

Transition Compacts: Lessons from UN Experiences

APRIL 2012

On November 2, 2011, the International Peace Institute (IPI) hosted a seminar on “Transition Compacts: Lessons from UN Experiences,” organized in collaboration with the United Nations and the International Network on Conflict and Fragility (INCAF), a subsidiary body of the OECD’s Development Assistance Committee. Participants included officials from the UN, its member states, the World Bank, and INCAF.

The seminar sought to learn from previous agreements on peacebuilding and development priorities between national governments and international partners in fragile and conflict-affected states. During the meeting, IPI presented a study on UN experiences with this first generation of “transition compacts,” a summary of which is included at the end of this note. For the full findings, see the IPI report “Aid Effectiveness in Fragile States: Lessons from the First Generation of Transition Compacts,” available at www.ipinst.org.

This meeting note was drafted by Rachel Locke, visiting fellow at IPI, and Vanessa Wyeth, research fellow at IPI. It reflects the *rapporteurs’* interpretation of the seminar discussions and not necessarily the views of all other participants. The meeting was convened under the Chatham House rule of nonattribution.

IPI owes a debt of gratitude to its many generous donors, whose support makes publications like this one possible.

Background

Ideally, transition compacts are light and non-bureaucratic arrangements that allow national and international partners to agree on the most urgent priorities requiring a collective effort in support of postconflict peacebuilding in fragile and conflict-affected states. They are also strategies for identifying how, and from which sources and instruments, the implementation of these joint strategies will be financed. The notion of transition compacts has been based on the premise that agreement on priorities, combined with a more coordinated and efficient use of domestic and international resources, will help consolidate peace and encourage stronger national ownership and leadership of postconflict peacebuilding and statebuilding.

In the lead-up to the Fourth High Level Forum on Aid Effectiveness in Busan, South Korea, in November and December 2011, transition compacts have taken on a new interest and increased sense of urgency. Compacts form one of the components of what the g7+ group of fragile states and their donor counterparts put forward at Busan in the “New Deal for Engagement in Fragile States” developed by the International Dialogue on Peacebuilding and Statebuilding. Compacts also form one of four pillars in the Guidance on Transition Financing from the Organisation for Economic Co-operation and Development’s Development Assistance Committee (OECD DAC).¹

Current discussions revolve around a particular understanding of compacts as an approach that links priority setting, transparency of aid instruments and funding commitments, and mutual accountability between countries and their international aid partners. However, there are a number of examples from the past seven years where agreements between national governments and international partners, sometimes referred to as “compacts,” attempted to align and coordinate international and national peacebuilding efforts behind a set of priorities. In all of these cases, which might be characterized as the “first generation” of compacts, the UN played a critical diplomatic, technical, and coordinating role in the development and implementation of the agreements.

In order to learn from these experiences and inform decisions on the implementation of future compacts, IPI joined forces with a group of UN stakeholders led by the Peacebuilding Support Office (PBSO) and the OECD-DAC International Network on Conflict and Fragility (INCAF) to carry out a study on UN experiences with this first generation of compacts. On November 2, 2011, IPI presented these research findings to a diverse group of fifty to sixty UN staff, member state representatives, World Bank officials, and INCAF

1 OECD, “International Support to Post-Conflict Transition: DAC Guidance on Transition Financing,” March 2012.

counterparts, who engaged in an informal discussion on the implications of these findings for future transition compacts.

Compacts for Fragile and Conflict-Affected States

The opening panel recognized that in fragile and postconflict environments, social networks and institutional relationships are generally very weak or have broken down entirely. This creates a scenario in which the entire system is very vulnerable and highly interdependent. Yet, assistance modalities do little to recognize this fact, with current processes insufficiently linked to context. Coupled with this is a generalized lack of prioritization and corresponding fragmentation of aid instruments.

