

Division of labour among European donors: Allotting the pie or committing to effectiveness?

FRIDE Development Backgrounders

Development Backgrounders provide factual information relevant to topical international challenges related to development, and analyse policy implications for the international community.

About FRIDE

FRIDE is an independent think-tank based in Madrid, focused on issues related to democracy and human rights; peace and security; and humanitarian action and development. FRIDE attempts to influence policy-making and inform public opinion, through its research in these areas.

'We co-operate because we wish to, but our voluntary co-operation creates duties for us that we did not desire.'

(Émile Durkheim, *The Division of Labour in Society*, 1893)

The debate on the division of labour among development assistance donors has intensified recently with the European Commission's proposal of a Code of Conduct. However, there are still serious doubts about its capacity to bring about the desired effects, especially with regards to improving aid effectiveness. One of the main obstacles is a naive and un-strategic view of division of labour, which does not take into account donor self-interest, or the power relationship between donor and partner countries, nor the influence of political aspects on development cooperation. It is clear that the international aid system must have a more self-critical approach towards division of labour, in order to avoid degenerating into a re-edition of colonial partition of poor countries among European donors.

The debate on division of labour in international development cooperation: A new paradigm beyond coordination?

Traditionally, the international aid system has suffered from lack of communication and coordination among donors, especially with bilateral agencies. This overly unilateral perception of development cooperation has several adverse effects. The most salient are a limited capacity for feedback and synergy among agencies, and an overload of management systems upon partner countries. Another weakness of the system are its elevated management and transaction costs – donors duplicate administrative efforts at every level, which invariably reduces the actual volume of aid available to leverage the fight against poverty in partner countries. Thus, division of labour might be a plausible answer to an obsolete aid framework that seems scarcely preoccupied with the effectiveness of its undertakings.

In the context of the current debate about the effectiveness of international aid, division of labour has been introduced by the Paris Declaration (March 2005) as a concept of complementarity and harmonisation among donors. It is proposed as a mechanism that will overcome the fragmentation of aid, improve effectiveness and reduce transaction costs. It is, therefore, an ambitious proposal with regards to the reorganisation of donors, yet, at the same time, diffuse with respect to mechanisms – the Paris Declaration does not purvey progress indicators for division of labour, nor does it provide strategies to allocate sectoral or regional responsibilities among donors.

The European context, accustomed to the coordination of actors in various political areas, undoubtedly represents fertile grounds for the application and feasibility test of new concepts like complementarity. Thus, although the European Consensus on Development (November 2005) does not explicitly mention division of labour as part of the Paris Declaration, it does provide a clearer vision of donor coordination through, for example, co-financing arrangements.¹ Throughout 2006 – a year of great activity in terms of European development policies – the European Union (EU) has proposed through the Commission (March) and by means of a communications package on aid effectiveness, the possible features of future policies. Amongst them is a Plan of Action for the implementation of the Paris Declaration,² which encourages EU actors to advance towards aid effectiveness and is based on three pillars that bear great relevance to the division of labour:

- Revision of relevant coverage by means of an atlas of European donors that identify recipient sectors and countries with either aid deficit or excess;
- Implementation of the Paris Agenda through the Joint Programming Framework of European donors;
- Mechanisms to promote aid effectiveness by means of a greater complementarity of donor activities, based on the atlas elaborated.

With these operational principles the European Union's development cooperation has managed to respond swiftly to the demands of the Paris Agenda and has made advances towards new mechanisms for specialisation among member states. Thus, division of labour becomes part and parcel of an ampler revision of the framework of international aid, especially with regards to the European model of development cooperation. Fifty years after the signing of the Treaty of Rome, the European Union has significant advantages and opportunities in this matter, because of its member states' long-standing experience with the

¹ Articles 30 and 31 of the [European Consensus on Development](#).

² Communication from the European Commission, [EU Aid: Delivering more, better and faster](#).

supranational *modus operandi*. Therefore, the impetus with which division of labour has entered the European debate on the future of aid is not surprising. This is analysed in the following paragraphs.

New initiatives on the horizon: The European Union, a testing ground for division of labour?

Division of labour holds a central place on the agenda of Germany's double presidency (G8 and European Council)³ and on the Council's international development cooperation programme,⁴ which will have an 18-month term if we consider the following presidencies of Portugal and Slovenia. There are, therefore, favourable conditions in the short-term for adapting, concretising and deepening a new coordination model among donors.

