Highlights of the study

Aid Coordination and Alignment: myth or reality?

The case of the ECOWAS regional agriculture policy

The last 25 years have been marked by a combined disinvestment in the agriculture and food sector in ECOWAS1 countries. This is despite the fact that agriculture generates 35% of GDP and 15% of export receipts for ECOWAS countries, and directly employs at least 2/3 of their populations. Between 1995 and 2007 donors only provided on average 4.7% of their Official Development Aid (ODA) for agriculture for all ECOWAS countries.

The escalation in food prices in 2008 and its negative impact on the most vulnerable populations gave fresh impetus to the implementation of ECOWAP, the regional agricultural policy of ECOWAS (Economic Community of West African States). In 2009 and 2010, the ECOWAS member States drafted, in a consultative manner, national (NAIP) and regional (RAIP) agricultural investment programmes, identifying the sector's priorities and the funding required to achieve them.

As unique reference frameworks for interventions in the agricultural sector, those programmes aimed in particular to facilitate alignment amongst technical and financial partners (TFPs) as well as bring about the adoption of a sector-wide approach.

In the same vein, during the G8 Summit in L'Aquila (Italy) in July 2009, these partners announced substantial financial pledges for agriculture and food security, whilst reaffirming their commitment to the principles of aid effectiveness.

Based on a study of the process for defining and implementing ECOWAP and NAIP in Niger, Burkina Faso and Ghana, this research analyses the factors needed to ensure progress on partner coordination and alignment as well as for drafting and rolling out the agricultural investment in the region.

Official aid for agriculture: investments spread thin, reducing effectiveness

- #### The negative effects of the "project approach"

In Niger, Burkina Faso and Ghana, funding for the rural sector still largely depends on contributions from development partners. Coordinating their interventions therefore is crucial to ensure aid effectiveness.

- In Niger, according to the *Rural Development Strategy (RDS) Monitoring Report 2007-2009*,[1i] published in May 2011, TFPs provided over 70% of funding for this strategy.
- In Ghana, despite major efforts to mobilise internal resources, in 2010 TFPs still contributed to the Ministry of Food and Agriculture's budget to the tune of 52%, compared to 63.3% two years previously.

However, despite repeated calls from ECOWAS and some member States to make changes to the way aid is implemented and move towards a sector-wide approach, the agriculture sector remains largely dominated by the project approach.

- In Burkina Faso, all of the 150 million US dollars allocated to agricultural sector support in 2009 were implemented solely by way of project aid.
- In Ghana, in 2008, 52.5% of funding granted by the TFPs was still not managed by the Ministry of Food and Agriculture (MoFA) and a substantial portion of the funds earmarked for the sector was not referenced by the Ministry of Finance and Economic Planning (MoFEP).

This plethora of projects makes the exercise of introducing any sense of consistency problematic and impedes national ownership of the processes for drafting and rolling out policies. Furthermore State officials responsible for these projects dedicate an enormous amount of time to providing support to the technical and financial partners, as well as monitoring these projects, which fall outside of the national framework systems and so further weaken administrations.

Analysis of TFP interventions in the agricultural sectors of Niger, Burkina Faso and Ghana, reveals the following recurrent problems associated with a project approach:

- The funding dedicated to *project management units (PMU)* accounts for between 15 and 60% of total project funding. [2]
- *TFPs do not contribute to capacity building in funding and administrative management or to consolidating national systems.* According to some technical assistants in Burkina Faso, the ministerial civil servants are more familiar with the expenditure procedures of many donors than of the national procedures of their own ministries.

---

[1] www.strategie-developpement-rural-niger.org/public/rapport_suivi_2007_2009_sdr_final.pdf

[2] Oxfam, 2009. Calculations made based on compiling "project files", carried out in mid 2006 by the government of Niger, drawn from information given by technical and financial partners.

- *Undermining and harnessing of local capacities*: Ghana, which received, in 2008, 272 donor missions, imposed a two-month "mission free period". Some management staff, often the best educated or most highly skilled, are in fact directly recruited by the TFPs for their local offices to oversee the coordination of their projects.
- *A short term approach and highly volatile funding*: In Niger, between 2007 and 2009, 31 institutions contributed funding to the Rural Development Strategy (RDS) programmes but only 17 provided financing over three consecutive years. 10 of them only supported programmes for a year. The funding for this increased by 25% between 2007 and 2008, but decreased by 38% from 2008 to 2009. [3]

The poor coordination is manifest in the disparity in the funding received by the different sectors and regions, as it is illustrated by the analysis of the resources allocated to the Rural Development Strategy in Niger, focused on certain themes that are in vogue.

