

12 lessons on effective aid

by Jonathan Pryke

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Richard Manning, chair the Development Assistance Committee (DAC) of the OECD from 2003 to 2008, knows perhaps more than anyone about how to make aid work better. So his recent [paper](#) distilling lessons from a decade of DAC peer reviews is a real gem.

Richard Manning has unparalleled experience. He worked for DFID and its predecessor agencies from 1965 to 2003, including periods spent serving in West Africa and South East Asia, and as Alternate Executive Director at the World Bank. He has worked with the DAC over many years, and was from 2001 to early 2003 Chair of the DAC Task Force on Aid Practices, which produced a report on “Harmonising Donor Practices for Effective Aid Delivery” ahead of the High Level Forum in Rome in 2003. In 2005 he was Co-Chair at the Paris High Level Forum on Aid Effectiveness. As DAC Chair from 2003 to 2008, Richard Manning presided over [peer reviews](#) of the development co-operation systems for 22 members of the OECD, and visited all of them.

This is unique experience for learning about the characteristics of effective aid systems – experience that is captured in his new paper '[Effective Aid Management: Twelve Lessons from DAC Peer Reviews](#)'.

While the peer review process has brought many issues to the attention of the DAC over this period, I have retained here twelve of the more prominent examples of lessons learned or reconfirmed about the factors that encourage effective management of aid funds to achieve development results.

The remainder of this post is a summary of those 12 lessons – an invaluable

resource for development practitioners and policy makers.

1. **Find the appropriate legal and political foundation:** Have a clear, top-level statement of the purpose of development co-operation, whether in legislation or another form, that has wide ownership and can remain relevant for a sufficient period.
2. **Manage competing national interests:** Avoid letting short-term pressures jeopardise the long-term common interest in effective development.
3. **Achieve greater policy coherence for development:** Set a clear mandate and establish mechanisms to ensure that policies are assessed for their impacts on poor countries.
4. **Public Awareness:** Invest in delivering, measuring and transmitting results of aid-finance activity.
5. **Identify a leadership structure that works:** Task a sufficiently senior and publicly accountable figure with clear responsibility at the political level for the delivery of effective development co-operation.
6. **Deal with institutional dispersion:** Rationalise bilateral aid structures to facilitate coherent action at country level.
7. **Manage contributions to multilateral institutions:** Promote greater coherence between those responsible for different aspects of multilateral aid.
8. **Decentralise management to the field:** The decentralisation of responsibility to the field level can be beneficial, but it needs high-quality, lean supporting systems.
9. **Manage the scaling-up of development aid:** Radical reforms in aid delivery will be vital as donors are forced to deliver more aid per head of agency staff, while increasing the effectiveness of this aid.
10. **Maintain a focused approach towards countries and sectors:** Most DAC members should focus their assistance on fewer countries, fewer sectors and, in particular, fewer activities.
11. **Emphasise performance-based management, evaluation and quality control:** Develop a stronger culture of managing for results and align incentives accordingly, but in ways that promote, not weaken, local structures of accountability.
12. **Make human resource management a priority:** Securing and developing well-qualified, well-motivated local and expatriate staff is essential for any agency to function effectively. The good news is that quality agencies attract quality staff.

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