The current conceptualisation of division of labour in the European Union is based on the EU Guiding Principles on Complementarity and Division of Labour⁵ elaborated by the European Council in October 2006; these have been incorporated into the voluntary EU Code of Conduct on Division of Labour in Development Policy,⁶ proposed by the European Commission on 28 February. Alongside, three think-tanks from the members of the 'triple presidency' have

recently published a joint study on the operational options of division of labour in European development assistance, which deals with some of the aspects comprehended in the Code of Conduct.⁷

In order for division of labour to really improve European aid effectiveness, the Code of Conduct and the operational options study identified the following fields of action with 10 operative principles:

1. Partner countries (in-country complementarity)

To front traditional fragmentation, joint planning and division of sectoral activities among donors in a specific country are proposed. There are a few similar systems already in operation: Joint Assistant Strategies (JAS), in Tanzania and Uganda for example;⁸ EU Joint Programming Framework,⁹ in Ethiopia, Haiti, Mali, Democratic Republic of Congo, Somalia and Tanzania; and pilot experiences with delegated development cooperation, in Malawi, Rwanda and South Africa. In order to advance towards a greater sectoral concentration in partner countries, the Code of Conduct has established that each donor should work in a maximum of two sectors per country, withdrawing development cooperation from non-prioritised sectors through delegated development cooperation¹⁰ or reassigning funds in the budget support.

⁷ DIE (German Development Institute), [Towards a Division of Labour in European Development Co-operation: Operational Options](#), March 2007. The study, requested by the German Ministry of Economic Cooperation and Development, is a joint project between the German Development Institute, the Centre for African Studies and Development of the Technical University of Lisbon (Portugal) and the Centre of International Relations of the University of Ljubljana (Slovenia).

⁸ The Tanzanian case is very well-documented with respect to the JAS formulation, validation and resumption process – published and widely disseminated by the [Tanzania Development Partners Group](#). Undoubtedly, data, information and process transparency is one of the most important aspects in reaching solid and sustainable donor coordination and division of labour; not less important is that all this happens under the auspices of the partner country.

⁹ Common programming framework, designed and comprehended in the following EU communications, ['Increasing the Impact of EU Aid: A Common Framework for Drafting Country Strategy Papers and Joint Multiannual Programming'](#), and ['EU Aid: Delivering more, better and faster'](#), March 2006.

¹⁰ Delegated cooperation is a core concept of aid effectiveness. It consists of one or more donors transferring the management of their financial support in countries, sectors or projects to other donors. The latter is called 'lead donor' and the former 'silent donor(s)'. For a more detailed analysis see OECD, [Harmonising Donor Practices for Effective Aid Delivery](#), 2003, chapter 6.

³ See Nils-Sjard Schulz, ['The Double German Presidency: Any Novelty for the International Development Agenda?'](#), FRIDE Comment, January 2007.

⁴ Programme on Development Policy of the three Presidencies of Germany, Portugal and Slovenia, [Strengthening The European Union's Role As A Global Partner for Development](#).

⁵ European Council, [Complementarity and Division of Labour: preparations for the Orientation Debate on Aid Effectiveness](#), October 2006.

⁶ Communication from the European Commission, [EU Code of Conduct on Division of Labour in Development Policy](#), 28 February 2007.

2. Donor geographical distribution (cross-country complementarity)

A response to the almost inexistent donor coordination in terms of geographical distribution. This has led to a significant aid imbalance between 'darling'¹¹ and 'orphan' countries.¹² This situation is clearly reflected in the current donor atlas.¹³ At present, there are no criteria for geographical assignment, thus each donor decides unilaterally on his priority aid destinations. Moreover, there are profound differences in geographical concentration among donor destinations: in the years 2004 and 2005, Sweden concentrated 22 percent of its assistance with its 10 primary beneficiaries; whilst the figure for Portugal was 73 percent (see Annex, Table 1). The Code of Conduct's response suggests more dialogue among donors on the need to further concentrate funds without providing a concrete solution with respect to possible European level common criteria.

3. Sectoral distribution of donors (cross-sector complementarity)

This is based on the so-called 'comparative advantages' of donors,¹⁴ which could specialise on

certain conceptual areas. It is one of the most sensitive elements of the renewed aid framework, since it implies an extensive revision of the hitherto generalised approach taken by almost all donors to cover almost all aspects of the fight against poverty. The Code of Conduct suggests that each donor should undergo careful analysis of his specialisation potential.

