

## Helpdesk Research Report: Experience of Compacts

Date: 01.09.09

**Query:** Please identify literature on good or bad practice on 'compacts'. Please aim to highlight any information or experiences of compacts at both the political and budgetary level and the merits of any benchmarks of compacts that may have been used or attempted. Any assessments or experience of compacts, successful or otherwise, in fragile or post-conflict environments would be particularly beneficial. Without limiting the scope of the work, one example that should be looked at is the International Compact with Iraq.

**Enquirers:** AusAID

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### 1. Overview

International Compacts are mutual agreements between the international community and national governments that set out a framework of shared responsibilities, commitments and benchmarks against which both donors and government can be held to account. They aim to articulate a national vision and set of priorities, to facilitate national dialogue, and to marshal, align, and sustain donor resources. In principle, they can be understood as 'the alignment of internal and external stakeholders to the goal of a sovereign state through the joint formulation, calibration of, and adherence to the rules of the game' (Ghani and Lockhart, 2008 p.174 below). Compacts have been advocated on the basis they support the principles of mutual accountability and harmonization in aid, and can 'facilitate shared priorities and responsibility for execution between national and international institutions' (OECD Principles for Good International Engagement in Fragile States, 2008 p.3).

The term 'compact' has recently gained in prominence through the high-profile compacts developed in Iraq and Afghanistan. They have also been employed in Congo and Timor Leste. Some argue the strategic peace building agreements in Burundi and Sierra Leone also constitute compacts, even though they do not use the same explicit terminology. Common to all these compacts/frameworks is an emphasis on consultation and participation, nationally-led monitoring, building on national planning frameworks, and using concrete, measurable, and time-bound indicators for the consolidation of peace and the pursuit of political, economic, and social development. In some cases there is a 'double compact', or joint compact, between international donors and government, and between government and citizens. International compacts are often linked to benchmarks in national development compacts.

Compacts are an emerging issue, and very little research is available on the impact of these mechanisms on aid effectiveness or development outcomes. Much of the publicly available information about compacts focuses on the aims, principles and basic functions of compact

arrangements, rather than analysing the challenges or experience of their implementation. Whilst a handful of evaluations are available, these largely focus on measuring national performance against development benchmarks rather than the effectiveness of the compact mechanism *per se*. Very little cross-country analysis has been done, and many of the lessons that have been drawn out are context-specific. As a result, there does not as yet appear to be any agreed 'good' or 'bad' practice on compacts.

Nevertheless, the following issues, challenges and lessons are common across the limited available literature:

- **Benchmarks:** Whilst there is a common concern about not having overly ambitious timelines or benchmarks, based on criticism of the unrealistic benchmarks used in Afghanistan and Iraq, there is little information or guidance available on what constitutes good benchmarks other than the need for them to be streamlined and harmonized. There is a related question about whether compacts should be broad-based or narrow. In Afghanistan, the compact was seen by some to be too broad to provide enough practical guidance.
- **Monitoring:** Country-led monitoring is seen to facilitate national leadership. But monitoring progress on the wide range of indicators used in Iraq proved to be difficult to implement given all the competing challenges faced by government. Experience with the Joint Coordination and Monitoring Board (JCMB) in Afghanistan suggests that committees must be a manageable size.
- **Capacity:** Building national capacity is often a core aim of compacts. The most significant challenge facing the implementation of the International Compact with Iraq (ICI) has been capacity constraints in planning, design, monitoring and implementation. The Afghanistan Compact seeks to promote national capacities to enable an increasing proportion of foreign aid to be channeled directly through the government's budget.
- **Consultation and engagement:** Consultation with a wide range of stakeholders, including NGO's, civil society and private interests, is seen as essential in formulating compacts. Some advocate an initial stocktaking and mapping of interest groups. A highly consultative process is seen to help establish "buy-in" and legitimacy.
- **Alignment behind existing strategies:** Compacts must be linked with existing instruments to ensure complementarity and the pooling of scarce technical and financial resources. They must integrate seamlessly with government policy planning and coordination functions.
- **National buy-in:** Political will and leadership support is seen as key to success. One expert commented that compacts are inherently 'one-sided'. Getting buy-in at the national level is acknowledged to be very difficult.
- **Mutual accountability.** Some commentators see little will for mutual accountability within the donor community. It has been argued that parties to the Afghan Compact do not use the compact sufficiently to justify decisions, actions and results, and no sanctions are applied (see Denissen below).
- **Budget:** For the agreement to work, the budget must be the mechanism that underpins all policymaking.