Transition compacts are being proposed as a key tool to help overcome this current dysfunction. As described in the July 2011 Monrovia Roadmap, the outcome document of the second global meeting of the International Dialogue on Peacebuilding and Statebuilding, a compact is an agreement “between a government and its international partners based on consultations with national stakeholders to define joint priorities, targets, measures of progress, and ways to manage risk.”² This language is both very specific and yet flexible enough to fit in a variety of contexts. This is important given the range of needs and circumstances facing fragile and conflict-affected states. It can also, however, lead to different interpretations and motivations for action, which can then lead to blame for failure to act or failure to see results. The subsequent discussion delved into some of the specifics about compact design, implementation, monitoring, and overall expectations.

Research Findings from the First Generation of Compacts

IPI presented the findings of its research on five cases where the UN was involved in helping to negotiate and/or implement an agreement between

national and international partners: Afghanistan, the Democratic Republic of the Congo (DRC), Iraq, Liberia, and Timor-Leste.³ In all cases the agreements were between the government and its international partners, with the exception of the DRC, where the agreement was a contract between the government and the Congolese people.

The research demonstrated that compacts can be effective. They should not be seen as a panacea, however, and trying to make them do too much can be detrimental. More specifically, the research showed that brokering a compact before security prevailed throughout a country—e.g., in Afghanistan, Iraq, and the DRC, where significant instability remained—made it difficult for the government to marshal resources or to think beyond the immediate violence. The research also showed that compacts suffered from overly-long time frames. Time frames shorter than five years helped to ensure that those who championed the agreement were still in office during its implementation. In addition to shorter time frames and a degree of stability, a narrow and specific focus also helped ensure agreements would meet their stated goals and made monitoring much easier. Compacts were most successful when they struck a balance between aspiration and achievability.

The actors involved in designing, implementing, and monitoring the compact also make a huge difference. In Afghanistan and Iraq there was a sense that the compacts were foisted on the governments. Without country ownership, momentum to implement the compact ran out quickly. Contrasting this was Timor-Leste, where the government took a strong leadership role, and the compact was considered successful. Civil society and the media also played an important role in rallying around the idea of a compact and raising public pressure for the government to sign it. Civil society and the media can also be important in monitoring compacts and ensuring a level of accountability on all sides. At the same time, it was recognized that in some cases, civil society would not be invited into negotiations due to their sensitive nature and because the application of pressure on already weak and fragile institutions

2 International Dialogue on Peacebuilding and Statebuilding, “The Monrovia Roadmap on Peacebuilding and Statebuilding,” July 2011, p. 2.

3 See Christina Bennett, “Aid Effectiveness in Fragile States: Lessons from the First Generation of Transition Compacts,” New York: International Peace Institute, April 2012.

could have harmful implications.

In these past agreements, the UN staffed most of the secretariats set up to provide support. However, deployment of staff was very slow and the level of staff expertise was uneven. The UN was also vulnerable to competition between strong interagency or donor interests, specifically in the cases of Afghanistan and Iraq, which limited its ability to effectively deliver on its objectives. There was also a deficiency of accountability loops. For example, people involved in the Liberia agreement felt powerless because there was no recourse to higher-level authorities when corruption was uncovered. Ensuring appropriate staffing structures and linkages with accountability mechanisms is an important consideration for future compacts.

Political Processes and Priority Setting

During the discussion, there was broad recognition of the need to reflect more specifically on how compacts will contribute to overall aid effectiveness. One key ingredient in this will be ensuring national leadership, without which compacts could not only have negligible impact, but could potentially backfire if perceived as donor-driven. World Bank research has shown that the best-coordinated programs are those that display strong government leadership.⁴ The challenge, of course, is that in postconflict and fragile contexts leadership is often at its weakest and political space tends to be highly contested. In some contexts, governments may not be willing or able to take on the political process of setting priorities and aligning themselves and others with them, and external actors need to be sensitive to that reality.

