

Annexes

Annex A: Examples of State Typologies

Table A.1 – Simplified Typology of Fragile States in Africa

Countries in impasse or under Sustained Deterioration in Performance <ul style="list-style-type: none"> • No sound economic and financial management • Unabated corruption and bad governance • Prone to exogenous shocks and • Usually no common consensus between donors and government on development programs. 	Failed States/States in Conflict <ul style="list-style-type: none"> • Absence of legitimate government • Some countries experiencing civil disturbances and/or domestic political impasse. • Under sanctions by the International Financial Institutions owing to accumulated arrears and have poor relationship with development partners.
Post-Conflict Countries (countries in early post-conflict phase) <ul style="list-style-type: none"> • Countries emerging from protracted civil conflict after concluding a peace or national reconciliation process. 	States marginally transited from fragility <ul style="list-style-type: none"> • Characterised by presence of some government reform in the form of Poverty Reduction Strategy Paper, but have entrenched systems where change is often difficult, slow and liable to periodic setbacks. • Include some post-conflict countries.

Source: African Development Bank, 2007

Table A.2 – State Categories

Willingness			
		Weak	Strong
Capacity	Weak	At risk or failed	Weak but willing
	Strong	Strong but unresponsive	Good performer

Source: DfID, 2005

Annex B: Assessment Tools of State Fragility

World Bank definition of fragile states is based on a measure of the Country Policy and Institutional Assessment (CPIA) rates and governance scores, which is used to allocate lending resources, shape policy directions and establish debt relief targets. Since 2003, it considers fragile states as the ones scoring 3.2 and below on the CPIA. It is an aggregate quantitative indicator to address the quality of macroeconomic management and of structural and poverty-reduction policies, focusing on the performance of the government and the public sector. This ranking has been criticised for its static nature and for its failure to take structural handicaps into account.

UNDP adopts a broader typology. It commissioned a review of country classification grounded on a needs-based assessment and this study proposes eleven indicators of State weakness: negative economic growth, natural resource dependency, excessive debt, low human development index, severe political disruption, HIV prevalence, armed conflict incidence, literacy level of less than 50%, and low levels of democracy, corruption, and regional conflict. Out of 46 countries that fall below four or more of these thresholds, 27 are classified in the 'special development need' category. The countries that meet six or more criteria are subject of particular mention. In order to fight chronic poverty in fragile states, UNDP has also recently established what it calls the Top Priority and High Priority Countries that are countries which experienced decline in the Human Development Index since 1990 and which, on present trends, are not likely to meet the MDGs.

USAID is focused on the intended result of the monitoring and assessment to be undertaken with primary attention being given to a state's political legitimacy and effectiveness in extracting and distributing resources. It refers to the intention of drawing on multiple and external sources of information but it doesn't specify on how these different sources and analysis are being integrated into a comprehensive assessment. *USAID* also has a specific conflict assessment framework (CAF), that groups the causes of conflict in five broad categories: (i) motives and incentives for violence (including ethnic divisions, demographic pressures, etc); (ii) means or access to conflict resources (political leadership); (iii) opportunity or institutional and social capacity for managing violence; (iv) regional and international dynamics; and (v) windows of opportunity and vulnerability (triggers). The main focus is how these different factors interact to generate conflict.

In *UK*, the Prime-Minister's Strategy Unit have published policy and strategy document to respond to countries at risk of instability, in which it establishes an assessment model that intends to identify the causes and dynamics of instability in a country or region. The framework of analysis looks at the interaction of three sets of factors: (i) a country's internal capacity and resilience (e.g. State capacity and legitimacy, strong/weak civil society); (ii) underlying factors associated with instability (e.g. poverty, natural resources, regional neighbourhood); and (iii) external stabilisers (e.g. international security guarantees, membership of regional organisations, etc). It also includes the process for assessing UK interests in intervention and the potential impact of action (or inaction)¹⁵⁶. DfID Fragile States team also uses this risks analysis framework to design new interventions and several other bilateral agencies – such as Sweden – have used it to analyse State effectiveness. DfID stresses the need for improved early warning and better political analysis and has recently development a 'drivers of change' approach, in which reports are produced

¹⁵⁶ Prime Minister's Strategy Unit (UK, 2005). *Investing in Prevention: An International Strategy to Manage Risks of Instability and Improve Crisis Response*. A Prime Minister's Strategy Unit Report to the Government, February 2005, London.

to assess a given country developments regarding political change, economic change and civil society issues¹⁵⁷.