## 2. Compacts in principle

**Ghani, A., and Lockhart, C., 2008, 'International Compacts: Sovereignty Strategies', Chapter 8 in *Fixing Failed States: A Framework for Rebuilding a Fractured World*, Oxford University Press, Oxford**  
[See <http://www.effectivestates.org/>]

This chapter from the book *Fixing Failed States* argues that in supporting fragile and post-conflict states, the international community should develop long-term 'compacts' or 'sovereignty strategies', defined as 'the alignment of internal and external stakeholders to the goal of a sovereign state through the joint formulation, calibration of, and adherence to the rules of the game' (p. 174). Compacts harness collective energies around an integrated model of assistance and provide a common language and framework for different stakeholder groups who are often otherwise pursuing fragmented agenda's at cross-purposes. They constitute a form of co-production, or conditional management, through which 'a country and its international partners agree to manage a particular function through shared responsibilities or explicit conditionalities, for which each party has agreed rights and responsibilities' (p. 171).

Designing compacts requires the involvement of a range of international actors, and the dedication and skill of leaders in the countries concerned. An initial stocktaking and mapping of interest groups to identify forces resistant to the creation of a sustainable state is essential, but such consensus building is difficult in practice.

'Double compacts' are compacts between citizens and their governments, and between a government and the international community. This form of compact was adopted in Afghanistan following the Bonn Agreement, and was endorsed in 2006. The Afghan Compact has suffered difficulties and lost some of its momentum; some have argued that on reflection there should have been increased emphasis given to national programs. Experience of the Afghan compact also suggests that:

- Implementation requires clear decisions on sequencing and the interrelationship between tasks involved.
- 'Reporting must be a learning activity that allows for innovation and experimentation with new paths; the strategy cannot be fully worked out from the beginning. The process of reporting enhances government leaders' credibility with both citizens and their international partners and thereby allows the officials to take more adventurous steps as time goes on.' (p. 294).
- For the agreement to work, the budget must be the mechanism that underpins all policymaking.

**See also:** Ghani A., Lockhart C., and Carnahan, M., 2005, 'Closing the Sovereignty Gap: An Approach to State Building', Overseas Development Institute (ODI), London  
<http://www.odi.org.uk/resources/download/1819.pdf>

## 3. Lessons in implementation

**UN Peacebuilding Commission Working Group on Lessons Learned, 2007, 'Lessons Learned from Peacebuilding Strategic Frameworks Since the Late 1990s', UN**  
[http://www.un.org/peace/peacebuilding/Working%20Group%20on%20Lessons%20Learned/Strategic%20Frameworks%20Meeting%20\(19.09.2007\)/WGLL-PBSF%20Briefing%20Paper-14Sep07.pdf](http://www.un.org/peace/peacebuilding/Working%20Group%20on%20Lessons%20Learned/Strategic%20Frameworks%20Meeting%20(19.09.2007)/WGLL-PBSF%20Briefing%20Paper-14Sep07.pdf)

This report presents best practices in the formulation and implementation of peacebuilding strategic frameworks, based on experience from the Democratic Republic of the Congo (Country Assistance Framework), Kosovo (Standards Implementation Plan), Liberia (An Agenda for Peacebuilding), and Afghanistan and Iraq (Compacts). Whilst peacebuilding strategic frameworks vary in form, they can be broadly defined as 'mutually accountable and timebound agreements between a government and international partners for directing scarce foreign and public technical, financial, and political resources toward building national capacities to address the root causes of violent conflict' (p.3). They aim to facilitate political

dialogue, monitor progress and setbacks, and marshal, align, and sustain donor resources. Common to all frameworks is an emphasis on consultation/participation; cross-cutting commitments; concrete, measurable, and time-bound indicators; nationally-led monitoring; and building on existing frameworks.