International actors also need to tread carefully in cases where the legitimacy of the government is in question. State legitimacy can be bolstered through a compact process, but this is not a given. Citizens' perceptions of a government's legitimacy must be factored into the discussion. Participants also discussed how to ensure that compacts are founded on an inclusive political process. We should be

broad in our thinking about inclusivity, taking into account not only "civil society" as it is commonly conceived, but also religious leaders, private sector actors, labor unions, and others. There will also be the need to balance the amount of time that inclusive processes can take with the need to capitalize on a small window of opportunity when attention is focused on a country and international commitment is high.

Through its impartial convening capability, the UN has a real role to play in helping to open up and provide space for actors to engage. The recent Civilian Capacity Review should help to draw out the capacities required for the UN to support these processes. That said, donors need to improve their communications and their own internal capacity to be able to deliver on commitments.

Compacts will not have sufficient weight unless methods are built in to plan around the compacts and monitor their implementation—and unless the resources to do so are identified. It is also important to ensure that both planning and monitoring are continuous processes rather than one-off events. However, this has proved hard to do in practice. More work needs to be done to ensure that "mutual accountability" encompasses accountability between the state and its citizens, not just the state and its donors.

In terms of the substance of compacts, there was broad recognition that compacts will coexist and be used in a context with many other instruments and frameworks. Compacts should never be seen or used as a "silver bullet," but rather as a tool in a larger toolbox. As much as possible, we should ensure compacts focus on addressing the most critical risks to peace, and that they are aimed at preventing reversion to conflict. Many recent studies underline this point, including the 2011 *World Development Report* on conflict, security, and development. Some participants raised the concern that if compacts don't deal with fundamental questions, such as large-scale displacement or the need to bridge humanitarian relief with development activities, they will be limited in their effectiveness.

4 World Bank, "The Drive to Partnership: Aid Coordination and the World Bank," Washington, DC, November 1999.

Transparency in Aid Flows and Funding Commitments

It is important to balance both technical and political issues in the design, implementation, and monitoring of compacts, and to maintain realistic expectations of how much compacts can actually accomplish in terms of fostering transparency in financial flows. Meeting participants also agreed on the need to be more up-front about risk management. Collectively, there's a need to take on more risk, but also to do a better job of understanding the different dimensions of risk and sharing responsibilities equitably. It is common knowledge that most of the G7+ countries in which the New Deal will be implemented rank low in terms of overall transparency and that corruption will be a problem for implementation. Participants expressed a desire not to be deterred by this, but also acknowledged the need to be realistic about the implications. For example, the INCAF guidance on transition financing outlines many different ways of providing aid *on budget* without necessarily giving direct budget support, and participants proposed considering a variety of options and mechanisms to increase the transparency and predictability of aid flows.

In response to concerns about risk, or financial constraints at home, donors are often more likely to “turn off the tap” rather than change their funding modalities. However, it is generally very hard to turn the tap back on and incentivize positive behavior if things improve. Instead, funding mechanisms should be reformed by building stronger systems for monitoring and risk management that would help to accommodate shocks, participants said. It is extremely problematic for countries trying to emerge from fragility if they cannot rely upon a certain degree of financial consistency. For example, aid to Côte d'Ivoire has seesawed in recent years, with negative consequences. Extreme aid volatility undermines a government's ability to live up to its commitments and harms its relationship with its citizens.

Participants also recognized that, while there has been a lot of positive talk about commitments, donors still have a long way to go in terms of “walking the walk.” For example, in Sierra Leone, there is one plan, but donors continue to hesitate to

finance it. In a very different context, a significant amount of money was raised for post-earthquake Haiti, but it's been a huge challenge to spend the money. It is often easier to establish mechanisms than it is to actually use them. Donors and host governments alike also continue to rely on mechanisms, such as international technical assistance, that is bad for long-term aid. Participants expressed a need to improve the balancing of short-term priorities (including short-term staffing gaps) with longer-term strategies.

