

The Backbone Strategy

Frequently asked questions

July 2009

What do we mean by "technical cooperation"?

The term Technical Cooperation (or TC) is used in different ways. Development practitioners use the term in a narrow or broad way and definitions leave room for interpretation. The Backbone Strategy on "Reforming Technical Cooperation and Project Implementation Units" launched in July 2008 adopted a broad concept, referring to inputs and activities which do not only serve capacity development purposes. We therefore include any source of knowledge supply or advice, including study tours, access to knowledge centres, involvement of universities, e-learning, twinning arrangements, peer exchanges and local, regional or international consultants. We tend to prefer the term "technical cooperation" to "technical assistance" (TA). The latter is often associated with the provision of consultants, which leads to a narrow interpretation. We use "TA" to denote consultants, "TC" to denote other forms allowing partners to acquire knowledge and advice.

What is new about the Backbone strategy and the Guidelines that we didn't do before?

The Backbone Strategy and the Guidelines reflect common sense and good practices that may already be more or less followed. However, the principles – even if well-known - are not yet systematically applied and a real push is needed to go beyond ownership on paper and translate it in concrete actions. Our own research (including consultations with Delegations and Partner governments) and that of the Court of Auditors confirm that there are still several problems in the design and management of TC support from the Commission.

The Backbone Strategy include practical challenges for our work: to actively ensure real ownership of our partners beyond formalities, starting with their leadership of the programme cycle; to be clear on the roles and expected results of the TC providers and partners, particularly regarding capacity development; to ensure higher quality of expertise, and to expand the types of providers to Southern and public sector expertise and non commercial bodies.

Two ingredients are essential for this approach to be implemented:

- That adequate foresight, time and attention is devoted to the design process (apply the 24 months rule, see below)
- That quality of operations is systematically checked throughout the cycle of operations.

What are the key elements of the "Guidelines on Making Technical Cooperation more effective"?

The Guidelines give operational advice on four key themes:

- How to convert ownership into an operational concept.

- How to identify and work on demand for TC, how to adapt to and assess the context and the existing capacity, and how to seek harmonized approaches
- How to make TC design driven by results beyond the traditional deliverables of consultants like e.g., training and drafting of documents.
- How to avoid the pitfalls of donor-driven parallel PIUs by focusing on the partners' need to have effective implementation arrangements adapted to the nature of the programmes and to the context.

Isn't there a tension between EuropeAid's pressure to commit funds and push for implementation and the time it takes to identify a home grown appropriate capacity development process?

It is true that we work and will continue to work with multiple objectives which are sometimes competing. But there are things that can be done ease the tensions and reconcile quality and speed.

Most importantly, "plan ahead"! You don't need to wait till it is too late to engage in dialogue and preparation of support. We work both with predictable cycles of operations and in highly unpredictable environments; under such conditions it is key starting processes early without losing the flexibility to adapt later. When our aim is to support Capacity Development, this requires good knowledge of the context/sector and intensive dialogue with key actors – and this can be planned ahead.

We need time not only to comply with the Backbone principles but more generally to ensure quality and sustainability of any type of intervention. Good design, which indeed takes time, has high returns, including on disbursement rates. A well prepared program is generally performing better (see results of the Result Oriented Monitoring) and frees delegation staff energy from solving problems arisen because of rushed design and inappropriate selection of expertise (eg Action Fiches prepared in a rush, decisions taken in last minute, ambiguity of roles, unclear terms of reference and not enough result focus or inappropriate selection (profile, experiences not matching the mandate or the context).

Have the Backbone Strategy and the Guidelines been discussed with Partner countries?

The Backbone Strategy and the Guidelines is grounded on experience from the field. A first step in the elaboration of the Backbone Strategy was the consultation of staff working in European Commission Delegations and partner country representatives on their perception of Technical Cooperation. The implementation of the Backbone Strategy is based in particular on the promotion of dialogue with our partners and other donors. EC Delegations are responsible for promoting this dialogue at country level and the diffusion of the Backbone Strategy and of the Guidelines is a first element. The development of country-based Action Plans in close cooperation with our partners and other donors is key for implementing the Backbone Strategy.

Is there communication material on the new approach we can use in delegations?

As regards multimedia tools, an [interview of Koos Richelle](#) – EuropeAid DG is available on the Capacity4Dev Platform. The Guidelines have been sent to all Delegations, along with a [flyer](#) attached to facilitate the dialogue with partners (Government and other donors). A [video presentation of the Guidelines](#) is also available.

All these communication tools (new PPT presentations of the Backbone Strategy and of the Guidelines, the video interview of K. Richelle, etc.) are posted on the [Capacity4dev platform](#) and on the [TC menu](#) of the intranet of EuropeAid.

