

## EU Action Plan on Division of Labour 2010

*Delegation of the EU to Vietnam*

No	Action	Current status	Moving ahead: foreseen next steps	Timeline/ important dates
1	<p><b>Active engagement with VN Government and other donors to promote DoL</b></p>	<p>In spite of commitments to DoL in the Hanoi Core Statement (localised Paris Declaration), <b>the government of Vietnam</b> has been reluctant towards DoL from the onset; informally, concerns were expressed that DoL may lead to reduced ODA, against a backdrop of Vietnam being donor darling, with many donors active in many areas. The newly acquired MIC status, which may lead to donors exiting or adapting their strategies, has not led to a more forthcoming attitude by GoV so far.</p> <p>As to <b>the wider donor community</b>, the three largest donors in Vietnam (WB, ADB, Japan, representing more than 70% of ODA) show little interest in DoL, if any. Harmonisation among them takes place in the context of the “Six Banks Initiative”. The three largest donors are increasing their (loan) assistance, without notable reduction of sectors of intervention. Other donors, notably LMDG, also demonstrate little interest in DoL, as demonstrated at an EU-LMDG workshop on DoL in March 2009. Therefore, little, if any, interest <b>at the global partnership level</b> (Partnership Group on Aid Effectiveness – PGAE, recently replaced by Aid Effectiveness Forum -AEF), in spite of repeated attempts by EC to put DoL on the agenda: first, in November 2007, a PPP on the “Code of Conduct” was made at the PGAE; then, several unsuccessful attempts were made to include DoL in successive annual work plans of the PGAE/AEF.</p>	<p>Limited perspective for <b>government</b> lead, overall. However, the Socio-Economic Development Plan - SEDP 2011-2015, to which donors will be invited to align, and the related ODA Strategic Framework 2011-2015 may offer some better perspectives; idem for sector plans, for which “best practice” in the health sector could be disseminated among other line ministries.</p> <p>Donors could improve DoL if possible at global level, on the occasion of the adoption of the SEDP and ODA SF; but realistically improvement should be expected at sector level (as per Statement of Intent for Aid Effectiveness in the health sector) based on sector plans, that will be adopted in parallel with the SEDP 2011-2015.</p>	<p>Approval of SEDP, Strategic ODA Framework and sector plans end 2010/beginning 2011.</p> <p>Approval of SEDP, Strategic ODA framework and sector plans end 2010/beginning 2011</p>

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		<p><b>At EU level</b>, concrete progress on DoL has been more difficult to achieve than anticipated. Although the issue regularly features on the EU DEV Counsellors agenda and has been included in the annual <b>EU Aid Effectiveness Roadmap (see annex)</b>, concrete outputs so far have been limited (see below). Several EUMS accept fragmentation as unavoidable with VN becoming a MIC and donors adapting their ODA accordingly. Up to a certain extent, there seems to be a mismatch between commitments undertaken by the Council, and actual guidance from EUMS HQ to their Embassies and behaviour on the ground.</p> <p>However, the EU's (supported by few other donors) engagement has been producing <b>some actual results, on the ground</b>. Examples thereof include DoL in PRSC policy dialogue, delegated cooperation for certain capacity-building projects (health, judicial reform), and <b>strong government leadership and DoL at sector level</b>, notably for preparing a sector approach in health ("Statement of Intent (<b>Sol</b>) for Aid Effectiveness in the health sector")</p>	<p>Implementation of 2010 EU AE Roadmap including for DoL (update of mapping, comparative advantage assessment).</p> <p>Establishment of an ad-hoc EU working group on DoL in March 2010 (COM, FI, DE, SP, IT, FR, IE) to prepare for the "country case" presentation.</p> <p>Meetings of EU Development Counsellors dedicated to DoL-Country case</p> <p>Joint analytical work as regards the SEDP and ODA Strategic Framework 2011-2015. Continued engagement through established donor and partnership groups.</p> <p>EU and other donors continue to implement agreed tasks under Sol</p> <p>Workshop on Capacity Development</p>	<p>Throughout 2010</p> <p>Country case presentation: first outline 31 March 2010; full draft by 1 May; final draft by June 2010.</p> <p>15 April 2010 for initiating self assessment with TA support. 17 May for discussing full draft.</p> <p>Throughout 2010.</p> <p>Throughout 2010</p> <p>May 2010</p>