Another challenge in these contexts has been that the Millennium Development Goals (MDGs) are not necessarily the best framework for conflict-affected and fragile states. One participant noted that less than 1 percent of aid flows to Liberia between the early 2000s and 2009 went to tertiary education, in large part because the MDGs emphasize primary education. In a country that is trying to build up a new cadre of educated leaders, doctors, lawyers, and entrepreneurs, this scenario is not fit for purpose. There was also some discussion about other sources of financing, including remittances, private sector capital flows, and criminal activity. In many countries these amounts account for much more than aid flows. It was recognized throughout the entire discussion that international partners need to constantly ensure that they are doing no harm and laying solid foundations for the future.

Monitoring and Mutual Accountability

To start this session, there was a plea to the room to remember that mutual accountability needs to be *mutual*. While this is an obvious point, there is a tendency toward significant asymmetry in international commitments. Even in the MDG framework, described by one participant as “the mother of all compacts,” the first seven goals are primarily the responsibility of developing countries (with deadlines attached), while only Goal Eight applies to developed countries (and has no deadlines).

It will be important for compacts to determine a few simple, easily communicated, results-oriented targets and associated indicators. The indicator work coming out of the International Dialogue on Peacebuilding and Statebuilding will help in this

regard. It is also necessary to distinguish between different levels of monitoring. Monitoring achievement toward results is distinct from monitoring implementation, but both are important in this context. This is where real mutual accountability comes in. Options for independent monitoring should be considered; for example, through think tanks or universities.

The transaction costs of compacts can be very high, but few transition compacts have actually changed donor behavior. If the real intent is to change donor behavior, then perhaps other alternatives should be considered. Participants expressed a need to be very clear about intentions: is the goal to get more aid on budget, or is the goal to enhance overall peacebuilding? The choice of which tool to use should be guided by the overall objective.

Civil society can play a critical role in sustaining the momentum behind compacts. The mistakes made in the early stages of MDG implementation, when the international community didn't do enough to actively engage civil society, should not be repeated with compacts. One participant also noted the need to engage elected bodies, such as parliaments, where the opposition generally resides. In contexts where governments can change abruptly, it's important to ensure there is broad buy-in, not just support from one leader or one party. Another participant countered that elected bodies can at times compound the problem, and it may depend on how they have been elected. An example was raised of a parliament that blocked legislative reform because its members had been bought off, although it was recognized that this can apply to the executive branch as well. The most important takeaway is the need to strike the right balance of constituents for change.

This session ended with a discussion on the role of the Peacebuilding Commission (PBC) and how it fits into the conversation. The Statements of Mutual Commitment that the PBC has adopted in its Liberia and Guinea configurations are examples of "compact-like" documents that spell out each party's commitments. PBC engagement should be examined in more depth, as the PBC has many lessons to share. One participant pointed out that,

as currently discussed, compacts are designed to address many of the same concerns that the PBC was created to solve. Yet where the PBC has been least successful is in getting donors to mobilize resources behind priorities. Will compacts be sufficiently different in the future to succeed where the PBC has failed?

Implications

There is still more thinking to be done in terms of how to engage non-traditional donors, such as China and Brazil, in this debate. Is it possible that compacts could help to create linkages here? Or would this be placing unreasonable expectations on what compacts can achieve?

Seminar participants recognized that the next frontier will involve better aligning financial incentives with planning and coordination structures. The implications of this are considerable. On the one hand, within the UN there needs to be more attention paid to planning structures generally. On the other hand, prioritization and predictability as enshrined in compacts will require UN member states to support this paradigm; otherwise the UN will not be able to comply. This is an additional layer of strategic coordination that needs to take place in New York and in other donor capitals. Coordination should not be viewed as only operational coordination within host countries.

While it was noted that the UN has played a significant role historically, and that its role has generally been positive, it is not clear what role it should play in contexts with very limited UN presence. In these cases, will there be another entity to take on the leadership and coordination roles the UN has played in the past?

