

Regional Event on Using Data in Evidence Based Decision Making February 2010.

Advancing the Accra Agenda For Action (AAA)-Using Evidence to Strengthen the
AID EFFECTIVENESS AGENDA

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ROAD MAP

- **AID EFFECTIVENESS AGENDA.**
- **EVALUATION METHODOLOGY**
- **EVALUATION FINDINGS**
 - **OWNERSHIP**
 - **ALIGNMENT**
 - **HARMONIZATION**
 - **MANAGING FOR DEVELOPMENT RESULTS**
 - **MUTUAL ACCOUNTABILITY**
- **ISSUES AND CHALLENGES**
- **LESSONS AND RECOMMENDATIONS**
- **USING EVALUATE EVIDENCE TO FORMULATE AAA AND COUNTRY BASED ACTION PLAN.**

Aid Effectiveness Agenda

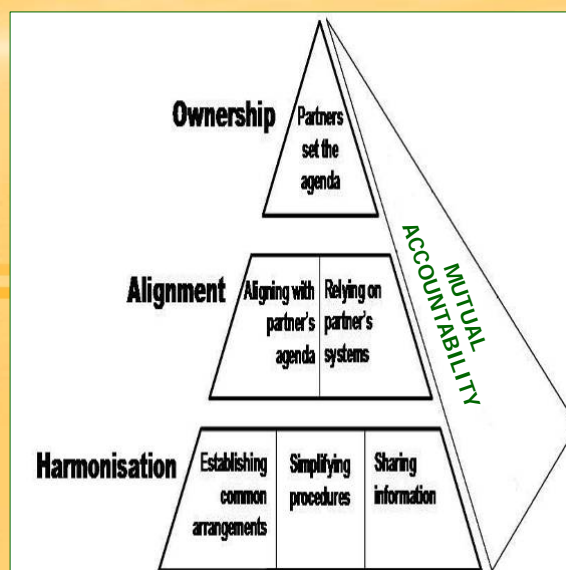
- PD a land mark international agreement endorsed in March 2005 by over 100 Ministers and Head of Agencies and lay down 56 commitments to improve the **quality** and **Impact** of aid and is organized around 5 key principles of Ownership, alignment, harmonization, MfDR and mutual accountability.
- **Widespread frustration** on aid effectiveness (crisis in the field of aid) by the Development Community led to Aid Effectiveness reform initiatives.
 - overloading of developing countries with projects, missions, reporting and other demands of donors.
 - Failure of TA to strengthen indigenous capacity
 - Costly tying of aid; Tension due to conditionalities
 - Misuse and Misappropriation of aid resources
 - Frustration with lack of tangible development results.
- PD sets out practical measures with specific targets to be met by 2010.
- Contains provision for **Regular Monitoring Surveys and Independent Evaluations** of the implementation of PD commitments.

PARIS DECLARATION CONCEPT

Managing for Development Results

Priority Action :

- Multi Year Planning and Budgeting and Medium Term Predictability of Aid.
- Align and use of Country Systems.
- Untied Aid to improve value for money.
- Mutually agreed conditionalities
- Capacity development
- Information sharing.



