



**CONCLUSIONS  
OF THE DONOR CO-ORDINATION CONFERENCE  
Brussels  
23– 24 October 2008**

The Commission and the Member States, together with the International Financial Institutions (IFIs) and non-EU donors, have agreed on the need for enhanced donor co-ordination and organised follow-up.

As a starting point, the conference reaffirmed that there should be a **common strategic goal** for assistance in the Western Balkans and Turkey. The ultimate aim of these countries is integration into the EU, and donor assistance should focus on this aim or be complementary to it.

It was agreed that the **spirit and the relevant principles of the Paris Declaration on Aid Effectiveness** should guide donor coordination in the Western Balkans and Turkey. All five principles - ownership, alignment, harmonisation, managing for results and mutual accountability - are already built into IPA programming and implementation mechanisms, but some areas need to be strengthened, particularly “harmonisation” and “managing for results”.

Efforts should be made both by donors and by beneficiary countries to define specific indicators for progress, such as the adoption by the beneficiary countries of their own Country/National Strategies as the basis for the alignment of financial assistance.

**Beneficiary ownership** plays a key role in donor coordination. The beneficiary countries should develop ownership by strengthening their administrative capacity and public financial and procurement systems in order to be able to lead the donor coordination process. This should be the main focus of the donor community in the Western Balkans and Turkey. Beneficiary countries should be encouraged - and receive support - to put in place the technical mechanisms necessary to this end, including the introduction of the decentralised management of financial assistance.

The **Multi-Annual Planning Documents** could become a strategic instrument for donor coordination in the Western Balkans and Turkey at EU, regional, and national levels. It was agreed that consultation on the Multi Annual Indicative Planning Documents 2009-2011 will be used as a main tool to determine areas of common interest and possibilities for sector coordination and division of labour.

In sectors where there is a common donor interest, the Commission, the IFIs, the Member States and non-EU donors will coordinate on the ground so as to identify which donor may take the sectoral lead, based on comparative advantages and value added.

The Commission is to consider the creation of a new function for assistance strategy, donor coordination and aid effectiveness in DG Enlargement. The person in charge will act as the contact point between the Commission, Member States and other donors for sharing best practice and working methods.

DG Enlargement will establish regular links with other Commission services in charge of EC external action instruments in order to facilitate mutual learning on aid effectiveness.

Cooperation and synergies between donors of the Western Balkans and Turkey can be achieved on the basis of a **clear and reliable overview of donor activities** in IPA countries. In addition, a common understanding of the aid effectiveness agenda in the IPA region is vital for effective donor cooperation. Donors will complete and update data on financial assistance based on the questionnaire distributed by the Joint Office of the World Bank and European Commission. Aid levels should be carefully assessed on the basis of forecast data so as to establish a basis for forward actions.

The **experience of the countries from the Fifth Enlargement** should be taken on board. Emerging donors such as new EU Member States and Turkey, which have been/are recent aid recipients themselves, have valuable development expertise to offer.

Regional cooperation structures and programmes should be used as a platform to foster donor coordination, while supporting reconciliation and political dialogue.

It was proposed that in future Donor conferences would be organised on an annual basis by the Commission. Furthermore, interim monitoring events would be organised by the beneficiary countries and held in the region every six months. Albania proposed that it could host the first of these meetings. At this meeting, the beneficiary countries will present and share best practice on the mechanisms they have put in place to ensure donor coordination. Donors will report on progress made in harmonising their assistance programmes. The results of an evaluation on donor coordination systems currently carried out by the EC will be presented and discussed at this meeting. The meeting also will provide an opportunity for addressing relevant issues for steering donor's assistance in the beneficiary countries.

## **Recommendations of the Rule of Law Working Group**

Discussion in the Rule of Law Working Group was focused on two basic questions: (i) **What** is covered under the Rule of Law? (ii) **How** should the Rule of Law be promoted in the IPA countries?

It has been agreed that the Rule of Law covers a number of other fields in addition to the Judiciary. It includes law enforcement law enforcement bodies other than the judiciary, anti-corruption activities, respect for fundamental rights, and public administration (development of Codes of Ethics and Codes of Conduct).

Three factors are crucial for the promotion of the Rule of Law:

1. Political support for the reforms in the countries concerned.
2. An open dialogue between donors, beneficiary governments and civil society.
3. Local and regional cooperation should be considered, as appropriate.

