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Organisation de Coopération et de Développement Economiques  
Organisation for Economic Co-operation and Development

18-Nov-2004

English - Or. English

DEVELOPMENT CO-OPERATION DIRECTORATE  
DEVELOPMENT ASSISTANCE COMMITTEE

DCD/DAC(2004)40/ANN1  
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MANAGING AID: PRACTICES OF DAC MEMBERS COUNTRIES - ANNEXES 1- 5

*This document contains Annexes accompanying the report "Managing Aid: Practices of DAC Member Countries" (previously seen under the working title "Management Structures and Practices for Development Cooperation in DAC Member Countries"). Both the Annexes and the report were circulated for comment on August 9, 2004 and it is intended to publish both in the DAC Guidelines and Reference series.*

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**ANNEX 1**

**BASIC PROFILES OF DAC MEMBER COUNTRIES' FOREIGN ASSISTANCE PROGRAMMES**

## Australia

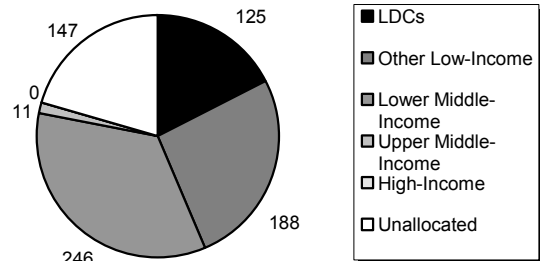
<b>Objective:</b>	To advance Australia's national interest by assisting developing countries to reduce poverty and achieve sustainable development ( <i>Better Aid for a Better Future</i> 1997)
<b>Legislation:</b>	None
<b>Overall policy statement:</b>	<i>Better Aid for a Better Future</i> (1997)
<b>Other general policy statements:</b>	<i>Australian Aid: Investing in Growth, Stability and Prosperity</i> (2002) <i>Reducing Poverty – the Central Influencing Factor of Australia's Aid Programme</i> (2001)
<b>Minister:</b>	Minister for Foreign Affairs assisted by a Parliamentary Secretary
<b>Other ministers:</b>	The Treasurer
<b>Principal department/development agency:</b>	Australian Agency for International Development (AusAID) ( <a href="http://www.ausaid.gov.au">www.ausaid.gov.au</a> )
<b>Other agencies/ministries:</b>	The Treasury ( <a href="http://www.treasury.gov.au">www.treasury.gov.au</a> ) Australian Centre for International Agricultural Research ( <a href="http://www.aciar.gov.au">www.aciar.gov.au</a> )
<b>Interministerial co-ordination structures:</b>	
<b>Main bilateral partners:</b>	Papua New Guinea is the largest bilateral partner. The programme focuses mainly on the Pacific and East Asia concentrating on Burma, Cambodia, China, Fiji, Indonesia, Kiribati, Laos, Mongolia, the Philippines, Samoa, the Solomon Islands, Thailand, East Timor, Tonga, Tuvalu, Vanuatu and Vietnam.
<b>Main sectors:</b>	Governance, health, education, agriculture and rural development, and infrastructure.
<b>Ministerial advisory bodies:</b>	The Aid Advisory Council.

**AUSTRALIA**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

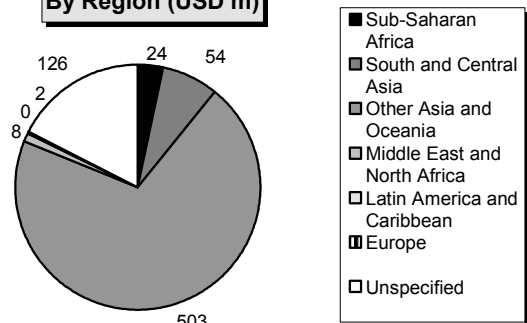
Net ODA	2001	2002	Change 2001/02
Current (USD m)	873	989	13.3%
Constant (2001 USD m)	873	916	4.9%
In Australian Dollars (million)	1 689	1 821	7.8%
ODA/GNI	0.25%	0.26%	
Bilateral share	76%	78%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	5	7	53.0%

**By Income Group (USD m)**

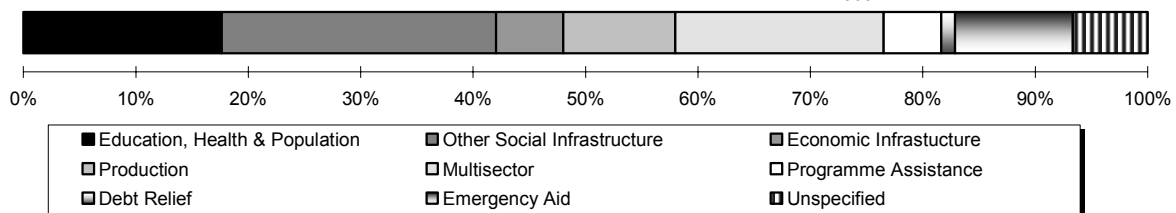


Top Ten Recipients of Gross ODA/OA (USD million)	
1 Papua New Guinea	169
2 Indonesia	65
3 Timor-Leste	37
4 Viet Nam	37
5 Philippines	32
6 China	27
7 Solomon Islands	20
8 Bangladesh	20
9 Cambodia	19
10 Vanuatu	10

**By Region (USD m)**



**By Sector**



Source: OECD

## **Austria**

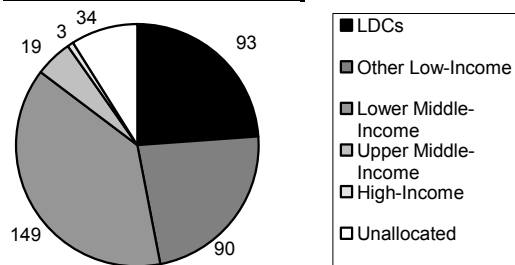
<b>Objective:</b>	To combat poverty through economic and social development, ensure peace and human security, and preserve the environment and protect natural resources ( <i>Federal Act on Development Co-operation 2002</i> )
<b>Legislation:</b>	<i>Federal Act on Development Co-operation</i> (2002 amended 2003)
<b>Overall policy statement:</b>	Three year Programme on Austrian Development Policy (adjusted annually)
<b>Other general policy statements:</b>	
<b>Ministers:</b>	Federal Minister for Foreign Affairs
<b>Other ministers:</b>	
<b>Principal department/development agency:</b>	Ministry of Foreign Affairs (Department for Development Cooperation and Cooperation with Eastern Europe) ( <a href="http://www.eza.gv.at">www.eza.gv.at</a> )
<b>Other agencies/ministries:</b>	The Austrian Development Agency (ADA) ( <a href="http://www.ada.gv.at">www.ada.gv.at</a> ) Department of Development Co-operation Federal Ministry of Finance Federal Ministry for Education, Science and Research Federal Ministry of the Interior Provinces
<b>Interministerial co-ordination structures:</b>	
<b>Main bilateral partners:</b>	There are eight “priority” countries for Austrian development co-operation: in Africa: Burkina Faso, Cape Verde, Ethiopia, Mozambique, Rwanda, and Uganda. In Central America: Nicaragua, and in Asia: Bhutan. There are also 12 “co-operation countries”: in Africa: Burundi, Kenya, Namibia, Senegal, South Africa, Tanzania and Zimbabwe; in Asia, Nepal and Pakistan; and in Central America, Costa Rica, Guatemala and El Salvador plus the Palestinian Administered Areas as a special programme.
<b>Main sectors:</b>	Education, energy, rural development, support for micro, small and medium sized enterprises, transport and mobility, water supply and sanitation.
<b>Ministerial advisory bodies:</b>	The Advisory Board on Development Policy