WHY EVALUATE THE PD

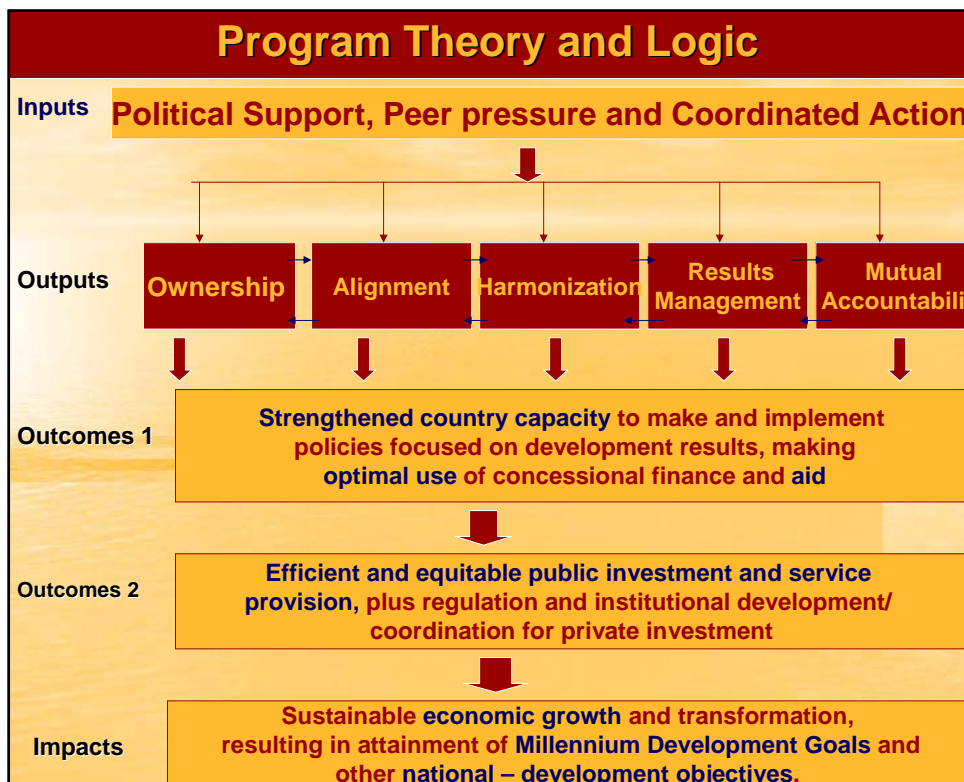
- ❑ Evaluation looks at what work? What does not work? And why it work? and why it does not work? questions.
- ❑ Formative Evaluation – Improving Implementation (take stocks of implementation, identifies trends, issues, challenges, lessons and score card for donor performance)
- ❑ Contribute to the on-going aid effectiveness policy debate (HLF3, Accra, Ghana in Sep 2008.)

MANAGING THE EVALUATION

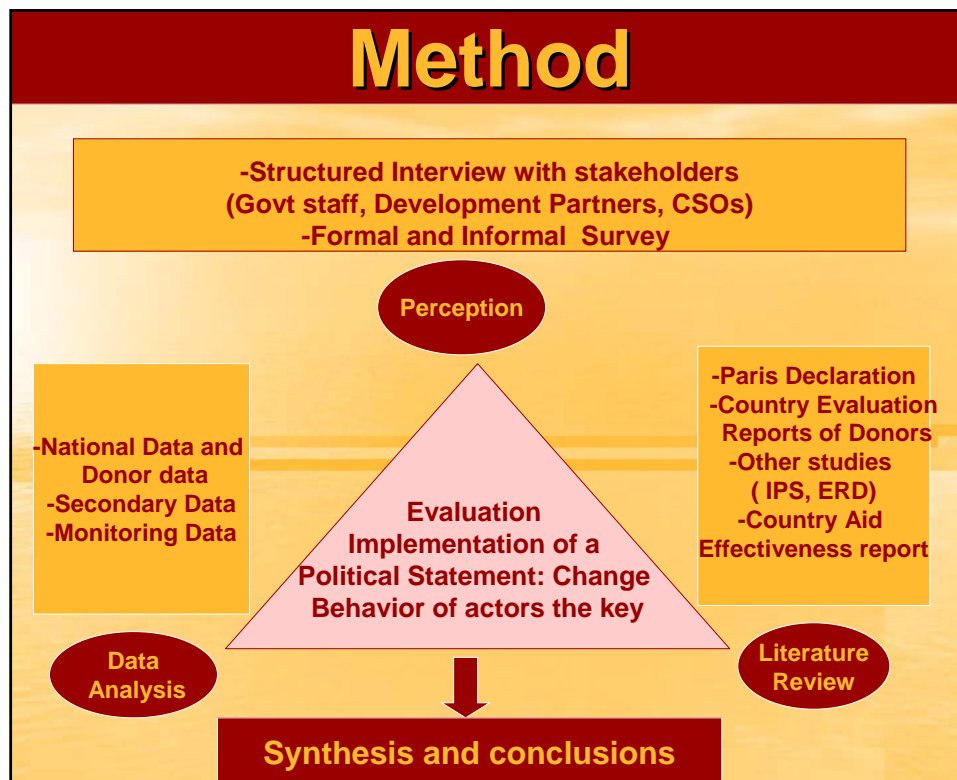
- International Reference Group
- Management Group
- Independent Peer Reviewers

