

MANAGING COMPLEX MULTI-STAKEHOLDER PROCESSES

Making partnerships effective in Cambodia

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Background

1. Partnership-based approaches are by no means new. But, together with the principles of national ownership and leadership, they are at the heart of current thinking on development and efforts to meet the Millennium Development Goals. The Royal Government's National Strategic Development Plan (NSDP) sets out such an approach in Cambodia that recognises the importance of partnerships between Government, civil society and external development partners. The Government's Rectangular Strategy – Phase II elaborates this approach and re-affirms Cambodia's commitment to the principles and practices agreed in the Paris Declaration on Aid Effectiveness and, more recently, in the Accra Agenda for Action.¹
2. The Paris Declaration identifies a range of practices intended to promote more effective management, delivery and impact of development assistance. All five of the 'Paris principles' – ownership; alignment; harmonisation; results; mutual accountability – are based on a partnership concept in which development partners work with Government in a framework of 'mutual accountability' to implement nationally 'owned' strategies. Commonly-identified initiatives include: joint approaches to developing plans and programming frameworks; strengthening and using country systems; common results and performance frameworks; coordinated technical cooperation; and programme-based approaches. In Cambodia, significant progress has been made by the Government and its development partners in establishing mechanisms to make these practices operational at both national and thematic/sectoral levels.²

Deriving value from a partner-based approach

3. While the Paris Declaration approach has therefore been welcomed for its focus on efficiency and results, it is less understood that it also brings its own inherent challenges. These challenges relate specifically to the need to evolve from a traditionally bilateral relationship between Government and each of its respective development partners towards a multi-stakeholder approach that accommodates and brokers the different values, interests and positions of partners that support national and sectoral programmes. Unless these challenges are explicitly acknowledged and addressed the potential for partnership-based modalities to deliver real results will be diminished.
4. For Cambodia, which must coordinate significant inflows of development assistance, these challenges relate more fundamentally to the ability of both Government and development partners to adopt new approaches to mobilising and managing external resources. It is necessary to shift from an approach based on management of discrete projects – in which Government is an implementing partner for projects usually identified and managed through donor processes – towards a multi-partner approach based on effective national leadership.³ Developing and implementing such nationally-led approaches - with coherent arrangements for planning, capacity development, implementation and review – requires much more than a technical approach; it also demands the development and application of new and existing competencies related to managing, and participating in, multi-stakeholder processes.
5. A range of national and global analysis has begun to bring these problems into a sharper focus.⁴ Symptoms of under-performing partnerships commonly include: a) Government officials feeling that ownership lacks authenticity and is prescribed within boundaries set by development partners; b) a development partner preference for maintaining existing approaches in light of identified risks associated with new approaches; c) poorly

performing coordination and dialogue mechanisms; d) a failure to re-programme development resources towards initiatives that effectively develop capacities to manage national programmes/systems; and e) inefficiencies – and growing frustrations - resulting from the additional transaction costs associated with managing partnerships that realise few of their supposed benefits.

6. The benefits of a mature and effective partnership should extend well beyond the attainment of technical efficiency. It is envisaged, for example, that enhanced learning, innovation and opportunity for applying good practices should be an additional motivation for (and result of) effective partnering. Both the NSDP Mid-term Review and the 2008 Aid Effectiveness Report found that many of these benefits have proven to be elusive, however, and more effort – or a modified approach – is required if partnerships are to be more effective. A recent independent review also observed efficiency-related challenges, noting that partnership initiatives were "now in danger of drowning in their own process", unable to move beyond the establishment of coordination mechanisms to deliver their intended benefits. Based on the recommendations of the 2008 Aid Effectiveness Report, which acknowledged the need to explore opportunities to make the development partnership more robust, it was therefore agreed at the second Cambodia Development Cooperation Forum to identify initiatives that can develop competencies associated with managing and participating in multi-stakeholder processes.