The Netherlands Institute of Foreign Affairs (Clingendael) has prepared an assessment tool for the Dutch Ministry of Foreign Affairs. The methodology is based in a Stability Assessment Framework (SAF), which is done in several stages by various stakeholders but the central component is undertaken by researchers that develop 'trend lines' in twelve indicators¹⁵⁸. Political actors are subject to particular attention, analysing their agendas, strategies and support bases for the impact they might have on the country's trends. This methodology also includes a workshop component to bring together policy-makers, staff members, and local partners, in order to improve information sharing and consensus-building.¹⁵⁹

The Canadian International Development Agency (CIDA) relies mainly on the Country Indicators for Foreign Policy (CIFP) to monitor, forecast and evaluate failed and fragile states, as well as the assessment of supporting policies intended to address the challenges they represent. CIFP is drawn at Carleton University from a variety of open sources, including the WB, UNDP, UNHCR, the Stockholm International Peace Research Institute, among others. The assessment is based on the assumption that authority, legitimacy and capacity are fundamental properties of State functioning, being inextricably interlinked. The dataset includes dozens of indicators that are grouped in six broad indicators' cluster: Governance, Economics, Security and Crime, Human Development, Demography, and Environment¹⁶⁰.

Similar to the indicators used by Clingendael and CIFP is the *Failed States Index* that is compiled using the Fund for Peace's internationally recognized methodology, the Conflict Assessment System Tool (CAST). It assesses violent internal conflicts and measures the impact of mitigating strategies. In addition to rating indicators of State failure that drive conflict, it offers techniques for assessing the capacities of core State institutions and analyzing trends in State instability. Countries receive their classifications on twelve main indicators (with sub-indicators) that include:

<i>Social Indicators</i>	<ul style="list-style-type: none">- mounting democratic pressures- massive movement of refugees or internally displaced persons creating complex humanitarian emergencies- legacy of vengeance-seeking group grievance or group paranoia- chronic and sustained human flight
<i>Economic Indicators</i>	<ul style="list-style-type: none">- uneven economic development along group lines- sharp and/or severe economic decline
<i>Political Indicators</i>	<ul style="list-style-type: none">- criminalization and/or de-legitimation of the State- progressive deterioration of public services- suspension or arbitrary application of the rule of law and widespread violation of human rights- security apparatus operates as a 'State within a state'- rise of factionalized elites- intervention of other states or external political actors

¹⁵⁷ DfID (2005a).
¹⁵⁸ The indicators are: legitimacy of the state; public service delivery, rule of law and human rights, leadership, security apparatus (control by civilians), regional setting, demographic pressures, forced migration and flight, group hostility, group economic opportunities, and state of the economy.
¹⁵⁹ Clingendael (2005), *The Stability Assessment Framework: Designing Integrated Responses for Security, Governance and Development*.
¹⁶⁰ See CIFP (2006).

In the final ranking, the countries are divided in Alert, Warning, Moderate and Sustainable situations¹⁶¹. Analysing the most clear early warning signs of a failing state, this assessment tool concludes that two of the indicators consistently rank near the top: uneven development and criminalization or de-legitimisation of the state.

¹⁶¹ See www.fundforpeace.org. It is interesting to note that the ranking resulting from the analysis of the 12 indicators seems to produce very sustainable results that correspond to real trends in the ground. For instance, from 2006 to 2007 Index, DRC is considered less fragile (from the 2nd to the 7th position) while East Timor, which did not appear in the first 60 states, is in 2007 rated as the 20th more fragile country.

Annex C: Donor Innovations

Many key multilateral institutions as well as certain bilateral donors have developed theoretical thinking and practical approaches to engage in fragile states. These are some of the main most recent developments in selected donors:

UN

United Nations agencies, funds and programmes are present in virtually all fragile states. Since Boutros Ghali introduced the concept of 'post-conflict peace-building' in the 1992 Agenda for Peace, a long path has been taken. A Peace-building Commission was recently established in order to implement a holistic, coherent and coordinated approach for peace-building initiatives. The UNDP Bureau for Crisis Prevention and Recovery (BCPR) is engaged in preventing armed conflict, reducing the risk of disasters and facilitating early recovery in conflict-affected countries: this Office is working on its new strategy for supporting fragile states.