APPROACH AND METHODOLOGY

- **Generic Evaluation Questions** – localized to Country/donor context.
- **3 Central Evaluation Questions**
 - important trends or events
 - major influences affecting donors and partners behaviour (5PD principles & commitments)
 - How and Why this is working or not working
- **Perception Surveys, Monitoring data, Secondary studies**
- PD Country evaluation focused on commitment / leadership, Capacity and incentives (utility of PD as a tool for Aid Effectiveness) - Action/ lack of Action found.



Method



ARCHITECTURE OF THE EVALUTION

- **Country Level Evaluations (8)**
(Self selected: Bangladesh, Bolivia, Philippines, Senegal, South Africa, Sri Lanka, Uganda and Vietnam)
- **Donor Head Quarters evaluations(11)**
(Volunteered : ADB, Australia, Denmark, Finland, France, Germany, Luxemburg, Netherlands, New Zealand, UK and UNDG)
- **Synthesis Report** (High Level Abstraction)

EVALUATION FINDINGS : OWNERSHIP (Overarching & Guiding Principles)

- Ownership is strong but remains narrow in countries. **Deepening and broadening** (Central players Vs Sectoral, sub national and CSOs)- Democratic Ownership (inclusive process)
- Broad Consultative process – Govt. + Private Sector +CSOs is important. **Democratic Ownership** is important than just **Government Ownership**.
- **Policy conditionality** undermines ownership
- Serious **Capacity Constraints** in partner countries to fulfill ownership.
- “PD has given **strong hand to govt.** in dealing with Development Partners” – helped to take leadership in Aid.

EVALUATION FINDINGS : OWNERSHIP (Overarching & Guiding Principles)

- Donor-driven project formulation prevails in weak institutions and when incentives are inadequate in the government – influence of **foreign policy, commercial/institutional** interest of development partners undermine national ownership.
- **Lack of Development Partner Delegation of Authority** from HQ to field level is seen as a constraint for ownership

EVALUATION FINDINGS : ALIGNMENT

(Donor support on NDS, Institutions, systems and procedures)

- **Progress is visible** in aligning aid flows with **national priorities**.
 - donors aligned to National Development Strategy, Sector strategy, MTEF and Budget

- **Progress is slow in**
 - building reliable **country system**
 - Using country systems (PFM,NPS, Budget, M&E, Audit, EIA/SIA)
 - Coordinated support to strengthen capacity (demand – driven TA)
 - Reducing parallel PIUs (large share of aid unaligned to country systems)

EVALUATION FINDINGS : ALIGNMENT

(Donor support on NDS, Institutions, systems and procedures)

- Bilateral have little evidence to show progress on **Aid Predictability** and **untying aid**
- Countries with weak ownership – have poor alignment.
- There is high level **policy alignment** (reporting aid in national budget) but weak **operational alignment**- the use of national systems (Audit, procurement, M&E) is weak.
- Some **aid dependent countries** adjust their National Strategies to confirm to donor preferences.
- **Frequent change of government** both in donor and partner countries may create mis-alignment and lack of continuity to sustain the alignment.