**AUSTRIA**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

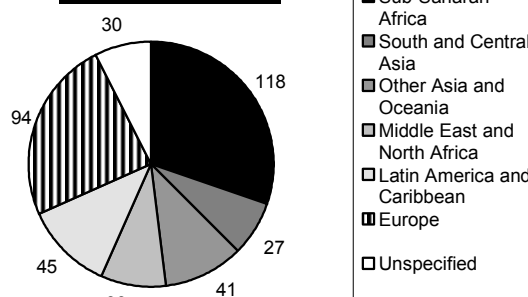
Net ODA	2001	2002	Change 2001/02
Current (USD m)	533	520	-2.4%
Constant (2001 USD m)	533	488	-8.4%
In Euro (million)	595	552	-7.3%
ODA/GNI	0.29%	0.26%	
Bilateral share	64%	70%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	212	196	-7.3%

**By Income Group (USD m)**

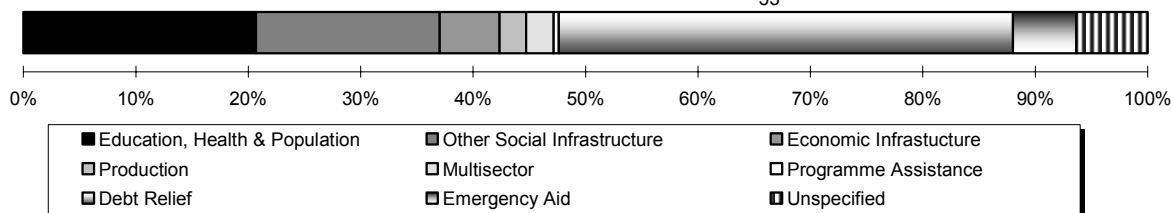


Top Ten Recipients of Gross ODA/OA (USD million)	
1 Poland (OA)	109
2 Serbia & Montenegro	55
3 Cameroon	30
4 Bolivia	29
5 Egypt	21
6 Indonesia	18
7 Tanzania	18
8 Turkey	13
9 Bosnia and Herzegovina	13
10 Mozambique	12

**By Region (USD m)**



**By Sector**



Source : OECD

## Belgium

<b>Objective:</b>	Sustainable development to be achieved by combating poverty, on the basis of the concept of partnership and in accordance with the criteria for determining relevance to development ( <i>Law on Belgian Development Co-operation 1999</i> ).
<b>Legislation:</b>	<i>Law on Belgian Development Co-operation (1999)</i>
<b>Overall policy statement:</b>	Policy Plan for Belgian International Co-operation
<b>Other general policy statements:</b>	
<b>Ministers:</b>	Minister for Development Co-operation
<b>Other ministers:</b>	Minister for Foreign Affairs
<b>Principal department/development agency:</b>	Directorate General for Development Co-operation (DGDC) of the Federal Department of Foreign Affairs, Foreign Trade and Development Cooperation ( <a href="http://www.dgdc.be">www.dgdc.be</a> ).
<b>Other agencies/ministries:</b>	Belgian Technical Co-operation (BTC) ( <a href="http://www.btcctb.org">www.btcctb.org</a> ) Federal Ministry of Finance Ministry of Foreign Affairs National Ducriere office Flemish government Walloon government
<b>Interministerial co-ordination structures:</b>	
<b>Main bilateral partners:</b>	Belgium has 18 main programme countries. In Africa these are: Algeria, Benin, Burundi, Congo, Mali, Morocco, Mozambique, Niger, Rwanda, Senegal, South Africa, Tanzania and Uganda; in Latin America, they are Bolivia, Ecuador, and Peru, and in Asia, Vietnam plus the Palestinian Administered Areas.
<b>Main sectors:</b>	Health, education, agriculture and food security, basic infrastructure, conflict prevention and societal consolidation
<b>Ministerial advisory bodies:</b>	



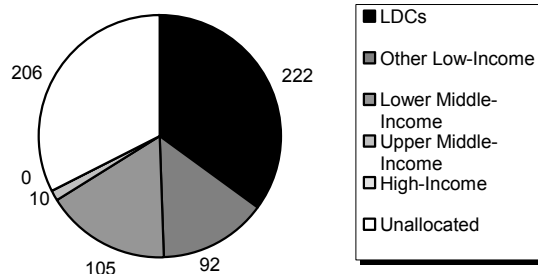
**BELGIUM**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

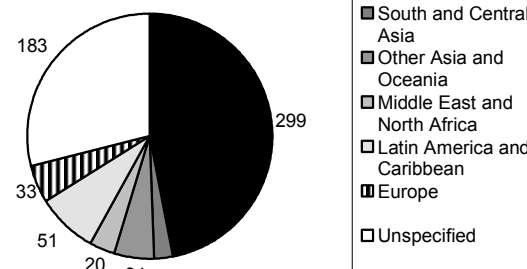
Net ODA	2001	2002	Change 2001/02
Current (USD m)	867	1 072	23.6%
Constant (2001 USD m)	867	996	14.8%
In Euro (million)	968	1 137	17.4%
ODA/GNI	0.37%	0.43%	
Bilateral share	58%	66%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	88	97	10.0%

Top Ten Recipients of Gross ODA/OA (USD million)	
1 Tanzania	45
2 Congo, Dem. Rep.	42
3 Cameroon	29
4 Serbia & Montenegro	28
5 Côte D'Ivoire	24
6 Rwanda	17
7 Bolivia	14
8 Burkina Faso	13
9 Burundi	13
10 Viet Nam	11

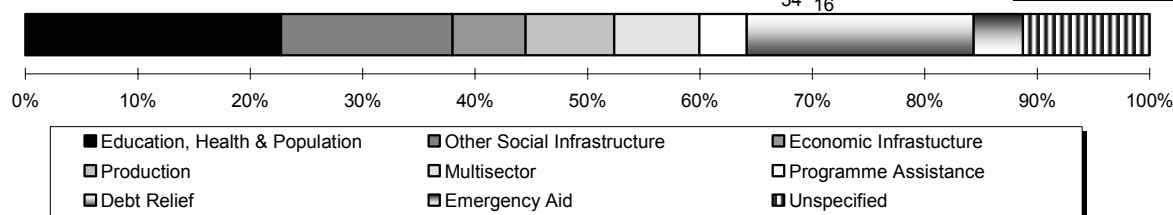
**By Income Group (USD m)**



**By Region (USD m)**



**By Sector**



Source : OECD

## Canada

<b>Objective:</b>	To support sustainable development in developing countries, in order to reduce poverty and to contribute to a more secure, equitable and prosperous world ( <i>Canada in the World 1995</i> ).
<b>Legislation:</b>	None
<b>Overall policy statement:</b>	<i>Canada in the World</i> (1995)
<b>Other general policy statements:</b>	<i>Canada Making a Difference in the World: A Policy Statement on Aid Effectiveness</i> (2002)
<b>Minister:</b>	Minister for International Cooperation
<b>Other ministers:</b>	Minister of Foreign Affairs Minister of Finance
<b>Principal department/development agency:</b>	The Canadian International Development Agency (CIDA) ( <a href="http://www.acdi-cida.gc.ca">www.acdi-cida.gc.ca</a> )
<b>Other agencies/ministries:</b>	Department of Foreign Affairs ( <a href="http://www.fac-aec.gc.ca">http://www.fac-aec.gc.ca</a> ) Department of International Trade ( <a href="http://www.dfait-maeci.gc.ca">www.dfait-maeci.gc.ca</a> ) Department of Finance ( <a href="http://www.fin.gc.ca">www.fin.gc.ca</a> ) International Development Research Centre ( <a href="http://www.idrc.ca">www.idrc.ca</a> ) Rights and Democracy Health Canada Public Works and Government Services Environment Canada Canadian Heritage and the Privy Council Office
<b>Interministerial co-ordination structures:</b>	
<b>Main bilateral partners:</b>	Canadian development assistance supports bilateral activities in approximately 100 countries but has selected a limited number of countries for an enhanced partnership.
<b>Main sectors:</b>	CIDA priority areas are basic social needs including basic education, health, nutrition, HIV/AIDS, and child protection, and human rights, democracy and governance.
<b>Ministerial advisory bodies:</b>	