OECD-DAC

In 2005 the Fragile States Group drafted the Principles for Good International Engagement in Fragile States, which were tested in nine pilot case-studies and then approved by donors. The DAC is further involved in developing a well-sequenced and coherent framework that cuts across political, security, economic and administration domains, having developed recent work on Policy Coherence for Development and Whole-of-Government/Organisation Approaches, in order to produce guidance on good practice for engagement in fragile situations. OECD is also preparing a common analytical framework for examining service delivery in fragile states and involved in monitoring resource flows to these countries.

95

Multilateral Development Banks (MDBs)

In March 2007, the heads of MDBs agreed to set up a working group on fragile states to identify common operating principles for engagement in fragile situations, enhance partnerships and coordinate the division of labour within the MDBs and other partner agencies.

- The **African Development Bank** identifies 25 countries in its region as fragile, of which 16 were designated as 'core fragile states'. The AfDB is in the process of improving its assistance to these countries, either in operational response or in resource mobilisation capacity. The AfDB's envisaged strategy focuses on the following categories of engagement: (1) catalytic role; (2) strategic partnership; and (3) areas of minimal engagement. Where the AfDB undertakes a catalytic role, it proposes to engage in rebuilding State capacity and accountability and in rehabilitating and reconstructing basic infrastructure. Where it builds strategic partnerships, the AfDB intends to support economic and structural reforms and economic integration and regional projects. The AfDB will also step up its efforts in generating knowledge with respect to fragile states; to streamline and simplify the AfDB's procedures in these states; and strengthening its field presence by opening field offices in countries like Chad, DRC, Sierra Leone and Sudan. It has established a Post-Conflict Country Facility (PCCF) to help countries emerging from conflict to clear arrears on their debt.

- The **Islamic Development Bank** (IsDB) has developed policy notes on assistance to regional

member countries experiencing fragility, with a strong focus on humanitarian assistance. It also utilizes simple and flexible procurement and disbursement procedures for its work in fragile states, in line with procedures proposed for emergency response (e.g. Haiti)

- In 2005, the **World Bank** changed the objectives and scope of the Low-Income Countries under Stress (LICUS) Initiative, from general aid effectiveness to peace building and state-building goals. The LICUS Unit was renamed 'Fragile States Group'. The WB has developed specific guidance on assistance strategies and transitional results frameworks in fragile states and has established the LICUS Trust Fund from a series of grants from the International Bank for Reconstruction and Development (IBRD) surplus. In February 2007, approved a 'New Framework for Rapid Bank Response to Crises and Emergencies,' which provides quicker and more effective responses to emergencies and crises through accelerated and streamlined review and implementation procedures; and clarifies the objective of its engagement to include adequate focus on the social aspects of recovery and peace-building. The WB has proposed an increase of at least 50 percent in its field positions in fragile states over the next two years.

UK

DfID produced a policy paper in 2005 regarding fragile states that includes commitments to review aid allocations; provide more staff to work on fragile states; invest in understanding when states are at risk of instability; find better ways of delivering aid; aim to provide longer-term more predictable aid; ensure policy coherence across the UK government; harmonise with other donors and align assistance to government strategies and systems where possible, and better link humanitarian and development aid¹⁶². It also published a policy on security and development, which commits to promoting the security of the poor as part of the DfID poverty reduction mission¹⁶³.

US

The US has published National Security Strategy in 2002. USAID has published in January 2005 a Fragile States Strategy and US development assistance was elevated to become the third pillar of US Foreign Policy, along with defence and diplomacy

Annex D: DAC principles for Engagement in Fragile States and Situations

The basics

1. Take context as the starting point.

It is essential for international actors to understand the specific context in each country, and develop a shared view of the strategic response that is required. It is particularly important to recognise the different constraints of *capacity, political will and legitimacy*, and the differences between: (i) *post-conflict/crisis or political transition* countries; (ii) countries facing *deteriorating* governance environments, (iii) countries demonstrating *gradual improvement*, and; (iv) countries *in prolonged crisis or impasse*. Sound political analysis is needed to adapt international responses to country context, beyond quantitative indicators of conflict, governance or institutional strength. International actors should mix and sequence their aid instruments according to context, and avoid blueprint approaches.