Within this basic framework, some current proposals provide a few operational roads for the future complementarity of bilateral European donors. Amid the ambiguous principles of the new Code of Conduct, only those relative to in-country complementarity provide clear indicators:

- Each donor must act in a maximum of two sectors per aid recipient country (that is, two sectors per donor per country).
- Each sector within an partner country must have a minimum of one and a maximum of three European donors (that is, one to three donors per sector per country).

However, there are still no operational provisions to bypass some of the structural problems of the present aid framework. In this sense, the debate on comparative advantages is incipient (cross-sector complementarity)¹⁵ and there are no strategies to supplement the aid deficit suffered by 'orphan' countries (cross-country complementarity).

Despite these blemishes, the Code of Conduct will allow pragmatic advances in some core aid effectiveness concepts, as well as pointing out the EU's strategic and operational weaknesses. On the other hand, there are at least two favourable elements that point to a future

¹¹ According to studies carried out by OECD and World Bank 'darling' countries include Mozambique, Tanzania, Rwanda, Ghana and Burkina Faso. With regards to the EU, it is worth noting that also Ethiopia, the Palestinian Territories, Uganda and Vietnam are priority countries for more than 10 of the 15 traditional European donors.

¹² The list of 'orphan' countries coincides with data analysed by OECD's Development Assistance Committee (DAC) for fragile states. The DAC insists that these countries need a concerted international development assistance effort due to its exacerbated vulnerability (ODA/GDP proportion) and political situation (fragile regimes and institutions). DAC's recent report on the resource flows to fragile states (November 2006) has identified the following countries 'marginalised' from the international aid system: Burundi, Democratic Republic of Congo, Guinea, Nigeria, Uzbekistan and Yemen. For a more detailed and conceptual analysis of development cooperation with the above states see Stefan Meyer, Fragile States, FRIDE ForoAOD Backgrounder, January 2007; and Susan Woodward, Fragile States: Exploring the Concept, FRIDE Comment, December 2005.

¹³ The donor atlas, which includes the now 25 members of the EU, is a joint project between the OECD and European Commission based on ODA data provided by donors to the DAC and a questionnaire filled out by all member states on strategic, institutional and operational aspects of aid. It provides a detailed cross-section of the geographical distribution of the EU's bilateral ODA (including the European Commission). It allows for easy identification of 'darling' and 'orphan' countries of EU aid, but does not have the appropriate tools to analyse the potential comparative advantages of donors. See EU Donor Atlas 2006, Volume 1, Mapping Official Development Assistance, February 2006.

¹⁴ The concept of comparative advantage was introduced in this field by the Paris Declaration on Aid Effectiveness (2005). Articles 34

and 35 suggest that both partner and donor countries must identify the comparative advantages of the latter in order to engender the appropriate complementarity.

¹⁵ Annexed to the Code of Conduct is a Commission staff working paper (SEC(2007) 248/3) that unfolds operational recommendations with regards to the division of labour. For a sectoral division among donors (at the partner country level), the paper suggests identifying each donor's comparative advantages loosely based on generalised criteria – 'Trust and confidence of partner governments and other donors', 'capacity to enter into new or forward looking policies or sectors', 'capacity to react quickly and/or long term predictability', among others.

design of new mechanisms of joint actions and solutions. In the first place, European Council development policy planning with a lifespan of 18 months offers a reasonable time-frame for European actors to consolidate the fundamentals of the new division of labour. Second, successful precedents exist: Nordic Plus¹⁶ applies complementarity principles¹⁷ and delegated cooperation¹⁸ for its division of labour in countries like Tanzania, Uganda and Zambia.

In this sense, division of labour is a highlighted item in the current European development cooperation agenda. Undoubtedly, relative to other donors EU member states have significantly more experience in policy building through dialogue and consensus. However, successful division of labour will depend not only on EU members' willingness, but on the formulation of ambitious yet realistic development cooperation strategies.

Obstacles and limitations: Is there a sum of efforts road for division of labour?