Finally, the diverse range of actors in the room demonstrated how much attention the topic of compacts is receiving. Participants welcomed the IPI study and the workshop, expressing the hope that the conversation will help ensure that future work builds upon lessons from the past, ensuring a higher degree of effectiveness and greater progress towards peace.

Aid Effectiveness in Fragile States: Lessons from the First Generation of Transition Compacts

SUMMARY OF FINDINGS FROM THE IPI STUDY BY CHRISTINA BENNETT

During the November 2, 2011, seminar on “Transition Compacts: Lessons from UN Experiences,” IPI presented a study on UN experiences with the “first generation” of transition compacts. Focusing on transition compacts in Afghanistan, the Democratic Republic of the Congo (DRC), Iraq, Liberia, and Timor-Leste, it examined the impact that first-generation compacts have had on setting priorities, contributing to improvements in aid flows, and advancing the mutual accountability of governments and international partners. After exploring the content of each compact, the context in which it developed, the implementation that followed, and the role of the UN in each instance, key lessons emerged across the cases. A summary of these lessons and their implications for future compacts is presented here, followed by recommendations for strengthening the next generation of transition compacts and the role that the UN could play in this regard.

This research was a collaborative effort of the International Peace Institute (IPI), and the United Nations, with input from the OECD DAC Secretariat of the International Network on Conflict and Fragility (INCAF). The full research findings have been published in an IPI report entitled “Aid Effectiveness in Fragile States: Lessons from the First Generation of Transition Compacts,” which is available on IPI’s website, www.ipinst.org.

I. Developing and Implementing Transition Compacts: Key Lessons

TIMING

A compact’s timing will directly affect its prospects for successful implementation. Compacts are likely to be more effective if pursued when basic security is in place and humanitarian indicators are improving. They are likely to garner more response from donors if they are developed before donor strategies and spending patterns are set. They work best when they operate within short timeframes. And they are more likely to be effective if signed when elected—rather than transitional—governments are in place, so that the parties who negotiate a compact are the same ones who are later called upon to implement it.

NATIONAL OWNERSHIP AND INCLUSIVE PARTICIPATION

Compacts are likely to gain more political and practical traction if high levels of national and local ownership are in place (Timor-Leste), including by civil society actors. Where compacts are externally driven or lack basic support from national or local actors (DRC), they are left to languish once launched. The compacts surveyed for this study were framed as contracts between national govern-

ments and the international community and little was done to extend discussions or negotiations beyond these signatories. Only in places where regional organizations had an existing role in the peace process did they weigh in on compact development. Notably absent from all compact-design processes were civil society leaders and groups. In many places, civil society groups participated in compact implementation structures, though it is not clear whether they used this role to ensure compliance by compact signatories. Like national governments, regional and civil society actors have an important role to play in the compact process. Civil society actors, including the media, can play active roles in galvanizing international and local opinion around compact debates, in creating an enabling environment for compact negotiations, and in helping to hold compact signatories to their word.

CONTENT AND STRUCTURE

Compacts should strike a balance between aspiration and achievability. There is value in both host governments and donors expressing high political objectives and reiterating principles. However, compacts are most effective when they are focused and prioritized, based on national understandings of what is most urgent and important. Compacts are also more likely to succeed when they include explicit mechanisms for implementation and

monitoring; are based on specific, time-bound benchmarks; and consider both government capacity and public appetite to see reforms through. Such mechanisms must comprise high levels of authority and enforcement mechanisms, including links to national laws, but should not be perceived as threats to national sovereignty. Where most compacts have fallen short has been in the omission of capacity-building elements as part of their core functions. Without specific provisions for mentoring, training, knowledge transfer, and retention, key reforms have been hard to sustain and institutionalize.

COORDINATION

Generally speaking, compacts did more to improve rather than undermine coordination among national, multilateral, and bilateral actors. However, such improvements came with high transaction costs in the form of overly burdensome and bureaucratic coordination structures. The extent to which coordination was enhanced depended on government involvement and an alignment of interests. Where government engagement was high and national and international priorities were complementary, compacts were effective in reinforcing existing coordination mechanisms. Where government interest was low, compacts did nothing to foster coherence and coordination.

