

What is the CDF?

- A holistic approach to development that balances macroeconomic with structural, human, and physical development needs.
- A framework anchored on four key inter-related principles, pursued at the country level.
- An approach that builds on the lessons of experience of external partners and developing countries.
- A proposal articulated by World Bank President Wolfensohn in January 1999 and supported by the Development Committee. (Ministers representing industrialized and developing countries).

The Four CDF Principles

- A long-term vision and strategy.
- Enhanced country ownership of development goals and actions.
- More strategic partnership among stakeholders.
- Accountability for development results.

Long-term Vision

A shared vision, that captures the country's development aspirations is needed to provide direction, consistency and focus. It needs to be complemented by a strategy that sets out how the country will make progress, and with clearly defined, monitorable goals.

What has worked well

- ◆ Steps towards formulating long term national development frameworks, based on broad participation. Generally complemented by medium-term strategies with clearly defined priorities and monitorable goals.
- ◆ Greater attention given to balancing macroeconomic with structural, human and physical requirements.

Remaining challenges

- ◆ Institutionalizing national consultation processes.
- ◆ Focusing on the long term is difficult where a country faces a crisis.
- ◆ Implementing on all four principles simultaneously.

The CDF Pilots



Enhanced Country Ownership

Country (government at all levels, parliament, civil society, private sector), needs to own and manage the development agenda. There needs to be a broad-based consensus on the country's strategy.

What has worked well

- ◆ Governments are starting to assert ownership by taking the lead in aid coordination.
- ◆ Consultative Groups meeting in-country have helped to nurture and broaden country ownership.
- ◆ Wide ownership by civil society and private sector can help sustain the CDF approach through changing circumstances.

Remaining challenges

- ◆ Development partners need to allow more time and space for full country ownership to be expressed, and be prepared to let go.
- ◆ Development partners need to give more strategic support for capacity building and to change their policies, practices and procedures to help nurture full country ownership.

More Strategic Partnership

Stronger partnership between government and donors can help reduce wasteful competition, align support to the country's strategy; promote learning, selectivity, transparency, and accountability.

What has worked well

- ◆ Sector and thematic groups comprising both government and donors meeting regularly.
- ◆ Donor assistance strategies are becoming better aligned to the national medium-term development strategy.
- ◆ Donors are becoming more selective in their interventions.

Remaining challenges

- ◆ Concrete progress in harmonizing donor practices and procedures remains limited both at the institutional level and at the country level.
- ◆ The need for donors to demonstrate their individual contributions in a country reduces aid effectiveness.

Accountability for Results

Medium- and long-term poverty reduction goals, with indicators of progress, are needed to ensure policies are well designed, effectively implemented and monitored and that there is clear accountability for results.

What has worked well

- ◆ Increased government emphasis on the gathering and dissemination of CDF information through websites and other means.
- ◆ Progress on mapping roles and responsibilities of partners, through a CDF matrix, in some pilots.

Remaining challenges

- ◆ Reducing barriers to the disclosure of information.
- ◆ Developing country-specific performance indicators and ensuring their effective monitoring.

Going Forward

In addition to the pilots, a number of other countries have embraced the CDF approach. When Development Committee Ministers adopted the process of Poverty Reduction Strategy Papers (PRSP) in September 1999 they decided it should be based on CDF principles.

Actions by the World Bank

- ▶ More systematically align its instruments, processes and way of working—including learning, organization and training—with the CDF approach.
- ▶ Consider moving towards more programmatic lending, to provide for a medium-term results-based approach that is adaptable to country circumstances.
- ▶ Promote concrete action on harmonization of operational policies and practices at the institutional and country levels to reduce the transaction costs for partner countries and institutions.
- ▶ Ensure that CDF principles are fully incorporated in the way staff support countries in the PRSP process.
- ▶ More closely align recruitment practices and the incentive structure for assessing performance and promotion to support CDF implementation.

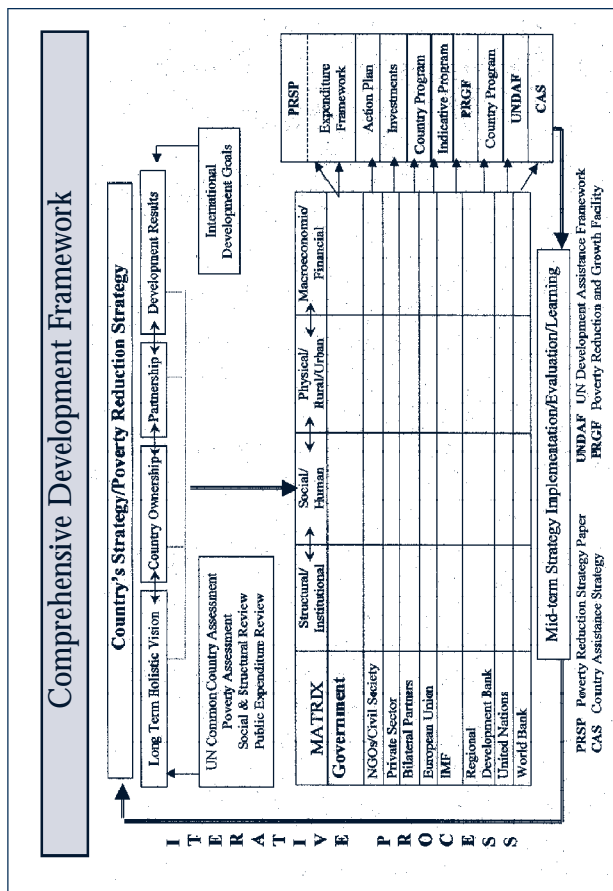
Implications for Partner Organizations

- ▶ Need for greater harmonization of policies, practices and procedures.
- ▶ The business plans for all partners should be derived from the country's development strategy.
- ▶ The sector-wide approach is a promising instrument to establish effective coordination at the country level.
- ▶ Help countries improve their capacity to monitor results.

Implications for Partner Countries

- ▶ Wider and faster application of in-country consultative group meetings.
- ▶ Open up the dialogue further to include all representative domestic stakeholders.
- ▶ Governments should widely disseminate their strategies so as to ensure full understanding by all stakeholders and increase Government accountability.

CDF Linkages—an Illustration



For more information on CDF, visit the World Bank's CDF website at www.worldbank.org/cdf to find information on:

- Latest report on country experience
- Direct links to CDF pilot country websites
- Questions and Answers
- Background Papers and speeches
- Summaries and records of the on-line discussions

To obtain more copies of this leaflet use the order form on the website or call 1-202-473-9661.

September 2000

Comprehensive Development Framework



Country Experience
1999—2000