Which are the links of the Backbone Strategy with the aid effectiveness agenda?

The Backbone Strategy is a way of implementing the Aid Effectiveness agenda as regards technical cooperation. Both the Paris Declaration and the Accra Agenda for Action call for the improvement of the quality, alignment and harmonisation of capacity development and related technical cooperation. Both agreements also call for an increase in the use of country systems and a reduction of the use of parallel Project Implementation Units. Annex 1 of the Guidelines for Making Technical Cooperation More Effective includes the most relevant excerpts of these agreements.

Furthermore, the EU agreed on additional and even more ambitious commitments to move aid effectiveness forward. The international and EU agreements include specific commitments on TC and PIUs. The Paris Declaration calls for technical cooperation that respects the following principles:

- Ownership – Partner countries exercise effective leadership over their capacity development programmes.
- Alignment – Technical co-operation in support of capacity development is aligned with countries' development objectives and strategies.
- Harmonisation – Where more than one donor is involved in supporting partner-led capacity development, donors co-ordinate their activities and contributions.

Were the Strategy and the Guidelines discussed with other donors?

Both the Backbone Strategy and the Guidelines have been extensively discussed with the EU Member States in three meetings in Brussels: December 2007, June and October 2008. The consultation process is ongoing with the aim to further harmonise the EU vision and approaches for capacity development. Member States welcomed the EC Guidelines, some of them are interested in using/applying them. A country level, Delegations are in charge of presenting the Strategy and the Guidelines to other donors and discussing the elaboration and implementation of country action plans. Communication material to do so is readily available.

Government service delivery is not performing well. Can we use technical assistance instead?

TA may be the right option in cases where the partner cannot deliver the necessary services or manage the implementation of urgent complex service delivery programmes. If a country has

limited capacity, some degree of implementation support through TA may be justified. Supporting implementation, however, may entail serious risks. Experience shows that it is very likely that results may be achieved in the short run but that long-term sustainability will not be attained. It may also contribute to undermining domestic capacity through poaching of partner staff or demoralising ordinary staff who do not receive the same benefits and working conditions that donor contracted staff enjoys. The risks are even more acute if the donor support is fragmented in donor-driven projects.

How can we monitor the performance of technical assistance, are there any indicators?

Performance of technical assistance is monitored on the basis of the detailed programme plans, the Terms of Reference (ToR) for the TA and the work plans agreed between the TA and the partner to whom the TA reports. Particularly for TA support to capacity development, it is however not enough to look isolated at the performance of the TA: capacity results will depend on the inputs and joint activities of the partner (leadership, management, staff time and commitment, possible physical inputs) and the TA. The TA performance could be measured for eg. by detailing the “deliverables” of the TA – whether coaching processes, draft business procedures, training courses or other kind of “products”. But such performance is pointless if drafts are not used, and skills not applied. Therefore, performance monitoring has to include the TA, the partner and the relation between the TA and the partner. Annex 5 of the guidelines <link>) includes a format for mutual performance assessment of TA support.

What to do when technical assistance is not effective?

There may be various reasons for low TC effectiveness: Poor design, low demand and ownership, changes in the context and needs in the often considerable time lag between the request for the TA and the actual arrival of consultants. And, of course, the TA can be of low quality as a result of poor recruitment performance of the contracting authority (e.g last minute requests, poor scanning of or access to the market, poor interview techniques, insufficient check of performance records etc).

When TA performance does not match requirements it is thus important to analyse the reasons and ensure that learning takes place for those responsible, enabling them to perform better the next time.

But what, then, to do with underperforming TA? Good practice includes:

- Recognize the problem as soon as it appears, and take immediate action. Waiting and hoping that poor performance remedies itself is normally making things work.
- Seek immediate and open dialogue with the partner about the problem and possible ways to remedy it.
- Clarify very carefully with partner who will do what. This depends on the nature of the problem – if required actions are better dialogue, more precise design etc. there would be one course of action, if the problem is lack of skills and competence of the TA requiring contractual action, then the contracting party will have to act.
- Ensure a professional dialogue with the TA in question about the situation. Good management practices regarding communication and dialogue are also valid for TA.

Ensure, if necessary, that dialogue is carried out by persons with the necessary managerial skills and experience.

- Recognize that both partners and the EC may have few incentives to act if TC performance is poor – it may indicate weaknesses on their part, and potential tensions if one party is dissatisfied, while the other is satisfied. It may be easier to let the TA “sit it out” until the contract ends – a poor solution, of course.
- If the termination of the services of a TA is the best identified solution, then act fast to make it happen. Difficult and unpleasant decisions do not get less difficult and unpleasant through waiting.
- Consider carefully if a replacement TA will really be able to do better or if effective TA services will for other reasons not be feasible.
- Consult the contractual conditions carefully and follow them to the letter! Seek legal advice if necessary.