- While the region of Tillaberi has close to 25% of projects, the regions of Maradi and Dosso receive strikingly less assistance, despite the fact that they contain practically the same proportion of poor populations.[4]

Difficulties in promoting the sector-wide approach

If some countries have in fact increased the number of intervention frameworks and action plans to attract external funding, however, the example of Ghana clearly illustrates the fact that the existence of a single intervention framework and a comprehensive dialogue on the government's internal procedures are not enough to bring about a radical change in the partners' approach.

- Drafted in 2002, Ghana's first Food and Agriculture Sector Development Policy (FASDEP) has been broken down into an operational plan. However in 2011, the protocol agreement between the government and partners to effectively roll it out had still not been signed.
- Globally the aid provided in the form of projects has increased between 2008 and 2009, going from 56% to 57.4%, despite improvements to the funding management system.[5]
- In Burkina Faso, the opposite is the case. Some TFPs – especially the Danish and German development agencies – have been pushing for a sector programme since 2006. However, this drive "from the outside" has run up against a lack of ownership by the government.

The ECOWAS regional agricultural policy: a challenge for donors?

Building a common intervention framework: what is at the stake?

The ECOWAP/CAADP process aims, amongst other things, to meet the challenges of aid alignment and break away from the project approach.

- Adopted in January 2005, ECOWAP is one of the first sector-wide policies to see the light of day in the ECOWAS region. Drafted with the involvement of the main stakeholders, in particular producer organisations (PO), it clearly identifies the objectives and strategies for growth in agriculture and food security, so essential for the region.
- Representing the first regional venture drafted as part of the NEPAD Comprehensive African Agriculture Development Programme (CAADP), this policy too aims to facilitate aid alignment by creating operational intervention frameworks that are common to all stakeholders - the national (NAIP) and regional (RAIP) agricultural investment programmes. The partnership pacts signed since 2009 clarify the partners' undertakings, roles and responsibilities.

The essential (re)organisation of TFPs at regional level

As might be imagined, this process requires a (re)organisation on the part of partners and the way they work and collaborate so they can intervene on a regional scale. This also requires introducing funding mechanisms that will respond to the financial needs of the regional agricultural policy. However, the progress made in this area is still hesitant.

- To date, the bilateral donors are little prepared to intervene on a regional scale and so to support the implementation of ECOWAS' agricultural investment programme.
- Bilaterally, the AFD and USAID were as of March 2011 the only donors to provide support for the introduction of the regional food and agriculture agency, even though their funding remains relatively low.

At a multilateral level, the multi-actor fund, created following the 2008 food crisis, only partially responds to the regional agriculture policy funding needs.

---
[3] SDR, 2011. Rapport de Suivi de la SDR 2007-2009 et SDR, 2011. Atlas des projets et programmes.
[4] Respective poverty indicators: 68.9; 79.7and 67.3 according to the food security profile for Niger. CSAO-CILSS 2008.
[5] Country systems initiatives: a concept note for Ghana.www.unpcdc.org/media/137671/ghana%20--%20country%20systems%20initiative%20--%20concept%20note%20-3.pdf

- Thus the Multi-donor Trust Fund (MDTF) created in 2008 to support the CAADP process does not provide funding for investment programmes and the World Bank's Global Food Crisis Response Programme (GFRP), similarly created in 2008, offers no window for regional funding.
- Finally, the Global Agriculture and Food Security Programme (GAFSP), created following pledges by the G8 countries at L'Aquila in July 2009 to dedicate 22 billion US dollars to food security, remains widely under-financed : by April 2011, only 6 countries[6] had given a total amount of 420.8 million US dollars, less than half of the amount initially expected, estimated at 1 billion of the 22 billion promised during the L'Aquila Summit

As for the undertakings to align the ECOWAS agricultural investment programme, the "regional partnership pact to implement ECOWAP/ CAADP" submitted for signature by all the parties involved,[7] commits TFPs to "put in place a coordination and aid management mechanism, within the framework of the ECOWAP/CAADP institutional and funding body", as well as all placing regional support behind the ECOWAP/CAADP directions, aims, programmes and actions.

- However, not all the TFPs have signed up to this document: the "non-traditional" donors, who nevertheless provide important support to agricultural sector funding for the region and continent, but also donors supporting the CAADP at a continental level and which have signed partnership pacts with some of the countries of the region.

At a regional level, a TFP coordination group, under the leadership of the Spanish overseas development agency, was created during the International Conference in Abuja in 2009.

- Even though it has driven a dynamic of dialogue and confidence building, it has been limited to being a space for exchanging information and has failed hitherto to give rise to any real coordination or harmonisation activities.
- During the opening ceremony of the Dakar Business Meeting, held 14th to 17th June 2010, which aimed to define a common approach for funding the investment plans presented by ECOWAS and member States, eleven donors had to speak, sometimes giving contradictory messages towards ECOWAS.