Building capacities for national leadership remains essential to successful outcomes, and multilateral and bilateral partners should hold themselves to the same high standards in their provision of assistance (in accordance with the Paris Declaration) that they expect from national counterparts. The other key lessons emerging from the case study review are:

- **A highly consultative process helps establish “buy-in” and legitimacy, especially when expanded beyond the national capital:** Participatory consultations (e.g. sector working groups) are fundamental for political and financial support to compacts. Non-state actors, such as the media, private sector, and community based organizations, are valuable partners. The consultative process around the development of the Afghanistan Compact involved an unprecedented level of outreach to citizens - specifically for the formulation of the Afghanistan National Development Strategy.
- **Holistic approaches to peacebuilding are necessary to ensure that sectoral strategies reinforce rather than undermine each other:** What makes peacebuilding strategic frameworks unique is their ability to bridge security and governance (including justice and human rights) issues with socioeconomic development concerns. The Consultative Groups formed through the International Compact with Iraq, for example, bring together sectoral specialists with limited knowledge of other sectors to find positive synergies among efforts to achieve security and stability, foster political cohesion, and to implement the National Development Strategy.
- **Assessing progress and setbacks requires all commitments to be accompanied by concrete, measurable, and time-bound indicators:** Frameworks employ different benchmarks and indicators to measure progress according to the nature of the intervention and context. They should measure progress towards peace through qualitative and quantitative indicators. Short-term, time-bound interventions lend themselves to concrete and time-bound commitments. On the other hand, because of the fluidity of the political situation on the ground, the International Compact with Iraq is better suited to measure performance indicators (whether concrete commitments are followed through), rather than peacebuilding outcomes.
- **Country-led monitoring can facilitate national leadership, strategic coordination, and capacity building:** To lay the groundwork for a successful transition and downsizing (and eventual exit) of the international community, strategic frameworks must reinforce national leadership at the country level and develop national public sector capacities in monitoring.
- **Linking strategic frameworks to existing instruments helps ensure complementarity of effort and a pooling of scarce technical and financial resources:** Overlapping mandates and implementation mechanisms should be avoided. Frameworks should be merged where possible (especially in the politically and technically challenging areas of data collection and monitoring) to ensure the most efficient utilization of resources. For example, the Afghanistan National Development Strategy Secretariat is fully integrated with the monitoring mechanism for the Afghanistan Compact. It thereby ensures a streamlined use of national and international resources toward the formulation, implementation, and monitoring of the country’s chief planning instruments.
- **Compacts should emphasize the principles of aid effectiveness: For example;**
  - The International Compact with Iraq calls on the national legislature to strengthen its oversight role and for the government to improve the monitoring and coordination of foreign aid, even when it is channeled outside of government.
  - The Democratic Republic of the Congo’s Country Assistance Framework aims to increase transparency and harmonize official

- development assistance, thereby reducing transaction costs on the government.
  - The Afghanistan Compact seeks to promote national capacities to enable an increasing proportion of foreign aid to be channeled directly through the government's budget.
- **To avoid a risk of proliferation of tools and instruments that can add unnecessary complexity and additional burdens on national authorities** and local actors, peacebuilding strategic frameworks should be more explicitly and organically linked to the Consolidated Appeals Process, Common Country Assessments, PRSPs, Post-conflict Needs Assessments and Transitional Results Matrix.

Annex 1 describes the basic characteristics of the compacts in Iraq and Afghanistan:

**'International Compact with Iraq (ICI):** seeks to achieve a National Vision for Iraq to facilitate, for the period 2007-2012, the consolidation of peace and the pursuit of political, economic, and social development. Domestically, the ICI aims to build a national Compact around the government's political and economic program and to restore the Iraqi people's trust in the state and its ability to protect them and meet their basic needs. The ICI is premised on the belief that peacebuilding and economic prosperity maintain a symbiotic relationship. It builds on and aims to enhance existing national planning and aid coordination mechanisms, such as the National Development Strategy for Iraq, Sectoral Working Groups, and Cluster Teams. In direct support of Iraqi Government-led reform efforts, the Compact establishes a schedule for the proposed actions of international partners, including tangible financial commitments.

**Afghanistan Compact:** Developed through consultations with assistance from the United Nations, the Afghanistan Compact has established an innovative, high-level coordination and monitoring mechanism (the Joint Coordination and Monitoring Board), as well as associated sectoral working groups, to hold the government and international community mutually accountable for their commitments. The Afghanistan Compact's legitimacy stems, in part, from its endorsement by the UN Security Council, first in Resolution 1659 and, subsequently, in Resolutions 1162 and 1746 (following updates on Afghanistan Compact implementation). The "three pillar structure" and priority areas of the Afghanistan Compact are further elaborated (including through sub-national consultations and a costing exercise) in the development of the Afghanistan National Development Strategy.'

