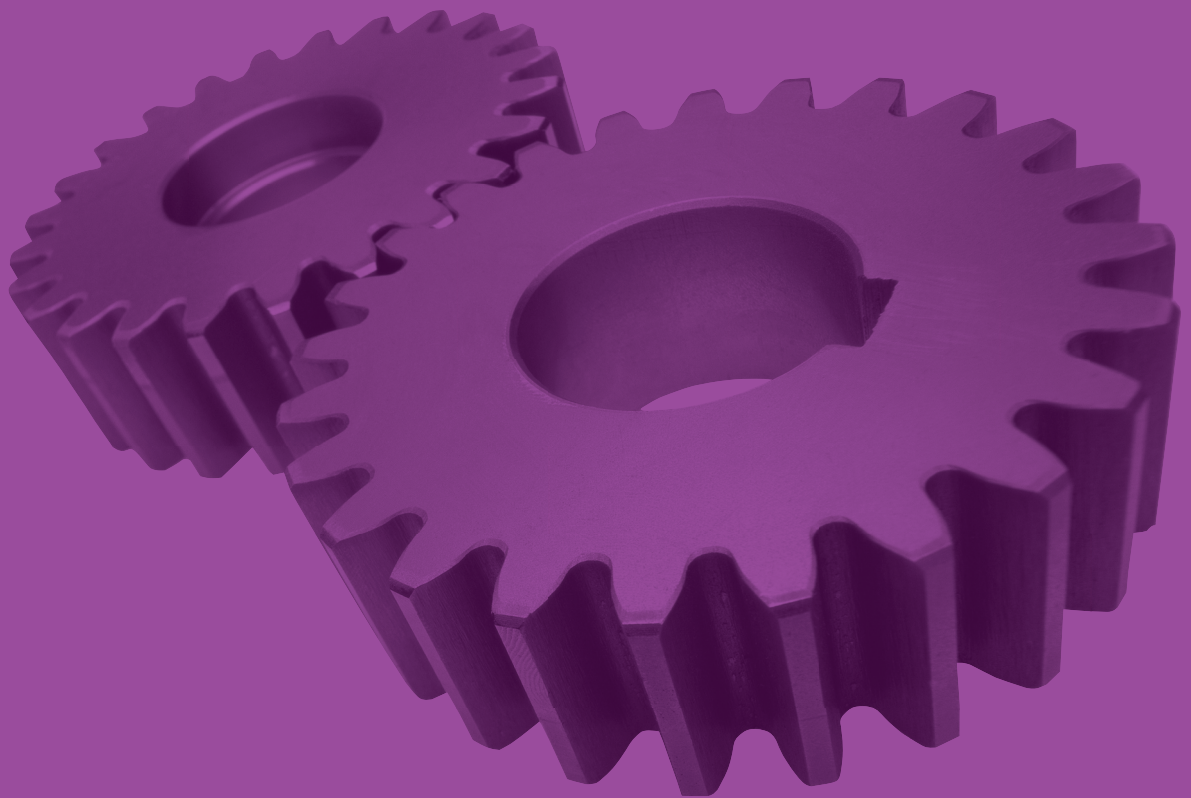




# Whole of Government Approaches to Fragile States



DAC GUIDELINES AND REFERENCE SERIES

A DAC REFERENCE DOCUMENT

## **WHOLE OF GOVERNMENT APPROACHES TO FRAGILE STATES**



**ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT**

## ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

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## EXECUTIVE SUMMARY

### Background

In 2005, the OECD Development Assistance Committee's (DAC) Fragile States Group (FSG) developed a draft set of Principles for Good International Engagement in Fragile States. These Principles highlight the fact that successful development in a fragile environment depends, at least in part, on well-sequenced and coherent progress across the political, security, economic and administrative domains. Working effectively across these domains requires donor countries to adopt a 'whole-of-government' approach (WGA), involving departments responsible for security, and political and economic affairs, as well as those responsible for development aid and humanitarian assistance. An OECD DAC workstream on policy coherence and WGAs in fragile states was initiated<sup>1</sup> to produce an agreed DAC framework or guidance on good practice for WGAs in fragile states that would inform international donor country practice<sup>2</sup>.

The scope of this study is limited to an assessment of existing WGAs, drawing upon the recent experiences of a number of OECD countries in fragile states<sup>3</sup>.

### Rationale for Whole-of-Government Approaches to Fragile States

**Resonating with global concerns such as international security and crime, fragile and failing states have increasingly become a preoccupation of the international community.** Fragile states face problems in a wide range of domains (e.g., provision of physical security, legitimate political institutions, sound economic management and the delivery of social services), indicating the need for a mix of actors, instruments, incentives and interventions.

As stated in the OECD DAC Principles for Good International Engagement in Fragile States, **the political, security, economic and social spheres are interdependent: failure in one risks failure in all others.**<sup>4</sup> The case studies show that governments involved in fragile states recognise the need for, and the benefits of, WGAs to fragile states. Further, greater coherence between security and development policies is a key to establishing an effective WGA to fragile states, acknowledging the interdependence between the two fields. As a result, security actors and objectives related to the security domain are increasingly included in the development debate, as are economic actors, justice departments and others.

A clear benefit of a WGA is that it can contribute to the overall objective of long-term development and stability in fragile states at a lower overall fiscal cost. In addition, the risk of these objectives either being compromised, or simply not being met, is reduced. Finally, coherent policies and activities may have greater legitimacy in the eyes of the recipient country and will therefore be more likely to receive a positive response.

### Challenges to Whole-of-Government Approaches to Fragile States

There are several challenges to the development and successful implementation of WGAs to fragile states. First, the case studies show that **political interests and priorities are important for successful WGAs.** Joined-up working becomes more important and receives more attention if a country is high on the priority list of national interest. However, not all fragile states receive political priority. Experience demonstrates that political attention focuses on (post-)conflict states. Not paying attention to non (post-



)conflict states can lead to the risk of creating donor orphans.<sup>5</sup>Moreover, achieving real progress in fragile states requires a long-term commitment. This is a challenge as political priorities often shift.

At the national level, **the constitutional and political context of a donor government poses a challenge to WGAs**. These factors have consequences for the (type of) political leadership, the position of departments and agencies within the government system, and the potential and options for joined-up working. In a political system that is characterised by coalition or minority governments with a typically give-and-take custom, joined-up working is not as easy to achieve as compared to systems where one political party can provide the prime minister and all cabinet ministers.

The case studies show that actors may approach work on fragile states from very different (though relevant) perspectives, ranging from counter-terrorism to governance, conflict prevention and peacebuilding, trade promotion or development co-operation. **The rationales for engaging in fragile states may differ and, at times, come into conflict**. It is important, therefore, to try to strike a balance among these different rationales and perspectives, in particular between development and security objectives. Furthermore, the roles of the actors involved need to be clarified (including who should take the leadership role). Here, the challenge of bridging differences in organisational culture among the actors involved needs to be taken into account. For example, departments for development co-operation will traditionally be more process-oriented, whereas defence or foreign affairs will tend to be more output-oriented.

The case studies suggest that there are **strong disincentives to working in close partnership with other government departments**, challenging the commitment of actors to become involved in a WGA. First, working horizontally in a multi-actor context requires more consultation and is therefore time-consuming. Second, it may require compromise and a willingness to dilute one's own policy agenda. Third, it can weaken individual (departmental) visibility.

Finally, **joined-up working can have huge resource implications in both financial and human terms**. The case studies show that in many cases the selected governments have not matched their ambitions for an integrated approach with sufficient resources. Specifically at the field level, a WGA requires sufficient staff capacity, both in terms of numbers and qualifications, to manage relations with other partners and implement policies in an integrated manner.

## **Main Findings and Recommendations**

All case studies confirm the appropriateness of the Principles for Good International Engagement in Fragile States and highlight the need for them to be mainstreamed in OECD member governments. As there are nonetheless considerable gaps between what has been agreed in principle and the practice of ministries and agencies, mainstreaming of the Principles should be accompanied by efforts to develop the policy instruments and mechanisms required to operationalise these into assistance programmes.

### ***The Need for an Overall Framework***

The case study reports show that progress has been made: several of the countries have started to tackle the issue of more co-ordinated and integrated approaches. However, the case studies also find that none of the governments studied has developed an overall policy aimed at establishing a whole-of-government approach on fragile states. This can partly be explained by the absence of a clear definition of fragile states. As a result, **there seems to be a tendency to focus more on conflict and post-conflict countries**. Furthermore, it was found that involvement in fragile states is generally based on broader regional or post-conflict policy documents that often originate from development co-operation. The reports

also show a lack of dialogue on what a joined-up approach means for the key actors involved. In the absence of such a dialogue, the risk of continuation of existing approaches remains.

The effectiveness of joined-up approaches may be improved by the creation of an overall framework for managing whole-of-government engagement in fragile states. Such a framework would consist of three elements: 1) a clear understanding of what fragile states are, which is shared by all relevant government actors; 2) a joint policy statement explaining the rationale for collaborative working in fragile states, together with the aims and how these will be achieved; and 3) a commitment to establish an effective dialogue between the key actors involved in a WGA, and to work on bridging differences in organisational culture. The suggested framework would enable early involvement of relevant actors (including those at the field level) and define their roles and objectives in a WGA. While important as an instrument for promoting and managing joined-up working, the creation of an overall framework should not result in a bureaucratic straitjacket that would create an additional layer of decision making. Rather, the framework should acknowledge the need for joint, country-specific approaches on fragile states.

The success of such a framework requires political commitment at the highest levels. Ideally, the process is driven at the level of a prime minister, and engages the relevant ministers for a whole-of-government-approach.

### ***Who to Involve?***

The study finds that, **when dealing with fragile states, it is important to engage with a wide range of actors**. The case studies show that, along the lines of the political-security-development nexus, currently foreign affairs, defence and development co-operation are the key actors in WGAs to fragile states. In order to create a WGA, evidence calls for increased involvement of other departments, in particular ministries of economic affairs and trade.

Other actors may also have a role to play, depending on the circumstances. Here, one can think of the police, ministries of finance and treasury, justice and migration. However, in light of the difficulty of coordinating the activities of a broad range of actors, these other departments should only be involved when they have a comparative advantage.

### ***Joint Analysis***

**In order to improve the effectiveness of the activities of the different actors involved, they need to be linked to a set of broader, joint objectives**. These objectives ought to be defined on the basis of joint analyses or assessments. The case studies make clear that in most countries investigated, this has not been the case.

At the national level, it is recommended that governments aim to conduct joint analyses of fragile states, and to share findings with the key ministries and agencies involved in order to set priorities for action. The case study reports indicate that already a good deal of informal learning is going on, but that this could usefully become more institutionalised. Sharing experience among members of the Fragile States Group could be helpful in this regard. However, the case studies also show that the success of joint analyses and shared findings is, at least in part, dependent on a government structure that compels ministries to work together, as WGAs to fragile states do not emerge automatically or organically at the operational level.

### ***Country-Specific Joint Operational Strategies***

The case studies confirm that there is no “one-size-fits-all” strategy for addressing state fragility and show a need for developing practical, country-specific approaches for engagement in fragile states. Even

though all governments investigated acknowledge the need for (joint) country strategies, there seem to be no clear guidelines on the development of such strategies. An overall framework could provide much-needed guidance.

Collaborative working is undermined by approaches that become fragmented and are guided by different (and potentially conflicting) departmental objectives. The case studies suggest that joint assessments early in the process allow for joint strategies, planning, monitoring and evaluation. Here, existing multilateral joint assessment mechanisms should be taken into account, in order to avoid duplication.

### *Co-ordination: The Need for Political Leadership and a Lead Co-ordinating Role*

The study finds that **clear political guidance and leadership is the starting point for an effective WGA**, providing the actors with an understanding of the importance of their involvement. The study points to the need for clarity on who plays what role in creating an integrated approach, and the need for a lead co-ordinating role. Otherwise, the risk of fragmentation remains. How to establish co-ordination is crucial and sensitive; it should not be underestimated. Here, one should differentiate between leadership and co-ordination. The first implies that other ministries and departments have to follow directions; the latter indicates equal relationships which are essential for joined-up working.

A government's engagement in a fragile state covers different phases that require different types of involvement from different actors. This **engagement is not static: the roles and involvement of actors change according to circumstances**. In a simplified model this could imply that, for instance, defence and police may play a more central role in a stabilisation phase, whereas in a capacity-building phase, development co-operation may play a more central role. External interventions will be heavily politicised; hence, there will often be a case for diplomatic actors to play a key role. As the phases of engagement operate in parallel rather than in succession, attention should be paid to continuity and overall coherence, underlining the need for whole-of-government co-ordinating leadership.

Some of the case studies suggest that, **given their position, role and mandate, foreign affairs may be best positioned at headquarters level to take up this lead co-ordinating role** (in particular integrated departments and ministries of foreign affairs and development co-operation). These cases showed that at the field level, ambassadors or special co-ordinators originating from foreign affairs seem to be best positioned for such a lead co-ordinating role, supported in this task by representatives from development co-operation and defence. Other cases indicate that the lead co-ordinating role can also be taken on by other actors, depending on the modalities. Key is that a capable lead co-ordinating actor be identified. It is suggested that, in order to guarantee continued whole-of-government co-ordinating leadership, foreign affairs could act as a constant (co-)coordinating actor during all the phases.

### *Creating the Right Incentive Structures*

The study finds that **joined-up working has considerable resource implications, both in financial and human terms**. In view of potentially high transaction costs, governments should acknowledge that there are disincentives for collaborative working (e.g., time-consuming, requiring compromise and a willingness to dilute one's own policy agenda, possibly less visibility). Similarly, existing and new incentives for joined-up working should be identified. An important incentive is providing the means and resources for joined-up working on fragile states, allowing ministries and departments other than development co-operation to devote part of their budget to fragile state activities.

A joint policy statement by the key ministers, providing the rationale for whole-of-government engagement in fragile states as well as the main objective, can also serve as an incentive for joined-up

working, as it commits the key actors involved to enter into a dialogue. Furthermore, donor governments could use such a policy statement as a means of accountability for higher-level officials to put joined-up working into operation in their respective organisations. Governments should also be encouraged to identify institutional incentives in terms of trade-offs: working with other actors provides the opportunity to influence policy agendas and offers a means to access skills and resources which a department may lack.

### *Mechanisms and Instruments for Promoting Policy Coherence and Joined-Up Working*

In addition to the need for an overall framework, joint country strategies and attention to process, it is imperative to have the right instruments to support political decisions on WGAs. The case study reports indicate that even where such instruments are available, their usage can be improved. In other cases, new instruments will need to be developed.

The case studies show that **institutional, budgetary and functional walls between departments can impede co-operation and co-ordination**. Instead, joint budget lines would foster integrated planning. Establishing such budget lines proves to be difficult however, or even impossible, given existing mandates and budget reporting requirements. Pooled funding is considered an important alternative instrument to foster integrated planning, allowing flexibility in support of activities which may be classified as official development assistance (ODA) and non-ODA. However, it is critical to avoid creating parallel structures, and instead to encourage the participation of geographic desks across relevant government departments (foreign, development and security) in the planning and implementation of initiatives funded by these pools.