2. Do no harm.

International interventions can inadvertently create societal divisions and worsen corruption and abuse, if they are not based on strong conflict and governance analysis, and designed with appropriate safeguards. In each case, international decisions to suspend or continue aid-financed activities following serious cases of corruption or human rights violations must be carefully judged for their impact on domestic reform, conflict, poverty and insecurity. Harmonised and graduated responses should be agreed, taking into account overall governance trends and the potential to adjust aid modalities as well as levels of aid. Aid budget cuts in-year should only be considered as a last resort for the most serious situations. Donor countries also have specific responsibilities at home in addressing corruption, in areas such as asset recovery, anti-money laundering measures and banking transparency. Increased transparency concerning transactions between partner governments and companies, often based in OECD countries, in the extractive industries sector is a priority.

97

The role of state-building and peace-building

3. Focus on state-building as the central objective.

States are fragile when state structures lack political will and/or capacity to provide the basic functions needed for poverty reduction, development and to safeguard the security and human rights of their populations. International engagement will need to be concerted, sustained, and focused on building the relationship between State and society, through engagement in two main areas. Firstly, supporting the *legitimacy and accountability* of states by addressing issues of democratic governance, human rights, civil society engagement and peace-building. Secondly, strengthening the *capability* of states to fulfil their core functions is essential in order to reduce poverty. Priority functions include: ensuring security and justice; mobilizing revenue; establishing an enabling environment for basic service delivery, strong economic performance and employment generation. Support to these areas will in turn strengthen citizens confidence, trust and engagement with State institutions. Civil society has a key role in both these areas.

Demand for good governance from civil society is a vital component of a healthy state, and reinforces its legitimacy and accountability. Civil society may also play a critical transitional role in providing basic services, particularly when the government lacks will and/or capacity.

4. Prioritise prevention.

Action today can reduce fragility, lower the risk of future conflict and other types of crises, and contribute to long-term global development and security. International actors must be prepared to take rapid action where the risk of conflict and instability is highest. A greater emphasis on prevention will also include sharing risk analyses; looking beyond quick-fix solutions to address the root causes of State fragility; strengthening indigenous capacities, especially those of women, to prevent and resolve conflicts; supporting the peace-building capabilities of regional organisations, and undertaking joint missions to consider measures to help avert crises.

5. Recognise the links between political, security and development objectives.

The challenges faced by fragile states are multi-dimensional. The political, security, economic and social spheres are interdependent. Importantly, there may be tensions and trade-offs between objectives, particularly in the short-term, which must be addressed when reaching consensus on strategy and priorities. For example, international objectives in some fragile states may need to focus on peace-building in the short-term, to lay the foundations for progress against the MDGs in the longer-term. This underlines the need for international actors to set clear measures of progress in fragile states. Within donor governments, a .WoG approach is needed, involving those responsible for security, political and economic affairs, as well as those responsible for development aid and humanitarian assistance. This should aim for policy coherence and joined-up strategies where possible, while preserving the independence, neutrality and impartiality of humanitarian aid. Partner governments also need to ensure coherence between ministries in the priorities they convey to the international community.

6. Promote non-discrimination as a basis for inclusive and stable societies.

Real or perceived discrimination is associated with fragility and conflict, and can lead to service delivery failures. International interventions in fragile states should consistently promote gender equity, social inclusion and human rights. These are important elements that underpin the relationship between State and citizen, and form part of long-term strategies to prevent fragility. Measures to promote the voice and participation of women, youth, minorities and other excluded groups should be included in state-building and service delivery strategies from the outset.

The practicalities

7. Align with local priorities in different ways in different contexts.

Where governments demonstrate political will to foster development, but lack capacity, international actors should seek to align assistance behind government strategies. Where capacity is limited, the use of alternative aid instruments such as international compacts or multi-donor trust funds can facilitate shared priorities and responsibility for execution between national and international institutions. Where alignment behind government-led strategies is not possible

due to particularly weak governance or violent conflict, international actors should consult with a range of national stakeholders in the partner country, and seek opportunities for partial alignment at the sectoral or regional level. Where possible, international actors should seek to avoid activities which undermine national institution-building, such as developing parallel systems without thought to transition mechanisms. It is important to identify functioning systems within existing local institutions, and work to strengthen these.