- Inequitable donor contribution to the National Investment Plans

At the national level, elaborating the investment programmes largely reflected existing relationships between stakeholders. In Ghana for example, the process meant that dialogue was strengthened, giving new impetus to working together. In Burkina Faso on the other hand, the drafting phase exacerbated the underlying tensions between the TFPs and some State structures.

- In Burkina Faso the NAIP has exacerbated tensions between partners and some government structures.
- Whilst in Ghana the process has boosted the consultative approach that prevailed amongst the stakeholders.

- Une participation limitée de la société civile aux processus nationaux

Moreover, civil society involvement remains limited despite its importance and the role it was assigned in the CAADP process. Their participation is seen as a means to an end and there is a lack of political willingness to include them, meaning that civil society has not been allowed to be effectively involved, particularly producer organisations. Time pressures and the need to obtain rapid results have often taken precedence over rolling out an inclusive participatory process, a real challenge in terms of methodology, human resources, time and institutional know-how.

- The time dedicated to the consultation process and the lack of a specific methodology and political will were often the prime obstacles to the effective participation of civil society, particularly the producer organisations.
- In Niger, the network of chambers of agriculture (RECA), who signed the charter on behalf of the producer organisations, noted an improvement in the circulation of information from the government since the process was launched. However, it deplored the speed with which they were consulted: "We only received the NAIP dossier 24 hours before the workshop was held", explained a RECA representative.
- In Burkina Faso, the Confederation of Burkina Faso Farmers (CPF), an umbrella structure for farmers' organisations and the Permanent Secretariat of Non-governmental organisation (SPONG), both signatories to the pact, did not receive any information on the next phase of the PNSR for eight months after signing the pact, although it was being drawn up by the different Ministries concerned.

---

[6] Canada (177.1 million dollars),Spain (94.2 million dollars), United States (66 million dollars), Australia (49.3 million dollars), Korea (2.9 million), Ireland (0.6 million). Sources: GAFSP webpage www.gafspfund.org/gafsp/content/funding

[7] ECOWAS Commission, member States, the African Union (AU), Producer Organisations (PO), civil society organisations (CSO), the private sector and technical and financial partners (TFP)

The conditions for successful partner alignment on the regional agriculture policy

The still hesitant results thus far achieved in terms of coordination and alignment can be explained by a series of obstacles and some resistance at different levels (political, institutional, organisational, etc.) which limits getting any coherence between TFP activities and national and regional intervention frameworks, procedures and systems. Country ownership of policies and processes is also a determining factor in driving this desired change. Alignment and ownership are primarily political processes which entail a change in the power play between donors and the government, giving back the power to the latter to define their own policies.

• Transforming dialogue spaces into coordination tools

The TFP sector consultation groups are a key coordination, alignment and harmonisation mechanism for partners. These groups, which differ in their make-up from country to country but have similar aims to exchange information and coordination, also obtain variable results. Some remain merely for protocol, and some even only exist on paper, although others are more active in implementing the agenda for effective aid. But in general these spaces have not shown any notable progress in terms of coordination, harmonisation and division of labour.

- In each of the three countries covered in this study, sector-wide TFP consultation groups, sometimes including government representatives, have been created with similar objectives: to promote dialogue and information exchange between stakeholders and to improve coordination among interventions.
- The rural development consultation framework (CCDR) of Burkina Faso, created under a drive from Germany in 2002 to replace the 45 pre-existing informal working groups in the sector, meets on a monthly basis as a small committee of traditional partners. Although information on the sector does circulate, sometimes preventing project duplication and facilitating the adoption of a common position – such as during the drafting of the NAIP –, there is still no clear progress made on harmonization, coordination or division of labour amongst partners.
- The coordination processes in Ghana seem to be the most advanced of the three countries, through two consultation bodies: the Agricultural Sector Working Group (ASWG) which meets monthly and the MoFA Policy Forum which meets each quarter. One of the factors for success is the active participation of a representative of the Ministry of Food and Agriculture (MoFA), who co-chairs the group with a TFP representative.
- Of the 10 major TFPs for the agricultural sector in Burkina Faso from a financial standpoint 5 are absent from the consultation body: the IDB, China-Taiwan, ADF, the WADB, and IFAD.
- Where stakeholders are investing in them or the government is really taking on leadership, these frameworks can make progress on developing joint tools for reviewing the sector and coordinating projects. But in the majority of cases these frameworks limit themselves to circulating information on their sector, to a greater or lesser degree, sometimes managing to avoid duplications.
- Those spaces remain generally closed to civil society actors: in Ghana the MoFA policy forum, which meets quarterly, is in theory open to civil society actors and producer organisations but there were no active representatives in 2009 and 2010.

