Working Paper No. 548

Donor Proliferation and Coordination

Experiences of Kenya and Indonesia

*Dorothy McCormick and **Hubert Schmitz



*Institute for Development Studies, University of Nairobi **Institute of Development Studies, University of Sussex

Abstract

One of the main problems associated with aid is the proliferation of donors and projects, and one of the main solutions is thought to lie in greater coordination between donors. This paper examines whether progress has been made in recent years, concentrating on two countries (Kenya and Indonesia) and two sectors (aid for governance reform and aid for inclusive industrialization). The overall picture is clear: proliferation worsened between 2000 and 2005-6 while progress in coordination was uneven. Important new findings concern the interdependence of donor and intra-government coordination, especially the tendency for fragmentation on both sides to work against coordination, and the similarity of the overall experience of the two countries despite their different levels of economic development.

Keywords: donor proliferation, donor coordination, aid architecture, aid effectiveness, Paris Declaration, Kenya, Indonesia