8. Agree on practical coordination mechanisms between international actors.

This can happen even in the absence of strong government leadership. Where possible, it is important to work together on: upstream analysis; joint assessments; shared strategies; and co-ordination of political engagement. Practical initiatives can take the form of joint donor offices, multi-donor trust funds and common reporting and financial requirements. Wherever possible, international actors should work jointly with national reformers in government and civil society to develop a shared analysis of challenges and priorities. In the case of countries in transition from conflict or international disengagement, the use of simple integrated planning tools, such as the transitional results matrix, can help set and monitor realistic priorities.

9. Act fast, but stay engaged long enough to give success a chance.

Assistance to fragile states must be flexible enough to take advantage of windows of opportunity and respond to changing conditions on the ground. At the same time, given low capacity and the extent of the challenges facing fragile states, international engagement may need to be of longer-duration than in other low-income countries. Capacity development in core institutions will normally require an engagement of at least ten years. Since volatility of engagement (not only aid volumes, but also diplomatic engagement and field presence) is potentially destabilising for fragile states, international actors must improve aid predictability in these countries, and ensure mutual consultation and coordination prior to any significant changes to aid programming.

10. Avoid pockets of exclusion.

International actors need to address the problem of '*aid orphan*' states where there are no significant political barriers to engagement, but few international actors are engaged and aid volumes are low. This also applies to neglected geographical regions within a country, as well as neglected sectors and groups within societies. When international actors make resource allocation decisions about the partner countries and focus areas for their aid programs, they should seek to avoid unintentional exclusionary effects. In this respect, coordination of field presence, determination of aid flows in relation to absorptive capacity and mechanisms to respond to positive developments in these countries, are therefore essential. In some instances, delegated assistance strategies and leadership arrangements among donors may help to address the problem of aid orphans.

European Consensus on Development (2005)

Addressing State fragility (p.9-10)

"The EU will improve its response to difficult partnerships and fragile states, where a third of the world's poor live. The EU will strengthen its efforts in conflict prevention work and will support the prevention of State fragility through governance reforms, rule of law, anti-corruption measures and the building of viable State institutions in order to help them fulfil a range of basic functions and meet the needs of their citizens. The EU will work through State systems and strategies, where possible, to increase capacity in fragile states. The EU advocates remaining engaged, even in the most difficult situations, to prevent the emergence of failed states.

In transition situations, the EU will promote linkages between emergency aid, rehabilitation and long-term development. In a post-crisis situation development will be guided by integrated transition strategies, aiming at rebuilding institutional capacities, essential infrastructure and social services, increasing food security and providing sustainable solutions for refugees, displaced persons and the general security of citizens. EU action will take place in the framework of multilateral efforts including the UN Peace Building Commission, and will aim to re-establish the principles of ownership and partnership.

Some developing countries are particularly vulnerable to natural disasters, climatic change, environmental degradation and external economic shocks. The Member States and the Community will support disaster prevention and preparedness in these countries, with a view to increasing their resilience in the face of these challenges".

Conflict prevention and fragile states (p.27)

"The Community, within the respective competences of its institutions, will develop a comprehensive prevention approach to State fragility, conflict, natural disasters and other types of crises. In this, the Community will assist partner countries' and regional organisations' efforts to strengthen early warning systems and democratic governance and institutional capacity building. The Community will also, in close cooperation and coordination with existing structures of the Council, improve its own ability to recognize early signs of State fragility through improved joint analysis, and joint monitoring and assessments of difficult, fragile and failing states with other donors. It will actively implement the OECD principles for good international engagement in fragile states in all programming.

In difficult partnerships, fragile or failing states the Community's immediate priorities will be to deliver basic services and address needs, through collaboration with civil society and UN organisations. The long-term vision for Community engagement is to increase ownership and continue to build legitimate, effective and resilient State institutions and an active and organised civil society, in partnership with the country concerned.

The Community will continue to develop comprehensive plans for countries where there is a significant danger of conflict, which should cover policies that may exacerbate or reduce the risk of conflict.

It will maintain its support to conflict prevention and resolution and to peace building by addressing the root-causes of violent conflict, including poverty, degradation, exploitation and

unequal distribution and access to land and natural resources, weak governance, human rights abuses and gender inequality. It will also promote dialogue, participation and reconciliation with a view to promoting peace and preventing outbreaks of violence”.