### *Information Management Systems*

In order to promote joined-up working **it is recommended that where possible the information management systems of different actors be integrated**. The case studies show that intra- and interdepartmental communication systems can be revamped to improve the technical features of access to information. Practical issues, such as insufficient levels of staff security clearance, can be a significant impediment to accessing information and creating a shared understanding of sensitive issues and problems, both at headquarters and field levels. In order to make joined-up working more effective, participants need adequate information access if they are to enter into dialogue with colleagues from other ministries.



## I: INTRODUCTION

### 1.1 Background

The topic of fragile states is increasingly gaining ground on the international agenda, including within the OECD Development Assistance Committee (DAC). The DAC characterises fragile states as those countries where there is a lack of political commitment and/or weak capacity to develop and implement pro-poor policies. In addition these countries tend to be characterised by poor governance and by being prone to violent conflict.<sup>6</sup>

In order to deal with the specific issues and needs of fragile states, the DAC 2003 High-Level Meeting established the Fragile States Group (FSG) (see Box 1). The work of the FSG was brought together at a Senior-Level Forum on Fragile States that was held in London in January 2005. One of the outcomes of this Forum was that a draft set of Principles for Good International Engagement in Fragile States be developed. The Principles (see DCD/DAC(2006)53) reflect lessons on development effectiveness derived from experience in fragile states, covering issues including: priority interventions, alignment, aid instruments and aid allocations, donor coherence and co-ordination.<sup>7</sup>

#### Box 1. What is the Fragile States Group?

The purpose of the OECD DAC Fragile States Group (FSG) is to facilitate co-ordination among bilateral and multilateral international actors in order to improve development effectiveness in fragile states. It brings together knowledge from experience, research and lessons learned on the design and implementation of development approaches in fragile states.

The Fragile States Group was established at the DAC 2003 High Level Meeting. That meeting asked the Network on Governance (GOVNET) and the Network on Conflict, Peace and Development Co-operation (CPDC), with input from other Networks and Working parties, to jointly work on issues relating to fragile states. It also agreed that this work should be carried out in conjunction with the World Bank Group, UNDP and the European Commission.

The Principles highlight that successful development in a fragile environment depends, at least in part, on well-sequenced and coherent progress across the political, security, economic and administrative domains. Working effectively across these domains requires donor countries to adopt a “whole-of-government” approach (WGA), involving departments responsible for security, political and economic affairs, as well as those responsible for development aid and humanitarian assistance.

The OECD DAC members had previously recognised the importance of integrated approaches for conflict-affected fragile states, in particular in their commitment to, “strive to increase coherence among our policies – trade and investment, foreign affairs and defence, and development co-operation – that impact on conflict prevention.”<sup>8</sup> In 2004, DAC guidance to support donors in their work on security system reform and governance, where collaboration across ministries and departments is fundamental, was adopted.<sup>9</sup>

To deepen understanding of the issue of whole of government and improve knowledge of existing good practice in the area, an OECD DAC workstream was initiated on policy coherence and WGAs in fragile states.<sup>10</sup> The workstream would assess experience and practice, and produce an agreed DAC

framework on good practice for WGAs in fragile states which should inform international donor country practice.<sup>11</sup> The present study is an output of the workstream.

## **1.2 Objectives and Scope of the Study**

The objective of the study is to assess existing whole-of-government practice with a view to develop practical guidance in the future application of effective whole-of-government arrangements in fragile states.<sup>12</sup>

For the purpose of the study, a whole-of-government approach is defined as “one where a government actively uses formal and/or informal networks across the different agencies within that government to co-ordinate the design and implementation of the range of interventions that the government’s agencies will be making in order to increase the effectiveness of those interventions in achieving the desired objectives”.<sup>13</sup>

To achieve this broad objective, the scope of the study has been limited to an assessment of existing WGAs developed within a select group of OECD governments: Australia, Belgium, Canada, France, the Netherlands, Sweden and the United Kingdom. In order to provide an in-depth analysis of specific whole-of-government initiatives implemented within partner countries, the study has focused on a small group of recent field-level examples: Democratic Republic of Congo (linked with Belgium and France), Haiti (linked with Canada), Solomon Islands (linked with Australia), Sudan (linked with Sweden and the Netherlands) and Yemen (linked with the UK).<sup>14</sup> The case studies have been selected with a view to linking headquarters-level WGAs with specific in-country experience.

It is important to note that the study does not evaluate existing WGAs. Rather, the study focuses specifically on trade-offs, processes, mechanisms and instruments that contribute to effective WGAs in fragile states. However, it should be noted here that the assessment of the cases for this study suggests that in terms of joined-up working a lot of progress has been made over the last years. There also seems to be an increasing interest in cross-governmental co-operation, in particular in the work on the security and development nexus.

The scope of the study is not limited to the selected governments’ fragile state policies, but includes broad policy documents on policy coherence and WGAs. In line with the areas identified in the Principles for Good International Engagement in Fragile States, the study focuses on the engagement of the selected governments on the political-security-development nexus. The study also considered WGAs in terms of economic issues (e.g., arrears, trade, extractive industries), immigration and humanitarian assistance. The country reports indicate an interest in moving beyond the political-security-development nexus, and encourage involvement of ministries of economic affairs and trade.

## **1.3 Limitations of the Study**

The study has a number of limitations. First, the study focuses predominantly on process. This does not imply that content is not of importance; rather, the aim of this report is to map the process of bringing WGAs to fragile states in order to maximise synergies of cross-governmental co-operation.

Second, the study focuses predominantly on best practices of WGAs to fragile states. As the study does not entail an in-depth evaluation of WGA practices, it is not possible to provide a balanced assessment of joined-up working in terms of both positive and negative consequences. Wherever possible, the report does provide insight in the difficulties that stem from joined-up working.

Third, the study looks at cases that almost all deal with post-conflict situations. The concept of fragile states however, is not limited to post-conflict countries. In this study, Yemen is the only non (post-)

conflict country. From the perspective of prevention (i.e., deterioration of fragile states to conflict states) it is important to broaden the scope. It is advisable that future studies on fragile states take note of this fact, as well as of the implications this may have on WGAs.

Fourth, the study does not examine the perspectives of partner countries and major international actors on the selected governments' WGAs. The case studies provided little or no input on this subject due to lack of opportunity to contact these actors.

#### **1.4 Structure of the Report**

The report is structured along the following lines:

Section 2 provides a synthesis of the assessments of existing WGAs as presented in the different case studies. The assessment is structured along the following categories: conceptual/policy level, tools and instruments, and process (co-ordination and management).

Section 3 presents recommendations on WGAs in fragile states and key orientations for donor governments, as well as the FSG and the DAC, in terms of future applications of WGAs.





## II: ASSESSMENT

### 2.1 Introduction: Rationale for Whole-of-Government Approaches to Fragile States

Before the September 11, 2001 attacks, fragile states were mainly seen as countries facing serious developmental challenges, often lacking a functional government. As such, most fragile states had little broader strategic significance for OECD countries. Consequently, their problems were perceived primarily through a development and humanitarian lens. This perception changed following 9/11, however, and fragile and failing states have increasingly become a preoccupation of the international community.

For the purpose of this study, the defining features of state fragility are to be found in a state's inability or unwillingness to provide physical security, legitimate political institutions, sound economic management and social services for the benefit of its population. While there are differences in the way these states are described ("weak," "failing," "failed," "collapsed," "fragile," "at risk," or "precarious"), it has become clear that such states are linked to a range of threats such as trans-national crime; trafficking in weapons, drugs and human beings; the spread of disease; intra-state and regional violent conflict; genocide; and terrorism. As this wide range of threats is not limited to the territories of these states, precarious statehood is considered to have ramifications for regional and global security.<sup>15</sup> The fact that fragile states can face problems in a wide range of domains indicates the need for a mix of instruments, incentives and interventions, as well as actors, to be involved.

However, notwithstanding the prominence on the international foreign policy, security and development agendas, attempts to deal with precarious states have proven quite complex and problematic. Most recently, interventions in Afghanistan and Iraq have revealed the limitations of traditional diplomatic and military interventions. Experiences in Bosnia and Herzegovina, and Kosovo have taught security actors that predominantly military responses are insufficient for multidimensional state-building and post-conflict peace-building processes. Development actors have come to realise that successful long-term development in impoverished nations is impossible when incapacitated states cannot deliver the collective goods of basic security and effective governance. Both development and military actors are also aware of the fact that short-term, ad hoc responses in which national and international policies lack coherence and co-ordination will not be successful. As a result, the focus has now shifted to improving state-building capacities through better joined-up working.

This new quest for policy coherence across domains can also be found in the OECD's draft Principles for Good International Engagement in Fragile States, where it is stated that it is important for the international community to work in a coherent way across diplomatic, security, development and financial domains when engaging in fragile states.<sup>16</sup>

The challenge for governments involved in fragile states is to establish clarity on and coherence in objectives. These objectives are likely to differ among the departments involved. For instance, the promotion of sustainable development is not the primary mandate of all government departments. Therefore, ministries may promote national interests rather than the interests of a partner country, which, from the perspective of development co-operation, is problematic. When dealing with the problems of precarious statehood – and in particular the wide range of potential threats emanating from them – the issue therefore is how governments determine their priorities for engagement in fragile states. From the perspective of the OECD DAC, the question more specifically is where development outcomes should rank vis-à-vis trade, counter-terrorism, national defence and other political objectives of donor countries.

One cannot conclude that the interconnectedness of the key areas for successful engagement in fragile states will result in a well-sequenced and coherent progress across the political, security, administrative, economic, and humanitarian and emergency domain.

The case studies show that the selected governments recognise the need for, and the benefits of, WGAs. They are increasingly developing new mechanisms and instruments to promote joined-up working among different government actors. Specifically, greater coherence between security and development policies is recognised as key to establishing an effective WGA on fragile states. Yet, it is also clear that there is no single blueprint for such a WGA; there are many differences in WGAs across OECD governments, as well as in the effectiveness of these.

In terms of benefits, it is apparent that in order to be more effective, policy coherence and WGAs should go beyond providing a collection of independent policies guided by departmental mandates. If not, the risk of policy incoherence is magnified. The advantages of coherence are clear: more coherent policies and activities can contribute to the overall objective of long-term development and stability in fragile states at a lower overall fiscal cost. In addition, the risk of these objectives either being compromised, or simply not being met, is reduced. Finally, from the perspective of harmonisation and alignment, coherent policies and activities may have greater legitimacy in the eyes of the recipient country and will therefore be more likely to receive a positive response. Achieving policy coherence within governments of international actors, as well as between the international actors and partner governments, may be one critical determinant of successful outcomes in fragile states.

Progress has been made already in the field of security system reform (SSR), which was one of the first areas where the need for a whole-of-government approach was recognised. The work on SSR brings together the development community with their military, intelligence, police, prisons, civil society, judicial and customs services colleagues. However, although SSR indicates the need for a WGA, policy instruments that can promote policy coherence among these actors were largely absent. This has led the OECD DAC to provide *DAC Guidelines on Security System Reform and Governance*, which were agreed upon by development ministers and agency heads in 2004. Currently, the SSR work of the DAC is taken one step further. Although not the direct focus of this study, it should be noted that the DAC is developing a policy instrument (Implementation Framework for Security System Reform (IF-SSR)) that can provide a unifying framework for development, security and diplomatic interests working jointly on security system reform. For this study on WGAs, it will be relevant to link the two activities to ensure that they incorporate knowledge on the political and technical aspects of their work, and build the necessary linkages across government.

## **2.2 Challenges to Whole-of-Government Approaches to Fragile States**

The case studies for this report identify several challenges to the development and successful implementation of WGAs to fragile states. First, the case studies underline the importance of political interests and priorities for successful WGAs. Joined-up working becomes more important and receives more attention if a country is high on the priority list of national interest, regardless of formal structures, mandates or parochial departmental factors. The challenge is how to create political interest. A second challenge is the constitutional and political context of a donor country, which has consequences for the type of political leadership, the position of departments or agencies for development co-operation, and the potential and options for joined-up working. Third, the case studies show that a key challenge for whole-of-government engagement in fragile states is to balance different rationales and perspectives of actors involved, as well as to clarify the roles of the actors and to establish who should take a leadership role. Fourthly, evidence also points to the challenge of bridging differences in organisational culture among the actors. A fifth challenge identified by the case studies is the lack of incentives for departments to work collaboratively with other government counterparts. In many cases, there are strong disincentives to work

in close partnership with other government departments. Finally, the case studies show that joined-up working can have huge resource implications in both financial and human terms. Evidence points out that in many cases donor governments have not matched their ambitions for an integrated approach with sufficient resources.

This section of the report will take into account the above mentioned challenges and assess the different selected governments' responses to these challenges in assessing the different WGAs developed. The assessment will first focus on the conceptual/policy level of WGAs to fragile states, and will then look into the different tools and instruments developed for these approaches, as well as co-ordination and management mechanisms which have been developed and implemented.

## **2.3 Conceptual / Policy Level**

### *Constitutional and Political Context*

When assessing donor governments' WGAs to fragile states, it is important to take the constitutional and political context, as well as the agenda of national interests, into account. These factors have consequences for the type of political leadership and the potential and options for joined-up working, which can range from mere information sharing at the one extreme to a fully integrated approach on the basis of one common policy at the other.

The countries investigated represent a variety of political systems and legislative processes. These differences present opportunities and constraints on cross-governmental working. For instance, in some countries responsibilities for policy making can be delegated to other bodies (e.g., a regional or local body like a state or province, as is the case in Belgium). In these cases, there can be different decision-making levels involved in a WGA, thereby complicating the process.

In a political system that is characterised by coalition governments (as is the case for instance in the Netherlands and Belgium) there is typically a give-and-take custom. Coalition partners all have their own party's agenda to take into account, next to the overall government agenda. This often results in a need to compromise and balance different agendas. A similar problem applies to minority governments that have to look for parliamentary support on a case-by-case basis. Joined-up working in such a context is difficult to achieve and more time consuming than in countries where one political party provides the prime minister and all cabinet ministers, as is the case for instance in the United Kingdom.

Furthermore, WGAs are limited by constitutional mandates and subsidiary legislation, indicating key priorities for different actors, as well as by positions within the overall government system. Mandates can limit what actors can contribute to a WGA and what role they can play in such an approach. The issue of fragile states for instance, traditionally stems from the development co-operation agenda. The position and role of development co-operation actors within the different donor governments, however, varies.

There are a number of options: development co-operation can be fully integrated into the ministry of foreign affairs (e.g., the Netherlands); it can have partial autonomy, reporting to the minister of foreign affairs (e.g., Australia); there can be a separate development ministry (e.g., the United Kingdom); and there can be a split responsibility for official development assistance among several ministries and agencies (e.g., France). Independent from the status, there may be a minister for development co-operation. In other cases, the minister of foreign affairs is responsible for development co-operation.