*Full reports on the Afghan and Iraq compacts are cited as available on request from the PBSO. No response was received to requests for these reports.*

**UN Peacebuilding Commission Working Group on Lessons Learned, 2007, 'Summary Note of Meeting on Peacebuilding Strategic Frameworks, Indicators, and Monitoring Mechanisms', 19 September 2007**

[http://www.un.org/peace/peacebuilding/Working%20Group%20on%20Lessons%20Learned/Strategic%20Frameworks%20Meeting%20\(19.09.2007\)/WGLL%2019.09.2007%20-%20Chair's%20Summary.pdf](http://www.un.org/peace/peacebuilding/Working%20Group%20on%20Lessons%20Learned/Strategic%20Frameworks%20Meeting%20(19.09.2007)/WGLL%2019.09.2007%20-%20Chair's%20Summary.pdf)

This brief report from a meeting held in 2007 to discuss lessons learned on strategic frameworks cites three issues as important in determining the success of these mechanisms: 1) level and types of engagement of the government, civil society, the UN system, and the donor community in preparing the framework; 2) extent they build on and helped to reinforce existing strategies by focusing on critical factors that could impede the transition to sustainable peace; 3) how their monitoring mechanisms helped to facilitate national leadership, strategic coordination, and a commitment to building long-term national capacity. In relation to this:

- Momentum behind the Afghanistan Compact was generated through its design as a nationally driven monitoring and coordination mechanism. The progress of the Afghanistan Joint Coordination and Monitoring Board (JCMB) to date stems from: i)

its emphasis on concrete, measurable, and time-bound indicators; ii) its close linkages with existing frameworks, including the interim Afghanistan National Development Strategy; and iii) its embrace of the 2005 Paris Declaration on Aid Effectiveness. 'A key characteristic of the JCMB is its leadership role in building and

- sustaining a national and international consensus around fundamental policy issues that threaten peace and stability, as well as wider recovery efforts in Afghanistan' (p.1). The Afghan experience also suggests a need for sector-specific working groups and a well-staffed secretariat.
- In Liberia, a Peacebuilding Working Group, attached to the PRS process and made up of government, civil society, the UN and other donors, is working to drive this process, while also developing an integrated peacebuilding programme proposal. Among the key lessons from Liberia include: 1) Such processes are more likely than not, if developed on the ground and in light of on the ground realities, to be multidimensional and somewhat 'messy'—the challenge is to harness different processes, build a dialogue between them, and work in a participatory manner yet with effective leadership; and 2) Infusing peacebuilding within existing frameworks requires attention to questions of whether they offer sufficient entry points and flexibility for new ideas.
- Peacebuilding strategic frameworks should help to sustain a political process rather than be viewed as simply another document. Public hearings and other forms of dialogue should be encouraged to sustain engagement.

**CARE International, CAFOD and Action Aid, 2007, 'Consolidating the Peace? Views from Sierra Leone and Burundi on the United Nations Peacebuilding Commission', CARE International, CAFOD and Action Aid**

[http://www.peacewomen.org/un/women\\_reform/PBC/NGO/ConsolidatingthePeace.pdf](http://www.peacewomen.org/un/women_reform/PBC/NGO/ConsolidatingthePeace.pdf)

This report analyses the experience of the Peacebuilding Commission in Sierra Leone and Burundi. It discusses the issues that arose around the sequencing of the Peacebuilding Fund (PBF) and the Compact in Sierra Leone. It argues the allocation of the PBF prior to negotiation of the political commitment embodied in the Compact was a mistake. Deliberation about the PBF detracted from the arguably more important political dialogue aimed at building commitment and consensus on tackling the challenges to peacebuilding through the Compact. The report also concludes there is a need for a clearly articulated strategy to allow civil society to play a role in monitoring the PBC's work and the government's political commitment to the Compact.

