

## Sector Development, EU Accession and International Assistance: The case of Serbia

Paul Wafer, Head of  
DFID Serbia

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## Sector development processes – 'ownership' and 'alignment' for a purpose

"Building blocks":

**Sector policy/strategy –  
in a macro framework**

**Sector-level medium-  
term financial framework**

**Annual operational  
planning and budgeting**

**Performance/results  
monitoring system**

**Sector-level coordination  
of international  
assistance**

## Why effective sectoral development matters for successful EU Integration

- **To enable** translation of Accession-related political goals and commitments into coherent and comprehensive actions across government
- **To ensure** ALL public resources (domestic and external) are used to take forward EU accession related reforms
- **To provide** political leaders, senior public managers and external partners (esp. the EU) with a way to measure progress on reforms
- **To ensure** that post-accession, new member states have domestic systems enabling them to make the most of Structural Funding

**“In Serbia we have plenty of strategies, but we don’t implement them. We simply respond to political directives...”**

## IPA/Donor programming in Serbia: a traditional project approach?

### State of public sector

- Weak policies, lacking prioritisation
- Fragmented budgets
- Weak capacity
- Inefficient delivery systems
- Weak domestic accountability
- Poor inter-ministerial coordination

### EC/Donor response

- Discrete projects preferred
- Multiple projects coordinated through DACU but not always well aligned with policies
- Act bilaterally (EC-GoS)

### Effects of assistance

- Little attention given to improving country policy or systems sustainably
- Projects possibly take best staff from government
- Ownership: donors or ministries responsible for key reform initiatives?
- Government’s ability to perform core functions may be weakened?

## How the EC and Member States could better support sectoral development

1. Shift the dialogue: from bilateral to multi-partner  
from a project- to a sector- development focus
2. Encourage Government of Serbia to review all key sector strategies in light of the National Plan for Integration (NPI)
3. Work together to assess whether the building blocks are in place – engage in collective dialogue with ministries on these issues
4. Use political dialogue opportunities to stress the importance of systems development (annual operational planning, budget system reform, results measurement, the importance of policy coherence and coordination)
5. Align political engagement and assistance programming into one annual cycle of dialogue with key sector ministries

1 Palace Street, London SW1E 5HE  
Abercrombie House, Eaglesham Road, East Kilbride, Glasgow G75 8EA

## What this might mean/require in practice...

- In key sectors Government of Serbia establishes a regular forum with the EC & other key international partners for:
  - Strategic dialogue to track overall progress and results in the sector
  - Coordination and alignment of all external support with the government's own planning and budgeting
- Better joined-up working between Operations and Political Sections in the Delegation (and in Member States embassies!)
- A new – or clearer?- division of labour between DACU, SEIO and the line ministries in the Serbian government
- Less focus on *which projects will be easiest to manage* and more on ***which projects will best support system-building for EU accession***
- Multi-year, multi-component IPA sector **programme** fiches that clearly spell out the technical and financial contributions IPA will make in the support of holistic sectoral strategies and plans

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