Within the emphasis on harmonisation as a core concept of the new aid framework, division of labour is an objective that directly affects the prioritisation of bilateral aid; that is, it goes beyond revision of

¹⁶ The Nordic Plus group is composed of various donor agencies that share a similar aid focus (Denmark, Finland, Norway, Sweden, Ireland, The Netherlands and Great Britain). It is based on a harmonisation and alignment common action plan. It integrates different thematic subgroups in which other donors participate on occasion (Germany in the group of tenders, Canada in co-financing, among others.).

¹⁷ Nordic Plus, *Complementarity Principles*, adopted in November 2005. From a principle of active partner country commitment in the identification of priorities and needs, these principles aim at reducing donors' development cooperation to three sectors, as well as guaranteeing that one to three Nordic Plus members are working in the strategic sectors.

¹⁸ Nordic Plus, *Practical Guide to Delegated Cooperation*, published October 2006. The operational principles aim at guaranteeing ample operational autonomy to the lead donor in each sector and 'silence' from (silent) co-donors, as well as the participation of international aid agencies not linked to the group.

financing requisites, administrative procedures and joint missions. It aims to assign each donor with a limited geographical and sectoral area of activity under the auspices of partner countries. This will require a profound analysis of the capabilities and comparative advantages of Northern aid.

Amidst the numerous challenges facing the improvement of division of tasks according to the Paris Declaration, the following are worthy of note:

Appropriation and leadership of partner countries (ownership): Current proposals insist that the identification of bilateral agencies' comparative advantages must come from the South.¹⁹ Considering the vertical power relations between donor and recipient (the latter depends upon the former's financing), it seems unlikely that partner countries will be willing and able to 'expel' donors from saturated sectors. Also, there is an evident disparity between the technical expertise of government officials and that of local agents employed by donors and international non-governmental organisations (NGOs). Further, greater institutional strength of partner countries may lead to an increase in demand for aid quality. Thus, donors less capable of 'good donorship' could prefer to cooperate with weaker and less demanding states with respect to aid effectiveness, thereby generating a development cooperation class system: efficient aid for Southern countries with strong institutions and 'trash' aid for institutional and politically weak states.

Bilateral development cooperation culture: At the moment, there are few precedents of coordinated bilateral donor activity. This is due to a traditional perception of isolated tasks, with little or no involvement of other international development cooperation actors – an autistic procedure from which efforts such as the OECD's 'peer reviews' and Nordic

¹⁹ Item 34 of the Paris Declaration establishes that partner countries 'commit to [providing] clear views on donors' comparative advantage and on how to achieve donor complementarity at country or sector level'. Still, the EU has already responded to the potential inability of developing countries to participate actively in this process, suggesting that the European Union may undertake the division of labour on its own if local governments are unable to embrace such responsibilities. See item 2.2 on the Code of Conduct.

Plus' common analysis of policies and procedures wish to break free.²⁰ However, there is not an independent auditor that may certify agencies' activities and objectively assign them with geographical and sectoral areas of specialisation. This 'sovereign character' of Northern ODA inhibits a potential rapprochement with other donors and especially with partner governments; which makes an efficient identification – based on clear criteria – of donors' strengths and weaknesses and how these apply to their own country cases all the more difficult.

International development cooperation as the weak link of foreign policy: The present formula for division of labour does not suggest alternatives to the supremacy of political conditioning in development assistance. Currently, international aid is part of donor countries' foreign policies. In other words, its implementation is influenced by aspects such as commercial interests, energy safety, the fight against illegal immigration, and even cultural and linguistic promotion.²¹ To aim at effective integration (often subordination) of the aid system into the international relations system may inhibit a realistic perspective on the political feasibility and economics of division of labour, especially with regards to geographical distribution (cross-country complementarity).

The absence of a 'labour market' for donor specialisation: In allocating aid, donors do not necessarily apply only criteria pertaining to the fight against poverty (which would present the ideal 'aid market'). Rather, they base their decisions on other strategic aspects of their development cooperation models, such as human rights, peace and sustainable development.²² Thus, significant differences in preference exist between ex-colonial powers (Spain, for example, directs most of its aid to Latin America) and those without a colonial past (Germany's aid, for instance, reaches more than 100 countries).

Undoubtedly, division of labour among donors requires a wide operational consensus with respect to the supremacy of the fight against poverty as a guiding principle of their interventions in developing countries. In this manner each could contribute with their comparative advantages.