Sweden, Canada and Australia have government agencies responsible for development co-operation,<sup>17</sup> which operate on a fairly autonomous level, implementing the donor government's development aid and administering the bulk of the official aid resources. They do not however, have the legal status to formulate official donor government policy. In Canada, the Department of Foreign Affairs and International Trade

(DFAIT) is the legal authority for formulating and co-ordinating Canada's international policy, including development co-operation. In Australia, this is co-ordinated within the portfolio of the Department of Foreign Affairs and Trade (DFAT) with AusAID taking a lead role. In Sweden there is one main department within the Ministry of Foreign Affairs responsible for development policy, but several are involved in the preparation due to the Joint Preparation Process law. This lack of legal status can have practical implications on the way in which these government agencies can influence the development and implementation of WGAs. Yet, the Swedish case study reports that the Swedish Agency for Development Cooperation (Sida), even though it is not part of the departmental structure, does participate in the interdepartmental working group on Sudan.

In the Netherlands, Belgium and France, development co-operation is integrated as a directorate general within the ministry of foreign affairs. All three countries have a minister for development co-operation, and in the cases of the Netherlands and Belgium, these ministers also have a Cabinet status. In the case of France, the Minister for Development Cooperation operates under the authority of the Minister of Foreign Affairs. The United Kingdom has a separate Department for International Development (DFID), which operates autonomously from the Foreign and Commonwealth Office (FCO).

Having a minister responsible for development co-operation can be of importance for WGAs. It is clear that the higher the status of the actors involved (i.e., a minister) the more impact the ministry or department can have in raising certain issues or views. An example would be the role of the Netherlands Minister for Development Cooperation in putting co-ordination with the Ministry of Defence on the agenda and in practice together with the Minister of Defence. This suggests that it can be helpful for cross-governmental co-operation, and that buy-in can be created at the highest (ministerial) level.

Finally, WGAs are influenced by political interests and priorities of donor governments. Joined-up working becomes more important, and therefore receives more attention, if a country is high on the priority list of national interest, regardless of formal structures, mandates or parochial political factors. The Belgian case study for instance, focuses attention on the fact that the Great Lakes Region, and the Democratic Republic of Congo in particular, historically plays an important role in Belgian foreign policy. The fact that the Democratic Republic of Congo is not just a technical, but also a political, area of attention has resulted in a long history of interdepartmental co-ordination.

However, it is important to keep in mind that not all fragile states receive political priority. Experience demonstrates that political attention focuses on conflict and post-conflict states. This in part can lead to the risk that non (post-)conflict states become donor orphans.<sup>18</sup> Moreover, achieving real progress in fragile states requires a long-term commitment. This is a challenge as political priorities often shift. Donor governments need to be willing to enter into a long-term relationship with a fragile state in order for their responses to be effective.

The case of Yemen and the attention of the UK seem to be an exception to the rule in that Yemen is neither a post-conflict country, nor one of the top priorities of the UK. However, the UK approach can still be characterised as a WGA.

Notwithstanding the case of Yemen, there seems to be greater interest in conflict and post-conflict countries. Not having investigated this, the study calls for work on deteriorating situations to be linked with the work on conflict prevention, which is already on the agenda of many international actors.

### ***Overall Policies for Whole-of-Government Approaches to Fragile States***

All governments studied identify fragile states as an important international challenge, acknowledging the fact that fragile states are potential threats to both national and international security, as well as to

development processes. They also recognise that a holistic and integrated approach is needed to effectively address the challenges of fragile states. Yet, of the governments studied, none has developed a policy paper aimed at establishing a whole-of-government approach for dealing with these challenges. The studies for this report suggest a number of reasons for this absence.

One reason can be found in the fact that *the concept of fragile states originally stems from development co-operation*. As a result, discussions and initiatives on fragile states were predominantly initiated from this perspective. This limitation changed after 9/11, when the problem of fragile states suddenly appeared high on the international diplomacy and security agenda. However, at the conceptual level the fragile states issue is still largely couched in development co-operation terminology, creating hurdles for other actors to become actively involved and assume ownership of the issues at stake.

A second reason is the *lack of international agreement on a definition* of a fragile state. The concept is applied to a wide variety of countries and actors. For instance, the choice for Sudan as one of the case studies for this workstream was questioned by a number of respondents as they felt that the Sudanese government could not be qualified as weak.

The *political sensitivity* of the concept of fragile states can be seen as a possible third reason. Labelling states as fragile can cause problems in terms of establishing or maintaining fruitful and equal partnerships. It should be noted that this has not prevented the UK from publishing a proxy list of fragile states, taken from the World Bank CPIA ratings.<sup>19</sup> However, it appears to be problematic for the UK to use the label in practice.

A fourth and final reason relates to the perception that *the problems of respective fragile states cannot be captured in one, overall strategy*. The context of fragile states is considered to be complex, of a highly fluid and political nature, and entirely different for each country. Donor countries must therefore develop a specific policy and strategy towards each individual fragile state. Universal documents on fragile states, consequently, are considered to be too general to be of practical use. However, not all respondents shared this criticism, as this does not rule out an ideal description of how to organise engagement in fragile states, who to involve at what time, et cetera. Instead of a “one-size-fits-all” approach, an overall approach could be built with sufficient flexibility for adapting to specific contexts. Some respondents even felt that an overall policy document would be particularly useful at the headquarters level, where specific country experience is not always available.

The fact that these discussions are not settled within the donor countries investigated for this study does not mean that nothing has been established in terms of joined-up working in this context. The case study reports confirm that donors acknowledge the need for an integrated approach towards fragile states, hence support the OECD DAC Principles. Progress has been made, in that several of the countries investigated have started to work on the issue of more co-ordinated and integrated approaches, albeit not specifically aimed at fragile states. In the case of Sweden for instance, the *Policy on Global Development* is aimed at promoting coherence in development co-operation through engaging a wide range of actors: Parliament, the Ministry for Foreign Affairs, the Ministry of Defence, the Ministry of Justice, Sida and the Swedish Rescue Services Agency. Similarly, Australia has launched a White Paper on its Aid Programme (April 2006), which established a whole-of-government approach to international development and the provision of Australian development aid. A cross-government Office of Development Effectiveness was established to monitor the performance of the aid programme.

In the absence of a clear definition of fragile states, many of the governments investigated have designed approaches dealing with pre-conflict, conflict and post-conflict countries (i.e., countries that could easily be labelled as fragile). The Netherlands, for instance, has developed a WGA on reconstruction

after violent conflict, involving the Ministry of Foreign Affairs (including Development Cooperation), the Ministry of Defence and the Ministry of Economic Affairs.

The United Kingdom and Australia have developed policy statements dealing specifically with the issue of fragile states and acknowledging the need for more joined-up working on this issue.<sup>20</sup> Other countries (e.g., Canada, the Netherlands and Sweden) have developed policy statements on the need for cross-governmental working, but their focus is not specifically on fragile state environments. However, none of these countries has a specific policy document that can be used as a framework, mandating or setting guidelines for whole-of-government working.

Notwithstanding the above-mentioned initiatives, involvement in fragile states is generally based on broader regional or post-conflict policy documents that often originate from development co-operation. In the absence of a dialogue on what a joined-up approach means for the various actors, and how this relates to their role in supporting national interests, the risk of maintaining of existing approaches remains. The reports indicate that each of the actors has different objectives; uses different language, methods and instruments; and has specific departmental policy imperatives and approaches that remain guidance principles. These differences potentially undermine joined-up working. The absence of an overall concept and guidance policy is felt here.

#### ***Who Should Be Involved in Whole-of-Government Approaches on Fragile States, and When?***

When dealing with fragile states it is important to engage with a wide range of actors. Even though the fragile states issue is still predominantly perceived from a development co-operation perspective, the case studies confirm that the effect of non-aid policies on development outcomes is now widely accepted. As a result, security actors and objectives related to the security domain are increasingly included in the development debate, as are economic actors, justice departments and others.

Most of the case studies show that currently, development co-operation, foreign affairs and defence are the key actors in WGAs to fragile states. In order to create a WGA, increased involvement of other departments should be encouraged.

Other actors that may have a role to play, depending on the circumstances, are the police, ministries of justice, ministries of finance or treasuries and ministries of economic affairs. In Belgium for instance, the Administration of the Treasury is involved in financial aid to countries with emerging economies. Similarly, in the Netherlands, the Ministry of Economic Affairs is co-operating with the Ministry of Foreign Affairs and Development Cooperation to promote economic development programmes, as well as the position of Dutch businesses in emerging markets. In Canada, state-building activities have resulted in the development of partnerships between internationally oriented departments and agencies of the government and typically domestic ones (for instance in the Health Policy Framework for Haiti, in which the Canadian International Development Agency co-operates with the Canadian Public Health Agency). In Australia, the Federal Police and the Federal Treasury and Department of Finance and Administration play key roles in the regional engagement in the Solomon Islands.

However, in light of the difficulty of co-ordinating the activities of a broad range of actors, these other departments should only be involved next to the key actors if and when they have a comparative advantage. In the case of the UK involvement in Yemen, it was preferred to work with a group of core actors, to be expanded on a case-by-case basis. The MFA, Development Cooperation, the MoD were preferred as core group by the UK. The Netherlands, Australia and Canada also mention the ministry of economic affairs or finance/the Treasury as key actors for working in difficult environments such as fragile states.

In several countries, work was planned on the nexus of security and development, for example, supporting the development of an effective and accountable security system as part of SSR<sup>21</sup>. In these cases the departments of justice, interior and finance could be brought in to work alongside the departments of foreign affairs, development co-operation and defence.

Overall, the challenge to most of these partnerships is that they have comparatively little history. For the practitioners involved, most activities therefore have a pioneering character in which actors are still adapting to each others idiosyncrasies, arising from differing organisational cultures, professional skill-sets, mandates and legal statutes. These are then compounded by a lack of consensus or clarity over roles and responsibilities of each partner and lines of accountability.

Furthermore, the case studies suggest that there are strong disincentives to working in close partnership with other government departments, challenging the willingness of actors to become involved in a WGA. Working horizontally in a multi-actor context requires more consultation and is therefore time-consuming, it may require compromise and a willingness to dilute one's policy agenda, and it can lead to less individual (or departmental) visibility.

### ***The Need for Political Leadership and a Lead Co-ordinating Role***

Effective political leadership is key for the implementation of all-encompassing approaches such as whole-of-government approaches to fragile states. Who should promote such an agenda across government and facilitate coherence for such a goal? There are similarities to promoting coherence for development. But, whereas in the case of development it is clear which agenda should be promoted, a WGA on fragile states first has to identify a clear focus and a coherent agenda for the various actors involved. This implies building coalitions among policy communities and negotiating various policy options. In the case of fragile states, the lack of a clear objective means that the process is more complicated, as different actors will have different perspectives on (and stakes in) dealing with fragile states. The case studies confirm this. Perspectives range from counter-terrorism to governance, conflict prevention and peacebuilding, or trade promotion. The rationales for engaging in fragile states may differ and, at times, come into conflict. A key challenge for whole-of-government engagement in fragile states, therefore, is to balance these different rationales and perspectives.<sup>22</sup>

The starting point for an effective whole-of-government approach is clear political guidance and leadership. To provide the institutional impetus for the different phases of a WGA requires commitment and leadership from the political top: the different actors need to understand the importance of their involvement. Therefore, it is vital to have a clear understanding of the objectives of a donor government's involvement in a fragile state. For example, in the case of Australia, it was the Cabinet under the leadership of the prime minister that made whole-of-government working a priority for the Australian public service. This resulted in a report entitled *Connecting Government: Whole of Government Responses to Australia's Priority Challenges*. The importance of such political leadership is not confined to general policies on joined-up working, but also relates to specific policy priorities and selection of target countries. This is confirmed by the case of the UK, where sustained joined-up working on Yemen is related to Cabinet attention, as well as by other cases such as Canada's involvement in Haiti. The report on the Netherlands states that the Minister for Development Cooperation and the Minister of Defence have led the way in creating greater collaboration between the two policy fields, by publicly acknowledging the interaction and interdependence between both fields, by stepping out of their comfort zones and by advocating greater cohesion.

The reports also underline the fact that an integrated approach should not simply be perceived as an outcome, but rather as a process; how to get there is just as important as getting there. One of the issues that an overall concept or guidance policy should address is who plays what role in this process. On the



one hand, a joined-up approach may imply that *any* of the actors could take that lead. From the perspective of co-ordination, on the other hand, it is better to have an established lead co-ordinating agency. In this regard it is important to differentiate between leadership and co-ordination. The first implies that other ministries and departments have to follow directions, while the latter indicates equal relationships.

A government's involvement in a fragile state covers different stages that require different types of involvement from different actors. The Australian-led Regional Assistance Mission to the Solomon Islands (RAMSI) for instance, is conducted in three phases: intervention, stabilisation and capacity building. The roles of actors are expected to change as each of these phases takes centre stage: each of the key actors will take a central co-ordinating role at some point. For example, in the stabilisation phase, the Police plays a central role, whereas in the capacity-building phase, Development Cooperation will have a central role. At the same time, external interventions in a fragile states context will be heavily politicised. Hence, there will often be a case for diplomatic actors to play a central role.

These phases may operate in parallel rather than in succession. In view of the fact that the key actors' involvement in WGAs to fragile states changes over time, and for reasons of continuity, the case of RAMSI suggests the need for continuous overall co-ordinating leadership. The Department of Foreign Affairs and Trade was given the lead, both in Canberra and through a special co-ordinator in the field.

### ***Objectives***

In order for the activities of the different actors to be successful, they need to be linked to a broader strategy.<sup>23</sup> The same can be argued for the objectives of interventions: if these are not adequately linked, the whole (i.e., the strategic impact of all interventions) is less than the sum of the various interventions. Considering the lack of overall strategies on involvement in fragile states and an often unclear leadership role for any of the departments involved, it will be difficult to set clear, interlinked objectives for engagement.

Objectives should be identified at two levels. First, there needs to be clarity on why a country should engage in a fragile state, i.e., what is the overall objective? Second, there needs to be clarity on why and how specific actors need to be involved.

The first requires a broad assessment of the national interests of the country of the international actor involved. This assessment should not take place from a specific perspective, but should encompass development co-operation, diplomatic, economic and security interests.

The second requires joint planning and possible joint implementation mechanisms as part of an overall strategic process. If joined-up working is to succeed, it first requires joint setting of objectives and priorities. Although difficult to achieve, the same holds true for the process of monitoring and evaluating. It is vital that key departmental actors in a joined-up approach are part of the development of a strategy from the beginning.

The studies make clear that, in most cases, objectives were not defined on the basis of joint analyses or assessments. In the case of the UK's involvement in Yemen, however, joint assessment instruments have been applied (see Strategic Conflict Assessments and Drivers of Change analyses under *Tools and Instruments* below). Although the instruments had been developed by the Department for International Development, the Foreign and Commonwealth Office and the Ministry of Defence were invited to contribute to the process, resulting in a shared analysis of the issue of state fragility in Yemen.

Several other donor governments have tried to deal with this issue by designing instruments or approaches, like the Netherlands' Stability Assessment Frameworks. Other attempts at bringing about joint processes vary from stimulating voluntary co-operation (e.g., the Competition of Ideas used in Canada, that

aimed to allocate resources for the international assistance envelope with greater interdepartmental transparency and participation), to requirement by law (e.g., the Swedish Joint Preparation Process). Yet the cases show that they were not fully used, nor did they lead to the creation of common objectives on the involvement in fragile states.

