

Richard Manning's Introduction (edited by Peter Silarszky)

### **Partnerships in Policy-Based Lending**

This session will focus on partnerships in policy-based lending and assess the nature of these partnerships. We will discuss how partnerships can help to improve the use of conditionality in policy-based lending and how different approaches to collaboration can enhance predictability of aid. One of the key questions to be addressed by this session is how to align donor and partner support when country performance is not adequate.

The real challenge in the context of partnership is what to do with the category of countries with which you cannot easily have a policy dialogue. How can donors manage a partnership with the category of countries that Myanmar represents? It is important to remember that there are several heavily aid-dependent countries in this category and they are very critical to the achievement of the Millennium Development Goals since a lot of poor people are living in these countries. We desperately need a partnership model for these countries. In particular, we have to make sure that harmonization and donor alignment improves partnership in such countries.