Establishing a basis for more effective partnering in Cambodia

7. Cambodia's experience with managing the complexity of multi-stakeholder processes is by no means unique. It has for long been recognised that, in a wide range of public and private-sector contexts, different backgrounds and perspectives can result in partnerships that fail to deliver on their intended objectives. Relevant factors include differences in national and organisational culture, contrasting interests and motivations, and incompatible accountability relationships.
8. While the establishment of coordination/dialogue mechanisms can therefore be considered to address the formal technical and administrative requirements of a partnership-based system, there is also a need, often overlooked, to make an additional investment in applying, strengthening and adapting existing leadership and managerial competencies in order to use these mechanisms effectively. These competencies, which contribute to ownership and developmental impact, relate to skills in: management, negotiation and communication; understanding and brokering between multiple interests and agendas; promoting innovation and managing risk; establishing and using networks; and, setting shared goals and encouraging joint learning.
9. In conjunction with efforts to further strengthen technical capacities to manage sector work, these additional challenges need to be addressed in Cambodia if partnership-based approaches are to realise their potential and make an effective contribution to reaching the Cambodia Millennium Development Goals. In order to address the symptoms of under-performing partnerships (discussed in paragraph 5), it is necessary to understand their underlying causes. By making use of established global and regional expertise, it is therefore proposed that senior Government and development partner officials embark together on a process that will explore the underlying assumptions that inform current approaches to partnership and consider how a modified set of arrangements may help all parties to work more effectively towards common goals at TWG and GDCC level. These efforts will complement on-going capacity development and aid effectiveness initiatives, including the JMI-related activity on identifying aid management priorities, TWG Network facilitation, and forthcoming training on results-based management concepts related to the JMIs.

10. Strengthening partnerships, making them more authentic and effective, is likely to be a long-term undertaking but an initial process, directed at senior Government and development partner officials (primarily TWG Chairs and development partner facilitators), is proposed beginning in June 2009 and comprising on-going external support and facilitation for a period of approximately one year. This will include a more in-depth analysis of multi-stakeholder partnerships, the development of training resources and the provision of facilitation services and support.

Management arrangements

11. Overall management of the exercise will be provided by CRDB/CDC in its capacity as the national aid management focal point.
 - a) The Partnership and Harmonisation TWG will provide inputs to the development of the initiative and will provide a forum for discussion.
 - b) A detailed Terms of Reference, detailing the approach to be taken, will be developed by CRDB/CDC based on input and comments received on this note.
 - c) CRDB/CDC will take responsibility for identifying and contracting appropriate resource persons.

Notes

1 Documents that relate specifically to strengthening partnerships include: a) National Operational Guidelines (2006); b) the Cambodia Declaration on Enhanced Aid Effectiveness (2006); c) The GDCC and TWGs: A Review; d) Guideline of Role and Functioning of the TWGs (2007); e) Synthesis Analysis of Self-Assessment Surveys - Evaluation of Aid Effectiveness in Cambodia (2008); f) Independent Review of Aid Effectiveness in Cambodia (2008); g) Aid Effectiveness Report (2008). Most documents referred to in this discussion paper can be downloaded from the CRDB/CDC website at <http://www.cdc-crdb.gov.kh/aid-management-documents.html>.

2 These initiatives directed at the strengthening of the TWG-GDCC-CDCF mechanism are discussed in the documents identified above and also in the document 'The Cambodia Development Cooperation Forum: Objectives and Procedures' (2006). Discussion took place in 2008 to strengthen the GDCC mechanism, while a process was also undertaken to review the provision and management of technical cooperation.

3 It is necessary to make a distinction between effective partnering practices and the use of programme-based approaches (or sector-wide approaches). Regardless of the aid modality or framework employed to coordinate the use of resources, the principles of partnership and effectiveness should be applied to all individual Government-development partner relationships and sector working practices. While the NSDP and associated Government policies on aid management advocate for the use of programme-based approaches, the discussion here refers to a wider concept of partnership and not to a particular modality.

4 See, for example, the 'Synthesis Analysis of Self-Assessment Surveys - Evaluation of Aid Effectiveness in Cambodia' (2008) and the 'Independent Review of Aid Effectiveness in Cambodia' (2008), as well as the 2008 Cambodia Aid Effectiveness Report, for discussion of partnership dynamics in Cambodia. Relevant global analysis is included in the 'Evaluation of the Paris Declaration' (2008 report presented to the Accra High-Level Forum), 'Enhancing Results by Applying the Paris Declaration at Sector Level' (Round Table 8 Accra High Level Forum on Aid Effectiveness 2008), and 'Building Blocks or Stumbling Blocks? The Effectiveness of New Approaches to Aid Delivery at the Sector Level' (ODI 2008).