The case studies show that it remains a challenge to make sure that interdepartmental contacts exceed the level of fragmented information sharing. Exchange of information does not yet entail dialogue on problems, approaches and objectives, nor does this necessarily lead toward joined-up working. In particular, joint assessments are an important first step to exceed the level of merely exchanging views, and to move to the level of promoting dialogue on strategy and objectives. (The UK engagement in Yemen is a case in point.)

The emphasis on these joint assessments and a more integrated perspective is also important for guaranteeing that objectives balance the availability of resources and capacity of a donor country with the needs of a fragile state. It is therefore essential that, from the beginning, objectives are linked to planning, implementation, co-ordination, monitoring and evaluation. If such objectives can be clearly defined, this will also be helpful in terms of donor co-ordination and harmonisation.

## **2.4 Tools and Instruments**

Whole-of-government approaches can be facilitated in various ways: the development of formal and more practical instruments can be one such way. For this study, an attempt was made to map the various instruments developed by the countries investigated, as well as to assess their role in the process of interdepartmental co-operation. The instruments found on the basis of the mapping are categorised in terms of funding, country strategies, secondment and deployment of staff, and analytical tools. In order to avoid overlap, some instruments that are more of a co-ordinating nature will be dealt with under the section *Coordination*.

Given the fact that the fragile states issue is traditionally perceived from a development co-operation perspective, the risk is that fragile states are treated as traditional development co-operation countries. However, it should be avoided that other one-sided approaches are adopted that will address only part of the problems that fragile states confront. The case studies show a need for development actors to adapt their instruments and implementation arrangements more flexibly, to allow for working in complex and difficult political settings. In line with the OECD DAC Principles for Good International Engagement in Fragile States<sup>24</sup> and various other studies, the reports at hand show that a mere refinement of existing tools may not suffice; fragile states require specific approaches and policy instruments.

### ***Funding Mechanisms***

One of the Principles for Good International Engagement in Fragile States deals with the need to mix and sequence financial instruments to fit the context (Principle 9).<sup>25</sup> Donor countries are increasingly aware of the need to adjust existing funding mechanisms to the specific needs of fragile states. Research shows that there is a severe resource mobilisation gap for interventions on the nexus of peace, security and development, as they cut across organisational and budgetary boundaries and often fall between stools.<sup>26</sup> Furthermore, fragile states require flexible and timely funding to meet urgent basic needs, as well as to create peace dividends. Simultaneously, fragile states require recurrent funding to meet structural needs and to provide long-term rehabilitation support (e.g., rebuilding basic service delivery channels). Given the importance of resources for implementing policies, funding mechanisms are considered by most respondents in the case studies as a key factor for enabling effective integrated engagement in fragile states.

The creation of joint budget lines or pooled funding is an important instrument to foster integrated planning. Pooled funding allows flexibility in support of activities which may be classified as official development assistance and non-official development assistance. The challenge, however, is to ensure the integration of both categories of funds according to a coherent, whole-of-government strategy.

Donor governments have made attempts to create integrated financial instruments that are flexible and allow for the swift provision of funding. Although not labelled as fragile-state oriented funding instruments, their focus seems to be on enabling rapid disbursement of non-humanitarian assistance. Belgium, for instance, has recently opened up a budget line for “Transitional Actions, Reconstruction and Society Building,” aiming specifically to bridge the gap between humanitarian and development assistance.

Other examples go one step further and seem to pick up on the aspect of facilitating joined-up working. Important examples of innovative practice in support of interdepartmental co-operation are the Netherlands’ Stability Fund, the UK’s Global and Africa Conflict Prevention Pools, and the Canadian Global Peace and Security Fund (see Box 2 for a short description of these funds in terms of objectives and actors).

Yet, although these instruments are certainly laudable in terms of flexible and integrated funding, there are also limitations. Overall, the schemes funded by these instruments are relatively small and the “project-by-project” approach of the instruments is not ideally adapted to the chronic and structural problems of fragile states.<sup>27</sup> The instruments’ management structures therefore pose limitations in terms of establishing a WGA. This is particularly true in the case of the Netherlands’ Stability Fund, which is managed and largely financed by one single actor (the Ministry of Foreign Affairs, including Development Cooperation). Even though the Stability Fund involves actors from the security, the economic and other communities for consultation, they do not contribute financially. This arrangement limits the possibility for real joined-up decision making and planning; actors remain executors and subcontractors. In order to create more ownership and involvement it would therefore be recommended to consider funding arrangements and instruments aimed at involving other actors as equal funding partners. The same would apply to the case of Canada, where the Global Peace and Security Fund (administered by the Department of Foreign Affairs and International Trade) is aimed at funding initiatives co-ordinated by the interdepartmental Stabilisation and Reconstruction Task Force. Similar to the case of the Netherlands, this limits the involvement and shared responsibility of other actors.

In the case of the UK’s Conflict Prevention Pools, such problems are less pressing as all participating departments contribute financially. Initially, each department put in funds from their own budget, with the Treasury providing additional resources. Today, the Pools bid for money alongside their parent departments in each governmental spending round. Consequently, all participants have a role in chairing and overseeing the Pools. The pooled approach facilitates a process of developing a *shared* analysis of problems and integrated policies on conflict prevention. Other case studies tie in with this finding by suggesting that joint funding mechanisms should be managed by interdepartmental units.

## Box 2. Financial Instruments

The Netherlands Stability Fund (established in 2004) combines official development assistance and non-official development assistance funds in order to provide rapid and flexible support for activities at the juncture of peace, security and development, as well as operational conflict prevention and peacebuilding (i.e., short term). The Fund falls under the responsibility of the Ministers of Foreign Affairs (MFA) and for Development Cooperation, both in political and financial terms. Defence is involved in the Fund's steering committee, but does not contribute financially. The overall management of the Fund is in the hands of the MFA.

The UK's Global Conflict Prevention Pool (GCPP) and the Africa Conflict Prevention Pool (ACPP) are tri-departmental mechanisms (DFID, FCO and Defence), supervised by the Defence and Overseas Policy Cabinet Committee. The Conflict Prevention Pools aim to develop integrated departmental policies on conflict prevention in areas of either thematic or regional interest. The emphasis on joint working is reflected in the fact that the three departments share a Public Sector Agreement target to deliver improved effectiveness of UK and international support in conflict prevention by 2008. The ACPP is chaired by DFID, while the FCO chairs the GCPP. Joint steering committees are made up of officials from each department. Funding for the ACPP and GCPP is additional to DFID, FCO and MoD allocations.

Canada's Global Peace and Security Fund (GPSF) is administered by Foreign Affairs and was created to support Canada's response to international crises. The Fund will largely be used to fund initiatives co-ordinated by the Stabilisation and Reconstruction Task Force (START – see below).

However, pooled funding instruments are not necessarily perceived as resources for new and integrated activities. Rather, there is a danger that they can generate competition among departments for scarce resources and as such, discourage joined-up approaches. In the early stages of set up, pooled funding instruments can easily be perceived (and used) as pots of additional money. They can be tapped into for re-packaging or dealing with “regular” projects that would have received funding from either of the ministries, but would now be funded through these new financial instruments. This practice can for instance be found in the case of the UK's Conflict Prevention Pools<sup>28</sup>, as well as in the Dutch Stability Fund. Consolidated guidance policies that outline clear processes for the disbursement of resources from the funds, and joined-up country strategies (against which to assess project proposals) are clearly required and may help prevent such practices. They are nevertheless likely to continue if departments are heavily budget-constrained and have few other resources outside the pooled funding arrangements to pursue their own objectives.

In examining the Conflict Prevention Pools, the study found that, because there is only a small pot of funding available for Yemen, departments are primarily reliant on their own resources. This can in certain ways make it more difficult to match UK assistance with needs on the ground. This issue has not been problematic for the Department for International Development which benefits from a substantial aid budget. However, the Foreign and Commonwealth Office and Defence are more constrained in meeting their policy objectives in Yemen due to internal budget constraints and their inability to secure as much funding from the Global Conflict Prevention Pool as they require. The management of the Pool is also challenging in that while the overall objectives are shared by all departments, potential projects are screened by the Department for International Development to assess how they meet key development criteria such as ownership, participation and sustainability. A number of Foreign and Commonwealth Office and Defence project ideas that were discussed between departments at the draft stage have not been put forward to the Pool for consideration. In fact, the report mentions that overall relatively few of their projects in Yemen have been funded through this joint mechanism.

### *Country Strategies*

There is no “one-size-fits-all” strategy for addressing state fragility. This is confirmed in the studies, which show a need for developing practical, country-specific approaches for engagement in fragile states.

In the absence of an overall policy towards fragile states, country strategies could prove to be of great importance by providing operational guidance (objectives and priorities) for both the headquarters and the field level. They also help making trade-offs between ad hoc and structural approaches.

The process of developing a joint country strategy can furthermore contribute to a whole-of-government approach by encouraging consultation and shared analysis of political, security and development issues. It can also become a management tool and enable actors to link departmental priorities to overall foreign policy objectives, thereby providing a basis for ensuring that actors speak with a common voice when dealing with different host government interlocutors.

Even though all donors studied acknowledge the need for joint country strategies, there seem to be no clear guidelines on the development of such strategies. The UK, for instance, has developed joint strategies for a number of countries with the impetus to draft such a strategy often coming from Cabinet Office. In some cases a joint strategy emerges from discussions between departments, for instance, when either the Foreign and Commonwealth Office or the Department for International Development produces a draft strategy based on its own analysis and invites comments from other departments. While there are no agreed criteria for establishing strategies, they tend to be drawn up because of high political interest, awareness of a potential threat to the UK or its objectives, or a significant UK involvement in a given country. Country strategies therefore tend to vary greatly in terms of timing, content, objectives, monitoring and management.

In the case of France, one of the specific aims of country policy frameworks is policy coherence. Here, the embassies have the lead in developing country frameworks, aiming to establish coherence among the different French actors, harmonisation with other donors and alignment with the host government. The frameworks are limited however, in terms of creating a WGA, as they do not include defence or security aspects. Furthermore, the frameworks have a five-year time span, which in practice will prove difficult to apply to the fluid situations in fragile states.

In the case of Sweden, discussions in the framework of the Policy on Global Development led to a *Cooperation Strategy* incorporating relevant forms of Swedish assistance provided to a country. There is an interdepartmental dialogue and joint planning. The case study report shows however, that this process, which is led by the Ministry of Foreign Affairs (regional desks), in practice does not lead to a fully joined-up approach due to the fact that there is no joint assessment process. Different actors provide what they find important from their perspective and it is all incorporated into the strategy.

At the Belgium Directorate-General for Development Cooperation, an interdepartmental exercise is being undertaken to develop a policy framework involving the OECD Principles for Good International Engagement in Fragile States. This includes a conflict-sensitive approach as a basis for the reinforcement of the bilateral co-operation with Burundi and the elaboration of new three-annual indicative co-operation programmes. A multidisciplinary mission will be sent to the field to conduct part of the assessment, with an important role for the Embassy. The methodology developed in this exercise could be used in other cases of post-conflict, post-transition engagement. Overall, the case studies show the need for country-specific strategies to be based on joint analysis and assessments early in the process, thereby providing an important building block for the development of a shared understanding of the issue at hand and laying the foundation for common strategies.

When developing country strategies, developments and activities in the multilateral domain can also play an important role. As can be seen in the case of Haiti, Canada's country strategy has taken these factors into account through participation in the Interim Cooperation Framework. In the case of Belgium, the EU country strategy papers are increasingly the first reference for donor-harmonisation for the Directorate General for Development Cooperation.

### *Secondment and Deployment of Staff*

One instrument that is used in all cases investigated as part of a broader strategy for the promotion of joined-up approaches both at headquarters and field level, is secondment of staff to other departments. However, the cases also show that secondments hardly ever exceed the working level, thereby missing opportunities for creating joined-up approaches at the strategic level. The cases of the Netherlands and Canada can be mentioned here as an exception to this rule. In the Netherlands, a Development Cooperation Advisor was seconded to Defence, while a Military Advisor was in turn seconded to Foreign Affairs. Although these secondments only involved two people, their roles and positions within their departments are such that they have direct access to the level of the political leadership. This indicates that the secondments are taken seriously as instruments to contribute to the exchange of experience, as well as to bridging the cultural gap between the institutions involved. In the case of Canada, the Department of National Defence provides a liaison officer/military advisor to the Canadian International Development Agency.

At the working level, secondments of staff are more common. In the Netherlands for instance, staff from the Ministry of Economic Affairs is seconded to Foreign Affairs and vice versa. Along the same lines, secondments between Defence and Foreign Affairs take place (e.g., for the interdepartmental SSR Team). In Canada, staff from various departments, notably Defence and the Canadian International Development Agency, is seconded to Foreign Affairs to be part of the Stabilisation and Reconstruction Task Force (START). In France, Foreign Affairs' "Direction de la Coopération Militaire et de Défense" is made up largely of Defence personnel. In Australia, the Australian Defence Force and the Australian Federal Police have permanent liaison officers lodged with the other in the field and have institutionalised their links at headquarters.

Secondments and, in a broader sense, mobility of staff and common training across different government departments and agencies can be catalysts for shifting paradigms and promoting joined-up working. Staff mobility will allow officers to become more familiar with other departments, and specifically, their expertise and potential contributions in addressing the problems of fragile states. The prospect of greater mobility can also work as an incentive for enhanced partnership across departments and agencies at middle-management and desk-officer level. However, this is not a given.

The case studies also show that secondment of staff from departments other than foreign affairs to embassies and representations at field level (such as a defence or military attaché or an economic advisor) are likely to enhance the involvement of these other departments in WGAs to fragile states. Furthermore, it was noted that at the embassy level, the role of such secondments is welcomed from the perspective of added expertise. However, the case studies show that the decision-making process on the secondment of defence attachés is rather pragmatic and ad hoc. Both the Netherlands and Sweden for instance, do not have a full-time defence attaché based in Khartoum. Rather, in the case of the Netherlands, the Cairo-based defence attaché is accredited to Sudan, while in the case of Sweden, the defence attaché based in Addis Ababa is accredited to Sudan. From the perspective of joined-up engagements in fragile states, there is a need for a more structural involvement of defence attachés. The reports also indicate that, whereas the position of a defence attaché is not new, their required role in fragile and post-conflict states may be totally different from their old mandate. This relates in particular to their role in issues such as the reform of security systems.

In the case of the UK, the Embassy is encouraged to develop a "mini-strategy" aimed at ensuring a more coherent cross-governmental engagement. Here, the new defence attaché is considered as an important actor in facilitating the process of reaching agreement among partner ministries on project proposals before formal submission to the Global Conflict Prevention Pool steering committee.

Australia has embarked upon the secondment of central agency staff to positions in the Solomon Islands Government. Such secondments are of a different nature and pose new challenges, as officials have to reconcile the dual nature of their positions. Sworn in as public servants of the Solomon Islands Government, they may detect potential conflicts of interest when faced with requests for information or other forms of service from their home departments.

Such elaborate secondment and deployment activities also call for effective personnel management. In the case of Australia, this was taken seriously, particularly for those departments making sustained deployments for the first time. For those who are not familiar with the realities of overseas postings, an operational support unit within AusAID was created to supply training and education.