How to replace an expert?

Experts may be replaced either:

- a) at the request of the Contracting Authority: on the basis of a written and justified request if the expert concerned is considered inefficient or does not perform his/her duties, or
- b) at the request of the Consultant: in the case of death, illness, accident, resignation etc. of the expert.

In case of replacements, the Consultant must propose a new expert within 15 days which has at least the equivalent qualifications and experience. If the Consultant does not comply with this obligation, a penalty of up to 10% of the remaining fees for the concerned expert may be imposed.

If the Consultant cannot provide a replacement which has the same qualifications and/or experience, the Contracting Authority may either terminate the contract if contract performance is jeopardised or accept the replacement with a reduced fee rate that matches the qualifications and experience of this expert. This is in addition to the 10% mentioned above.

<p>See Annex 6 – Chapter 5 – Implementation phase using EC procedures (III): Execution of contract, paragraphs 5.2 and 5.3</p>
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Is there a negative list of TA (blacklist) and/or a positive list (certified TA)?

No, but the TC Work Plan include the development of an accessible database of firms allowing to track their past performance. This will be done for FWC firms by end of 2009 and possibly extended in a second step to TA and firms contracted through other means. However, such a database will never replace judicious and careful selection processes, including direct check of several references to former clients (donors and partners as relevant).

What options are available to delegations to mobilize technical assistance in

countries/regions which encounter difficulties to attract TA through the standard procurement procedures (eg: post conflict countries, remote islands)?

The question can be reformulated by asking first if TA is really necessary, i.e. has this option been retained after verifying others, as recommended in the Backbone strategy? Can the objectives, results and/or activities foreseen be modified so as to be less dependent on external TA? Could alternative forms of TC be used ("twinning", peer review, networking, e-learning....? See paragraph 3.1 - Assessing demand for TC.

The following tips are given:

- Ensure wide circulation of the request for TA through formal and informal channels
- Make use of local expertise where possible,
- Unless otherwise indicated in the procurement notice/guidelines for applicants, both **legal entities** and **natural persons (individuals)** may submit a tender or a proposal. See **tips** on encouraging natural persons to participate (for more details see Annex 6 paragraph 4.1.2)
- The nationality of the provider is subject to a number of conditions which are clarified in the PRAG (paragraph 2.3.1) for both budget financed operations and EDF ones. For budget operations aid has been untied for OECD developing countries and for a number of OECD countries, the latter on a reciprocal basis
- Procurement rules are described in sections 2.4 (procurement procedures), 3.2 and 3.3. (procedures for services) and 6.3 (award procedures for grants) of the PRAG. These rules need to be applied by the Contracting Authority, *except where this entity is authorised to use its own rules*. See also paragraphs 3.2.1 and 3.2.2 of Annex 6.
- Exceptionally, in specific circumstances, *regardless of the estimated amount of the contract*, it is possible to use a negotiated procedure with a single offer (see section 3.2.3.1 of the PRAG)¹. Amongst these circumstances (e.g. urgency, previous unsuccessful competitive procedure), one may be particularly relevant for certain areas of Technical Cooperation: "*where the services are entrusted to public sector bodies or to non-profit institutions or associations and relate to activities of an institutional nature or designed to provide assistance to peoples in the social field*" (Art 242 1(b) IR)

For derogations: see link

http://www.cc.cec/dgintranet/europeaid/contracts_finances/fin_and_cont_rules/other_issues/index_en.htm

How can we improve performance of framework contract technical assistance (FWC TA)?

There are many ways of improving performance of FWC TA:

- Launch the process in advance. Give more than the minimum 14 days to the firm to prepare its offer. Good TA is normally in high demand and will only exceptionally be available with short notice.
- Elaborate good Terms of Reference. Don't underestimate the time, effort and expertise needed (see box 26 of the Guidelines for more details).

¹ Where one of the circumstances provided for in article 242 of the Implementing Rules of the EC Financial Rules exists.

- Make sure that these TA answer to a real demand of the partner. In the case of the FWC, the partner will not formally launch the contracting process, but make sure ToR are prepared by or with the partner (approval of the ToR should go beyond a formal endorsement) and involve the partner in the selection of the offer and in the assessment of the TA performance.

What are the possibilities to use twinning arrangements in other regions than the Instrument for Pre-Accession Assistance (IPA) and the European Neighbourhood and Partnership Instrument (ENPI)?

