

The EIP at Mexico – what’s new on the use of country systems?

The High Level Meeting of the Global Partnership for Effective Development Cooperation held in Mexico last April was an opportunity for the Effective Institutions Platform (EIP) to engage in discussions around the use of country systems and domestic resource mobilisation, amongst other topics. There has been a recurrent debate on these topics since the Paris Declaration, when donors committed to using country systems to the maximum extent possible and countries committed to strengthen their systems. In 2011, the Busan Partnership agreement affirmed that the use of country systems should be the “default approach.” Yet, progress remains mixed.

At the Mexico meeting, the EIP co-chairs joined Bangladesh, Burundi, IFAD, the World Bank, Lesotho, Germany, DFID, Rwanda, Mauritius, Samoa and Tuvalu in two sessions to further elucidate the current status, good practices and main challenges around the use of country systems, as well as key priorities for making progress.

The first session took place during the workshop held on 14 April, entitled “[Unfinished Business: Moving forward to meet the Busan commitments](#)” and the second was a focus session on 16 April entitled “[Using Country Systems and Measuring their Strength: What’s Next?](#)” At the centre of the discussions was the ongoing concern that using parallel systems does not help to build a country’s system over the long term, and hence forgoes a certain level of developmental impact.

The general consensus from both sessions was that country dialogues on the challenges of using country systems can generate the trust and partnerships needed for making progress on implementing this commitment. Importantly, it was highlighted that a move towards the greater use of country systems needs to be country-led. All aid modalities – and not just budget support - can be a basis for discussion towards stronger use of country systems.

One issue discussed at the focus sessions was the challenge posed by delegating authority to local staff and the limited capacity in partner countries. Another central issue raised was the difficulty of measuring country systems and the need to widen the measurements beyond a narrow focus on public finance management (PFM) systems. An examination of the state of social institutions and the broader public administration should also be included in such measurements.

Aid transparency remains a necessary component to achieving progress on this agenda. It was argued that in instances where development assistance uses parallel systems, transparency and accountability are often undermined, as it is likely to escape the oversight of audit and accountability.

CABRI and USAID, who are championing the EIP pillar on the 'Use of Country Systems', look forward to taking the work of the EIP on use of country systems forward through the piloting of its country dialogues in early 2015. It welcomes interest from EIP members on this initiative, which has been included in the Annex of the [Mexico High-Level Meeting Communiqué!](#)

[Effective Development Co-operation Blog post 'Using and strengthening country systems for better aid delivery'](#) (June 2014).

Emilie Gay
CABRI
August 2014 Newsletter