**CARE International, 2009, 'Aid Reform: Addressing Conflict and Situations of Fragility', Policy Briefing Paper, CARE International, London**

<http://www.gsdr.org/go/display&type=Document&id=3370>

This briefing paper advocates for the increased use of compacts to improve mutual accountability between government and donors in post-conflict situations. Compacts are potentially useful in articulating political and funding priorities for peace consolidation; providing a framework of benchmarks against which both donors and government can be held to account. 'Unsurprisingly, the main challenge has resided in ensuring effective follow-up in terms of monitoring and accountability. Concrete, measurable and time-bound indicators are critical for sequencing priorities and assessing progress and set-backs towards agreed commitments' (p.10).

#### 4. Case studies

##### **International Compact with Iraq (ICI)**

See official website at: <http://www.iraqcompact.org/en/default.asp>

##### **ICI Secretariat, 2006, 'The International Compact with Iraq: A Shared Vision, A Mutual Commitment'**

[http://www.iraqcompact.org/ici\\_document/INTERNATIONAL\\_COMPACT\\_WITH IRAQ FINAL\\_English\\_final\\_2\\_.pdf](http://www.iraqcompact.org/ici_document/INTERNATIONAL_COMPACT_WITH IRAQ FINAL_English_final_2_.pdf)

This document describes the International Compact with Iraq (ICI) as an initiative of the Government of Iraq, in partnership with the United Nations, and supported by the World Bank, which establishes a robust framework for identifying and measuring Iraq's needs to enable the best application of international support to priority areas in an effective and transparent way. The vision of the Iraq Compact is to 'create a mutually reinforcing dynamic of national consensus and international support. Domestically the aim is to build a national Compact around the government's political and economic program and to restore the Iraqi people's trust in the state and its ability to protect them and meet their basic needs. Internationally, the Compact establishes a framework of mutual commitments that will support Iraq and strengthen its resolve to address critical reforms and policies' (p.3).

The organisational structure allows for periodic joint assessment of both the government of Iraq's and the international community's performance against Compact benchmarks and Compact commitments. 'In a spirit of partnership, progress will be monitored jointly by the Working Groups and at a higher level by the Baghdad Coordinating Group and Iraq Consultative Group' (p.29).

The Joint Monitoring Matrix (see below) will assist in the elaboration, implementation and monitoring of Compact commitments so that:

- a. specific actions can be elaborated, agreed, reviewed and updated in order to move toward the achievement of Compact commitments;
- b. international and Iraqi resources within the specific commitments and action plans can be aligned; and
- c. progress in fulfillment of Government of Iraq commitments can be tracked.

See also: **ICI Joint Monitoring Matrix:**

[http://www.iraqcompact.org/ici\\_document/AnnexIV\\_JMM\\_English2008.pdf](http://www.iraqcompact.org/ici_document/AnnexIV_JMM_English2008.pdf)

##### **ICI Steering Committee, 2007, 'The International Compact with Iraq - 2007 Mid-Year Progress Report', UN**

[http://www.un.org/News/dh/infocus/iraq/mid\\_year\\_progress\\_rpt.pdf](http://www.un.org/News/dh/infocus/iraq/mid_year_progress_rpt.pdf)

This report details the progress of the International Compact with Iraq (ICI) up to 2007.

Part 4 (p.41) considers the compact's implementation framework. The first goal for the implementation of the Compact is to translate the mutual commitments outlined in the Compact documents into detailed action plans including tangible, economically justified, properly costed, policies, programmes and projects which can be implemented by the Government of Iraq with support from the international community. But the most significant challenge facing the implementation of the Compact has been capacity constraints in both the 'soft' areas of policy planning, programme design, monitoring and evaluation as well as in the 'hard' areas of policy implementation and project execution. 'Attempts by development partners over the past four years to by-pass these constraints produced a donor led reconstruction model. Without a central role for the Iraqi Government, donor led development activities could not adequately reflect Iraqi needs and priorities and faced coordination problems' (p.47).

The compact is administered by a Steering Committee, a Secretariat and Thematic Working Groups. It adopts a three level-approach:

1. **At the administrative technical level**, the Secretariat's role is to drive the flow of information among the various actors, carry out monitoring of ongoing projects and mutual commitments; and organise meetings and produce reports; and other supporting documentation. It is in charge of the Joint Monitoring Matrix (JMM) and monitoring fulfillment of Development Partner commitments including debt restructuring.
2. **At the strategic, national level** the Compact Secretariat supports the consultative and iterative process, which is based on the National Development Strategy (NDS), by facilitating the development of policy programmes and the formulation of concrete detailed programmes and projects. The Secretariat comments on projects from a macro perspective (economic, political and social) assuring consistency with the NDS and the Medium Term Fiscal Framework (MTFF).
3. **The Thematic Working Groups (TWG)** form the basic building blocks of the Compact implementation process enabling ministries, sub-national governments and other agencies to carry out policy planning, programme design and monitoring and evaluation at the sector level. 'TWGs will provide a hitherto missing intermediate stage in Iraqi policy planning between the strategic level embodied in the National Development Strategy and the execution level at the line ministries, regions and governorates' (p.43).