The deployment of a large number of Australian public servants from different agencies also proved challenging from another perspective. It has, for instance, led to disparities in pay and conditions, which have also caused some tensions in the field. Part of the problem for central agencies not familiar with secondments and deployments overseas is that there has been little or no career structure based around international deployments, because until recently they have been a minor part of their business.

The reports furthermore indicate that there are differences in criteria for deployment between defence and civilian staff. These relate to issues of staff security (preconditions and safety procedures). It was found that even though such differences serve a purpose, they can also hamper flexibility of deployment between departments, when it would be useful to aim for joined-up approaches in terms of deployment. Such differences in deployment criteria may also create problems in terms of deploying staff to international organisations.

The reports describe a change in the role of security-related actors (i.e., military and police). It is now increasingly common to deploy a limited number of individual staff as advisors or observers, as opposed to deploying entire contingents or battalions. The deployment of individuals requires other deployment criteria, both in terms of preconditions of deployment and in terms of management. Some of the donor countries investigated have set up expert pools, consisting of available experts who can be deployed on individual missions. Sweden, for instance, has set up a pool for the deployment of police officers to international police missions. Another example is the integrated Security System Reform (SSR) Pool set up by the Netherlands in 2005, consisting of military (former defence) personnel and civilian (juridical) experts, to support the implementation of SSR activities. Defence is responsible for the composition and deployment of the pool, while a Foreign Affairs-based interdepartmental SSR team (consisting of staff from Defence and Foreign Affairs), is responsible for the overall co-ordination. The interdepartmental nature of this SSR team provides plenty of opportunities to exchange views and develop joint strategies towards SSR.

The creation of such pools not only increases the possibilities of donor governments to swiftly engage in international missions, but can furthermore serve to support a donor country's own activities on the nexus of peace, security and development.

### ***Analytical Tools***

The studies show that many of the selected governments have developed analytical tools to provide an evidence base for long-term coherent policy and strategy development. Examples are the UK's interdepartmental Drivers of Change analyses and Strategic Conflict Assessments, and the Netherlands' Stability Assessment Frameworks (see Box 3).

Apart from enabling joint assessments, these analyses also provide opportunities to establish closer collaboration among the various departmental actors. In order for these analytical tools to be effective in

terms of establishing co-operation, they should be used as a standard procedure in the design of country strategy papers. They should be guided from an integrated perspective, as well as linked to other initiatives, as in the case of the current Belgium interdepartmental reflection exercise on the future role of Belgium in a post-conflict/transition context which includes several departments (Federal Public Service, Foreign Affairs, Finance, and Defence).

### Box 3. Analytical Tools

The UK *Drivers of Change* analysis offers a way of understanding the political economy of poverty reduction in developing countries. It directs attention to the underlying and long-term factors that affect the enabling environment for reform in different countries, including actors, institutions and structural issues. *Drivers of Change* offers the prospect of better informed development assistance and more effective delivery of the Government's International Strategic Priorities. While the tool was originally developed by DFID, its value is enhanced if the analytical process is shared with other departments. To date, *Drivers of Change* analysis has been applied in over 20 countries. Mechanisms are being developed to formalise collaboration between DFID and FCO and, where appropriate, to draw other interested departments into the process.

The UK *Strategic Conflict Assessments* have been used in a number of countries, including Yemen, Sri Lanka and Nigeria. The aim is to improve the effectiveness of development policy and programmes in contributing to conflict prevention. The methodology is flexible, but generally focuses on analysis of conflict structures, actors and dynamics. FCO has contributed to these assessments in a number of countries.

The Netherlands *Stability Assessment Frameworks* offer a general analytical tool for stability and strategic, joined-up planning for a particular country. It provides an analysis of trends on a number of stability indicators and helps to identify options improving these trends by taking into consideration a large number of sectors (development co-operation, politics, military, economics). The *Framework* has thus far been used in Mozambique, Rwanda, Kenya, Afghanistan and Bolivia.

This reconfirms the need for an overall guidance strategy that calls on departments to establish objectives and approaches on the basis of a joint assessment of the country. As stated before, the case studies show that such conditions are lacking, thereby undermining the effectiveness of the analytical tools.

## 2.5 Process: Co-ordination and Management

The case studies show that WGAs to fragile states do not emerge automatically or organically at the operational level. The countries investigated have each established a broad range of policies, instruments, tools and strategies that can promote joined-up working. This section explores how donor governments co-ordinate and manage these arrangements. In general, co-ordination can take place at different levels: the intra-departmental level, the interdepartmental level, co-ordination among donors (i.e., harmonisation) and co-ordination with the partner government (i.e., alignment).<sup>29</sup> This section will focus on intra- and interdepartmental co-ordination and management.

However, before moving to co-ordination and management mechanisms, it is important to identify a few important factors that will determine the effectiveness of co-ordination. Differences in organisational culture, for example, have a major impact on effectiveness. Arrangements for co-ordination, implementation and management can help minimise these differences, as can continued exposure to other actors through collaboration, but their success still also depends on political interest.

The role of political interest and, often closely related, the availability of resources, are a central feature in the various studies. The case studies indicate that the level of political importance attributed to a country (here, a fragile state) determines to a large degree the level of joined-up working, the use of the whole spectrum of instruments available for promoting such joined-up working and the available resources. Yet, the case of the UK approach with regard to Yemen shows that even if a country is less high



on the list of priorities, much can be done with the right approach and mechanisms, and with complementary interests.

### ***Co-ordination and Management Mechanisms***

The case studies show that donors have developed a plethora of mechanisms aimed at better co-ordination, often supported by specific initiatives, instruments and tools. Annex B provides a short overview of the most important co-ordination mechanisms by case study.

The various cases investigated show that donor countries use different approaches in different places to promote cross-departmental working. Co-ordination may be achieved through informal mechanisms when formal structures are not appropriate to the circumstances, and hence not being used to their full potential. For instance, in the case of Yemen, the UK has not relied as heavily upon the Conflict Prevention Pools, the PCRU [spell out] or the Cabinet Office to deliver integrated assistance programmes as it has in other countries. Co-location of the Department for International Development, and the Foreign and Commonwealth Office at the field level in Yemen may have done more to enhance joined-up working between the departments by facilitating co-operation on a *Drivers of Change* analysis which contributed to a shared understanding of the problems facing Yemen. In addition, the UK Cabinet Office's "light touch" approach to managing the whole-of-government approach in Yemen allowed the Department for International Development, the Foreign and Commonwealth Office, and Defence room for manoeuvre to respond to changing conditions in the field and to determine assistance policy accordingly.

An interesting concept emerging from the case studies is the added value of task forces. The case of the Netherlands shows that such task forces can play a key role in policy formulation and implementation, and thus in co-ordinating the input from the different ministries. It should be noted, however, that in the case of the Netherlands various steering committees – also covering the key areas of a joined-up approach – play an equally important supporting role in this co-ordination. An important element of the Dutch task force in Sudan is that it is operationally placed outside the normal ministerial channels and has direct access to the ministerial level. This facilitates flexibility and rapid responses, both essential elements of involvement in fragile states. It may also promote much-needed "out-of-the-box" thinking, which is also key for responding to the issue of fragile states. A challenge linked to the temporary character of the Dutch task force is the potential loss of institutional memory when the task force is dissolved.

The Canadians take an interesting approach to the annual country strategy. By providing the embassy with a key role in the strategic planning process and by making the ambassador accountable, the field level may be more directly involved in designing and implementing a joined-up approach. This idea would have to be investigated further, as it may not only imply a stronger role for the field level, but also the need for a stronger and more joined-up representation in embassies.

In Australia, co-ordination across a number of departments is achieved by interdepartmental committees, which have been in use within the Australian Public Service in one form or another for decades, and are formed, regularised or disbanded according to requirements. They exist at every level of government, from the purely functional junior ranks of the public service to the Cabinet itself, where ministers represent their respective departments and co-ordinate policy under the direction of the prime minister. These committees may be ad hoc or institutionalized. A key committee for the purposes of developing government policy on international engagements is the Strategic Policy Coordination Group, made up of deputy secretaries from the relevant departments. Lower down the scale, interdepartmental working groups address policy and operational details.

Special reference should also be made to the way the Regional Assistance Mission to the Solomon Islands is co-ordinated. The mission's administrative structure is an expression of Australia's whole-of-

government principles. It uses a special co-ordinator model which provides a single authority under which the various strands of the mission can be drawn together and coherently managed through the nexus of the close-knit Principals Group. The group is made up of the lead representative in the field from each of the police, military and civilian components (Foreign Affairs, the Participating Police Force, AusAID and the Consultant Trust Fund). With operational policy emanating from the Office of the Special Coordinator, there is reduced scope for separate fiefdoms to develop. The Special Coordinator model thus seems to have distinct advantages over a shared leadership model for efficiency and clear communications.

Interestingly, the Australian co-ordination model puts great emphasis on the field level. When differences of opinion cannot be resolved in the Office of the Special Coordinator they are referred to a more senior committee at first assistant secretary level or above. Besides the Principals Group, a series of regular and ad hoc working groups have been set up to deal with the different elements of the mission. Regular planning and co-ordination between headquarters and the field is based around a standing weekly inter-departmental conferences with membership at first assistant secretary level and Principals level, attended also by the deputy special co-ordinator and the heads of each governance pillar. Every six months the National Security Committee of Cabinet (NSC) meets to review the Mission and the Strategic Policy Coordination Group meets more frequently as needed. Half-yearly a “super-planning day” is held in Honiara and attended in person by senior representatives from each agency from the field and from Canberra. Regular submissions to Cabinet also facilitate co-ordination among departments.

Yet other ideas to be picked up on co-ordination are the UK’s *Closer Working Action Plan* for Department for International Development and the Foreign and Commonwealth Office, and the planned *Comprehensive Spending Review*, as well as the Swedish Ministry of Foreign Affairs’ extended information sharing, in order to use Sida and Foreign Affairs funds in a more complementary manner. The idea of a working plan could be broadened to include other ministries, departments and agencies. The spending review and the attempt to make budgets more complementary are potentially strong instruments for promoting joined-up working, as they can be linked to formal reporting to Parliament. It would also make sense to link these reviews and assessments to funding instruments such as the UK’s Conflict Prevention Pools and the Netherlands’ Stability Fund.

Finally, mechanisms such as the Swedish Joint Preparation Process and the Global Policy for Development could inspire other countries to establish formal procedures or even obligations at the governmental level to co-ordinate for a specific purpose. In the case of Sweden, co-ordination ensures that, at the working level, departments are in agreement on *all* issues – domestic and international.

There are also a number of important lessons to be drawn from the cases. A first lesson relates to the need to work in a joined-up manner from the beginning. Sweden for instance has introduced the *Management Response*, which is a mechanism employed by Foreign Affairs’ Department for Policy Development, aiming to operationalise findings from studies that are commissioned. As part of the need for a more joined-up approach, the scope of actors involved in the discussions on operationalising such findings has been broadened to an inter-ministerial level, with relevant ministries represented according to the theme concerned. The case study indicates that excluding relevant partners from the beginning of the process can hinder co-operation and co-ordination. A second lesson concerns the need for formal structures. Although not always inadequate, informal mechanisms do have limitations. A third lesson has to do with a very basic, yet important aspect: one cannot co-ordinate what is not accepted and operationalised. The cases of France and Sweden show most clearly that it is difficult to co-ordinate different inputs, such as from development co-operation and security departments, in the absence of a policy that allows for such co-operation and co-ordination.<sup>30</sup> This relates back to Principle 5 of the OECD DAC Principles for Good International Engagement in Fragile States: recognise the political-security-development nexus. The lesson is to have clarity on approaches to development and security.

## ***Harmonisation***

It is also important to assess how WGAs relate to co-ordination with other international actors, through harmonisation. The Regional Assistance Mission to the Solomon Islands is harmonised as it is a regional mission with representation from 12 Pacific Island countries and New Zealand. The Mission is led by the Special Coordinator, a career diplomat from the Australian Department of Foreign Affairs and Trade. The Deputy Special Coordinator is a New Zealand Government official, and the Assistant Special Coordinator is from Fiji. The United Nations is not involved beyond giving the mission its blessing.

In the other cases, harmonisation also plays an important role. In the case of Yemen, the Department for International Development is seeking to engage more strategically by influencing the policies and approaches of its assistance partners. In this context, the Department takes an active lead in Yemen in driving the harmonisation and alignment agendas both through its support of an Aid Effectiveness Unit in the Ministry of Planning and International Cooperation and its interaction with other donor countries and agencies. One result is that the September 2004 *Drivers of Change* study was supported by the Dutch Embassy.

In Haiti, Canada also puts a premium on harmonisation by working through the Interim Cooperation Framework. The Framework co-ordinates a vast array of donor activity including the interventions of multilateral organisations and bilateral aid agencies.

In the case of the Democratic Republic of Congo, Belgium co-ordinates with other international actors and donor governments through a multitude of political and diplomatic forums, including the International Committee to Accompany the Transition (known by its French acronym, CIAT), the Great Lakes Contact Group, the Great Lakes Regional Conference and the Multi-Country Demobilization and Reintegration Program (MDRP). In addition, co-ordination takes place at the EU level. For France, the Document Cadre Partenariats (DCP) are the main instrument for assuring co-ordination with international actors.

In Sudan, some novelties can be identified. In addition to EU dialogue and participation in the Assessment and Evaluation Commission and the Multi-Donor Trust Fund, the Netherlands, Denmark, Norway, Sweden and the United Kingdom have embarked upon an innovation in donor co-ordination with the establishment of a Joint Donor Team for the South, to be based in Juba. The five parties to the Team will jointly co-ordinate and execute the development co-operation activities of their respective countries in the South of which they consider the Multi-Donor Trust Fund to be the core.

An important note should be made about the fact that not all international actors support and work through mechanisms and procedures promoting harmonisation. In the case of the Solomon Islands and Sudan, special mention was made of this aspect. In the case of Sudan it implied that the most influential international actors in terms of assistance remain outside the main co-ordination mechanisms.

## ***Alignment***

Almost all cases show great interest of international actors and donor governments in co-ordinating with partner governments. In the case of the Regional Assistance Mission to the Solomon Islands, formal systems for co-ordinating with Solomon Islands Government are less well developed. Coordination of policy between the Mission and the Solomon Islands Government is largely informal and high-level. A problem in terms of co-ordination is the government's limited capacity to service membership of the numerous inter-departmental conferences. The Mission is currently working on its first coherent medium-term strategy, an inherently whole-of-government objective which should help to provide both strategic information and the opportunity for input to Solomon Islands Government officials and ministers.

In Haiti, the Interim Cooperation Framework and its system of committees also help to enhance the leadership and ownership of the Interim Haitian Government of its development agenda. In particular the formulation of a Poverty Reduction Strategy Paper is seen as an opportunity for Canada to revise and update its engagement within a long-term strategic vision led by the Haitian Government.

In the Democratic Republic of Congo and Sudan, alignment takes place through the same mechanisms that were mentioned for harmonisation. In Sudan, the Multi-Donor Trust Fund is mentioned as an important instrument, as for every donor-dollar in the Fund the Sudanese authorities will add two from their own budget.