Governance in the European Consensus on Development: Towards a harmonised approach within the European Union (EC Communication, 2006)

“There is also a growing awareness on the part of all donors that they need to promote innovative and more effective cooperation methods, even in fragile states, and to coordinate their approaches better”. (p.6)

“All development partners must be able to assess the quality of governance in a country and gauge the ambition, relevance and credibility of a government’s reform commitments on the basis of suitable indicators. The indicators must be adaptable to the specific circumstances of fragile and post-conflict states”. (p.7)

A preventive approach to fragile states (p.9)

“New, complementary approaches must nevertheless be explored, especially in fragile states. In fragile states, especially difficult partners, a lack of political legitimacy is often compounded by very limited capacities. Addressing governance in these states demands a step-by-step approach aimed at gradually raising standards. Many countries must first achieve basic stability and a minimum of institutional development before they can start implementing a long-term development policy. If EU aid to fragile states is to be made more effective, lessons must be learned from past mistakes: ‘stop and go’ financing decisions based on a government’s short-term performance leading to fluctuations in aid flows and uncertainty as to future financing; the imposition of conditions linked to past performance in matters of governance; inadequate harmonisation between donors; the marginalisation of certain fragile states; a lack of coherent external action in matters of governance, security and development. Post-crisis situations also call for integrated transition strategies to rebuild institutional and administrative capacities, infrastructure and basic social services, increase food security and deliver lasting solutions with regard to refugees and displaced persons and, more generally, the security of citizens. The need to prevent states becoming fragile and a concern not to marginalise the most vulnerable countries and peoples are an integral part of the EU approach; this is as much in the interests of solidarity as of international security and aid effectiveness”.

101

A Secure Europe in a Better World: European Security Strategy (2003)

“State Failure: Bad governance – corruption, abuse of power, weak institutions and lack of accountability – and civil conflict corrode States from within. In some cases, this has brought about the collapse of State institutions. Somalia, Liberia and Afghanistan under the Taliban are the best known recent examples. Collapse of the State can be associated with obvious threats, such as organised crime or terrorism. State failure is an alarming phenomenon that undermines global governance, and adds to regional instability”. (p.4)

“The European Union and Member States have intervened to help deal with regional conflicts and to put failed states back on their feet (...). Restoring good government to the Balkans, fostering democracy and enabling the authorities there to tackle organised crime is one of the most effective ways of dealing with organised crime within the EU”. (p.6)

"In failed states, military instruments may be needed to restore order, humanitarian means to tackle the immediate crisis. Regional conflicts need political solutions but military assets and effective policing may be needed in the post conflict phase. Economic instruments serve reconstruction, and civilian crisis management helps restore civil government. The European Union is particularly well equipped to respond to such multi-faceted situations". (p.7)

EU Policy statements on the security-development nexus:

- "Security is a precondition of development. Conflict not only destroys infrastructure, including social infrastructure; it also encourages criminality, deters investment and makes normal economic activity impossible. A number of countries and regions are caught in a cycle of conflict, insecurity and poverty. (...) Contributing to better governance through assistance programmes, conditionality and targeted trade measures remains an important feature in our policy that we should further reinforce. A world seen as offering justice and opportunity for everyone will be more secure for the European Union and its citizens". (ESS, 2003)
- "To contribute to coherence between security and development, synergy between EU development assistance activities and civilian crisis management under ESDP should be elaborated and better developed, including in post-conflict stabilisation and reconstruction". Action Plan for Civilian Aspects of ESDP, 2004
- "Insecurity and violent conflict are amongst the biggest obstacles to achieving the MDGs. Security and development are important and complementary aspects of EU relations with third countries. Within their respective actions, they contribute to creating a secure environment and breaking the vicious cycle of poverty, war, environmental degradation and failing economic, social and political structures. (...) Without peace and security development and poverty eradication are not possible, and without development and poverty eradication no sustainable peace will occur." (European Consensus on Development, 2005)
- "Development, human rights, peace and security are indivisible and mutually reinforcing. In an increasingly globalised and interdependent world, peace and security hang to a great extent on the political will and ability of governments and institutions to pursue policies geared to the rule of law, the protection of human rights, democratic governance, eradicating poverty, promoting sustainable development and reducing the inequalities that lie at the root of the main challenges facing the world". (EC Communication on Governance, 2006)

Annex F: Main EU Assessment and Programming Tools

The following is not an exhaustive list of EU instruments and programming tools. It lists some of the most relevant tools the EU has at its disposal for addressing the structural causes of fragility and instability, and provides some brief information and analysis on the effective use of these tools.