EVALUATION FINDINGS : ALIGNMENT

(Donor support on NDS, Institutions, systems and procedures)

- Factors that act as hindrance for alignment of Donors Partners are:
 - Perceived area of strength and interest of donors.
 - Limited use of Country System is due to **Lack of trust** in the Country Systems.
 - Not sufficient efforts made to strengthen country system
 - Perception of perceived **risk of corruption** (fear)
 - Even advanced country systems not used by donors

EVALUATION FINDINGS : ALIGNMENT

(Donor support on NDS, Institutions, systems and procedures)

- **Uncoordinated Capacity Development** is a serious problem
 - Systems, processes and manuals not officially adopted.
 - Overlapping and duplication of technologies/ systems
 - Provides donor technology, product, systems and consultancy (tied capacity development)
- Capacity Development need to be **Demand Driven, need based**, build on existing systems, indigenous and country focused (South-South).
- **Sustainability** should be seriously considered in Capacity Development.

EVALUATION FINDINGS : ALIGNMENT

(Donor support on NDS, Institutions, systems and procedures)

- Reducing Parallel PIUs
 - Mixed results – debated
 - All PIUs not parallel (some **appointed and accountable** to donors – outside mainstream) undermines ownership
 - Ministries where **capacities are weak** PIUs may be needed (Professional staff)
 - **Mega infrastructure projects** may justify PIUs when capacity is weak. (Context is important)
- Need to be phased out gradually. Mainstream existing PIUs into Ministries.

EVALUATION FINDINGS : ALIGNMENT

(Donor support on NDS, Institutions, systems and procedures)

- **Predictability of Aid**
 - Unpredictability of aid is a concern
 - Donors need to make realistic Multi year Commitments (3 to 5year) to ensure predictability.
 - Partner Countries should also commit to **MTEFs**.
 - Even when **Multi year commitments** are made by donors their **Parliaments make annual appropriations make predictability challenging.**

EVALUATION FINDINGS : ALIGNMENT

(Donor support on NDS, Institutions, systems and procedures)

■ Conditionality

- Some **Policy Conditionalities** that Undermine Ownership should be phased out.
- Too much **Aid Dependent Countries** are vulnerable to accept poorly designed conditionalities.
- Negotiations on conditionalities need to **transparent, inclusive and mutually agreed, within NDS.**

EVALUATION FINDINGS : ALIGNMENT

(Donor support on NDS, Institutions, systems and procedures)

■ Untying of Aid

- Bilaterals provide **tied aid** which undermines ownership
- **Non development objectives** in aid influence tied aid (e.g. trade and political).
- Partner Countries with weak capacity, fragility and aid dependence have less influence to refuse tied aid.
- **Non DAC** countries and Emerging Donors need to extend support on untying.
- Untying should not scale down aid.
- Promoting **Local Procurement** should be seen as a contribution to the national economy.

Evaluation Findings: Harmonization

(Common arrangements, simplifying procedures and effective division of labour)

- Common arrangements: Programme based approaches, General Budget support and SWAP are growing but **slow**
- From donors perspective **visibility & direct attribution** of contributions are a major challenge for common arrangements.
- Joint Assistance strategy, Joint Analytic Missions appeared to moving **slowly**
- Donors mostly state **increasing transaction cost** as disincentive for harmonization. (demanding time and resources- Joint Missions)
- Harmonization perceived as “ganging- up” of donor partners.
- Donor HQ should **decentralize decision making** authority to empower donor country office and field staff.
- Harmonization to be viewed as the subsidiary drive to alignment with Country system

Managing for Development Results

(Focus on Results and use of evidence based information for decision making)

- More work remains to be done.- Little attention on RBM
- Countries are still attempting & struggling to improve results focused Planning, Budgeting, Monitoring, evaluation and National Audits.
- **Multiple Results Framework** in some countries is a constraint
- **Disbursement imperatives** still prevail with donors and Partner Countries (as against results imperatives)
- MfDR needs Political will, **Policy environment**, Commitment, Leadership/**Champions**, Mission driven Culture, Change Agents, Capacity, Institutional strengths, **information systems**, and incentives.
- MfDR need to be Country Owned and Country driven.