### ***Differences in Organisational Culture***

Each of the case studies points out that in terms of management, differences in organisation cultures can play a role. Development co-operation for instance, traditionally engages in countries based on an understanding that change is a slow *process* and that obstacles are structural in nature. This implies a long-term engagement with various kinds of local actors (also non-governmental), and the risk of various setbacks. Ministries of Foreign Affairs, on the other hand, are much more focused on the shorter term, e.g., managing crises. This may lead to less attention for the longer-term aspects, and even to approaches that are not in favour of longer-term commitments. Ministries of Defence are generally also more focused on short-term outputs, e.g., related to the duration of a military mission.

In order to develop an effective joined-up approach, it is of vital importance that the actors involved acknowledge and recognise such cultural differences, and take them into account in developing co-operation strategies. Instruments such as secondment of staff and shared training of staff on thematic issues are being used by the donor governments to bridge the cultural gaps between departments. Joint assessments are another important way to raise awareness of differences in organisational culture.

### ***Staff Capacity and Human Resources***

Joined-up working has considerable resource implications, both in financial and human terms. This poses yet another challenge to the successful development of WGAs. The case studies show that lack of qualified staff is one of the main problems encountered in the implementation phase. Capacity problems are not limited to the field level – as mentioned in almost all the cases – but can also be found at the headquarters level. Sweden and the UK are examples: capacity problems are amplified in cases where organisations are faced with high rates of staff turnover. In cases where a staff position lasts for only 12-24 months it will be difficult to build relationships with counterparts, an important factor for the long-term commitment needed in fragile states. This not only applies to actors with an organisational culture focused on the shorter term, but also to those with a longer-term orientation.

In the case of Canada's involvement in Haiti, it was noted that given the long-term involvement and the relatively small turnover of staff – especially at CIDA – institutional memory was strong. However, it was also noted that this is rather an exception to the rule. In order to deal with this problem, and to capture best practices, emergency officials are now developing standard operating procedures that should help to inform new staff.

The reports also seem to suggest that problems of capacity are bigger in those cases where engagement is high on the political agenda and where formal co-ordination and reporting mechanisms are in place. Notwithstanding the advantage in terms of more political attention, such mechanisms also draw heavily on embassy resources and staff. As the case of the Netherlands made clear, it may be necessary to better balance political ambitions and implementation capacity. Specifically at the field level, a WGA

requires sufficient staff capacity to manage relations with other partners and implement policies in an integrated manner.

Efficient WGAs to fragile states do not only require a sufficient number of staff, they also require a certain level of qualified staff. Specifically in fragile states, international actors need to be able to respond to developments in a swift and flexible manner. This requires a level of staff able to take strategic decisions and operate without having to refer back to the headquarters level for every little detail. In the case of Australia for instance, senior officials were appointed specifically to the mission in the Solomon Islands as a way of ensuring flexibility.

In the case of Australia, special attention is paid to the quality and seniority of the staff as this is crucial for the effective functioning of its Special Coordinator model. In the Regional Assistance Mission to the Solomon Islands, the Special Coordinator role is tasked to a career diplomat from Foreign Affairs. In general, much importance is attached to the personal attributes of the Mission's Principals, particularly to the relationship between the Special Coordinator and the commanders of the military and police contingents. The success of this structure depends on their personal qualities. However, for such models to work effectively, it will be necessary to appoint equally senior and equally competent personnel in all key positions.

### ***Availability of Financial Resources***

Another problem at the implementation level relates to resources in terms of having flexible funds available for implementing policies. This aspect is further touched upon in the section on instruments, but needs to be highlighted here as well. Even when resources are available at the field level, their disbursement can be complicated due to reporting and accounting regulations, or the need for formal approval at the headquarters level. In order to be able to disburse quickly, attempts should be made to delegate funds to the field level as much as possible. Alternatively, simplification of procedures should be considered to enable swift disbursement.

The reports show that funding disparities among departments can be problematic. By channelling funding through development agencies or ministries, there is a risk that development priorities and reporting requirements limit flexibility, in particular if those requirements do not suit the purpose of programmes run by other agencies. Also procedures can be quite different from other ministries and agencies, thus leading to questions and sometimes differences of opinion. This was reported for the cases of Australia and the UK. Part of this has to do with formal aspects and requirements, such as development assistance eligibility, and part has to do with organisational culture. In addition it was mentioned that there is a lack of common understanding across agencies on basic economic management, in particular as regards working in difficult environments like fragile states. This seems to suggest that, whereas it may be good to have funding coming from a single source, attention still needs to be paid to who manages that source, and to the implications for the main procedures

The case studies show that the selected governments have not always matched their ambitions for an integrated approach with sufficient resources. Pooled funds can be a solution to this challenge, but it was also mentioned that limited availability of non-development resources can be a constraint for some programmes to emerge or being executed.

### ***Communication Systems: The Intra- and Interdepartmental Level***

In addition to various formal mechanisms, the reports for this study indicate that in most cases communication among departments and between headquarters and field level is achieved primarily in an informal manner. In the case of the UK for instance, although formal meetings were arranged between the

various members of each department's Yemen team, in general, communication took place by e-mail and phone. Similar findings emerge from the reports on Belgium, Sweden and Australia.

The reports point out the lack of joined-up communication strategies and procedures. In the case of Canada, Canadian International Development Agency officers are not able to link up easily with relevant communication systems used by Foreign Affairs officers (as they tend to use secured communication lines) and messages can take days to reach them. In order to achieve efficient communication, governments need to make sure that systems are accessible and information is available to all relevant actors.

Collaboration between development and security actors can also be affected by issues of security clearance. The fact that a joined-up approach implies sharing all kinds of information (including information with a higher level of confidentiality) implies the need for effective planning to ensure that staff in relevant posts, including those working for development agencies or ministries, have appropriate levels of security clearance.

In order to improve the ad hoc character of communication, and to exceed the level of mere information sharing and the role of personalities in establishing and maintaining contact, departments should seek to integrate their information-management systems and reporting structures. Apart from technical and security aspects, it would be of particular interest to assess whether it is possible to establish a more centralised formal communication and reporting system. Such a centralised system would promote coherent joined-up approaches. The papers indicate that currently reporting structures often are quite different, thus leading to perceptions of complicated partnerships, misunderstanding or even mistrust in terms of willingness to co-operate or co-ordinate.

The question remains where the centre for such communications co-ordination should lie and which system to adopt. Establishment of a more formal process involving regular reporting to political actors like Parliament might also create incentives for policy coherence that are sufficiently strong to override departmental incentive structures and cultural differences that impede a joined-up approach.

### ***Communication Systems and Reporting Structures: Field vs. Headquarters Level***

The case studies show that for increasing effectiveness, donor countries need to ensure regular communication between headquarters and the field level. Information must flow vertically as well as horizontally: headquarters must make a greater effort to contact the field. Currently, most of the cases investigated indicate that contacts are insufficient to ensure field input on all strategic documents. In the same context, information is hardly shared with field staff on a regular basis. If information is shared, it is often to obtain field-level input for specific initiatives or issues at headquarters level. The case study of Canada highlights the need for greater information exchange and joint planning not only between departments, but also between headquarters and the field, in order to reconcile short-term stabilisation efforts with longer-term development objectives in Haiti. Emergency relief and stabilisation on the one hand, and sustainable development on the other, often involve different sets of actors. Unless they plan together, they could miss opportunities for synergy and greater overall impact, or possibly even potentially work at cross-purposes.

In the case of Belgium, these issues were dealt with quite pragmatically. The Joint Team on DDR (demobilisation, disarmament and reintegration) and SSR (consisting of development co-operation and defence staff) is present at weekly interdepartmental co-ordination meetings on the Great Lakes, and reports back to (and consult with) the embassy in the Democratic Republic of Congo on a regular basis. In the case of Sweden, however, the embassy is only to a small extent involved in the work of the Sudan Working Group in Stockholm. Nor is the Working Group reporting back on a regular basis. In addition, the staff in the Swedish Embassy Office – Sida and Foreign Affairs – report back separately to their

institutional headquarters. This practice of separate reporting to headquarters can be found in the case of the Netherlands as well. No best practices are found for this inadequacy apart from ad hoc and personal initiatives. However for a joined-up approach one solution would be to consider a different communication system in which reports are shared with relevant departments and agencies on a formal basis. In the case of Australia, the communications matrix with the Office of the Special Co-ordinator (OSC) at the centre at the field level, and with lines of communication operating in three directions (among personnel from the different agencies in Honiara, among personnel from each agency in the field and their counterparts or superiors in Canberra, and among personnel from the different agencies in Canberra), has proved to be an effective way to transmit coherent, synthesised information about progress on the ground while allowing each department to retain a degree of hierarchical contact and control.

### III: RECOMMENDATIONS

#### *The Need for an Overall Framework*

All case studies confirm the appropriateness of Principles 5 and 6<sup>31</sup> of the Principles for Good International Engagement in Fragile States. They also highlight the need for all these Principles to be mainstreamed in OECD member governments, along with other DAC guidelines. There are nonetheless considerable gaps between what has been agreed in principle and ministerial and agency practice. While mainstreaming of the Principles within donor governments should therefore be a high priority for DAC members, this should be accompanied by efforts to develop the policy instruments and mechanisms required to operationalise these into assistance programmes.<sup>32</sup>

The effectiveness of joined-up approaches may be improved by the creation of an overall framework for managing whole-of-government engagement in fragile states. Such a framework would consist of three elements: 1) a clear understanding of what fragile states are, which is shared by all relevant government actors; 2) a joint policy statement explaining the rationale for collaborative working in fragile states, together with the aims and how these will be achieved; and 3) a commitment to establish an effective dialogue between the key actors involved in a WGA, and to work on bridging differences in organisational culture. The case studies show that current approaches are often initiated by development actors and that discussions on the political-security-development nexus are also mainly couched in development terminology. Creating a joined-up approach requires taking on board the views, approaches and needs of other government actors as well. The aim of the suggested framework is to enable early involvement of all relevant actors, including those at the field level, and to provide clarity about their roles and objectives in a whole-of-government approach. While important as an instrument for promoting and managing joined-up working, the creation of an overall framework should not result in a bureaucratic straitjacket, creating an additional layer of decision making. An overall framework resulting in standardised approaches towards fragile states is to be avoided. The starting point should be that there are no blueprints for addressing their problems.

Achieving such a framework requires political commitment at the highest levels. Ideally, the process is driven at the level of a prime minister, and involves engaging the relevant ministers for a whole-of-government approach.

#### *Who to Involve?*

When dealing with fragile states it is important to engage with a range of actors. Which actors to engage, and to what extent, may vary from case to case. However, notwithstanding the fact that the fragile states issue is still predominantly perceived from a development co-operation perspective, the case studies confirm that the effect of non-aid policies on development outcomes is now widely accepted. As a result, security actors and objectives related to the security domain are increasingly included in the development debate, as are economic actors, justice departments and others.

Most of the case studies show that currently, departments of development co-operation, foreign affairs and defence are the key actors in WGAs to fragile states. In order to create a WGA, evidence suggests that increased involvement of other departments, in particular ministries of economic affairs and trade, should be encouraged.



Other actors may also have a role to play, depending on the circumstances. Here, one can think of the police, ministries of justice and migration. However, acknowledging the difficulty of co-ordinating the activities of a broad range of actors, these other departments should only be involved next to the key actors if and when they have a comparative advantage.

### ***Joint Analysis***

Donors must not underestimate the difficulty of developing and carrying out joint analysis, let alone sharing and internalising findings so that they can be acted upon in a joined-up manner through country strategies. But despite the challenge, it is recommended that donors aim to develop joint analyses of fragile states, and to share findings as important steps in the process towards setting priorities for action. The case study reports indicate that there is already a good deal of informal learning that goes on, but this could usefully become more institutionalised. Sharing experience among members of the Fragile States Group could be helpful in this regard. However, the case studies also show that the success of joint analyses and shared findings is, at least in part, dependent on a government structure that compels ministries to work together.

### ***Country-Specific Joint Operational Strategies***

There is no “one-size-fits-all” strategy for addressing state fragility. One of the challenges, therefore, is to become collaborative and country-specific while avoiding approaches that become fragmented and guided by different and potentially conflicting departmental objectives. The suggested overall framework plays a critical role in this regard, and should promote the development of practical, country-specific approaches. The case studies suggest that donors would benefit from the development of country-specific approaches on the basis of joint assessments early in the process that allow for joint strategies, planning, monitoring and evaluation.

#### **Box 4. How can country strategies contribute to policy coherence?**

The major components of joined-up working are: analysis, policy, strategy, programming and monitoring. The strategy development *process* is key to linking these different components together by:

- encouraging consultation and shared analysis of political, security and development issues, as a basis for agreeing policy;
- linking departmental priorities in the country in question to a donor country's foreign policy objectives;
- providing a tool for managing joined-up working through the development of action plans with benchmarks;
- providing a basis for ensuring that departments speak with a common voice when dealing with different host government interlocutors; and
- officially committing departments to work more closely with each other in a particular area.

### ***Co-ordination: The Need for Political Leadership and a Lead Co-ordinating Role***

The case studies indicate that WGAs require commitment and leadership from the political top. The starting point for an effective whole-of-government approach, therefore, is clear political guidance and leadership which should provide the different actors involved with an understanding of the importance of their involvement.

The case study reports also underline the fact that an integrated approach should not simply be perceived as an outcome, but rather as a process: how to get there is just as important as getting there. In this regard, it is important to have clarity on who plays what role in this process, and in particular to recognise the need for lead co-ordination. Without clarity on how co-ordination is established, the risk of fragmentation remains. How to establish co-ordination is crucial and sensitive, and should not be underestimated. On the one hand, a joined-up approach may imply that *any* of the actors involved could take that lead. From the perspective of co-ordination, on the other hand, it is to be preferred to have an established lead co-ordinating agency. In this regard it is important to differentiate between leadership and co-ordination. The first implies that other ministries and departments have to follow directions, the latter indicates equal relationships.

In examining co-ordination, it is important to note that a government's engagement in a fragile state covers different phases that require different types of involvement from different actors. This engagement is not static: the roles and involvement of actors may change according to circumstances. In a simplified model this could imply that, for instance, defence and the police may play a more central role in a stabilisation phase, whereas in a capacity-building phase, development co-operation may play a more central role. At the same time, external interventions in a fragile states context will be heavily politicised. Hence, there will often be a case for diplomatic actors to play a key role. It is important to recognise the fact that these phases may operate in parallel rather than in succession. In view of this fact, as well as the fact that the key actors' involvement in WGAs to fragile states changes over time, attention should be paid to continuity and overall coherence. The case studies underline the need for continuous whole-of-government co-ordinating leadership to ensure consistency.

Some of the case studies suggest that given their position, role and mandate, foreign affairs may be best positioned at headquarters level to take up this lead co-ordinating role (in particular, integrated departments and ministries of foreign affairs and development co-operation). These cases showed that at the field level, ambassadors or special co-ordinators originating from foreign affairs seem to be best positioned for such a lead co-ordinating role, supported in this task by representatives from development co-operation and defence. Other cases indicate that the lead co-ordinating role can also be taken on by other actors, depending on the modalities. The key is that a capable lead co-ordinating actor be identified. It is suggested that, in order to guarantee continued whole-of-government co-ordinating leadership, foreign affairs could act as a constant co-ordinating partner during all the phases.

