

# Development partnership plans: pitfalls and potential

by Cameron Hill

16 January 2024



The Australian Ambassador to Indonesia Penny Williams inspects new wastewater management in South Sumatra

*Photo Credit: Australian Embassy Jakarta/Flickr*

A key element of the Australian government's new **international development policy**, released in August last year, was the promise to revitalise the regional and country strategy process through new "development partnership plans" (DPPs) which will all be finalised in the course of 2024.

According to the **performance and delivery framework** that accompanied the new policy, the DPPs will set out "shared objectives, expected outcomes, and approaches to consultation, evaluation and learning"; will be prepared in consultation with partner countries and other stakeholders; and will be subject to "mid-cycle" progress reviews (there is no universal timeframe for the strategies). These are welcome features. Perhaps justifiably, the previous government's regional and country strategies, focused on the COVID-19 response, were cursory and included no real discussion of aid effectiveness measures.

Consultations for the DPPs are now well underway, both in partner countries and in Australia. In these consultations, DFAT has rightly emphasised the importance of country-led discussions and of recognising the diverse, uncertain and complex contexts within which Australia's aid program operates. Generally speaking, Australia's development assistance will play a much bigger role in the Pacific than it will in Southeast Asia, given the variations in the relative size of these regions' economies, the role of the private sector in their growth trajectories, and Australia's aid footprint. Beyond these two regions, Australia's overall **contribution will be limited**, notwithstanding the policy's expansive "Indo-Pacific" frame.

But taking a wholly decentralised approach carries risks. The first risk is that the DPPs simply become a laundry list of things that Australia may (or may not, due to changing priorities) do in a given country or region. Alternatively, they risk being so vague that they simply become a series of platitudes around "partnership" and "listening" that don't actually shape programming choices.

These risks are not unique to DFAT, or to Australia. In the former AusAID there were numerous examples of country strategies that were out of date very soon after they were finalised due to changing circumstances, either within Australia or in the country itself. And one need only look at the wide variation in approach to country strategies taken by other donors to see the difficulties involved in balancing focus with flexibility. While the task for foreign policy-makers is often centred on **how to maximise choice** in order to expand options and “agency”, the worldview of the development decision-maker is shaped by the constant question of how to *narrow* choice in a way that will make the best use of a scarce aid dollar.

So, what might be a potential solution? In a **major speech to the sector** just weeks after the launch of the new policy, the Minister for International Development and the Pacific, Pat Conroy, laid out three central implementation challenges for the new policy. His three challenges to the sector were:

- How can we work together to approach local partnerships differently?
- How do we make difficult choices about where to prioritise our efforts for the greatest impact?
- How will we know where there is most potential to improve in what we do?

These three challenges provide a useful starting point for structuring the DPPs such that they actually drive decisions about priorities and resource allocation. Let’s consider how each of them could be addressed through the DPPs.

On local partnerships, there is an opportunity for the DPPs to present a medium- to long-term vision of what locally led development looks like at the country level, including opportunities to work more through partners’ own systems and to provide direct support to local partners (whether government or non-government). The government could also use the new **biennial perceptions survey** – another welcome feature of the development policy – to drive improvement in this area by focusing these surveys on the views of local partners and beneficiaries. In this regard, the DPPs could also set out what the survey will look like at a country level and how it will help inform decision-making. Finally, the DPPs could outline how local civil society and private sector perspectives might be integrated into designs and programming. In this regard, platforms like the new Civil Society Fund and the existing Business Partnership Program might be used as mechanisms to drive a “systems approach” (that is, state-society-market) to locally led development, rather than being treated as separate, standalone programs that further fragment effort.

The minister has rightly highlighted the challenge of making choices that will maximise development impact in environments characterised by uncertainty and complexity. The difficulties around weighing opportunity costs, principal-agent

problems and broken feedback loops are intrinsic to aid. These difficulties are compounded by **political economy of donor decision-making**, not least the lures of short-termism and transactionalism. A good starting point for the DPPs would be to be upfront about what our existing stock of evaluation and lessons tells us about what we are good at in a particular country, what is (or isn't) changing, and what this means for priorities. Australia has been working in most of our partner countries for decades and has built up reams of data, research, reviews and evaluations about what has worked, what hasn't, and why. This evidence should be utilised and should be complemented by an assessment of what other donors are doing, where our comparative advantages might lie, and where Australia might leverage their efforts to achieve shared goals.

On learning, the decision to include both a mid-term review and consultation, evaluation and learning plans in the DPPs presents a good opportunity to embed aid effectiveness as a core part of our country-level partnerships. Too often, the aid effectiveness, learning and transparency agendas are presented as separate to our partnership agenda. The DPPs offer an opportunity to align them by setting out how we will use research, program performance data and impact evaluations to collaborate with reform-minded partners around how to achieve their goals and support their strategies. The shape of this will vary in different countries, but a sense of what it will look like should be included in all DPPs.

None of this will be easy and, in some quarters, this agenda might be actively resisted. It will require capability, oversight and, in some cases, more time than has been anticipated. But the minister has set out a useful framework for thinking about how DFAT can overcome some of the pitfalls involved in country strategies, and how they might be better used to structure evidence-based decision-making.

### **Disclosures:**

*This research was undertaken with the support of the Bill & Melinda Gates Foundation. The views are those of the author only.*

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Link: <https://devpolicy.org/development-partnership-plans-pitfalls-and-potential-20240116/>