

# Contents

## Abbreviations

<b>Summary</b>	<b>1</b>
<b>1 Introduction</b>	<b>3</b>
<b>2 Background on fragmentation and managing diversity</b>	<b>4</b>
<b>3 What is managing diversity? Definition and possible approaches</b>	<b>6</b>
<b>4 Comparison of different approaches</b>	<b>9</b>
4.1 Pooling of resources	12
4.1.1 Advantages of coordination in the pooling approach	12
4.1.2 Disadvantages of coordination in the pooling approach	13
4.2 Division of labour (DoL)	13
4.2.1 Advantages of coordination in the DoL approach	13
4.2.2 Disadvantages of coordination in the DoL approach	14
4.3 Coordination through communication	14
4.3.1 Advantages of coordination in the 'coordination through communication' approach	14
4.3.2 Disadvantages of coordination in the 'coordination through communication' approach	16
4.3.3 Opportunities for coordination with non-DAC donors in the different approaches	16
4.4 Overview of the advantages and disadvantages of different coordination approaches	18
4.5 Synergies and trade-offs between approaches	18
4.6 Promoting coordination through the use of country systems	20
4.7 Combining approaches	22
<b>5 Partner country leadership in managing diversity</b>	<b>24</b>
5.1 Partner country willingness to undertake coordination efforts	24
5.2 Partner country capacity to undertake coordination efforts	26
5.2.1 A clear aid policy	26
5.2.2 Effective aid management institutions	29
<b>6 What can donors do?</b>	<b>30</b>
6.1 Encourage partner countries' leadership of coordination efforts	30
6.2 Support partner countries' capacity in the area of aid management	31
<b>7 Conclusions and policy recommendations</b>	<b>32</b>
<b>Bibliography</b>	<b>35</b>