

**Latin American Regional Consultation  
III High Level Forum on Aid Efficiency (HLF-3)  
Main Messages on Donor Harmonization**

- Harmonization is a process that requires strong government commitment and leadership. The division of labor among donors is feasible for countries whose sectoral policies have a broad, long-term approach and where donors coordinate their actions down to the subsector level, so that smaller donors are considered in the process. However, sectoral harmonization processes must be linked to overall budget support and assured efficient process monitoring.
- The partner country government should define donors' comparative advantages and specialization. It can be difficult to overcome pressures related to sectors that are priorities for donors but are not included in the national development plan. When donors are asked to concentrate their efforts in key sectors where they have comparative advantages, they should be encouraged to redeploy the funds they would have used in other sectors to support other development initiatives in the country.
- In harmonizing procedures and approaches, donors need to align with the country's priorities and strategy, but harmonized mechanisms can supplement the country's own systems if they are not yet sufficiently developed. The principle of harmonization is not more important than the other principles of the Paris Declaration.
- Donor harmonization should be extended to the emerging aid architecture (discussed in Roundtable 9), bringing into the dialogue and coordination such new actors in the region as Brazil, Mexico, China, and Venezuela. South-South and triangular cooperation experiences have provided good practices in donors' coordination and among donors, the government, and the private sector.
- Harmonization processes may be supported by joint action frameworks for the development of national-level capacities, as they allow identifying needs, existing resources, and challenges regarding public policy planning and execution.
- Governments should encourage donors to harmonize their planning cycles to not only facilitate the division of labor among donors but also strengthen the countries' own outcome-oriented planning and management capacities. This entails major institutional reforms both at the level of planning systems and at the level of donor agencies level to adjust fiscal periods to those of the receiving country.
- Since Paris Declaration indicators that assess donor harmonization are based on financial resource management, it is important to extend the concept to measure donors' specialized support for building and strengthening national institutions.

- There have been important experiences in Latin America relating to consistent mechanisms of political dialogue and technical cooperation among donors, such as the Group-16 in Honduras, the Global Donor Table in Nicaragua, and the donor group supporting the National Assembly in Bolivia. These experiences have been important in decreasing the number of bilateral donor-government negotiations and reinforcing political support for institutional reform processes.
- One of the challenges that affect donor harmonization processes is countries' lack of commitment to monitoring public policy for longer than one political period. In this regard, countries should institutionalize inclusive processes of political dialogue in order to ensure citizens' participation in monitoring public policy.
- Countries' political context has a significant effect on the relationship between government and donors, since limitations on public investment resources and strong pressures by interest groups influence the governments' decisions when they accept aid resources without a thoughtful negotiation about their use and conditions. Similarly, harmonization is affected if one donor stigmatizes a country's development policy. Thus it is necessary to build harmonization processes that go beyond the political-ideological debate and are based on creating alliances for the support of national development processes.
- Donors should support national initiatives by articulating harmonization plans that strengthen the negotiation abilities of the government institutions that manage international cooperation.
- Harmonization processes among the branches of donor agencies are important elements for ensuring an effective dialogue among donors.