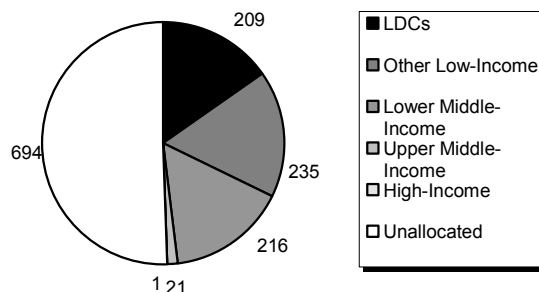
**CANADA**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

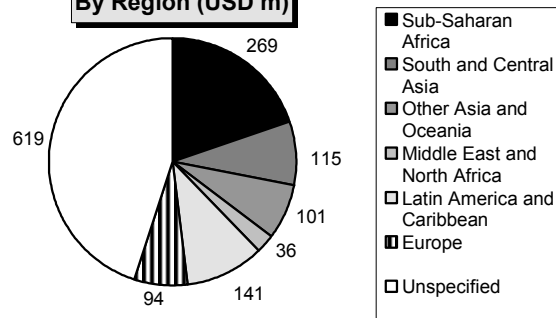
Net ODA	2001	2002	Change 2001/02
Current (USD m)	1 533	2 006	30.9%
Constant (2001 USD m)	1 533	2 011	31.2%
In Canadian Dollars (million)	2 373	3 150	32.7%
ODA/GNI	0.22%	0.28%	
Bilateral share	78%	75%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	152	104	-31.3%

Top Ten Recipients of Gross ODA/OA (USD million)	
1 Poland (OA)	92
2 Ex-Yugoslavia Unsp.	63
3 Cameroon	43
4 Côte D'Ivoire	40
5 Bangladesh	31
6 India	27
7 China	27
8 Afghanistan	25
9 Viet Nam	16
10 Russia (OA)	15

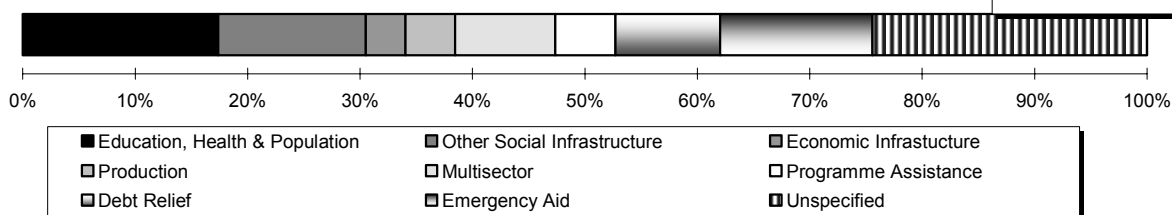
**By Income Group (USD m)**



**By Region (USD m)**



**By Sector**



Source : OECD

## Denmark

<b>Objective:</b>	Through co-operation with governments and public authorities in [developing] countries, to support their endeavours aimed at providing economic growth, thereby making contributions to ensuring social progress and political independence in accordance with the aims and principles of the UN Charter, and to promote mutual understanding and solidarity through cultural co-operation ( <i>Act on International Development Co-operation, 1971</i> )
<b>Legislation:</b>	<i>Act on International Development Co-operation 1971</i> (amended 1998 and June 2002)
<b>Overall policy statement:</b>	<i>Partnership 2000</i>
<b>Other general policy statements:</b>	<i>A World of Difference: the Government's Vision for New Priorities in Danish Development Assistance 2004–2008.</i>
<b>Minister:</b>	Minister for Foreign Affairs
<b>Other ministers:</b>	
<b>Principal department/development agency:</b>	The South Group within the Ministry of Foreign Affairs ( <a href="http://www.um.dk">www.um.dk</a> )
<b>Other agencies/ministries:</b>	
<b>Interministerial co-ordination structures:</b>	
<b>Main bilateral partners/programme countries:</b>	There are 15 programme countries. In Africa these are: Benin, Burkina Faso, Egypt, Ghana, Kenya, Mozambique, Tanzania, Uganda, and Zambia, in Asia: Bangladesh, Bhutan, Nepal and Vietnam and in Latin America: Nicaragua and Bolivia.
<b>Main sectors:</b>	The social sectors – health, education, water and sanitation, economic infrastructure – together with transport, energy and the productive sectors – agriculture and the private sector. The principle is to be involved in a maximum of three to four sectors per programme country.
<b>Ministerial advisory bodies:</b>	The Board of International Development Co-operation. The Council of International Development Co-operation.

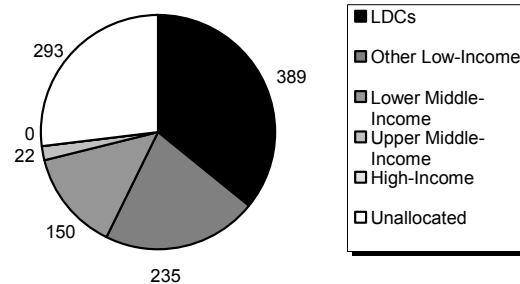
**DENMARK**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

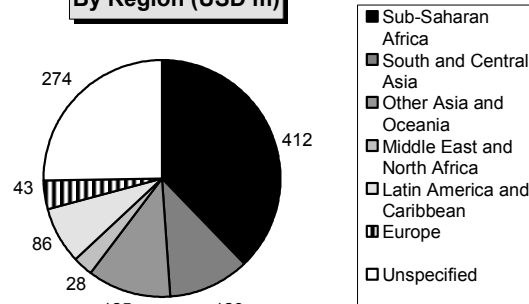
Net ODA	2001	2002	Change 2001/02
Current (USD m)	1 634	1 643	0.5%
Constant (2001 USD m)	1 634	1 540	-5.8%
In Danish Kroner (million)	13 600	12 956	-4.7%
ODA/GNI	1.03%	0.96%	
Bilateral share	63%	63%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	181	167	-7.4%

Top Ten Recipients of Gross ODA/OA (USD million)	
1 Tanzania	69
2 Viet Nam	54
3 Uganda	52
4 Mozambique	50
5 Ghana	46
6 Bangladesh	40
7 Ex-Yugoslavia Unsp.	30
8 Bolivia	28
9 Zambia	27
10 Nicaragua	26

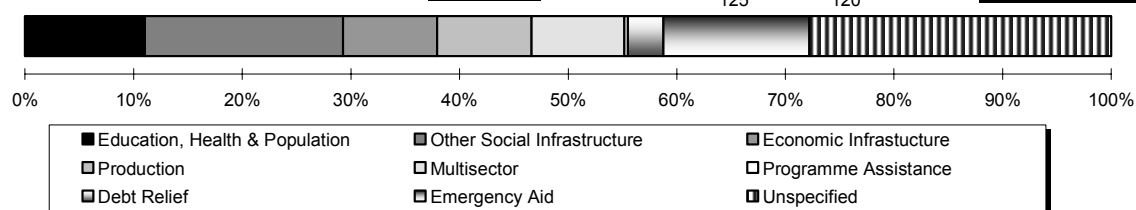
**By Income Group (USD m)**



**By Region (USD m)**



**By Sector**



Source : OECD

## Finland

<b>Objective:</b>	To contribute to the eradication of extreme poverty ( <i>White Paper on Development Policy 2004</i> )
<b>Legislation:</b>	None
<b>Overall policy statement</b>	<i>Development Policy, Government Resolution (2004)</i>
<b>Other general policy statements:</b>	<i>Government Decisions-in-Principle (2001)</i>
<b>Minister:</b>	Minister for Foreign Trade and Development Co-operation
<b>Other ministers:</b>	Minister for Foreign Affairs
<b>Principal department/development agency:</b>	Ministry for Foreign Affairs ( <a href="http://formin.finland.fi/english">http://formin.finland.fi/english</a> )
<b>Other agencies/ministries:</b>	Finnfund ( <a href="http://www.finnfund.fi">www.finnfund.fi</a> ) The Service Centre for Development Cooperation (KEPA) ( <a href="http://www.kepa.fi">www.kepa.fi</a> )
<b>Interministerial co-ordination structures:</b>	
<b>Main bilateral partners/programme countries:</b>	There are 8 long-term partner countries. In Africa: Ethiopia, Kenya, Mozambique, Tanzania and Zambia. In Asia: Nepal and Vietnam, and in Latin America: Nicaragua.
<b>Main sectors:</b>	Finland supports partner countries' efforts to achieve the MDGs. The sectors for Finnish support are selected on a case-by-case analysis of the Finnish added value.
<b>Ministerial advisory bodies:</b>	The Development Policy Committee