What should be avoided at all cost is formal overall leadership resulting in "contractor-subcontractor" relationships, whereby some departmental interests are systematically ignored or co-opted to serve one narrow policy objective. This would frustrate real joined-up working. All departments have the lead in their sectors of expertise and policy mandates. Attempts need to be made to increase ownership of the joint working, not least by involving core actors from the start, and to let all parties share in successes and in taking risks.

### ***Creating the Right Incentive Structures***

In view of the potentially high transaction costs involved, governments should acknowledge that there are disincentives for collaborative working and identify those (e.g., time-consuming, requiring compromise and a willingness to dilute one's own policy agenda, possibly leading to less individual (departmental) visibility). Similarly, attention should be paid to identifying existing incentives for joined-up working, as well as create new ones where necessary. An important incentive is providing the means and resources for joined-up working. However, in some countries such an approach can be problematic. It is clear that if fragile states are a priority as part of joined-up working, ministries and departments other than development co-operation should also devote part of their budget to fragile state activities. In this regard, high official development assistance targets can limit governments in identifying financial room or extra

money for other sectors to devote to fragile states. Finally, it is important to have better insight in the financial costs involved in mainstreaming policies.

A joint policy statement by the key ministers, providing the rationale for whole-of-government engagement in fragile states as well as the main objective, can also serve as an incentive, as it commits the key actors involved to enter into a dialogue. Furthermore, donor governments could use such a policy statement as a means of accountability for higher-level officials to put joined-up working into operation in their respective organisations. An incentive for the working level could be for performance reviews, not just to focus on project outputs, but also to include credit for effective co-ordination with other government departments leading to improved outcomes. Governments should also be encouraged to identify institutional incentives in terms of trade-offs. A key incentive for working with other actors is that it provides the opportunity to influence their policy agendas and ways of working, and it also offers a means to access skills and resources which a department may lack. Overall, a benefit of a whole-of-government approach is access to a broader pool of expertise in the public sector to help strengthen partner government institutions.

### ***Mechanisms and Instruments for Promoting Policy Coherence and Joined-Up Working***

In addition to the need for an overall framework, joint country strategies and attention to process, it is imperative to have the right instruments available to support political decisions on WGAs. The case reports indicate that where such instruments are available, their usage can be improved. In other cases new instruments will need to be developed.

The case studies show that institutional, budgetary and functional walls between departments can impede co-operation and co-ordination. The creation of joint budget lines can foster integrated planning. Establishing joint budget lines, however, proves to be difficult, or even impossible, given existing mandates and budget reporting requirements. Pooled funding is considered an important alternative instrument to foster integrated planning. The case studies show that different approaches are possible. One is the Dutch model, the Stability Fund, in which money comes from foreign affairs (including development co-operation), and in which defence, as one of the key actors, is consulted for planning. The other is the UK model for pooled funding, where the different ministries adding to the fund decide on its spending. Both models of pooled funding allow for flexibility in support of activities which may be classified as official development assistance and non-official development assistance. However, there is a danger that pooled funding can result in the proliferation of small projects unconnected to a wider strategy, and can generate competition among departments for scarce resources and so discourage joined-up approaches. There is also a risk that pooled funds can lead to the creation of new and additional structures (e.g., new units, geographic desks), which can make achieving coherence more difficult by the addition of more actors. Avoiding the creation of parallel structures and encouraging the involvement of existing geographic desks across relevant government departments (foreign, development and security) in the planning and implementation of initiatives funded by these pools can result in improved coherence with lower management and transactions costs.

Reporting structures, both vertical and horizontal, are an important instrument to promote effectiveness in terms of implementation. Joined-up reporting can strengthen co-operation between headquarters and the field level (vertical). And at the field level, joined-up reporting can enhance dialogue (horizontal) among different departmental interests. Joined-up reporting can also play a role in terms of developing an influencing agenda as it ensures that the key actors speak with a common voice when they deal with their host-government interlocutors.

### ***Information Management Systems***

In order to promote joined-up working, it is also recommended that where possible the information-management systems of different actors be integrated. The case studies show that intra- and interdepartmental communication systems can be improved in terms of technical features of access to information. Practical issues, such as a lack of the right level of security clearance for key personnel, can be an impediment to accessing information and creating a shared understanding of sensitive issues and problems, both at headquarters and field levels. In order to make joined-up working more effective, differences in information access have to be addressed as they can limit the ability of actors to enter into dialogue with colleagues from other ministries.



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## ANNEX

### OVERVIEW COORDINATION MECHANISMS CASE STUDY COUNTRIES

The case studies show that over the last years, donors have developed a plethora of mechanisms aimed at better co-ordination, often supported by specific initiatives, instruments and tools. A short overview of each case study is provided here.

#### *Australia*

Australian security policy is co-ordinated at the highest level by the National Security Committee of Cabinet which comprises key ministers and department and service heads, and therefore covers both the making and implementation of policy. Committee members are well-placed to provide the necessary whole-of-government impetus to their individual departments with regard to combined operations, so that failures of communication at lower levels tend to be faults of leadership rather than structure.

At lower levels, foreign and development policy is generated by the Department of Foreign Affairs and Trade (DFAT) and its institutional younger sibling, the Australian Agency for International Development (AusAID), while security policy and operations may be undertaken by the Department of Defence, the Australian Defence Forces and the Australian Federal Police (AFP). Where a particular operation requires the involvement of these (and other) actors, the Department of Prime Minister and Cabinet has oversight of proceedings. In general these departments attempt to co-ordinate their efforts by common membership of interdepartmental committees (IDCs), some of which stand permanently while others are formed and disbanded according to circumstance.

Personal relationships across departments have proven just as important as more formal mechanisms for the effective co-ordination of policy at both headquarters and field level. Some relationships arise naturally from the current circumstance, but others were formed previously and provide productive but less obvious paths of communication among different departments. The relatively small size and geographic concentration of the Australian Public Service contributes to this effect. Permanent liaison officers placed in Defence, the AFP and AusAID help to facilitate common understanding.

In the case of the Regional Assistance Mission to Solomon Islands (RAMSI), co-ordination is achieved by means of two central mechanisms: the RAMSI IDC, which meets weekly by video link and includes senior officials from both the field and headquarters; and by the good offices of the RAMSI Special Coordinator, a DFAT official who brings together the leaders of each element of RAMSI and has overall charge of the field mission. The Office of the Special Coordinator is the nexus through which reporting and decision making flows between the field and headquarters. Separate lines of communication also operate between the field and headquarters within each department, though they tend to deal with departmental rather than mission-wide issues. At lower levels in the field, interdepartmental committees and working groups address specific issues.

The Australian High Commission in Honiara is neither formally nor directly involved in co-ordinating RAMSI activities, although there is constant communication between their respective leaders, both of whom are career diplomats. Because RAMSI is a regional mission (though overwhelmingly staffed and



funded by Australia) it cannot be run bilaterally, and the High Commission's activities are limited to the usual business of diplomacy, including management of the bilateral aid program. Although this program is formally distinct from RAMSI, their respective components are practically seamless. AusAID's country strategies, mandated to include whole-of-government inputs, therefore provide another forum for interdepartmental co-ordination in the case of RAMSI.

### ***Belgium***

The political and institutional complexity in the case of Belgium indicate that issues of co-ordination and the potential for a WGA can vary according to country due to national political and institutional factors. In this context, the key co-ordinating role for foreign policy lies with the Federal Public Service Foreign Affairs, International Trade and Development Cooperation (FPS FA). Within the FPS FA, several Directorates General have a central function to achieve policy coherence through a range of mechanisms and forums. The Directorate General for Development Cooperation is integrated into the FPS FA, and is responsible to seek coherence among the different Belgian actors in development policies.

With regard to the case of the Democratic Republic of Congo (DRC), the case study focuses attention on the fact that the Great Lakes Region, and the DRC in particular, historically play an important role in Belgian foreign policy. The fact that the DRC is not just a technical, but also a political area of attention has resulted in a long history of interdepartmental co-ordination. The paper mentions that, notwithstanding the political importance of the DRC, co-ordination has mainly been ad hoc. At the headquarters level, co-ordination on the DRC takes place through a weekly meeting, which involves representatives from all relevant ministries, as well as the policy cells of the Prime Minister and the Ministers of Foreign Affairs, Development Cooperation and Defence. The meeting is informal, but a written report is widely distributed. As in the case of the Swedish Sudan Working Group, this Belgian group is not a decision-making organ: it is mainly a vehicle for exchanging views, information and policy on a regular basis.

At the field level, Belgium has a considerable diplomatic representation with a political, economic/commercial, development, military and consular section. The Ambassador plays a central role in terms of co-ordination. He presides over daily meetings between the sections, and relates to the weekly interdepartmental co-ordination meetings in Brussels.

The fact that most co-ordination takes place on an ad hoc basis is now recognised as an area for improvement. A first step to enhance co-ordination is the *Joint Team* (Ministry of Defence and Development Cooperation), which was established for dealing with issues related to SSR and DDR. The different sections of the Embassy are closely involved in its work (field missions), their reports are widely circulated and they participate in the weekly co-ordination meeting.

### **Canada<sup>33</sup>**

At a more general level, the Prime Minister of Canada is ultimately responsible for the coherence of Canada's public policy overall, supported by his Cabinet and its system of committees. For international policy, the Foreign Affairs and National Security Committee is responsible for ensuring a co-ordinated and integrated approach to Canada's engagement abroad. The Privy Council Office (PCO) provides a critical link between the Prime Minister and his Cabinet on the one hand, and the civil service on the other. The PCO is responsible for ensuring that the Prime Minister's priorities are reflected in the work of the civil service. For the latter, the PCO serves as a focal point for co-ordinating priorities across government.

Policy co-ordination among departments and agencies is done mainly through interdepartmental committees, working groups and task forces. The Department of Foreign Affairs and International Trade (DFAIT) is mandated to co-ordinate all relevant departments and agencies. The Stabilisation and

Reconstruction Task Force (START) has recently been established at DFAIT to enhance the government's ability to produce timely and co-ordinated responses to international crises. Although START is meant to be an interdepartmental mechanism, its management comprises only of DFAIT officials. A number of Department of National Defence (DND) and Canadian International Development Agency (CIDA) officers are seconded to START, but they are placed mostly at a working level.

As of April 2006, the way in which START was to interface and work with other departments and agencies remained unclear. An interdepartmental Advisory Board made up of DFAIT, CIDA, DND, Public Safety and Emergency Preparedness Canada (PSEPC), Royal Canadian Mounted Police (RCMP) and PCO's Foreign Affairs and Defence Policy Secretariat has been established to provide guidance to START. However, the terms of reference for this director general-level co-ordinating body have yet to be finalised. Furthermore, at the operational level, it remains to be seen how START will be able to co-ordinate the Global Peace and Security Fund with CIDA bilateral programmes, and promote coherence between short-term stabilisation and longer-term institution building. The latter is normally the purview of development co-operation. How START will work with CIDA bilateral desks to ensure complementary design and delivery of longer-term programmes, as well as how exit strategies will be developed, remains to be seen.

The Canada Corps and Canadian Police Arrangement (CPA) are two mechanisms that also enhance interdepartmental engagement in fragile states. The former enabled Canada to deploy a large number of short-term election observers to the International Monitoring Mission of Haitian Elections, headed by Canada's chief electoral officer. Canada's election support was a good example of how various departments pooled their resources to provide multifaceted support to a strategic initiative. Similarly, the CPA enabled Canada to deploy up to 100 Canadian police officers to the United Nations Stabilization Mission in Haiti during the past two years, involving collaboration between DFAIT, CIDA and the RCMP.

Canada's overall engagement in Haiti was planned by an Interdepartmental Steering Group, consisting mainly of DFAIT, DND, CIDA, PSEPC and PCO. When resource issues were addressed, the Department of Finance and Treasury Board Secretariat participated in the meetings. At the operational level, an Interdepartmental Working Group was also convened by departments and agencies to plan and oversee the implementation of Canada's approach in Haiti. Domestic departments with important technical expertise participated in this Working Group, such as Correctional Services Canada, Elections Canada and the Department of Justice. The Prime Minister also appointed a Special Advisor, but this advisor has no specific co-ordinating role. At field level Canada co-ordinates its support mainly through the Interim Cooperation Framework and its system of sectoral tables. The Ambassador and Head of Aid play a key role in aligning Canadian activity with priorities set by Haitian authorities and supported by the international community.

The formulation of a Country Strategy is a new process launched by all Canadian embassies this year. The Country Strategy is to be produced on an annual basis and outlines how the Mission, with headquarters support, will implement Canada's strategic objectives on the ground. Particularly, it seeks to define how the Mission will advance these objectives with a WGA. This Strategy is also linked to the Ambassador's *Performance Management Agreement*, which defines the specific mandate of the ambassador which he/she is professionally accountable for implementing. The performance management agreement is a relatively new tool and is currently still being developed. However, it is considered an important incentive for working in a joined-up manner.

### **France**

In the case of France, the Ministry of Foreign Affairs – with the Directorate General for International Cooperation and Development (DGCID) and the Directorate for Military Cooperation and Defence (DCMD) – is a main player in terms of international assistance. A broad range of other actors are also

involved: the Ministry of Defence, the Ministry of Economic Affairs, Finances and Industry and the French Agency for Development. Specifically with regard to co-ordination of policies on Africa, the *Cellule Africaine* of the Elysée and the Directorate Africa and the Indian Ocean (DAOI) are also important actors. In addition, for the co-ordination of development co-operation, two platforms have been created recently: the CICID (Interministerial Committee for International Cooperation) and the COSP (Conference on Strategic Orientation and Planning).

In terms of actual co-ordination in the case of the Democratic Republic of Congo, these ministries and bodies are supported by a range of instruments, of which the *Documents Cadres de Partenariat* (DCP – partnership framework documents) are the latest and most important addition. The main actors for co-ordination are the DAOI and the Embassy in Kinshasa, with strategic input from the *Cellule Africaine*. In terms of the development co-operation, the AFD plays the main role. However, it is clear that there is only limited co-ordination, at the level of the administration, between issues of security and development. The assessment concludes that the DCMD seems to operate in a different sphere, and is culturally and content-wise very disconnected from the DGCID of that same ministry.

Hence, whereas the DCP plays an important role in terms of co-ordination of development co-operation, the limited scope (excluding all issues related to security) makes it in its current form less useful as an instrument for co-ordination of joined-up approaches in fragile states. The Ambassador, though, can and does play a key role in the co-ordination of all policies – development and security-related – and is able to bridge this gap to a certain degree through his defined role (but in the case of the Democratic Republic of Congo to a large degree because of his personality). There are however no formal structures to bridge this gap, i.e., to promote co-ordination for joined-up approaches.