In many cases, compacts also contributed to the establishment of new coordination frameworks, such as the Country Assistance Framework in the DRC or the Liberia Reconstruction and Development Committee. Compacts did little to improve UN coordination. Compacts should be used to focus attention on a narrow set of priorities over a short period of time. They should not duplicate planning or coordination mechanisms when other processes are in place (e.g., national development plans, or UN Development Assistance Frameworks).

IMPLEMENTATION AND IMPACT

While this study did not evaluate compact outcomes or impact, anecdotal evidence suggests that several factors contributed to compacts' inability to deliver on many stated goals. Many compacts were deemed unviable from the outset, both because government and donor engagement and appetite was low and because benchmarks and timelines were unachievable. In most cases,

implementation and monitoring mechanisms were overly bureaucratic, under-staffed, and lacking instruments for enforcement. Success in tackling compact objectives seemed also to depend on which actors and ministries were charged with leading compact implementation and the relative power they held within each government. While compacts may have helped to promote peacebuilding goals by creating hope among war-weary populations that their governments were turning a new page (e.g., in Liberia, where there were high levels of public awareness of the need to reduce corruption and of the compact initiatives), such effects were temporary and intangible. Even when compacts included national reconciliation goals and plans (Iraq, Afghanistan), they were unable to further these agendas in practical terms.

DONOR BEHAVIOR AND MUTUAL ACCOUNTABILITY

Although each compact's rhetoric emphasized mutual accountability as a core component, donor commitments were, in all cases, thin and unspecific, and donor performance remained largely unchanged. The introduction of new economic governance and financing strategies (Liberia, Iraq) did not result in increased donor investment. Proposals to improve donor reporting and integrate it into national budgets and reporting mechanisms caused offence. In cases where compacts did manage to restore some trust and legitimacy to governments, this was not met with increased assistance or direct budget support, although some countries (Liberia) reported an increased use of pooled funds. Only Iraq benefited financially from its compact in the form of \$30 billion in debt relief. While some strongly believe that mutual accountability should be a core component of compacts across the board, many are skeptical about whether the host government and the UN (as the co-implementers of compacts) are set up or well placed to take on such a role, and whether such processes would ever result in meaningful shifts in donor behavior when donor interests lie elsewhere.

THE ROLE OF THE UN

The UN has an important role to play in the development and implementation of compacts and its experiences to date have been appropriate, relevant, and well received. The UN has been

effective at playing a catalytic and facilitative role in convening key stakeholders and in using its good offices with host governments, other member states, and regional organizations to galvanize support around compact initiatives. Host governments have also appreciated UN technical support and guidance around compact development and implementation, particularly around capacity building. Together with host governments, the UN has staffed and managed compact secretariats and coordinated compact implementation. The Security Council too has helped legitimize compact processes through its endorsement of compact documents and its inclusion of support to compacts in mission mandates. In Liberia, progress on the compact's goals was linked to the lifting of Security Council sanctions. Nonetheless, the role of the UN Peacebuilding Commission in relation to the negotiation and implementation of compacts needs to be clarified. And while the UN has also been effective at working with the World Bank in these contexts, more work should be done to establish clearer divisions of labor around compact processes.