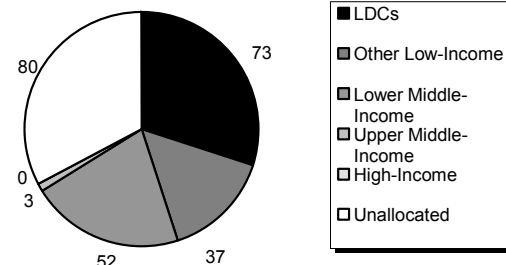
**FINLAND**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

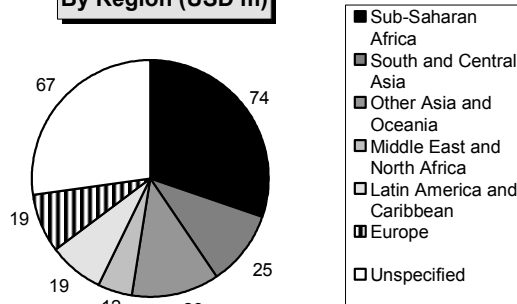
Net ODA	2001	2002	Change 2001/02
Current (USD m)	389	462	18.8%
Constant (2001 USD m)	389	434	11.5%
In Euro (million)	434	490	12.9%
ODA/GNI	0.32%	0.35%	
Bilateral share	58%	54%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	61	67	10.8%

Top Ten Recipients of Gross ODA/OA (USD million)	
1 Tanzania	13
2 Russia (OA)	13
3 Afghanistan	12
4 Mozambique	11
5 Serbia & Montenegro	11
6 China	7
7 Namibia	7
8 Nicaragua	6
9 Viet Nam	6
10 Kenya	6

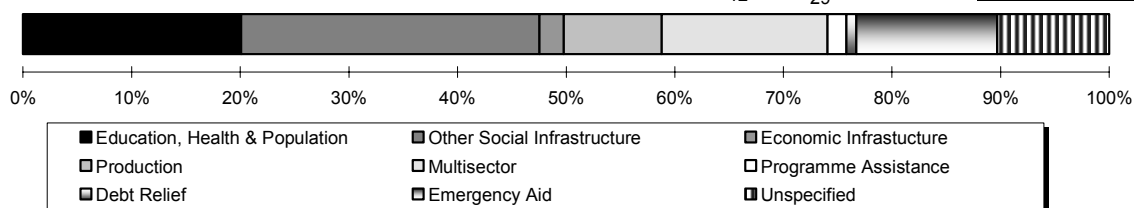
**By Income Group (USD m)**



**By Region (USD m)**



**By Sector**



Source : OECD

## France

**Objective:**

**Legislation:**

None

**Overall policy statement:**

**Other general policy statements:**

**Ministers:**

Minister of Foreign Affairs assisted by the Associate  
Minister for Co-operation and Francophonie  
Minister of the Economy, Finance and Industry

**Other ministers:**

**Principal department/development  
agency:**

Directorate-General for International Co-operation and  
Development (DGCID) within the MFA  
([www.france.diplomatie.fr](http://www.france.diplomatie.fr))

**Other agencies/ministries:**

Ministry of the Economy, Finance and Industry  
([www.mineti.gouv.fr/minEFI/europe/index.htm](http://www.mineti.gouv.fr/minEFI/europe/index.htm))  
French Development Agency (AFD) ([www.afd.fr](http://www.afd.fr))  
Ministry of Education  
Ministry of Agriculture  
Ministry of the Interior  
Ministry of the Environment  
Ministry of Culture  
Ministry of Social Affairs  
Ministry of Infrastructure

**Interministerial co-ordination  
structures:**

Interministerial Committee for International  
Co-operation and Development (CICID)

**Main bilateral partners/programme  
countries:**

The Priority Zone for Partnerships (ZSP) includes 54  
countries.

**Main sectors:**

Water and sanitation, education, health and HIV/AIDS,  
agriculture and rural development, and infrastructure.

**Ministerial advisory bodies:**

The High Council for International Co-operation (HCCI)

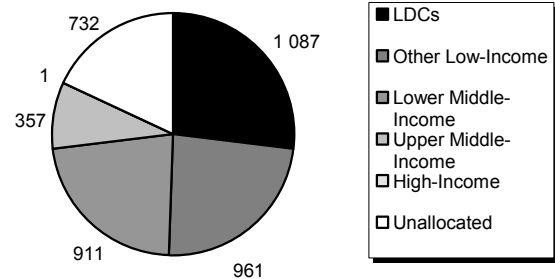


**FRANCE**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

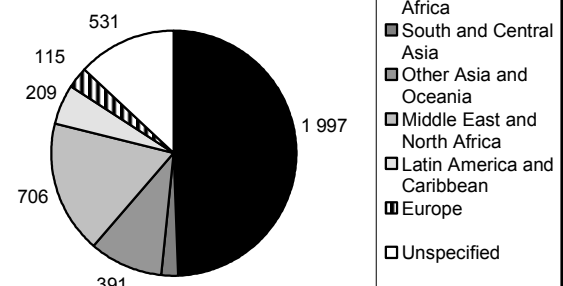
Net ODA	2001	2002	Change 2001/02
Current (USD m)	4 198	5 486	30.7%
Constant (2001 USD m)	4 198	5 125	22.1%
In Euro (million)	4 688	5 821	24.2%
ODA/GNI	0.32%	0.38%	
Bilateral share	62%	66%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	1 334	1 464	9.8%

**By Income Group (USD m)**

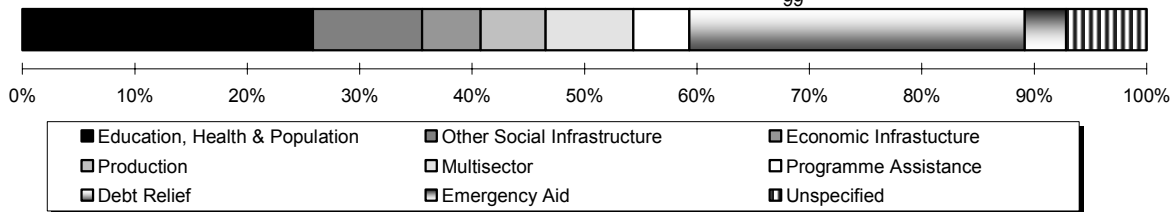


Top Ten Recipients of Gross ODA/OA (USD million)	
1 Côte D'Ivoire	432
2 French Polynesia (OA)	425
3 New Caledonia (OA)	342
4 Mozambique	239
5 Morocco	222
6 Egypt	184
7 Poland (OA)	176
8 Cameroon	144
9 Senegal	139
10 Mayotte	125