Attractive niches and backyards of the international aid agenda: At the subsectoral level, international development cooperation can find (often temporary) preferences that attract donors because of their evident appeal to public opinion in the North. In this sense, much like microfinancing and the empowerment of women were popular issues in the nineties; it is possible that climate change adaptation and renewable sources of energy become desirable niches for a large majority of donors. This implies that other less attractive subsectors may be marginalised from intervention priorities,²³ undermining the potential positive effects of division of labour in guaranteeing an efficient response to subfinanced issues.

Neo-colonialism camouflaged as geographical specialisation: Given the evident fragility of division of labour criteria, it is likely that ex-colonial powers will try and focus their development cooperation efforts on former colonies, upon which they still often exert a significant, indirect economic and political influence. This circumstance is aggravated by partner countries' predictable weakness in identifying donors' comparative advantages (see above). The current debate does not analyse this facet of international aid, which is saliently persistent in the French-speaking states of Sub-Saharan Africa. Therefore, it is imperative to provide division of labour with human development-oriented criteria, so as to avoid a parallel with the Scramble for Africa in the Berlin conference in 1884-85.

In sum, division of labour suffers from lack of concrete resolution of some of its central concepts, as that of

²⁰ Nordic Plus, [Practical Guide to Delegated Cooperation](#). See Annexes 1 and 2, page 28 onwards.

²¹ A very pertinent example of this with respect to Spain is the Africa Plan presented by the Spanish Administration in May 2006.

²² See donor profiles at [EU Donor Atlas 2006, Volume 1, Mapping Official Development Assistance](#), February 2006.

²³ Health, water (treatment) and sewage tend to be subfinanced sectors. See, for example, the distribution of international aid in the last 30 years, by sector at [EU Donor Atlas 2006, Volume 1, Mapping Official Development Assistance](#), February 2006.

comparative advantages. Previous analysis of political factors and conditions remains superficial, both at the partner country level and in relations among donors. In other words, current proposals place exclusive emphasis on operational models to the detriment of strategic and institutional fundamentals. This is their principal weakness: without serious, self-critical revision of the institutional foundations of the international aid system, the role of self-interest as an intrinsic part of aid considerations in Northern foreign policies will remain without analysis. Without a strategic view of the new aid framework, the finality of division of labour becomes doubtful. If it is not recognised that certain models of development cooperation are much more efficient than others in the fight against poverty, there will be scarce advancement towards a fundamental revision of the current system of aid and its actors. As such, division of labour risks representing, in the medium term, an instrument simply for the repartition of attractive areas and sectors among donors.

From comparative advantages to aid effectiveness: What are the opportunities for Spanish development cooperation?

Albeit a relatively novel debate in Spain, division of labour bears close relation to the renewal of Spanish Development Cooperation in recent years. In the context of the current government's emphasis on development assistance, bilateral development cooperation – especially that managed by the Spanish Agency for International Cooperation (AECI) – is undergoing significant structural and strategic changes, at which point it would be convenient to link it to the present revision process of the framework of European and international aid.

At the strategic level, the Master Plan for Spanish Development Cooperation 2005-2008 recognises the importance of comparative advantages to geographical priorities, but does not establish clear criteria for identifying and validating potential specialisation according to regions or countries.²⁴ One of the main deficiencies of the Master Plan is precisely that it is overloaded with strategies and objectives, since it tried to comprehend the interests of almost every actor in Spanish Development Cooperation.²⁵ On the other hand, the analysis of the comparative advantages of Spanish Development Cooperation is an integral part of the Country Strategy Papers (CSPs), which are guided by a wide-reaching definition of comparative advantages that focuses primarily on the needs of the aid recipient population.²⁶ Finally, the Annual International Cooperation Plan 2007 comprehends, for the first time, division of labour as a concept of complementarity with other donors and, to that end, recommends deepening the AECI reform.²⁷

Despite these advances, the key to understanding the Spanish contribution to European division of labour resides in a careful analysis of the characteristics and organisation of its bilateral development cooperation. Such an exercise should contemplate the following spheres of analysis, as sketched below:

1. In-country complementarity requires investment in human resources and decentralisation of operational and strategic decision-making from the AECI out to the Technical Cooperation Offices; the latter will thus participate more effectively in division of labour in the field. On the other hand, Spain should consider

²⁴ See chapter IV of the [Master Plan for Spanish Development Cooperation 2005-2008](#) (in Spanish).