The twinning instrument as it exists for the IPA and ENPI countries is not available for the other regions/EC external aid instruments. Discussions at Headquarters are ongoing to analyse if and in how far the twinning instrument could be adapted to other regions. However, there already exist EC and EDF procedures to allow for the set-up of twinning-like mechanisms, through the contracting of EU Member States' administrations and agencies via calls for tender/proposals or direct agreement. The eligibility criteria of calls can be limited to EU Member States, or it can also be decided to negotiate directly with EU Member States where the conditions for a direct agreement are met. [More guidance and concrete examples can be found in Annex 6 of the Guidelines on TC.](#)

How to proceed with the Strategy in the framework of budget support?

Budget support is the most aligned and harmonised aid instrument. The [EC methodology](#) prescribes to base budget support programmes on national or sector strategies and puts emphasis on performance indicators drawn from these strategies, enhancing thereby country ownership and leadership. If the strategies and policies do not focus on capacity development, then policy dialogue is the mechanism to ensure that this happens.

Technical cooperation can come as a complement to budget support programmes, within the same financing agreement (for which a limited amount is set aside and implemented through distinct procedures) or within programmes implemented in parallel but pursuing the same objectives, nationally or in a particular sector. Technical cooperation can also prepare the move from a traditional project approach towards budget support by supporting capacity development in key areas such as policy process management, public financial management or performance monitoring.

In some cases, budget support could also be used as an instrument to support capacity development within the context of national or sector reform programmes funded by partner countries. Budget support would intervene as an incentive – through specific performance indicators relation to capacity or, as proxies for capacity, to service delivery outputs – to ensure that the dimension of capacity development is taken into account when such reform programmes are defined and implemented.

How to deal with Programme Management Units (PMUs) for Regional Organisations?

The Backbone Strategy and the Guidelines apply to national and regional interventions alike so the Strategy and the Guidelines apply mutatis mutandis to the regional level. Three aspects need to be taken into consideration. Firstly, a regional organisation (eg a Commission or a Secretariat of regional body) is small compared to a national public administration and institutionally less complex. Support to strengthen the capacity is hence also more overseeable and is almost a standard feature of EC regional support (eg UEMOA, COMESA, etc).

This support is typically based, or should be, on an institutional capacity assessment of the organisation. Added to this, since a couple of years, is the so called 4-pillars assessment of the organisation. This assessment verifies the eligibility of the organisation to use its own internal regulations and procedures rather than the EC ones. It usually results in a number of recommendations for strengthening the organisation's financial and administrative rules and regulations. The 4-pillar assessment is carried out by independent experts but in direct collaboration with the organisations administrative and financial management.

Secondly, capacity development at the regional level does not suffice to ensure successful national components of the regional programme as indeed the national administrations have their role to play. If the Ministries of Trade or Transport remain weak in some of the member countries of the regional bloc, the whole regional programme will suffer. Whatever is done to strengthen the regional level should be mirrored at national level.

Thirdly, when regional organisations need to recruit external expertise they do not necessarily have to recruit internationally as the expertise can be found at regional level.

How to deal with topping-up practices?

Limiting the negative effects of topping-up practices (see guidelines Point 3.3, page 14)

In most cases it is very damaging for the wider system of public administration if donors offer topping-up to partner staff working close to “their” support, or disguise such topping-up through the conversion of staff into consultants, payment of “training allowances” or other perks. In some countries it has, however, become a standard operations procedure that donors offer such incentives. Based on the logic of partner-owned programmes as detailed in the guidelines there should be a broader point of departure for discussion how to avoid introducing or maintaining distortive incentives in relation to TC:

- If special incentives are required, they should follow a broad government system for this rather than individual donor approaches. They should be monetary rather than through fringe benefits (e.g. cars, computers, special allowances) which risk distorting incentives and create non-transparent situations. They should be public and information about them shared with the Ministry of Finance and other donors
- Special incentives should be linked to clear performance targets and a regular performance assessment process
- If there is no government system for special salary enhancement for key staff in units where there are compelling reasons to have such salary enhancements, then the EC should work with the authorities and other partners to introduce such a system, integrated in a longer term vision for civil service reform

- If the only way to make a TC-supported programme work is to establish an *ad hoc* incentive system funded by the EC for that particular programme, then the programme should almost certainly not be supported by the EC.

Do the Strategy and the Guidelines also apply to the operations of international organisations and to Member States' Agencies?

The short answer is no. Legally organisations like the World Bank, the UN or EU agencies are not bound by the Backbone Strategy and the Guidelines. That said, the Strategy is in line with the principles of ownership and aid effectiveness of the Paris Declaration to which EU and other donors subscribe. There is hence reason to promote the backbone strategy and the TC -PIU guidelines with other donors.