**By Region (USD m)**



**By Sector**



Source: OECD

## Germany

<b>Objective:</b>	Reducing global poverty, safeguarding peace and making globalization equitable and sustainable German Development Co-operation is contributing to common international effort towards fulfilment of MDGs ( <i>Programme of Action 2015 for Poverty Reduction 2001</i> ).
<b>Legislation:</b>	None
<b>Overall policy statement:</b>	Programme of Action 2015 for Poverty Reduction – The German Government’s contribution towards halving extreme poverty worldwide (2001)
<b>Other general policy statements:</b>	The German Government’s 11 <sup>th</sup> Development Policy Report (2001); Government’s Coalition Statement (2002)
<b>Minister:</b>	Minister for Economic Co-operation and Development
<b>Other ministers:</b>	The Foreign Minister Minister of Finance
<b>Principal department/development agency:</b>	The Federal Ministry for Economic Co-operation and Development (BMZ) ( <a href="http://www.bmz.de">www.bmz.de</a> ).
<b>Other agencies/ministries:</b>	Agency for Technical Co-operation (GTZ) ( <a href="http://www.gtz.de">www.gtz.de</a> ) Bank for Development (KfW) ( <a href="http://www.kfw.de">www.kfw.de</a> ) Federal Foreign Office ( <a href="http://www.auswaertiges-amt.de/www/en/index.html">http://www.auswaertiges-amt.de/www/en/index.html</a> ) German Investment and Development Corporation (DEG) ( <a href="http://www.deginvest.de">www.deginvest.de</a> ), German Development Service (DED) ( <a href="http://www.ded.de">www.ded.de</a> ) InWent – Capacity Building International ( <a href="http://www.inwent.org">www.inwent.org</a> )
<b>Interministerial co-ordination structures:</b>	BMZ co-ordinates German Development Co-operation with other ministries.
<b>Main bilateral partners:</b>	BMZ focuses on 40 priority countries and 35 partner countries.
<b>Main sectors:</b>	Sector oriented objectives are in the following areas: HIV/AIDS, basic education, rain forests, renewable energies, energy efficiency, water supply and sanitation, peacebuilding and conflict prevention.  Other priority areas agreed with partners include: economic reform, democracy, civil society, public advice, water and sanitation, environmental protection, health, family planning and HIV/AIDS.
<b>Ministerial advisory bodies:</b>	Advisory Council to the Ministry

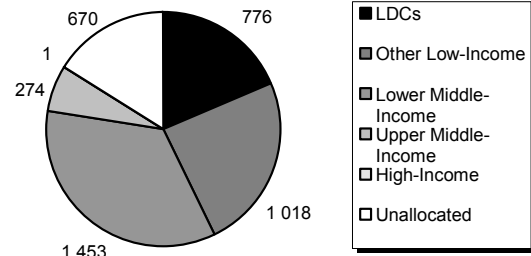
**GERMANY**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

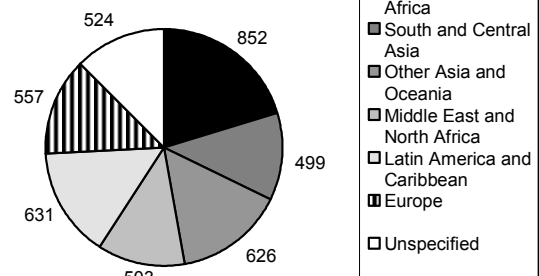
Net ODA	2001	2002	Change 2001/02
Current (USD m)	4 990	5 324	6.7%
Constant (2001 USD m)	4 990	4 980	-0.2%
In Euro (million)	5 571	5 650	1.4%
ODA/GNI	0.27%	0.27%	
Bilateral share	57%	63%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	687	780	13.5%

Top Ten Recipients of Gross ODA/OA (USD million)	
1 Serbia & Montenegro	305
2 China	281
3 Bolivia	234
4 India	150
5 Mozambique	136
6 Indonesia	121
7 Turkey	118
8 Egypt	103
9 Jordan	98
10 Afghanistan	86

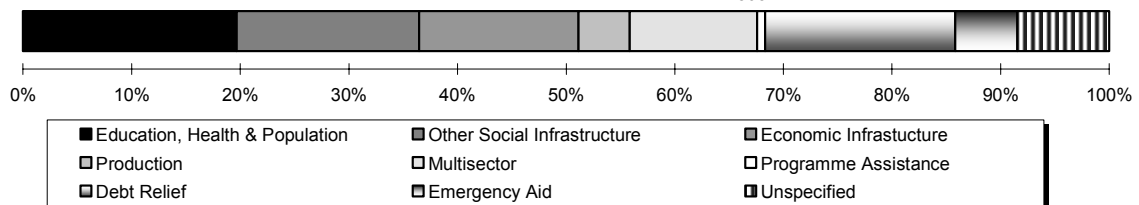
**By Income Group (USD m)**



**By Region (USD m)**



**By Sector**



Source : OECD

## Greece

<b>Objective:</b>	To contribute to economic and social development, poverty reduction, strengthening of democracy and state of law, respect of human rights and fundamental freedoms gender equality and protection of the environment. ( <i>Second Medium-Term Five Year Development Co-operation Programme 2002-2006</i> )
<b>Legislation:</b>	<i>Law 2731/1999 (Official Gazette 138/A/5-7-1999) and Presidential Decree 224/2000 (Official Gazette 193/A/6-9-2000).</i>
<b>Overall policy statement:</b>	<i>Second Medium-Term Five-year Development Co-operation Programme (2002-2006)</i>
<b>Other general policy statements:</b>	
<b>Ministers:</b>	Deputy Minister of Foreign Affairs responsible for International Economic Relations and Development Co-operation
<b>Other ministers:</b>	Minister of National Economy
<b>Principal department/development agency:</b>	Hellenic International Development Co-operation Department (YDAS or HELLENIC AID) within the Ministry of Foreign Affairs ( <a href="http://www.mfa.gr">www.mfa.gr</a> )
<b>Other agencies/ministries:</b>	Ministry of National Economy Ministry of National Defence Ministry of Agriculture Ministry of the Environment Ministry of the Interior Public Administration and Decentralisation Ministry of the Environment, land Planning, and Public Works Ministry of National Education and Religions Ministry of Health and Welfare Ministry of Merchant Marine Hellenic Foreign Trade Board Hellenic Organisation for Small and Medium Industries and Handicraft National Tourist Organisation of Greece Manpower Employment Organisation

**Interministerial co-ordination structures:**

Committee for the Organisation and Co-ordination of International Economic Relations (EOSDOS)

**Main bilateral partners:**

There are 18 partner countries. In the Balkans these are: Albania, Bosnia and Herzegovina, Bulgaria, Federal Republic of Yugoslavia, Former Yugoslav Republic of Macedonia, and Rumania. In the Black Sea area these are: Armenia and Georgia. In the Middle East these are: Afghanistan, Iraq, Jordan, Lebanon, the Palestinian Administered Areas, Syria and Turkey. In sub-Saharan Africa these are: Ethiopia, Eritrea, and Ivory Coast.

**Main sectors:**

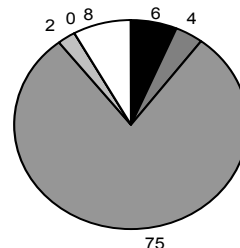
Basic and secondary education infrastructure and vocational training, basic health infrastructure, water supply and sanitation, environment and agriculture, and support for democratisation and human rights activities, institution building, micro-credit and income generation.

**Ministerial advisory bodies:****GREECE**

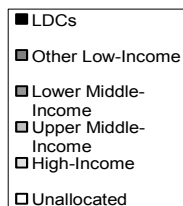
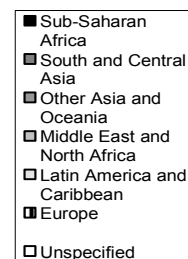
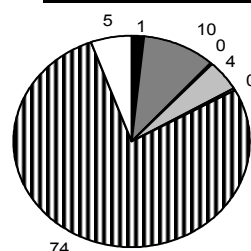
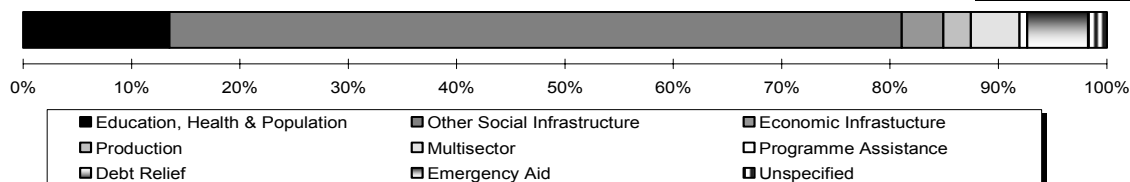
Net ODA	2001	2002	Change 2001/02
Current (USD m)	202	276	37.0%
Constant (2001 USD m)	202	253	25.5%
In Euro (million)	225	293	30.2%
ODA/GNI	0.17%	0.21%	
Bilateral share	41%	39%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	9	16	80.2%