Detailed information about the compact's benchmarks - including achievements, obstacles and corrective actions - and are provided in the annexes, pp. 51-134.

**ICI Steering Committee, 2008, 'International Compact with Iraq: A New Beginning: Annual Review', International Compact with Iraq**

<http://www.iraqcompact.org/annualreview/ICI%20Annual%20Review%202007-8.pdf>

This 2008 annual report on progress on the ICI notes that 'monitoring progress on the wide range of benchmarks established in the Compact has been challenging and some of the arrangements planned for this task proved to be difficult to implement with all the competing challenges which the Government faces' (p.13).

The report proposes the establishment of co-financing arrangements between the Government of Iraq and the international community (see p.62). The co-financing mechanism can provide required technical support to the sectoral ministries in capacity-building, preparation of economic and financial feasibility studies and other related areas. The mechanisms could finance projects of the Iraqi National Investment Programme and other programmes that are consistent with the International Compact (full co-financing guidelines are on p.69).

The review notes that policy coordination and review functions are still under development. The Policy Planning Unit (PPU) and the Compact-specific TWGs are not yet fully operational.

The review recommends the ICI implementation and management mechanisms should integrate seamlessly with emerging GoI policy planning and coordination functions. In order to achieve this, a performance based review of ICI management functions will be carried out. Some of the issues the review might consider are:

- **'Mapping'**: the Compact Secretariat should carry out a comprehensive mapping of all GoI policy coordination and planning initiatives to maintain an overview of existing policy initiatives.
- **Single database**: the Capital Budgeting Resource Tracking database (CBRT) should provide a single point for registering all public investment activities, regardless of financing.



- **Single follow-up mechanism:** ICI follow-up should be integrated with the Government-wide follow-up framework developed by the CoMSec. This will provide the Compact, including development partners, with a full overview of GoI progress towards fulfilment of benchmarks and decisions. This can be achieved by harmonising and synchronising data gathering and processing' (p.65).

Main areas of intervention at the management level could include (i) the revision of mandates that the Thematic Working Groups (TWGs), the Compact Secretariat and, more importantly, its Programme and Policy Unit were given for the implementation of the ICI; (ii) the redefinition of membership criteria at all levels of the ICI management structure and (iii) the reorientation of the functional relations of the Compact Secretariat with other agencies.

### **Afghanistan Compact**

**International Crisis Group, 2007, 'Afghanistan's Endangered Compact', Asia Briefing N°59, 29 January 2007**

<http://www.crisisgroup.org/home/index.cfm?l=1&id=4631>

This briefing discusses progress on implementing the Afghanistan Compact one year on from its inception. It argues that overall, Afghans and International actors need to demonstrate greater political will. The Compact has been undercut by the insurgency in the South and East, diverting time and resources. But even without the insurgency, many of the compact's timelines and benchmarks were overly ambitious, with little prioritisation and sequencing. Benchmarks have been approached too much as a bureaucratic matter of ticking off a formal checklist rather than a serious commitment at a high political level.

Key characteristics of the compact drawn out in the report are:

- The Compact and the Afghan National Development Strategy (I-ANDS) are aligned across the same three "pillars", and the benchmarks contained in the Compact's annexes are reflected in I-ANDS. These pillars are 1) security; 2) governance, rule of law and human rights; and 3) social and economic development.
- The Compact's overseer, the Joint Coordination and Monitoring Board (JCMB) - consisting of Afghan ministers and major international players - meets quarterly but between sessions there is little international engagement in the process.
- The Compact was carefully framed to avoid the need for ratification by the National Assembly and, because of this, an opportunity to help build national consensus on the country's future was missed and there was little subsequent buy-in from the legislature. But the National Assembly's cooperation is essential if legislative requirements under the Compact are to be met (p.5).
- 'Clearly the work of many hands', the compact's benchmarks encompass unrealistic expectations, for example, that by end of 2007 illegal armed groups would be disbanded. An opportunity was missed for simpler, more substantive benchmarks with clearly expressed conditionality. The first year of the Compact was largely consumed in setting up structures and processes. Indeed, because of the time taken to form it, one of the JCMB's first moves was to push back all timelines by three months (p.5).
- The JCMB, co-chaired by a presidential appointee and the Special Representative of the UN Secretary-General (SRSG), has become unwieldy (21 countries and institutions were at the first meeting). 'Because of this, much of the real policy is shaped in informal consultations, including a "Tea Club" of "billionaire" donor countries, whose ambassadors meet regularly with the SRSG [...] A more formal system in which the major donors meet perhaps monthly with the government members between the quarterly JCMB plenaries and minutes are distributed to all could help drive momentum. But the arrangement is symptomatic of a wider failure of Kabul's diplomatic and donor community to engage fully in the fledgling process so as to coordinate and monitor Compact commitments, more effectively use lower level

consultative groups and working groups which address the different sectors in the Compact and ANDS, and robustly consider issues with Afghan counterparts' (p. 7).

The report concludes with 3 steps to reenergize the Compact:

1. 'slimming down leadership of the JCMB to the major players and government ministers and having them meet monthly, between quarterly plenaries, to review progress and distribute minutes to all stakeholders;
2. prioritizing establishment of an independent and functional JCMB secretariat; and
3. creating a legislative liaison within the JCMB secretariat so as to draw the National Assembly into the process and prevent legislative bottlenecks' (p.14).

**Denissen, M., 2009, 'Mutual Accountability in Afghanistan: Promoting Partnerships in Development Aid?', Afghanistan Research and Evaluation Unit (AREU), Kabul**

<http://www.areu.org.af/>

This paper considers how mutual accountability in development aid is understood and how it works in practice in Afghanistan. It argues that in Afghanistan, mutual accountability tends to be talked about rather than practiced. The goals of the Paris Declaration on Aid Effectiveness and the Afghanistan Compact are ambitious, but there seems to be a lack of political will within the international community and the Afghan Government to strive for mutual accountability. Parties do not use the Compact sufficiently to justify decisions, actions and results, and no sanctions are applied. The deteriorated security situation and the perception that corruption has increased have negatively affected the government's and the international community's legitimacy. Some commitments made in the Compact were unrealistic. The report concludes the Afghanistan Compact's benchmarks should be revised so that they are realistic and relevant to the situation in Afghanistan now.

**Peacebuilding Commission Working Group on Lessons Learned, 2007, 'Afghanistan Compact: Successes, Challenges, and Lessons'**

[http://www.un.org/peace/peacebuilding/Working%20Group%20on%20Lessons%20Learned/Afghanistan%20Compact%20meeting%20\(17.04.2007\)/17.04.2007%20Summary%20Note%20of%20the%20Chair.pdf](http://www.un.org/peace/peacebuilding/Working%20Group%20on%20Lessons%20Learned/Afghanistan%20Compact%20meeting%20(17.04.2007)/17.04.2007%20Summary%20Note%20of%20the%20Chair.pdf)

This brief report from a meeting held in 2007 to discuss lessons learned on the Afghanistan Compact echoes the reports by the PBWG above, noting that national ownership, a consultative process to ensure buy-in and inputs from stakeholders, an effective monitoring mechanism, effective prioritization and sequencing of challenges and gaps to be addressed, and a limited number of measurable qualitative and quantitative benchmarks are crucial in the process of developing such compacts. It also stresses the importance of context, the need to harmonize and limit the number of benchmarks, ensure a manageable number of partners on the joint monitoring committee, support the national government's coordination and leadership role, raise awareness about the Compact among the population and strengthen accountability mechanisms for the implementation of identified commitments.

**JCMB, 2008, 'Implementation of the Afghanistan Compact Joint Coordination and Monitoring Board,' Report to the JCMB VII, 7th JCMB Meeting, 5-6 February 2008**

[http://www.diplomatie.gouv.fr/en/IMG/pdf/JCMB\\_5-6\\_fevrier\\_2008\\_-\\_Eng.pdf](http://www.diplomatie.gouv.fr/en/IMG/pdf/JCMB_5-6_fevrier_2008_-_Eng.pdf)

This briefing paper prepared for the Joint Coordination and Monitoring Board (JCMB) notes that the following key challenges remain in the implementation of the Compact:

- 'A significant proportion of external resources provided to Afghanistan are still routed directly to projects by donors, rather than to the Government's budget although the trend towards alignment of external and core budgets is becoming more apparent. This undermines the ability of the Afghan government to commit funds to development priorities and to increase the funding of provincial based programs. Provision of on-time and comprehensive information on development assistance to Afghanistan remains a major challenge.

