

Chapter 16:

Guidelines for Donor Coordination



REDUCING POVERTY THROUGH GROWTH

Guidelines for Donor Coordination

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It is MCC policy that its grants of development assistance should be coordinated within the appropriate donor communities to the extent possible to help ensure the most effective use of MCA grants.

Importance of Donor Coordination

Consulting with other donors provides feedback on country proposals; reduces the cost of programs by avoiding duplication, creating synergies, and avoiding approaches that have been unsuccessful in the past; facilitates co-financing, common or supportive programs, and use of joint structures; and informs other donors of MCC approaches and methods of operation.

MCA Partner Country Responsibility

Donor coordination is an MCA partner country responsibility. Countries should pick their priorities and design their programs taking into account other donor and government efforts. Countries should include donors in the consultative process during the Compact proposal development stage, as described in *Guidance on the Consultative Process*, and keep donors informed by briefing the donor community on their proposals and their development on a regular basis. Countries should include an assessment of related donor and government efforts in their MCA proposals. Countries are responsible for maintaining active donor coordination throughout implementation of the MCA Compact.

MCC Role

MCC will consult with other donors regarding the country proposal, donor activities, and the in-country process for donor coordination during both MCC's due diligence of Compact proposals and its monitoring of Compact implementation. Such informal consultation does not release the MCA-eligible government from its responsibilities.

Paris Declaration Targets a Joint Responsibility

MCC will work with MCA-eligible governments and other donors to assess progress under Paris Declaration commitments. MCA countries should design their programs to ensure that MCC assistance is aligned with country priorities and strengthens capacity development in harmony with that of other country efforts. MCC will provide untied, predictable, multiyear assistance reflected in the country's budget (subject to applicable law) and be willing to assist countries to improve capacity of country systems and to use capable country systems when warranted for the MCA program. MCC encourages countries to develop proposals that have a coherent thematic, regional or sector focus, because the impact of such Program Based Approaches is likely to be greater than a series of disparate projects. In determining Compact governance and implementation, MCA countries may use existing structures where adequate, modified structures, or newly established structures, taking into consideration Compact program requirements and the Paris Declaration commitment to avoid duplicating existing structures whenever possible.