Top Ten Recipients of Gross ODA/OA (USD million)	
1 FYR Macedonia	25
2 Serbia & Montenegro	24
3 Albania	14
4 Bosnia and Herzegovina	7
5 Afghanistan	5
6 Bulgaria (OA)	3
7 Armenia	2
8 Palestinian Adm. Areas	2
9 Romania (OA)	2
10 Georgia	1

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

**By Income Group (USD m)**

Clockwise from top

**By Region (USD m)****By Sector**

Source : OECD

## Ireland

<b>Objective:</b>	Reducing poverty and promoting sustainable development in some of the poorest countries of the world ( <i>White Paper on Foreign Policy 1996</i> ).
<b>Legislation:</b>	None
<b>Overall policy statement:</b>	<i>White Paper on Foreign Policy</i> (1996)
<b>Other general policy statements:</b>	<i>Report of the Ireland Aid Review Committee</i> (2002)
<b>Ministers:</b>	Minister of State with special responsibility for Development Co-operation and Human Rights
<b>Other ministers:</b>	Minister of Foreign Affairs Minister of Finance.
<b>Principal department/development agency:</b>	The Development Co-operation Directorate within the Department of Foreign Affairs manages Development Co-operation Ireland (DCI) ( <a href="http://www.dci.gov.ie">www.dci.gov.ie</a> )
<b>Other agencies/ministries:</b>	Department of Finance
<b>Interministerial co-ordination structures:</b>	
<b>Main bilateral partners/programme countries:</b>	The seven programme countries are: Ethiopia, Lesotho, Mozambique, Tanzania, Uganda, Zambia and East Timor. DCI also has a significant engagement with Afghanistan, the Palestinian Administered Areas and South Africa.
<b>Main sectors:</b>	Education, health, water and sanitation, and governance.
<b>Ministerial advisory bodies:</b>	Advisory Board for DCI

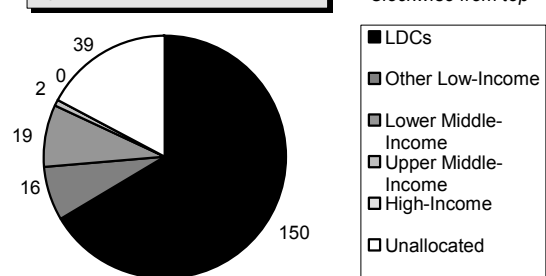
**IRELAND**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

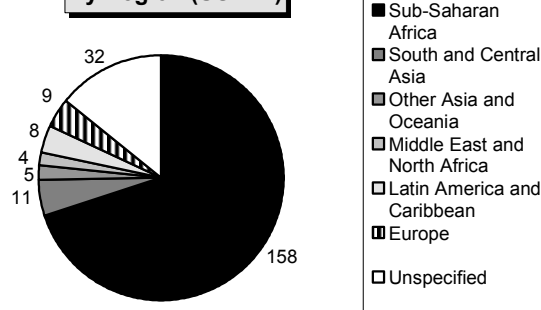
Net ODA	2001	2002	Change 2001/02
Current (USD m)	287	398	38.8%
Constant (2001 USD m)	287	360	25.7%
In Euro (million)	320	422	31.9%
ODA/GNI	0.33%	0.40%	
Bilateral share	64%	67%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	23	26	14.3%

Top Ten Recipients of Gross ODA/OA (USD million)	
1 Uganda	30
2 Mozambique	24
3 Ethiopia	23
4 Tanzania	21
5 Zambia	16
6 Lesotho	10
7 South Africa	8
8 Afghanistan	6
9 Kenya	4
10 Palestinian Adm. Areas	3

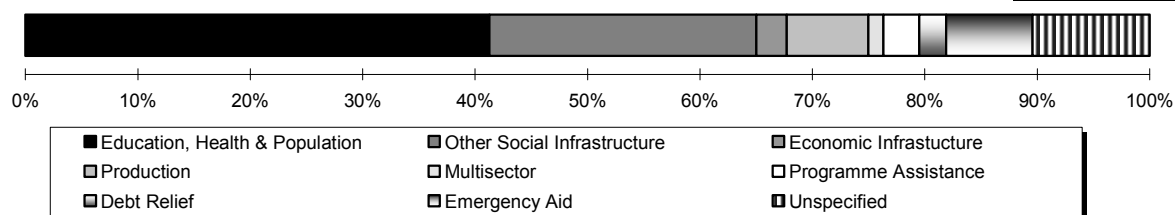
**By Income Group (USD m)**



**By Region (USD m)**



**By Sector**



Source : OECD

## Italy

<b>Objective:</b>	Development Co-operation is an integral part of Italian foreign policy and pursues the ideals of solidarity among peoples, seeking the fulfilment of fundamental human rights, in accordance with the principles sanctioned by the UN and European-Commission African, Caribbean and Pacific States (EC-ACP) conventions ( <i>Law no. 49/87 Annex 1</i> ).
<b>Legislation:</b>	<i>Law no. 49/87 (1987)</i>
<b>Overall policy statement:</b>	
<b>Other general policy statements:</b>	<i>Interministerial Committee for Economic Planning (CIPE) Guidelines (1995)</i>
<b>Minister:</b>	Minister of Foreign Affairs supported by four under-secretaries of state
<b>Other ministers:</b>	Minister of Economy and Finance
<b>Principal department/development agency:</b>	Directorate General for Development Co-operation (DGCS) in the Ministry of Foreign Affairs ( <a href="http://www.esteri.it">www.esteri.it</a> )
<b>Other agencies/ministries:</b>	Ministry of Economy and Finance Ministry of Productive Activities Ministry of the Environment Ministry of the Interior Ministry of Education, Universities and Research Ministry of Justice Presidency of the Council of Ministers Ministry of Agriculture Regions and Municipalities
<b>Interministerial co-ordination structures:</b>	Interministerial Committee on Economic Policy (CIPE)
<b>Main bilateral partners:</b>	There are 16 concentration countries. In North Africa these are: Algeria, Egypt, Morocco, and Tunisia, in sub-Saharan Africa these are: Angola, Eritrea, Ethiopia, Mozambique, South Africa and Uganda. In Asia these are: China and India and in the Middle East these are: Jordan, Lebanon, the Palestinian Administered Areas and Syria.



**Main sectors:**

Health, education, rural development and food security, humanitarian assistance, and private sector (in particular SMEs) development.

**Ministerial advisory bodies:**

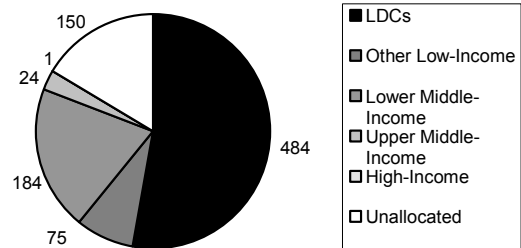
**ITALY**

Net ODA	2001	2002	Change 2001/02
Current (USD m)	1 627	2 332	43.3%
Constant (2001 USD m)	1 627	2 157	32.6%
In Euro (million)	1 817	2 475	36.2%
ODA/GNI	0.15%	0.20%	
Bilateral share	27%	43%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	281	..	