- *The Check-list for Root Causes of Conflict* provides a range of indicators against which Desk Officers and Delegation staff can undertake contextual analysis of the potential/actual conflict dynamics of a third country/region. It is an annual exercise undertaken by EC delegations and serve as early warning indicators designed to help identify areas of risk and changes in the conflict dynamic and thus increase awareness within EU decision-making of potential conflict, but it does not identify possible solutions or ways of addressing these risks and negative dynamics. It is also very conflict-specific, not addressing some of the main features of State fragility (e.g. the capacity of delivering social services). Although considered useful as a 'training' tool for delegations to sensitise and help them identify possible dynamics of conflict when done for some years on a row, these check-lists seem to have had little practical use including in the elaboration of the CSPs/RSPs and have not been used since 2003.
- *The Programming Fiches* for the Inter-Service Quality Group (IQSG), namely the one on *Conflict Prevention* goes further than the checklist in identifying opportunities to act in different areas from political legitimacy, to rule of law, human rights, civil society and media, dispute-resolution mechanisms and economic management, to include also a socio-economic regional and geopolitical dimension.
- *Specific EC services early warning and other assessment tools*, such as the open source information monitoring via the new EC Crisis Room, the ECHO's disaster monitoring system ICONS (Impending Crisis Online News System); also used by ECHO, the Global Needs Assessment – to rank countries according to their overall vulnerability (vulnerability index) and as to whether they are undergoing a humanitarian crisis (crisis index)- and the 'Annual Forgotten Crisis Assessment'; and by DG Environment, the Strategic Environment Assessments which inform country and regional policies and programming.
- *Country Conflict Assessments (CCAs)* provide a detailed and comprehensive analytical document. They look at actors, structural problems, political and socio-economic context. Elaborated by Desk Officers and Delegations, sometimes in collaboration with other donors, this type of analysis is done for many EU partner countries, but on a rather irregular basis. They are designed to encourage a culture of prevention and to inform the country strategy papers.
- *Governance Profiles* are part of the Governance Initiative launched in 2006 and provide for an overview of the ACP countries' situation regarding governance, on the basis of a series of questions. These profiles are not necessarily done jointly with the partner country, since it is foreseen that the assessment is made by the EC with participation of MS and afterwards shared with the partner country's government. There is no mention of other consulted stakeholders. Intended to be a means for the EC to integrate and address an often divisive issue such as governance (and sometimes perceived as intrusive), both between donors and with national government, despite the general acknowledgement that it is a critical one¹⁶⁴. Governance Pro-

103

¹⁶⁴ The EC is sometimes accused of blocking the process of harmonization between donors under JAS, by bringing up the governance issue, particularly when recipient governments are adamant in refusing to discuss it with donors or donors are too interested in the economic and

files have received a somewhat lukewarm reception from various stakeholders. Although it can provide good and accurate information, and besides fostering a common understanding among EC and MS on the situation of the country – undoubtedly a positive note for that matter, but could not that be the case for the CSPs as well? –, is it not clear how relevant the governance profiles are. They could be potentially more useful if the information provided would be more analytical and aimed at pinpointing key changes that would be needed to promote better governance in the specific country context, and if it would lay down indicators for measuring progress. Others also point out to the fact that it remains another donor exercise, with no concern of bringing in local views and understanding of local dynamics. Furthermore, it is not clear how useful is this tool for a comprehensive analysis of the country situation and trends: the security dimension in the governance profiles is seen as too weak and too development-oriented to make it a valuable tool for an inclusive analysis.