Managing for Development Results

(Focus on Results and use of evidence based information for decision making)

- **Demand for MfDR** need to be created by involving Parliament, Cabinet, Citizens, CSOs and Media
- Donors continue to rely on their own parallel M&E system. Hence weak Country owned systems. **Joint Evaluations** need to be encouraged as against **donor driven evaluations** to enhance ownership, lesson learning and mutual accountability.
- **National Statistical Capacity Strengthening** is a pre-requisite for MfDR

Evaluation Findings: Mutual Accountability (for development results)

- Slow progress than MfDR
- Strengthen **Parliamentary role** in strategies and budget; Participatory approach in strategy formulation and progress assessment; Donors report aid on budget
- Inadequate joint review platform
- Increasing **Joint Evaluations (Donor + Govt.)**
- MDG Monitoring and PD Monitoring Survey are steps towards mutual accountability.

Challenges

- Donor interest to maintain **visibility and attribution** to contribution and non developmental objectives.
- **Disbursement culture** among donor and partner countries.
- Donor HQ need to **decentralize** decision making authority to country office field staff
- **Unresponsive Civil Service** in many countries a challenge
- **Bilateral** need more change in behaviour (untying aid)
- **Multi year planning and budgeting** framework is important for partner countries and donors but **appropriations are annual** – disturbing medium term aid predictability
- Need to ensure thematic aspects such as gender, environment, conflict, governance for aid effectiveness.
- **Non DAC** donors and emerging new donors need to comply with PD Principles (other motives –trade, political etc.)
- **Perception of PD as Donor Driven agenda.**

Conclusions and Recommendations

- **Sustain high level Political engagement**
PD is a political agenda and should not be considered as mere “dialogue among technocrats”
- **Need for broader engagement and popularization**
- **Successful implementation of PD is likely in countries where broad understanding, involvement beyond narrow circles, and where legislative and Civil Society is actively involved.**
- **PD should deal with different context**Not be a statement of intent but adoptable to country situation (not “one size fits all”). **Need Localization**
- **Strengthen Partner Country system and capacity and accept country leadership**
- **Create trust** in country systems and enhance usage.
- **Beyond 12 Monitoring Indicators** – broad in focus- complement evaluations
- **Leadership and commitment, capacity and incentives are fundamental for change behaviour**

COUNTRY BASED ACTION PLAN

- 2008 HLF in ACCRA emphasized for a **change in behavior** of Donors and Partner Countries to make Aid more Effective
- Para 28 of the ACCRA Agenda for Action (AAA) endorsed by the HLF 3 in September 2008 encourages Countries to design with active support of donors – **Country Based Action Plan**- that sets out **time bound and monitorable proposals** to implement PD and AAA

SPECIFIC PRIORITY ACTIONS

- Institutionalize MfDR at National, Sectoral, Ministries, Projects and Sub National Level
- Demand Driven Capacity Development Programme
- Harmonize and Strengthen the Aid Monitoring and Evaluation System
- Strengthen and use of Country Systems (PFM, Public Procurement System, M & E)
- Enhance the Ownership of the National Development Strategy (2020)

SPECIFIC PRIORITY ACTIONS

- Aid Predictability
- Untied Aid
- Mutually Agreed Conditionality
- Mutual Accountability
- Joint Analytic Work
- Joint Missions
- Reducing Parallel PIUs
- Reducing the Direct Execution and Enhance National Execution
- Sector wide Approach and Program Based Approach

GENERAL ACTIONS

Strengthen Policy Level Engagement

- Note to Cabinet on PD and AAA
- Awareness on PD and AAA – To All Secretaries of LM
- Engage National and Sub National Stakeholders
- Translate PD and AAA in Local Language for wider Circulation
- Awareness Programme to Provincial and District Officials and Donors

High Level Joint Donor Government Forum to Implement the PD and AAA

Monitoring the 12 Indicators

PD Evaluation



Thank You