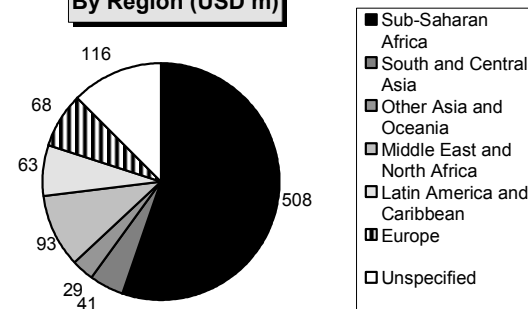
Top Ten Recipients of Gross ODA/OA (USD million)	
1 Mozambique	230
2 Tanzania	67
3 Eritrea	33
4 Tunisia	32
5 Ethiopia	32
6 Afghanistan	25
7 Albania	24
8 Cameroon	23
9 Palestinian Adm. Areas	19
10 Somalia	18

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

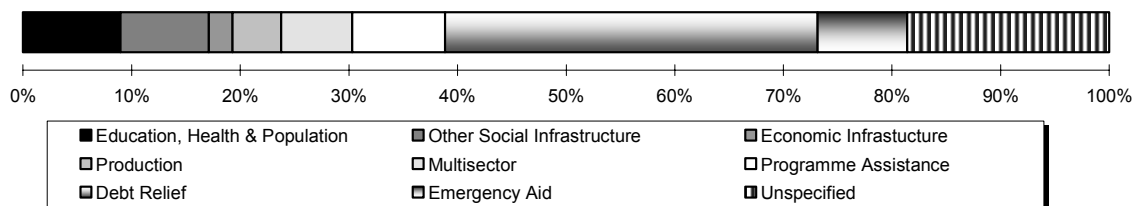
**By Income Group (USD m)**



**By Region (USD m)**



**By Sector**



Source : OECD

## Japan

<b>Objective:</b>	To contribute to the peace and development of the international community, and thereby help ensure Japan's own security and prosperity ( <i>ODA Charter 2003</i> )
<b>Legislation:</b>	<i>Official Development Assistance Charter</i> (2003)
<b>Overall policy statement:</b>	<i>Official Development Assistance Charter</i> (1992 updated 2003)
<b>Other general policy statements:</b>	<i>White Paper on Official Development Assistance</i> (2003)
<b>Minister:</b>	Minister of Foreign Affairs
<b>Other ministers:</b>	Minister of Finance
<b>Principal department/development agency:</b>	Economic Co-operation Bureau in the Ministry of Foreign Affairs ( <a href="http://www.mofa.go.jp/policy/oda">www.mofa.go.jp/policy/oda</a> )
<b>Other agencies/ministries:</b>	Japanese International Co-operation Agency (JICA) ( <a href="http://www.jica.go.jp">www.jica.go.jp</a> ) Japan Bank for International Co-operation (JBIC) ( <a href="http://www.jbic.go.jp">www.jbic.go.jp</a> ) Ministry of Finance ( <a href="http://www.mof.go.jp">www.mof.go.jp</a> ) Ministry of Economy Trade and Industry ( <a href="http://www.meti.go.jp">www.meti.go.jp</a> ) Ministry of Education, Culture, Sports Science and Technology Ministry of Agriculture, Forestry and Fisheries Ministry of Health, Labour and Welfare Ministry of Land, Infrastructure and Transport Ministry of Internal Affairs and Communications Ministry of Justice Ministry of the Environment. Cabinet Office Financial Agency Police Agency
<b>Interministerial co-ordination structures:</b>	Council of Overseas Economic Co-operation-related Ministers Inter-Ministerial Meeting on ODA
<b>Main bilateral partners/programme countries:</b>	Operational in over 140 countries with the largest programmes concentrated in Asia.
<b>Main sectors:</b>	Sector priorities as laid down by the ODA Charter: Poverty Reduction (education, health, water and sanitation, agriculture) Sustainable growth (infrastructure, trade and investment) Global issues (environment, infectious diseases, population, food, energy, natural disasters, drugs, organised crime) Peacebuilding (conflict prevention, emergency assistance)
<b>Ministerial advisory bodies:</b>	Board on Comprehensive ODA Strategy

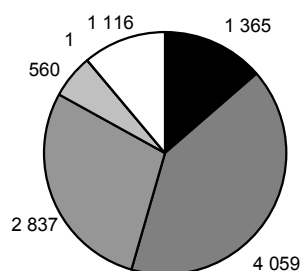
**JAPAN**

Net ODA	2001	2002	Change 2001/02
Current (USD m)	9 847	9 283	-5.7%
Constant (2001 USD m)	9 847	9 731	-1.2%
In Yen (billion)	1 196	1 162	-2.9%
ODA/GNI	0.23%	0.23%	
Bilateral share	76%	72%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	84	99	17.8%

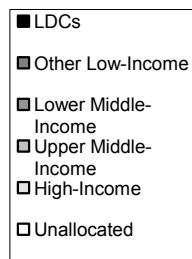
Top Ten Recipients of Gross ODA/OA (USD million)	
1 China	1 202
2 India	841
3 Thailand	758
4 Indonesia	748
5 Philippines	666
6 Viet Nam	429
7 Bangladesh	309
8 Pakistan	256
9 Sri Lanka	244
10 Brazil	171

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

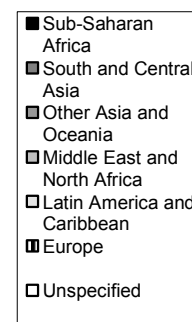
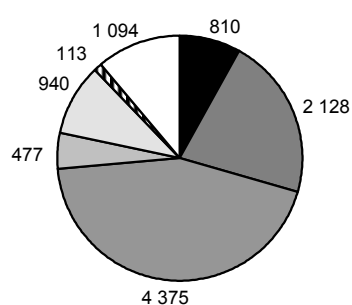
**By Income Group (USD m)**



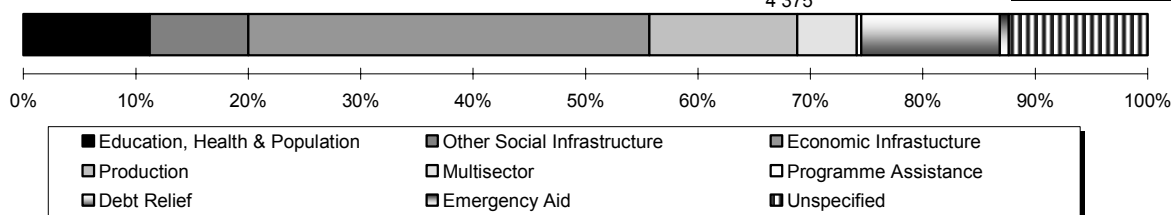
Clockwise from top



**By Region (USD m)**



**By Sector**



Source : OECD

## Luxembourg

<b>Objective:</b>	Sustainable development and the fight against poverty ( <i>A Policy of Solidarity With Those Most in Need</i> 1999)
<b>Legislation:</b>	<i>Development Co-operation Act</i> (1996)
<b>Overall policy statement:</b>	<i>A Policy of Solidarity With Those Most in Need</i> (1999)
<b>Other general policy statements:</b>	<i>Statement on Development Co-operation and Humanitarian Action</i> (2003)
<b>Ministers:</b>	Minister of Co-operation and Humanitarian Action
<b>Other ministers:</b>	Minister of Foreign Affairs and Foreign Trade Minister of Finance.
<b>Principal department/development agency:</b>	Department for Development Co-operation within the Ministry of Foreign Affairs ( <a href="http://www.mae.lu">www.mae.lu</a> ) Lux-Development ( <a href="http://www.lux-development.lu">www.lux-development.lu</a> )
<b>Other agencies/ministries:</b>	Ministry of Finance
<b>Interministerial co-ordination structures:</b>	Interministerial Development Co-operation Committee
<b>Main bilateral partners/programme countries:</b>	There are ten “target” countries. In Africa, these are: Burkina Faso, Cape Verde, Mali, Namibia, Niger and Senegal. In Asia: Laos and Vietnam. In Latin America, El Salvador and Nicaragua. In addition, there are 20 “project” countries including in Africa: Burundi, Guinea, Morocco, Mauritius, Rwanda, Sao Tome and Principe, South Africa and Tunisia. In Asia: China, East Timor India, and Mongolia. In Latin America: Brazil, Chile, Ecuador and Peru, and in Europe: Albania, Bosnia and Herzegovina, Croatia and the Federal Republic of Yugoslavia.
<b>Main sectors:</b>	Health, water and sanitation, education, other social services, and integrated rural development.
<b>Ministerial advisory bodies:</b>	