- The lack of multiyear commitments by development partners has made it difficult for the Government to plan for the medium to long-term and allocate resources to national priorities. A significant proportion of aid provided to Afghanistan is still tied allowing the Government little flexibility. Not only should more money be channeled through government but as ANDS is completed and implementation gets underway, pledges are required as there are significant funding gaps. Therefore, the response from donors to appeals for ANDS funding must improve in order to ensure full and timely implementation.
- The existing principles established under the Compact and Paris Declaration are too broad to provide practical guidance. The Government is therefore drafting an Aid Policy, including an Action Plan, to set out Afghanistan's vision for improved aid coordination, management, mobilization, and effectiveness. This Aid Policy will set out clear guidelines, for both the Government and its development partners, as to how external assistance should be mobilized in support of the ANDS strategies and priorities, as well as preferences in terms of aid modalities and clarification of roles within the Government' (p.14).

### **National Priorities Program (NPP)/International Compact in Timor Leste**

See official web page at: <http://unmit.unmissions.org/Default.aspx?tabid=436>

#### **UNMIT, 2009, 'National Priorities (NP) Program 2009/ International Compact'**

This note concludes that through the ongoing National Priorities Program, Timor-Leste is progressing towards a comprehensive aid management system. It notes the following progress was made on the National Program in the year 2009:

- 'In 2009, Gender aspects were systematically incorporated in key program areas...In addition, Civil Society Groups were for the first time represented throughout all seven National Priorities Working Groups, namely: i) Agriculture and Food Security ii) Rural Development; iii) Human Resources Development; iv) Social Protection and Services, including Health; v) Security and Public Safety; vi) Clean and Effective Government, and vii) Access to Justice. In May 2009, the Government synchronized the National Priorities process with the regular Budget cycle. In tandem with strong Government initiatives on aid effectiveness and the OECD DAC Principles, greater alignment of donor funds was secured with a new set of priorities for 2010. National Priorities performance levels in 2009 remained high and over 90% of established targets were achieved or on track for completion by mid-year' (pp. 1-3).

#### **UNMIT, 2008, Timor-Leste National Priorities 2009 Independent Peer Review Mission**

This review of the Government of Timor-Leste's 2008 National Priorities/International Compact finds that:

- National Priorities provide an effective framework for generating coordinated action and results, but the process must be given time to mature.
- The most important challenge is the matrix of benchmarks. For some NPs the targets are well-crafted and accurately reflect ministry priorities. For others there is no consensus as to what targets mean, wording is unclear, targets do not reflect real priorities, and designations of responsible entities is inaccurate. As it currently stands, questions surrounding the matrix are an impediment in some areas.
- Members have welcomed the working groups as an opportunity for regular, face to face discussions. One chair described the working groups as bringing discipline, focus, and organization. Most working groups will be further strengthened by clarification of the role of the working group and responsibilities of members.

- Full participation by key ministries is essential to making the working groups effective. Non-participation by some ministries has diluted the relevance and impact of key parts of the NP framework.
- The role of the Secretariat has been essential to the functioning of the working groups.

*See also:*

- **2009 National Priorities Program: Quarter 2 Progress Report, National Priorities Secretariat**
- **Timor Compact Extended Matrix**

<b>Additional information</b>
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**Websites visited**

International compact with Iraq, GSDRC, Eldis, Centre for Global Development, Journal of Intervention and Statebuilding, International Peace Institute, Peacekeeping Resource Hub, UNDP Aid Effectiveness Portal (Conflict and Fragility section), Reliefweb, DFID, CIDA, World Bank, UN Peace Building Commission, Informaworld, GFN-SSR, Afghanistan Research and Evaluation Unit (AREU), International Crisis Group, Centre on International Cooperation, Institute for State Effectiveness, Google, Google Scholar, DFID, Clingendael Conflict Research Institute

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