²⁵ See Nils-Sjard Schulz, 'El reto de la Cooperación Española: Hacia un modelo endógeno de evaluación', FRIDE ForoAOD Comment, December 2006.

²⁶ The guide defines comparative advantages as follows, 'spheres of specialisation (...) in which we estimate that we are capable of cooperating more effectively and in manner that is more beneficial to the population'. [Author's translation]. It is worth noting that any possible influence of 'Spanish geostrategic [political or commercial] interests' is absent from the definition. See SECI/DGPOLDE, [Herramienta para la elaboración de los Documentos de Estrategia País \(DEP\) de la Cooperación Española](#) (May 2005).

²⁷ Item 2.1 of the [Annual International Cooperation Plan 2007](#).

pilot experiences with delegated cooperation, especially in some African countries where Spanish aid has limited institutional presence.

2. At present, the geographical outreach (cross-country) of Spanish Development Cooperation is limited (see Annex, Table 1), since aid has traditionally been concentrated on Latin America. This has to an extent generated Spanish specialisation in middle-income countries which, beyond cultural and linguistic proximity, should be consolidated in Latin America and expanded to other regions like the Middle East.²⁸

Current strategic planning expects Spanish aid to comprehend all sectors and has not yet identified any specific areas of specialisation (cross-sector). Sectoral dispersion within the Master Plan is large and the definition of sectors is confusing.²⁹ The absence of sectoral focus is especially worrying in CSPs, which have, on average, 10 strategic priorities per country (see Annex, table 2). In the future, strategic planning must limit the number of sectors per country of Spanish activity, applying criteria for the definition of sectors that are congruent with the Code of Conduct. Also, Spanish Development Cooperation needs a more thorough analysis of its comparative advantages in different sectors and lines of work – the definition of which must involve especially partner countries, while also maintaining constant dialogue with the European donor community. For example, cumulative know-how can be identified and highlighted in various distinct areas, such as: tourism development, universal access to social security, state decentralisation and fishing. It is critical for Spain to identify its strengths and opportunities as a donor.

²⁸ Currently, development cooperation with middle-income countries is being widely debated in Spanish Development Cooperation. An intergovernmental conference was held at the beginning of March, which focused on aid to such countries and Spanish actors have a detailed strategic analysis of the issue. For further detail see the Spanish Ministry of Foreign Affairs and Cooperation (MAEC), 'Development Cooperation With Middle-Income Countries' (2007); and José Antonio Alonso (Dir.), 'Cooperation With Middle Income Countries: Justification And Working Fields'.

²⁹ For example, Strategic Objective 2 (increasing human capabilities) encompasses six different sectors; education, health and water amongst them. See Table 2 in the annex for greater detail.

Therefore, many linkage points exist between the renewed spirits of Spanish Development Cooperation on one side, and division of labour as an aid effectiveness mechanism on the other. In broad terms, Spain has favourable conditions to adhere to the Code of Conduct and it could have a proactive influence on the geographical distribution of European donors. However, a thorough revision of sectoral priorities and a realistic study of comparative advantages are necessary to reinforce the commitment to division of labour.

Summary: Self-interest and pending tasks

In the last few months the European Union – responsible for 52 percent of global ODA – has made substantial advances in the definition of potential paths for the reorientation of bilateral development cooperation towards a greater complementarity and division of labour amongst sectors and countries. Current proposals, the Code of Conduct and a study of operational options are a valid part of the reflection process on an effective division of tasks, but they do not offer a solid perspective for the future framework of aid. Pressed by their own interests and subordinate to the respective governments' foreign policy, many individual donors find no incentive to revise and compare types and models of aid with other donors. There are significant brakes at all levels – structural, institutional and political – in the international aid system, of which European agencies are notable actors. On the other hand, there is an ongoing debate that may generate a more coherent development policy analysis. Therefore, the Spanish aid case shows that a serious commitment to division of labour might not only fortify the new framework of aid, but also have very positive effects for the strategic and conceptual activities of donors.