• Overcoming political obstacles to alignment

Even though in international forums, the donor countries claim their willingness to be aligned to national strategies, in practice they run up against political obstacles. Each donor has outlined a global framework and strategy for implementing its official development aid (ODA), which can sometimes conflict with the strategies or political visions specific to the country in which they are working.

- The regional investment plan proposes a revision of the regional Common External Tariff to protect regional products, but runs into conflict with the trade measures set out in the Economic Partnership Agreements (EPAs) between the European Union and the countries and regional bodies in West Africa.
- Donor accountability is still largely turned to the "North" even though this principle is recognised as being essential to push forward the alignment process. Development agencies and institutions must answer first and foremost to their home governments who allocate the funding; only secondly (where relevant) to the national authorities, to civil society actors and the population of the countries in which they work.
- The Joint Sector Review (JSR) for agriculture in Ghana reflects the efforts deployed by the government and TFPs to push forward on the implementation of the sector policy. In 2010, the JSR was inaugurated for the first time by the Ministry of Agriculture and several donors took part. Some, such as CIDA, GTZ, USAID and the World Bank, mobilised representatives throughout the process, thus demonstrating their backing for the objectives of the agricultural investment programme in Ghana and the JSR process itself. However, the Joint sector review only assesses the Ministry of Food and Agriculture's initiatives and institutional capacities, both human and technical, to implement the investment programme and budget support initiatives. It does not review the programmes rolled out by the TFPs.

• Lack of coherence between political commitments and reality

- The L'Aquila joint statement on global food security secured renewed commitment from the G8 countries to invest in developing countries' agricultural policies and specifically mentioned the CAADP process as an effective mechanism to ensure that financial resources target the agricultural sector's priorities. However, in July 2011, two years after they committed to allocate 22 billion US dollars over three years (until 2012), only 22% of the initial promises had been paid.

- France, which maintains that it unconditionally supports ECOWAS, as shown in Michel Barnier's speech in June 2008, as French Minister of Agriculture and Fisheries, who wished ECOWAP to be "*a pilot initiative for a regional agricultural and food security development policy*", has allocated low funding to ECOWAS and French state aid for agriculture and food security reached in 2009 its lowest level since 2007.

  - Overcoming institutional and organisational resistance

Furthermore, some partners, despite their declared support for the aid effectiveness agenda have not undertaken the necessary reforms for institutionalising coordination and alignment.

- It is striking to note that TFPs within the same country can make major efforts on programmatic alignment on certain aspects of development aid, while other initiatives are developed without reference to the investment programmes. This is the case for example with US aid to Ghana, where the USAID agriculture development initiative, *Feed the Future* and the *Food for Peace* food aid programmes coexist alongside the Millennium Challenge Corporation all with some contradictory intervention approaches.
- Some TFPs deploy efforts toward coordination and alignment in some countries but block or withdraw from the coordination process in others or at a regional level.
- Some TFPs are, moreover, confronted by the problem of coordination and internal consistency, especially between the various programming approaches (emergency versus development) which affects the effectiveness of aid and agricultural development. This is true for FAO in Niger, which has seen both its human and financial resources increase, essential for dealing with emergencies, without unfortunately seeing a similar trend in funding for agricultural development which remains plainly inadequate. This of course causes inconsistencies between "emergency" and "development" projects supported by the same organisation. Part of the efforts of the FAO which put in place a project to improve input supplies over four years in Niger, are undermined by the emergency intervention, giving at the same time, free inputs to vulnerable target populations.
- Finally, "decentralised" TFP decision-making is a key aspect to ensure better coordinated interventions and procedural alignment in the recipient countries. Delegation of accrued powers to the TFP field offices would boost the capacity for adaptation, efficiency and effectiveness both of the international development agency and beneficiary government as well as coordination with other TFPs.
- There is a lack of influential frameworks: little training on the Paris Declaration; no time allocated to coordination; and a lack of clear objectives for technical staff. In addition TFP procedures are often both complex and rigid, throwing up obstacles to using national systems, as representatives of USAID, AFD and the World Bank have stated.
- Moreover, the TFPs have their own criteria for monitoring and evaluation and assessing the quality of their results, often a far cry from those of the local authorities. The visibility project-based interventions offers donors, allowing them to establish an "unambiguous" relationship between aid and results, explain sometimes their preference for this kind of intervention.
- In contrast, some donors such as the Danish International Development Agency (DANIDA) have shown that it is possible to align, even in fragile contexts, by introducing support and capacity building strategies for stakeholders and national or local systems.

ECOWAP is an ambitious response to the issue of food insecurity in sub-Saharan Africa and faces major challenges to its implementation. It is therefore imperative that the TFPs honour their international commitments on coordination and alignment by adopting a sector-wide approach so as to support States in their policy-making.