### ***The Netherlands***

In the case of the Netherlands, co-ordination at the more general level takes place in the Council of Ministers, the Coordination Commission for International Affairs and the Cabinet Committee on European and International Affairs. In terms of the implementation of Dutch integrated policies, more specialised co-ordination mechanisms come into play. Key are the Steering Committee for Security Cooperation and Reconstruction, the Stability Fund (SF) Steering Committee, the Steering Committee Military Operations, the Steering Committees on Police and Rule of Law, and the inter-ministerial consultation committee on Civil Military Cooperation. The Ministry of Foreign Affairs (MFA) plays a key role in most of these steering committees, often with the Ministry of Defence as co-chair. These steering committees also cover the key actors (foreign affairs, development co-operation and defence) and instruments (SF) of the Dutch WGA on fragile states (i.e., post-conflict reconstruction).

For Sudan, the Netherlands has established a temporary task force with members from the MFA's Africa Department, the Human Rights and Peacebuilding Department, the Security Policy Department and the Humanitarian Aid Division. Meetings of the Task Force Sudan (TFS) take place on a weekly basis and are attended by representatives from Defence. Other actors can join on an 'as-needed' basis. Part of the TFS staff is temporarily seconded. The TFS is special in the sense that it is positioned outside the MFA's bureaucratic structures. This provides the TFS with direct access to the Directors-General for International Cooperation and for Political Affairs, and ensures efficient provision of information to the Ministers of Foreign Affairs and for Development Cooperation (who are integrated in the MFA). In practical terms, the TFS is responsible for policy formulation and implementation, and functions as the key co-ordinating mechanism to integrate policies. In doing so, the TFS has a special envoy who is, among other things, involved in the Darfur negotiations in Abuja. The TFS also works closely with the Embassy in Khartoum. Interestingly, it was noted that the TFS as co-ordinating mechanism is better staffed than the Embassy. It was also noted that a full time Defence Attaché in Khartoum (as opposed to the current situation, where the Cairo based Defence Attaché is accredited for Sudan) would enhance joined-up working at the Embassy

level. Although a co-author of the joined-up Reconstruction Memorandum, the Ministry of Economic Affairs is less visible in the TFS, and not present at the field level.

Special mention needs to be made here of the Joint Donor Team and Office in Juba, which will jointly co-ordinate and execute the development co-operation activities of five donor countries (Denmark, Netherlands, Norway, Sweden and the UK).

### *Sweden*

In the case of Sweden, the co-ordination of foreign and development policy starts with the *Joint Preparation Process*, which is required by law and which produces government decisions that are acceptable to all relevant ministries. A second important mechanism for co-ordination is the *Policy on Global Development* (PGD). This policy is aimed at fighting poverty through promoting coherence in the whole government. When it comes to the nexus of security and development and engaging in fragile states, the range of actors is usually: Parliament, the Ministry of Foreign Affairs (MFA), Defence, the Ministry of Justice, Sida and the Swedish Rescue Services Agency. The range of actors indicates that most relevant policy areas for a fragile state are included. Discussions in the framework of the PGD lead to a *Cooperation Strategy*, incorporating relevant forms of Swedish assistance provided to a country. There is an interdepartmental dialogue and joint planning. The case study report shows however, that this process, which is led by the MFA (regional desks), in practice does not lead to a fully joined-up approach, due to the fact that there is no joint assessment process. Different actors provide what they find important from their perspective and it is all incorporated into the strategy.

Further co-ordination takes place through *regular consultations* between the MFA and Sida. These take place once or twice a year, or whenever this is called for, and can address questions and reviews of policy implementation. In order to promote coherence and to contribute to a joined-up approach, Sweden has developed a number of new initiatives as well.

A first new development for Sweden is the MFA's extended consultations with Sida on ways to use funds in a complementary manner. A second new development is the *Management Response*. This latter mechanism is employed by the MFA's department for Policy Development, and aims at operationalising findings from studies that are commissioned. As part of the need for a more joined-up approach, the scope of actors, i.e., different ministries, involved in the discussions on operationalising such findings has been broadened according to the theme concerned.

Regarding Sudan, co-ordination is – in addition to the mechanisms mentioned above – organised through the *Sudan Guidelines* (for the moment a revised version as from October 2005), and the *Sudan Working Group*. The paper on Sweden concludes that these Guidelines are developed through consultations, but are not based on a joint assessment process. However, each of the ministries involved provides its input, from its perspective, for a Sudan policy to the MFA. The Sudan Working Group, which is not a decision-making group, is supposed to promote coherent implementation of the Guidelines. The Sudan Working Group is informal and provides key civil servants with a forum for discussion and facilitates agreements on next steps. Given the fact that the Sudan Working Group only meets on an as-needed basis – also due to capacity problems – the co-ordinating role is limited. A factor further constraining the co-ordinating role of the Sudan Working Group is the fact that Sida does not participate in the working group on a regular basis. Sida is, however, consulted whenever necessary.

At the field level, the potential for co-ordination is both high and low. As in the case of the UK, the co-location of the Sida and MFA representatives in Khartoum has led to an ad-hoc integrated approach at the field level. A limiting factor is the fact that Sweden has a very small representation in Sudan consisting of only two people (one representative from the MFA and one from Sida). However, a Special Envoy for

the Horn of Africa has been working since spring 2006. Sweden has also had a Special Envoy connected to the Darfur peace negotiations in the first half of 2006. The Swedish Ambassador and Defence Attaché work out of the Swedish Embassy in Addis Ababa. All this could possibly lead to a fragmented approach. Sweden is a partner in the Joint Donor Team (JDT) in Juba; another Sida official will be assigned to the JDT.

## UK

The three key actors involved in the UK's joined-up approach to Yemen are the Foreign and Commonwealth Office (FCO), the Department for International Development (DFID), and the Ministry of Defence (MoD). All three departments participate in the Africa and Global Conflict Prevention Pools, which aim to develop integrated policies on conflict prevention in areas of either thematic or regional interest. The Post Conflict Reconstruction Unit (PCRU) was established to improve the UK's capacity to deal with post-conflict stabilisation, including integrating civilian and military policy, planning and operations. By providing operational support and facilitating communication between DFID, the FCO and the MoD, the PCRU can help to align departmental planning processes. The Cabinet Office provides the central support to the government to take forward its strategic foreign and policy objectives. The Cabinet Office supports the Prime Minister's Office and the Cabinet, and drives cross-Whitehall co-ordination. The Cabinet Office is supported by the Joint Intelligence Committee (JIC), which co-ordinates interdepartmental intelligence assessments.

Improvements in cross-departmental collaboration since the 1990s have been made possible by a number of factors. Two worth noting are ministerial leadership stressing the need for greater cross-departmental collaboration and the development of shared concepts and terminology. Important additional initiatives have been the *DFID/FCO Closer Working Action Plan* (2003) aimed at improving collaboration between these two departments, and the planned *2007 Comprehensive Spending Review*. The latter initiative will aim for greater government-wide efficiency through further integration across departments.

The UK's WGA to Yemen has been underpinned by a range of formal and informal processes and mechanisms. Development of a shared analysis of the problems was a key starting point for building a case for a more integrated UK engagement with Yemen (i.e., a *Drivers of Change* analysis). On this basis, the Prime Minister's Office took the decision to review UK policy towards Yemen, and assigned the Cabinet Office with the task to initiate a dialogue among the relevant departments. The FCO, finally, was given responsibility for developing the overall approach under the guidance of the Cabinet Office.

However, in contrast to various formal mechanisms for other countries (e.g., for Sudan there is a formal Sudan Unit), the co-ordination of activities for Yemen was done mainly through informal mechanisms. Management of the UK engagement in Yemen has relied on a "light-touch" approach driven essentially by individual departments rather than by a formal cross-departmental or Cabinet-level committee. PCRU has not been involved in either the planning or co-ordination of departmental activities. This approach reflects the fact that Yemen ranks below other current UK priorities such as Afghanistan and Iraq where more formal management structures have been established.

This light-touch approach can be seen as a pragmatic response to resource constraints which exist across government. To the extent that joined-up working has been achieved in a number of key areas, this is because all departments broadly share the same analysis of the problems and are clear on their individual roles in responding to them. The fact that, contrary to practice in many other countries where the UK is engaged, FCO and DFID are co-located in the same building in Sana'a was also a factor that contributed to closer professional and personal interaction between DFID, FCO and MoD staff.

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## NOTES

- 1 . See OECD (2005), “Policy Coherence and Whole of Government Approaches in Fragile States”, draft concept note prepared by France and Australia, Fragile States Group, OECD, Paris, DCD(2005)14/REV2.
- 2 . FSG Work stream on whole of government approaches, Terms of Reference Phase 1 (6.2 and 6.3, Dec. 2005).
- 3 . Countries assessed are Australia, Belgium, Canada, France, the Netherlands, Sweden and the UK. The field level cases included Democratic Republic of Congo (Belgium and France), Haiti (Canada), Solomon Islands (Australia), Sudan (the Netherlands and Sweden), and Yemen (UK).
- 4 . Principle no.5 in OECD (2005), “Principles for Good International Engagement in Fragile States”, draft, Fragile States Group, OECD, Paris, DCD(2005)8/REV2, <http://www.oecd.org/dataoecd/59/55/34700989.pdf>.
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- 6 . (2005), “Piloting the Principles for Good International Engagement in Fragile States”, concept note, Fragile States Group, OECD, Paris, DCD(2005)11/REV2.
- 7 . Ibid.
- 8 . OECD (2001), “The DAC Guidelines on Helping Prevent Violent Conflict”, OECD, Paris, <http://www.oecd.org/dataoecd/15/54/1886146.pdf> , see policy statement, p. 13.
- 9 . OECD (2005), “Security System Reform and Governance”, DAC Reference Document, OECD, Paris, <http://www.oecd.org/dataoecd/8/39/31785288.pdf>.
- 10 . See OECD (2005), “Policy Coherence and Whole of Government Approaches in Fragile States”, draft concept note prepared by France and Australia, Fragile States Group, OECD, Paris, DCD(2005)14/REV2.
- 11 . FSG Work stream on whole of government approaches, Terms of Reference Phase 1 (6.2 and 6.3, December 2005).
- 12 . Ibid.
- 13 . Ibid.
- 14 . The authors of the case studies are Nicole Ball (Sweden), Mariska van Beijnum and Luc van de Goor (the Netherlands), Ivan Cook (Australia), Dylan Hendrickson (United Kingdom), Yannick Hingorani (Canada), Hans Hoebeke (Belgium and France).
- 15 . As a result, attention is paid to this issue in several important security documents that have appeared in recent years: the U.S. National Security Strategy (September 2002), the European Security Strategy

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- (December 2003), and the Report of the UN Secretary-General's High-level Panel on Threats, Challenges and Change (December 2004).
- 16 . OECD (2005), "Principles for Good International Engagement in Fragile States", draft, Fragile States Group, OECD, Paris, DCD(2005)8/REV2, <http://www.oecd.org/dataoecd/59/55/34700989.pdf>.
  - 17 . These are respectively: the Swedish International Development Cooperation Agency (Sida), the Canadian International Development Agency (CIDA) and the Australian Agency for International Development (AusAID).
  - 18 . OECD (2006), "Monitoring Resource Flows to Fragile States: 2005 Report", OECD, Paris, Development Assistance Committee, DCD(2006) 1, <http://www.oecd.org/dataoecd/61/9/37035045.pdf>.
  - 19 . DFID (2005), "Why We Need to Work More Effectively in Fragile States", Annex I, DFID, London, <http://www.dfid.gov.uk/pubs/files/fragilestates-paper.pdf>, p. 27.
  - 20 . Respectively: DFID's policy note ("Why We Need to Work more Effectively in Fragile States", Annex I, DFID, London, January 2005, <http://www.dfid.gov.uk/pubs/files/fragilestates-paper.pdf>) and AusAID's statement to parliament ("Investing in Growth, Stability and Prosperity", Canberra, Australia, 2002, <http://www.ausaid.gov.au/publications/pdf/eleventh.pdf>).
  - 21 . OECD (2005), "Security System Reform and Governance", DAC Reference Document, OECD, Paris, <http://www.oecd.org/dataoecd/8/39/31785288.pdf>, chapter 2.
  - 22 . OECD (2005), "Security System Reform and Governance", DAC Reference Document, OECD, Paris, <http://www.oecd.org/dataoecd/8/39/31785288.pdf>, chapter 2.
  - 23 . As recently argued in Dan Smith's "Towards a Strategic Framework for Peacebuilding: Getting Their Act Together" (Overview Report of the Joint Utstein Study of Peacebuilding - Evaluation Report 1/2004, International Peace Research Institute, Oslo, <http://www.dep.no/filarkiv/210673/rapp104.pdf>).
  - 24 . OECD (2005), "Principles for Good International Engagement in Fragile States", draft, Fragile States Group, OECD, Paris, DCD(2005)8/REV2, <http://www.oecd.org/dataoecd/59/55/34700989.pdf>.
  - 25 . Ibid.
  - 26 . Picciotto, R., C. Alao, E. Ikpe, M. Kimani and R. Slade (2005), "Striking a New Balance Donor Policy Coherence and Development Cooperation in Difficult Environments", background paper commissioned by the Learning and Advisory Process on Difficult Partnerships of the Development Assistance Committee of the OECD, Paris, p.37.
  - 27 . Ibid.
  - 28 . Lockhart, C. (2005), "From aid effectiveness to development effectiveness: strategy and policy coherence in fragile states", background paper prepared for the Senior Level Forum on Development Effectiveness in Fragile States, Overseas Development Institute.
  - 29 . Picciotto, R. (2004), "Policy coherence and development evaluation", background paper prepared for OECD Workshop, Paris.
  - 30 . Sweden started working on a Policy for Security and Development in late spring of 2006.
  - 31 . Principle 5: Recognise the political-security-development nexus. Principle 6: Promote coherence between donor government agencies, see OECD (2005), "Principles for Good International Engagement in Fragile

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States”, draft, Fragile States Group, OECD, Paris, DCD(2005)8/REV2, <http://www.oecd.org/dataoecd/59/55/34700989.pdf>.

32. The need to take a whole-of-government approach in the area of security system reform was first highlighted in the DAC Reference Book on Security System Reform and Governance (2005). The guidelines focused on how such an approach could be encouraged through establishing an overarching policy framework, inter-ministerial committees or pooled funding.
33. This section may require updating, as at this time a number of key decisions are being taken in Canada. CIDA will undertake to prepare such information for the next meeting of the OECD DAC Fragile States Group in October 2006.



## Governance, Peace and Security

# Whole of Government Approaches to Fragile States

There has been an increasing concern in the international community about the implications for stability and progress towards the Millennium Development Goals resulting from state failure or state fragility. In response to this challenge, the OECD Development Assistance Committee's (DAC) Fragile States Group (FSG) developed a set of draft Principles for Good International Engagement in Fragile States. These Principles highlight that successful development in a fragile environment depends, at least in part, on well sequenced and coherent progress across the political, security, economic and administrative domains. Working effectively in fragile states requires donor countries to adopt a 'whole of government' approach (WGA), involving departments responsible for security, political and economic affairs, as well as those responsible for development aid and humanitarian assistance.

This present study assesses existing WGAs, drawing upon recent experiences of a number of OECD countries in fragile states. It lays out the rationale for using such a WGA in fragile states and addresses common challenges. WGAs of different countries are analysed in terms of concepts and policies, tools and instruments as well as their co-ordination and management. Building on case studies, the report provides recommendations on how to improve the operationalisation and implementation of WGAs.