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2	<b>Support Gov leadership in determining priorities on donor roles and sector involvement</b>	<p>The EU Delegation proposed GOV to consider using EU donor mapping as benchmark for a wider VN donor community mapping in the EU contribution to the PGAE Report to the end-of-year CG meeting in 2009.</p> <p>The first example of GoV-led priority-setting and of defining DoL among donors took place through the <b>Statement of Intent for Aid Effectiveness in the health sector (see annex)</b>.</p> <p>Government-led joint capacity-building projects have been developed in which donors cooperate on the basis of their comparative advantages, e.g. in the areas of health and judicial reform.</p>	<p>Sharing EU donor mapping and self-assessment on comparative advantages with GOV</p> <p>Delivery on commitments under the Sol notably support the development of a costed national sector health plan</p> <p>EU active contribution as member of Vietnam Aid Effectiveness Forum Executive Committee, supporting GOV's development of the ODA Strategic Framework 2011-2015.</p> <p>EU part of core team for the evaluation of the Paris Declaration/Hanoi Core Statement in 2010.</p> <p>New entry point: Capacity development strategy which may become part of the SEDP 2011-2015, allowing donors to align in the future.</p>	<p>When available.</p> <p>Throughout 2010</p> <p>Throughout 2010.</p> <p>to be finalised in December 2010.</p> <p>First CD workshop in Hanoi in May 2010.</p>

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3	<b>Donor mapping</b>	<p>At the <b>global level</b>, the GOV's efforts to produce a replacement for the Development Assistance Database (DAD) failed over the recent year. Donors, incl. EU, offered support</p> <p>At <b>sector level</b>, donor mapping is being carried out, for certain sectors (health, legal reform, human rights assistance).</p> <p>At <b>EU level</b>, the annual EU donor mapping, which provides an overview of EUMS presence per sector and of different aid modalities and the likely evolution for the years to come, was carried out in 2009. The EU donor mapping in Vietnam was first developed by Germany in 2007, taken further by France in 2008 and by EU in December 2009.</p> <p>The EU Blue Book in Vietnam is a donor mapping instrument. The 2009 version was made more facts-oriented under the Czech Presidency. The 2010 version is under preparation, as the first edition to include a thematic feature (gender).</p>	<p>User friendly donor data base included in the AEF work plan for 2010.</p> <p>Updating and broadening sector donor mapping</p> <p>2010 version of the EU donor mapping underway. Investigate options for integrating lessons learned from the self-assessment on comparative advantages into the EU donor mapping.</p> <p>Spain (informal lead donor on gender) will prepare thematic feature on gender in 2010.</p> <p>In 2011, the Blue Book will be more forward looking, focusing on donor alignment to the SEDP 2011-2015 and its corresponding sector plans.</p>	<p>Donor mapping to be finalised by end 2010.</p> <p>Ongoing</p> <p>Updated EU donor mapping in December 2010.</p> <p>EU Blue Book 2010 to be finalised and launched by June 2010.</p>

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4	<b>Self-assessments and identification of comparative advantages</b>	<p>Priority action in the EU Aid Effectiveness Roadmap 2010 as a key step towards better DoL. Discussions on best practices and methodologies initiated.</p> <p>OECD/DAC notions of 'comparative advantage' and 'significant relationships' to be investigated further for possible application.</p>	<p>Carry out self-assessment on comparative advantages with TA support from HQ.</p> <p>Explore ways forward for a pragmatic approach, taking into account exit strategies and changing ODA strategies and portfolios.</p>	<p>Discussions on methodologies in the EU DEV Counsellors meeting of 15 April and following, and in ad hoc working group on DoL (from 18 March 2010 onwards).</p>
5	<b>Implications of DoL for TC and PIU as well as for significant actions in support of capacity development systematically considered</b>	<p>Vietnam has no global strategy on capacity development yet, to which donors could align. The situation is slightly better at sector level, where in some cases (TRA, health) needs assessments have been carried out. Large donors in Vietnam and also several medium and small donors still make ample use of parallel PMU/PIU.</p> <p>However, GOV awareness on the need for a CD strategy seems to be growing.</p> <p>EUD shared the EU Backbone Strategy with GOV as a 'source of information' in view of drawing up a GoV CD Strategy.</p>	<p>Preparing 'Strategic guidelines for capacity building' has been included the Aid Effectiveness Forum's action plan 2010.</p> <p>Ministry of Planning and Investment (MPI) will organise a workshop on capacity development, supported by the EU "Backbone Strategy" facilitator, addressing line ministries and key donors in May 2010. The outcome of the seminar will feed in to the SEDP 2011-2015 consultation progress, and ideally be reflected in the SEDP 2011-2015.</p>	<p>EU-MPI workshop on capacity building (May 2010). CD strategy as part of new SEDP and ODA Strategic Framework by end 2010-beginning 2011.</p>