Annex

Table 1: Geographical concentration of EU donors' bilateral ODA (20 years):
Aid destined to the 10 principal recipients as a proportion of total ODA

	1984-85	1994-95	2004-2005	Average
Portugal	-	59.3	73.0	66.2
Austria	60.4	50.6	54.8	55.3
Luxembourg	-	45.1	44.0	44.6
France	38.9	45.0	39.4	41.1
Spain	-	42.4	35.8	39.1
Finland	47.0	38.1	31.8	39.0
Italy	37.1	41.9	29.4	36.1
Ireland	26.3	37.5	43.0	35.6
UK	33.7	26.5	45.5	35.2
Germany	33.6	33.0	36.9	34.5
Denmark	38.3	32.7	32.2	34.4
Greece	-	-	33.5	33.5
European Commission	40.2	26.7	32.0	33.0
Sweden	45.6	30.2	22.0	32.6
Belgium	38.9	22.8	34.4	32.0
Netherlands	41.0	26.9	26.0	31.3
EU average	40.1	37.2	38.4	38.6

Source: OECD Development Cooperation Report, Volume 8, No. 1 (2007)

Higher than average concentration
Average concentration
Lower than average concentration
Annual data are averages of both years

Annex

Table 2: Sectoral dispersion of Spanish Development Cooperation in priority countries (according to available CSPs)

CSP Country Forecasts	Priority Sectors (Number of accomplished Strategic Objectives) ⁽¹⁾				
	Priority 1	Priority 2	Priority 3	Priority 4	Total numbers of sectors
Latin America and the Caribbean					
Bolivia	6	5	6	-	17
Ecuador	3	-	-	-	3
El Salvador	5	1	1	-	7
Honduras	4	4	-	-	8
Guatemala	5	5	3	4	17
Nicaragua	4	2	3	1	10
Paraguay	5	4	-	-	9
Peru	7	3	-	-	10
Dominican Republic	3	3	7	-	13
Average	4.7	3.0	2.2	0.6	10.4
Asia					
Philippines	7	2	3	1	13
Vietnam	6	6	1	-	13
Average	6.5	4.0	2.0	0.5	13
Africa					
Angola	1	3	2	-	6
Argelia	2	3	2	1	8
Cape Verde	5	4	5	-	14
Marocco	5	3	2	-	10
Mauritania	4	3	2	-	9
Mozambique	2	4	4	1	11
Namibia	1	2	-	-	3
Sahrawi Arab Democratic Republic	1	-	-	-	1
Senegal	6	7	2	-	15
Tunisia	4	4	-	-	8
Average	3.1	3.3	1.9	0.2	8.5
Overall Average	4.1	3.2	2.1	0.4	9.8

Sources: Elaborated by the author based on Spanish Country Strategy Papers (CSP) 2005-2008, available online, <http://www.maec.es/es/MenuPpal/Cooperacion+Internacional/Planificacion/>

(1) CSP elaboration guides indicate that a total of four levels of priority can be assigned, maximum priority being 1 and minimum 4. A peculiar fact is that each Strategic Objective may contain different levels of priority. This is because the Strategic Objectives of the Master Plan for Spanish Development Cooperation 2005-2008 do not coincide with the sectoral priorities indicated by the European Consensus on Development. Rather, these Strategic Objectives may comprehend different sectors. This is the case with Strategic Objective 2 ('increasing human capabilities'), which is made up of the following six sectors: (a) Food sovereignty and fight against hunger, (b) Education, (c) Health, (d) Protection of high vulnerability collectives, (e) Basic housing, and (f) Access to drinking water and sewage treatment.

The debate on the division of labour among development assistance donors has intensified recently with the European Commission's proposal of a Code of Conduct. However, there are still serious doubts about its capacity to bring about the desired effects, especially with regards to improving aid effectiveness. One of the main obstacles is a naïve and un-strategic view of division of labour, which does not take into account donor self-interest, or the power relationship between donor and partner countries, nor the influence of political aspects on development cooperation. It is clear that the international aid system must have a more self-critical approach towards division of labour, in order to avoid degenerating into a re-edition of the Scramble for Africa (and other poor countries) among European donors.

Nils-Sjard Schulz, independent consultant, <http://www.schulz.es>.

© Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE) 2007. All FRIDE publications are available at the FRIDE website: www.fride.org

This document is the property of FRIDE. If you would like to copy, reprint or in any way reproduce all or any part, you must request permission. The views expressed by the author do not necessarily reflect the opinion of FRIDE. If you have any comments on this document or any other suggestions, please email us at comments@fride.org

www.fride.org

Goya, 5-7, Pasaje 2º. 28001 Madrid – SPAIN. Tel.: +34 912 44 47 40 – Fax: +34 912 44 47 41. Email: fride@fride.org