



COUNCIL OF
THE EUROPEAN UNION

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**Council Conclusions
with regard to special report n° 6/2007
on the effectiveness of technical assistance
in the context of capacity development**

**2852nd COMPETITIVENESS
(Internal Market, Industry and Research)
Council meeting
Brussels, 25 February 2008**

The Council adopted the following conclusions:

- "1. The Council welcomes Special Report N° 6/2007 from the Court of Auditors on the effectiveness of technical assistance in the context of capacity development. The purpose of the Audit report is to determine the extent to which the Commission ensures that technical assistance contributes to institutional capacity development in partner countries. It addresses the qualitative aspects of technical assistance, which is a priority for development.
2. The Council supports the conclusions and recommendations set out in the Court of Auditors' Special Report.
3. The Council notes that the recommendations of the report could contribute to a broader learning process on technical assistance in the context of capacity development.
4. The Council reaffirms that partner countries' capacity to plan, manage, implement and account for results of policies and programmes is critical for achieving development objectives. Support must therefore be provided to address existing weaknesses in partner countries' capacities at all levels. Sustainable capacity, in particular institutional capacity, which enhances accountability, will ultimately determine the ability to reach the aim of poverty eradication and yield results with regard to the effectiveness of aid in the context of sustainable development.

P R E S S

5. Technical assistance is one of the main instruments by which donors contribute to capacity development processes of partner countries. The Council acknowledges that technical assistance is directed mainly towards the functioning of central and local government services, but believes that social and non-state actors should also be possible cooperation partners.

6. The Council emphasises that partner countries' ownership is of paramount importance and underlines that capacity development is an endogenous process, strongly led by partner countries, with donors playing a supporting role. Support for capacity development through technical assistance should be aligned with partner countries' national development strategies, institutions and procedures, in accordance with the Paris Declaration on Aid Effectiveness and the additional commitments taken by the European Union. In order to contribute to the sustainability of the process, special efforts should be made to use the expertise available in the partner country to the greatest extent possible.

7. The Council underlines the need to further put into practice lessons learned in capacity development, with particular reference to the work undertaken recently in the OECD/DAC in this regard¹.

8. The Council recognises that capacity development through technical assistance is a complex process which often requires long implementation periods. Particularly for this reason, the Council wishes to re-emphasize that the design and the implementation procedures for providing technical assistance are key to reaching its objectives. The objectives of capacity development through technical assistance need tailor-made approaches, based on the needs identified by the partner countries, and offering a broad spectrum of possible interventions and modalities and room for flexible adaptations when necessary.

9. The Council expresses its satisfaction at the fact that the Commission endorses most of the recommendations made by the Court of Auditors in the Special Report, and that it has already taken measures to act on the Court's recommendations.

10. In this context, the Council particularly welcomes that the Commission is developing a strategy to meet aid effectiveness targets for Technical Cooperation that will be available before the High Level Forum on Aid Effectiveness III (Accra, 2-4 September 2008). This strategy is expected to support implementation of the Paris Declaration on Aid Effectiveness and will be in line with the Court of Auditors' recommendations and the OECD/DAC Guidelines with regard to Capacity Development. The Council is looking forward to the future Commission Guidelines on Technical Assistance that will be a key component in the implementation of the future strategy.

11. In light of the above, including those recommendations which were not fully endorsed by the Commission, the Council invites the Commission to:

- inform the Council of progress made with the Strategy on Technical Cooperation;
- consider that local ownership involves the use of the partner countries' public financial management and procurement systems to the maximum extent possible; where use of those systems is not feasible, additional safeguards and measures should be established in ways that strengthen rather than undermine those systems;

¹ DAC Network on Governance: "The Challenge of capacity development: working towards good practice", February 2006.

- examine how the participation of technical assistance experts from public institutions and local/regional organisations can be improved within the boundaries of existing public procurement procedures;
 - ensure that a capacity needs assessment, including an institutional capacity needs assessment, is properly carried out in the preparation of the programmes, the process being led to the greatest extent possible by the partner country."
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