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6	<b>Actions for donor programme cycles and lead donor arrangements</b>	<p><i>Donor programme cycles</i> Donor cycles are scattered/heterogeneous at the moment. Most donors have nevertheless flexibility to align (through mid-term review mechanisms etc). SEDP 2011-2015 and its sector plan offer a great window of opportunity for improvement. VN' s reaching MIC status in 2009 will impact certain donors' programming cycles.</p> <p><i>Lead donor arrangements</i> Lead donor arrangements are still exception rather than rule; where they exist, they are informal, and applied notably in policy-dialogue (<b>PRSC framework – see annex</b>) and analytical work (SEDP analysis). Lead donor arrangements is applied through joint-funding arrangements in certain capacity-building projects such as the Health Sector Capacity Support Project (SCSP), where the EC delegated funds to DE for activities in certain provinces where DE has comparative advantages and well-established relations with local stakeholders; LU in its turn delegated funds to EC to implement the capacity building project. Another example is the Justice Partnership Programme in the form of a joint capacity building exercise between EC, DK and SE (SE through delegated responsibility to DK). Lead donor arrangements have not yet systematically led to donors exiting certain sectors.</p> <p>The EUD invited donors to partake in the EU Country Strategy Evaluation in 2009, to increase transparency and provide an opportunity for other donors to comment and harmonise.</p> <p>At monthly EU DEV Counsellors meetings, regular country strategy presentations by MS were initiated as from autumn 2009.</p>	<p>Continued regular country strategy presentations at EU Development Counsellors meetings.</p> <p>EUMS invite/encourage other MS to join initiatives open for lead donor arrangements as and when appropriate.</p>	<p>The adoption of the SEDP 2011-2015 and ODA Strategic Framework and of sector plans 2011-2015 at the end of 2010/ beginning 2011 should offer a window of opportunity for donors to adapt their programme cycles.</p>

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7	<b>Launch of joint assistance strategies and joint multi-annual programming (for 2014)</b>	<p>Joint analytical work on the occasion of the MTR for the SEDP 2006-2010 was carried out by EU and LMDG in 2009 and findings were endorsed by HOM's and communicated to MPI.</p> <p>While joint multi-annual programming appears a distant prospective in the current context, information-sharing-when-programming are being carried out in view of transparency and informed programming. One example being the MS country strategy presentations at the EU Development Counsellors meeting on a monthly basis.</p>	<p>Continue the praxis of EU MS country strategy presentations.</p> <p>A '6 Ambassadors group' including the EU HoD representing the whole donor community leads donor analysis of SEDP 2011-2015 which will be shared with GoV. EU supports this process through joint technical analytical work.</p>	<p>Start up joint analytical work of the SEDP 2011-2015 in Q2 of 2010. Explore possibilities for a joint response strategy.</p>
8	<b>Develop, implement, exchange information on responsible sector exit plans for enhanced sector concentration</b>	<p>Sweden carried out the first presentation on its 'phase out strategy'/sector exit plan in the January 2010 EU Development Counsellors meeting.</p> <p>Spain also shared its intentions for reducing its sectors from 11 to 3</p>	<p>Discussion in EU Development Counsellors meeting on responsible sector exit plans to be continued and systemized.</p> <p>Mapping EU country strategies and exit plans on the occasion of the adoption of the SEDP.</p> <p>Explore practical application of self-assessment on comparative advantages.</p>	<p>To be put on the agenda of the EU Development Counsellors meetings throughout 2010. Comprehensive EU mapping of exit strategies upon adoption of the SEDP end of 2010.</p>
9	<b>Limitation of the use of vertical funds or facilitates outside multi-annual programming</b>	<p>Increasing understanding of multi-annual programming at the EU MS level, however many donors implement activities outside of the programme documents (which is difficult to capture).</p>	<p>Next steps to be identified</p>	<p>Tbd</p>

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10	<b>Joint meetings or joint in-country missions from HQ</b>	TA support requested.	Short term TA available in view of EU DEV Counsellors meeting to explain “comparative advantage assessment”.	ST TA in April 2010 for EU DEV Counsellors meeting on 15 April.  Extended TA requested throughout 2010.
11	<b>EU meetings (in HQ) for agreement on further steps</b>	As and when required.	Presentation of Vietnam country case on DoL for EU Directors General for Development Cooperation. A working-level seminar may be envisaged in the sidelines/as follow-up to the EU DG for Development Cooperation meeting.	EU DG' s meeting in June 2010.
12	<b>Reporting on progress of the Fast Track Initiative on DoL to Council</b>	<p>Second round of monitoring Fast Track Initiative reporting was discussed at EU DEV Counsellors in November 2009. MS reacted to the final report (which consolidated reports from all Fast Track Initiative countries) saying reporting was not nuanced and did not allow for clear enough contextualisation.</p> <p>Some MS also feel that future reporting on DoL in Vietnam vis-à-vis the international community needs to be 'nuanced' to balance the VN GOV's 'rosy' communications on AE results.</p>	Reporting in EAMR and as required.	Regular reporting on progress foreseen in June and November 2010.