- *Conflict prevention teams* are Commission-led, multi-disciplinary teams deployed with the aim to assess potential conflict issues and propose medium-term conflict prevention strategies to be integrated into planned co-operation activities (in the framework of country/regional strategy papers).
- *Joint Council/EC fact-finding or pre-planning missions* are becoming a more common practice. These generally include civilian and military personnel, under the resources of the former Rapid Reaction Mechanism and now the IFS, generally in preparation to a decision and/or launching of an ESDP mission (e.g. SSR). An illustration of countries where joint missions were organized are Afghanistan, Guinea-Bissau, Kosovo, DRC, Chad, CAR. The *Civilian Response Teams* (CRTs), operational since 2006, were created within the process of developing civilian crisis management capabilities and designed to strengthen the needs assessment capacity of the Council. Although a Council tool, it can include EC staff as it is acknowledged that both institutions "should seek to undertake joint assessment missions wherever possible and appropriate"¹⁶⁵
- *Watchlists* are the primary early warning tool within the Council. These are Council-owned, confidential documents, reviewed every six months and only seen by Heads of State and Foreign Ministries. They are elaborated in close collaboration with the Ministries of Defense and of Foreign Affairs of the MS, EC delegations in the field and the Situation Centre in Brussels. Watchlists provide a global security risk assessment for various countries from different parts of the globe. Their objective is to provide short, succinct information on countries either in or with the potential to fall into crisis and/or cause regional instability to encourage joined-up actions within the European Council of Ministers, and across Member State foreign policies. They provide the basis for joint strategies (EC and MS) for early action. They are however criticised for being very much a political exercise and for putting too much emphasis on feeding the working groups in the Council and not taking a more inclusive, 'whole-of-EU', EC included, view.
- *Preventive strategies* are designed by the Council Regional Working Groups with input from the Commission to assess how best to use the EU full range of policy instruments (diplomatic, development, trade) to prevent instability at a country level. The strategies include three levels of analysis: a holistic assessment of root causes of conflicts; a comprehensive evaluation of

investment side of the relationship. Since CSPs are often based on JAS that tend to have a stronger economic focus, they too tend to shy away from the political dimensions. That's when the Governance "Incentive Tranche" could in principle play a positive role.

¹⁶⁵ Quoted in Gourlay, Catriona, "Civil-civil Coordination in EU crisis management" in Nowak, Agnieszka ed. (2006); *Civilian Crisis Management: The EU way*, Chaillot Paper 90, June 2006, p. 114.

possible EU leverage to address those root causes; and a prioritisation of policy options. A few strategies have so far been proposed and none was actually adopted. By the same token, none of the ESDP missions undertaken so far by the Council were the result of preventive strategies, and are in general reactive and 'by invitation'.

- *Country and Regional Strategy papers (CSP/RSP)* are the EU primary programming documents for allocation and implementation of external aid at the country and regional level. Developed in collaboration with Delegations, the partner State and civil society, they have made major steps in developing a strategic, joined up approach that is built on joint ownership with the recipient country. Conflict prevention is integrated as a 'non-focal' co-operation area¹⁶⁶. Linking relief, rehabilitation and development (LRRD approach) is also to be included in those countries involved in conflict, in a transition phase or likely to be entering into a transition phase (as well as those emerging from a major natural disaster). Very often, in practice, CSPs are weak in political and security analysis¹⁶⁷ and do not always include a discussion on conflict elements or addressing structural causes of instability. Even when they do, it is not clear how this has influenced or informed the programming process, namely the definition of strategic priorities for EU assistance and programmes in key economic, social and political areas¹⁶⁸. When there is an obligation to elaborate CSPs jointly with the partner government, as is the case the ACP countries (under the principle of partnership of the Cotonou agreement), the EU often shies away from addressing politically sensitive issues. RSPs not only duplicate, but seem to even multiply these weaknesses, tending to focus foremost on trade and regional integration and, although this dimension is in itself a key confidence-building measure, it is not always integrated into a wider perspective and comprehensive approach, particularly within the ACP regions with whom the EC is in the process of negotiating EPAs.

¹⁶⁶ Adapted and updated from International Alert / Saferworld; *Developing An EU Strategy to Address Fragile States: Priorities for the UK Presidency of the EU in 2005*.

¹⁶⁷ Often as a consequence of lack of qualified human resources with expertise and political sensitivity; of limited and restricted assessment processes that do not integrate local or experts views, particularly if they dissent from the official and/or generally accepted views.

¹⁶⁸ Saferworld, *Improving the impact of CSPs and programming on peace and stability. Lessons learned, best practice and recommendations from Saferworld's 3-year project in the Horn of Africa*.