II. Recommendations

POLICY RECOMMENDATIONS

- Compacts should be informed by the Paris Declaration, the Fragile States Principles, and the Principles for Good Humanitarian Donorship.⁵ They should be guided by the OECD DAC Guidance on Transition Financing.⁶
- Compacts should be recognized as endogenous processes that reinforce the ties between state and society.
- A decision to launch a compact should be based on a keen understanding of the political will and public appetite for reform, and consideration of the available national and international capacities to manage and implement compact priorities.
- Compacts should be considered only when a peace accord (or similar political agreement among parties) is broadly agreed and where basic security is in place.
- Civil society can play a substantive and enabling role in compact development and should participate both in compact creation and implementation.
- Prioritization and mutual accountability should be core components of compact design. Compact commitments should be specific and balanced.
- Compacts should build upon, reinforce, and work in coordination with ongoing international and national processes.
- Compacts can reinforce, but should not add to, conditionalities set by multilateral institutions.
- Compacts are most effective when based on short timelines, a focused agenda of reform, and a narrow set of agreed priorities.
- Compacts should include specific provisions for implementation, oversight, performance monitoring, and enforcement, with host governments in the lead. These mechanisms should be light and well resourced from the outset.
- Compacts should include specific measures and support for strengthening government institutions and capacity, with a particular focus on compact priority areas.

RECOMMENDATIONS FOR THE UN

- Continue to work with the OECD's Development Assistance Committee (DAC), and particularly its International Network on Conflict and Fragility (INCAF), to support the provisions contained in its guidance on transition financing to improve the quality of aid during transitions.
- Support the use of transition compacts as mechanisms for agreeing on priorities and strengthening mutual accountability for results.
- Continue to strengthen the UN's relationship with the international financial institutions (IFIs), particularly the World Bank, including by clearly defining roles and responsibilities in transition contexts.
- Continue to strengthen UN coordination mechanisms in transition contexts so as to speak and act coherently when compacts are in place.
- Improve technical support to host governments

5 OECD, "Paris Declaration on Aid Effectiveness: Ownership, Harmonisation, Alignment, Results and Mutual Accountability," Paris: March 2005; OECD, "Principles for Good International Engagement in Fragile States and Situations," Paris: April 2007; Good Humanitarian Donorship, "Principles and Good Practice of Humanitarian Donorship," Stockholm: June 2003.

6 OECD, "DAC Guidance."

for compact development, implementation, and capacity building in key compact areas by rapidly deploying and sustaining the engagement of experts to compact secretariats and relevant government agencies, and by improving UN expertise in aid effectiveness.

- Improve mechanisms for ensuring the timeliness and flexibility of transition support by donors, including through global and country-level pooled funds. The Peacebuilding Fund could be instrumental in this regard.
- Work with host governments to strengthen the capacity-building component of international compacts, including through training, mentorship, knowledge transfer, and retention.
- Promote the sustainability of compacts by ensuring links to ongoing national and international planning processes.
- Work with donors and IFIs to spearhead efforts that improve donor coordination around agreed priorities. The Country Assistance Framework in the Democratic Republic of the Congo provides one such model in this regard.
- Promote the development and use of aid-information-management systems in transition contexts to improve donor transparency and to harmonize donor and national reporting mechanisms.
- Consider the potential role of UN intergovernmental bodies, particularly the Peacebuilding

Commission and the Security Council, in providing international political support, legitimacy, and incentives and disincentives in compact negotiations and implementation.

III. Further Questions

- Should compacts be pursued where government capacity is low, but international interest and engagement is high? Can compacts be appropriately designed to operate in this context?
- Should compacts be pursued before a nationally-elected government is in place to negotiate them?
- How can actors ensure that compacts reflect national and local views of what is important and urgent, and that they are not dominated by donor interests?
- What needs to be in place for compacts to impact donor behavior, including funding levels, aid instruments, transparency in reporting, and coordination?
- Is mutual accountability a realistic objective?
- How can monitoring mechanisms be kept light and uncrowded, particularly in situations of high strategic international interest?
- In what ways can the UN improve levels of support and expertise to compact development and implementation?
- Could the UN Peacebuilding Commission play a role in political monitoring or accountability?