### **Key steps identified in promoting the Rule of Law:**

1. Support to the governments in establishing National Strategies to promote the Rule of Law.
2. Establishing Action Plans: Action Plans should be drawn up to make the strategies operational.
3. National budgets should be designed in such a way as to provide funding for these priorities.
4. Donor coordination should be based on these national strategies and should take into account the national budget – allocation of domestic resources.
5. Monitoring of the output: monitoring should be an integral part of the process and should contribute to maximize effectiveness of funds and fulfilment of the benchmarks.
6. Evaluation of the results should be an integral part of the process.

## **Recommendations of the Working Group on Socio-Economic Development**

### **I. Recommendations related to the EU pre-accession agenda and country ownership:**

1. All donors should agree to the EU pre-accession agenda as being the overall strategic objective for the candidate and potential candidate countries.
2. The strategies of the partner countries should be the key guiding document for all donor activities.
3. The beneficiary countries need to develop ownership for leading donor coordination.
4. In the absence of country ownership, donors should assist the country to develop such ownership and, as an interim solution in the absence of ownership, donors need to coordinate their assistance in key areas.

### **II. Recommendations to the Sector-based coordination:**

5. Countries should establish only one single coordination mechanism per sector.
6. Priorities and action plans within each sector need to be elaborated.
7. In the long-term, donors and beneficiary countries should move towards adopting sector- and programme-wide approaches.
8. In some sectors, in particular for infrastructure (energy, transport), there is a need for regional coordination in addition to national coordination.

### **III. Recommendations on information sharing and consultation:**

9. Donors and governments need to improve regular and reciprocal information-sharing and consultation on their activities. Openness and transparency from all sides are crucial.
10. Information-sharing on *ex-ante* planning needs to complement *ex-post* information-sharing on ongoing activities in order to improve predictability of aid for the partner countries.
11. Donors and beneficiary countries need to share information on their respective programming calendars in order to define appropriate consultation timelines.
12. Good examples of donor coordination in new Member States or in candidate/potential candidate countries should be identified so as to build on those good practices.

### **IV. Recommendations on structures within the beneficiary government:**

13. The structures for coordination of need to be integrated or closely interlinked.
14. The capacity of line Ministries needs to be strengthened in order to enable them to get actively involved in sector coordination.
15. Beneficiary countries need to inform donors of established donor coordination mechanisms to improve their understanding of these mechanisms. Donors should fully use these mechanisms and avoid duplication.
16. The beneficiary countries need to take into account the activities and priorities of their own municipalities, which are important stakeholders for socio-economic development.

## Recommendations of the Working Group on Civil Society

One of the most important lessons learned from the Fifth Enlargement is the need to involve civil society actively in the pre-accession process. Civil society's democratic role as a facilitator of public acceptance of the *acquis communautaire* and as a critical voice of government makes it indispensable. The role of governments and parliaments is on the one hand to secure the independence of civil society, and on the other to involve civil society in the policy-making process.

The Commission is determined to advance the role of civil society by increasing financial support. The Civil Society Facility was launched by the Commission in the beginning of 2008 and is being implemented in collaboration with the beneficiary governments and the donor community.

Civil society and donor coordination mutually reinforce each other. Donor activities are influenced by civil society while at the same time civil society is supported by donor coordination. Coordination is also a matter of listening to civil society.

The discussions in the Civil Society Working Group focused on three key questions. First, how to coordinate better the donor community in order to enable civil society to engage in policy-making. Secondly, how to create a platform for sharing experience and best practice for donor coordination in order to advance the support of civil society. Thirdly, to identify common priorities in supporting the activities of civil society.

The following recommendations were agreed:

- The donor community and beneficiary governments should work together to reinforce the independence of civil society and to support “clustering”.
- The donor community should support governments in their efforts to involve civil society in policy-making. The Commission will continue to reinforce civil society following the bottom-up approach in advancing its role and increasing financial support.
- The coordination of the donor community should respect donors’ flexibility in deciding on the areas of support.
- Funds and technical assistance are both required to support civil society in joint reporting.
- Existing cooperation with the World Bank in Croatia and Turkey has proved to be a good platform and could be used for further development of donor coordination.