Agenda

Transition Compacts: Lessons from UN Experiences

November 2, 2011

- 08:45 Breakfast
- 09:00 – 09:10 **Welcome**
Mr. Francesco Mancini, *Director of Research, IPI*
- 09:10 – 09:40 **Background and Introduction**

Mr. Henrik Hammargren, *Director, Swedish International Development Co-operation Agency*
Ms. Judy Cheng-Hopkins, *UN Assistant Secretary-General for Peacebuilding Support*
- 09:40 – 10:00 **Session 1: Findings from the IPI Study**

Chair
Mr. Francesco Mancini, *Director of Research, IPI*
Speaker
Ms. Christina Bennett, *IPI Consultant*
- 10:00 – 10:45 **Session 2: Political Processes and Priority Setting**

Compacts are most effective when they are focused and prioritized, based on a national vision of the most urgent and important priorities for peacebuilding. They should also be rooted in domestic political processes that reinforce the ties between state and society. With this in mind, what minimum prerequisites should be in place before compacts are pursued (e.g., basic security, peace agreements, nationally-elected governments)? Can compacts be appropriately designed for contexts where government capacity is low, but international interest and engagement is high? How can compacts build upon and reinforce, rather than duplicate, existing national and international processes?

Chair
Mr. Oscar Fernandez-Taranco, *UN Assistant Secretary-General for Political Affairs*
Speaker
Mr. David Haeri, *Chief, Policy and Best Practices Service, UN Department of Peacekeeping Operations*
- 10:45 – 11:00 Break

11:00 – 11:45 Session 3: Transparency in Aid Flows and Funding Commitments

Compacts have served as effective coordination mechanisms in cases with high levels of government engagement and an alignment of national and international interests and priorities. However, past examples show little evidence of compacts' impact on donor behavior, funding levels, choice of aid instruments, or transparency in reporting. What needs to change in order for compacts to serve this function? To what extent should compacts provide a framework for strengthening national capacities for aid coordination? How can the UN improve levels of support and expertise to compact development and implementation?

Chair

Mr. Henrik Hammargren, *Director, Swedish International Development Co-operation Agency*

Speaker

Mr. Greg Ellis, *Senior Operations Officer, Operations Policy and Country Services, Fragile & Conflict-Affected Countries, The World Bank*

11:45 – 12:30 Session 4: Monitoring and Mutual Accountability

Compacts are more likely to succeed when they include explicit mechanisms for implementation and monitoring, are based on specific, time-bound benchmarks, and take into account both government capacity and public appetite to see reforms through. How can compacts strike a balance between aspiration and achievability? How can light, straightforward implementation mechanisms be designed? Is mutual accountability a realistic objective? What potential monitoring and accountability roles might UN bodies, such as the Security Council and Peacebuilding Commission, usefully play?

Chair

Ms. Daša Šilović, *Senior Policy Advisor, UNDP Bureau of Development Policy*

Speaker

Mr. Henk-Jan Brinkman, *Chief, Policy, Planning and Application Branch, UN Peacebuilding Support Office*

12:30 – 13:45 Working Lunch: Implications for the UN and Other Actors**Chair**

Mr. Tobias Nussbaum, *Director General, Strategic Policy, Canadian International Development Agency*

13:45 – 14:15 Wrap-Up and Next Steps

Ms. Judy Cheng-Hopkins, *UN Assistant Secretary-General for Peacebuilding Support*
Mr. Tobias Nussbaum, *Director General, Strategic Policy, Canadian International Development Agency*

The **INTERNATIONAL PEACE INSTITUTE (IPI)** is an independent, international not-for-profit think tank with a staff representing more than twenty nationalities, with offices in New York, facing United Nations headquarters, and in Vienna. IPI is dedicated to promoting the prevention and settlement of conflicts between and within states by strengthening international peace and security institutions. To achieve its purpose, IPI employs a mix of policy research, convening, publishing, and outreach.



777 United Nations Plaza, New York, NY 10017-3521, USA

TEL +1-212-687-4300 FAX +1-212-983-8246

Freyung 3, 1010 Vienna, Austria

TEL +43-1-533-8881 FAX +43-1-533-8881-11

www.ipinst.org