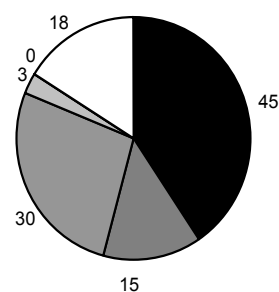
## LUXEMBOURG

Net ODA	2001	2002	Change 2001/02
Current (USD m)	139	147	5.6%
Constant (2001 USD m)	139	139	0.2%
In Euro (million)	155	156	0.4%
ODA/GNI	0.76%	0.77%	
Bilateral share	77%	79%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	9	10	15.4%

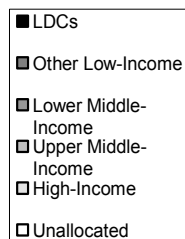
Top Ten Recipients of Gross ODA/OA (USD million)	
1 Serbia & Montenegro	7
2 Cape Verde	7
3 El Salvador	6
4 Afghanistan	5
5 Mali	5
6 Burkina Faso	5
7 Viet Nam	5
8 Laos	5
9 Nicaragua	4
10 Namibia	4

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

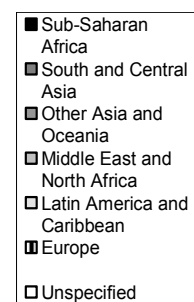
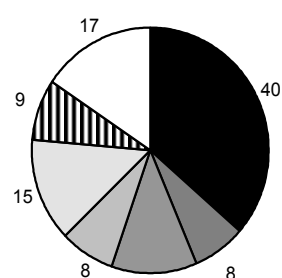
By Income Group (USD m)



Clockwise from top



By Region (USD m)



Source : OECD

## The Netherlands

<b>Objective:</b>	Sustainable poverty reduction is the main objective ( <i>Mutual Interests, Mutual Responsibility 2003</i> )
<b>Legislation:</b>	None
<b>Overall policy statement:</b>	<i>Mutual Interests, Mutual Responsibility: Dutch Development Co-operation en route to 2015</i> (2003)
<b>Other general policy statements:</b>	<i>Aid in Progress</i> (1995)
<b>Ministers:</b>	The Minister for Development Co-operation
<b>Other ministers:</b>	The Minister for Foreign Affairs
<b>Principal department/development agency:</b>	Directorate-General for International Co-operation (DGIS) within the Ministry of Foreign Affairs ( <a href="http://www.minbuza.nl">www.minbuza.nl</a> )
<b>Other agencies/ministries:</b>	
<b>Interministerial co-ordination structures:</b>	The Co-ordinating Council for International Affairs The Co-ordination Committee for European Affairs
<b>Main bilateral partners/programme countries:</b>	There are 36 long-term partner countries. In Africa these are: Benin, Burkina Faso, Cape Verde, Egypt, Eritrea, Ethiopia, Ghana, Kenya, Mali, Mozambique, Rwanda, Senegal, South Africa, Tanzania, Uganda, and Zambia; in Asia: Afghanistan, Armenia, Bangladesh, Georgia, Indonesia, Moldova, Mongolia, Pakistan, Sri Lanka and Vietnam; in Latin America: Bolivia, Colombia, Guatemala, Nicaragua, Suriname, in Europe: Albania, Bosnia-Herzegovina, Macedonia, and also the Palestinian Administered Areas and Yemen.
<b>Main sectors:</b>	Country programmes will operate in two to three sectors only. Overall, basic education, reproductive health, and local rural development are the main sectors supported.
<b>Ministerial advisory bodies:</b>	

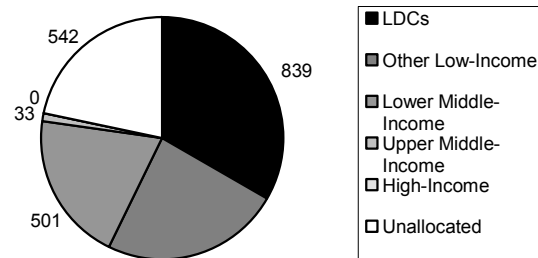
**NETHERLANDS**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

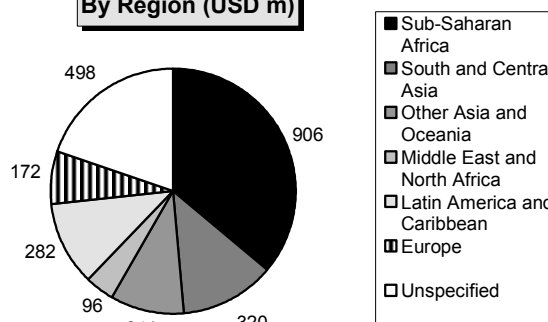
Net ODA	2001	2002	Change 2001/02
Current (USD m)	3 172	3 338	5.2%
Constant (2001 USD m)	3 172	3 068	-3.3%
In Euro (million)	3 542	3 542	0.0%
ODA/GNI	0.82%	0.81%	
Bilateral share	70%	73%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	214	211	-1.2%

Top Ten Recipients of Gross ODA/OA (USD million)	
1 Indonesia	123
2 India	110
3 Tanzania	107
4 Ghana	106
5 Afghanistan	80
6 Congo, Dem. Rep.	74
7 Mozambique	69
8 Bolivia	68
9 Netherlands Antilles (OA)	66
10 Serbia & Montenegro	57

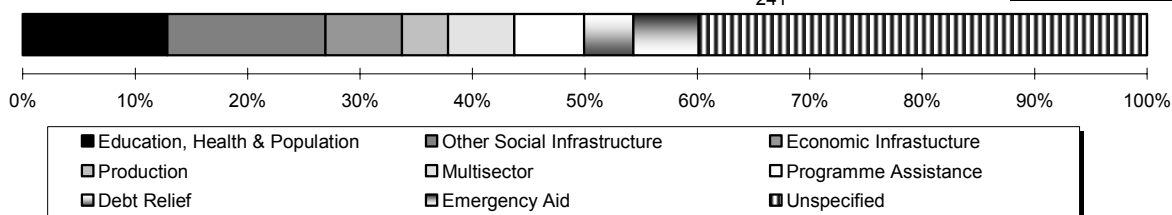
**By Income Group (USD m)**



**By Region (USD m)**



**By Sector**



Source : OECD

## New Zealand

<b>Objective:</b>	The elimination of poverty in developing countries through working with partners to achieve sustainable and equitable development for those most in need ( <i>Policy Statement 2002</i> )
<b>Legislation:</b>	None
<b>Overall policy statement:</b>	<i>Policy Statement: Towards a Safe and Just World Free of Poverty</i> (2002)
<b>Other general policy statements:</b>	
<b>Ministers:</b>	Associate Minister of Foreign Affairs and Trade (Official Development Assistance)
<b>Other ministers:</b>	Minister of Foreign Affairs and Trade
<b>Principal department/development agency:</b>	New Zealand Agency for International Development (NZAID), a semi autonomous body within the Ministry of Foreign Affairs and Trade ( <a href="http://www.nzaid.govt.nz">www.nzaid.govt.nz</a> )
<b>Other agencies/ministries:</b>	
<b>Interministerial Co-ordination structures:</b>	
<b>Main bilateral partners:</b>	New Zealand has 20 core partner countries eleven in the Pacific – the Cook Islands, Fiji, Kiribati, Niue, Papua New guinea, Samoa, the Solomon Islands, Tokelau, Tonga, Tuvalu and Vanuatu; seven countries in Asia – Cambodia, China, East Timor, Indonesia, Laos, the Philippines, and Vietnam; and one country in Africa – South Africa.
<b>Main sectors:</b>	Social development with a strong emphasis education, health, sustainable livelihoods, gender, governance and human rights.
<b>Ministerial advisory bodies:</b>	The International Development Advisory Committee (IDAC)



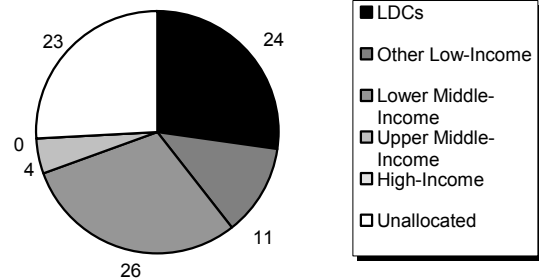
**NEW ZEALAND**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

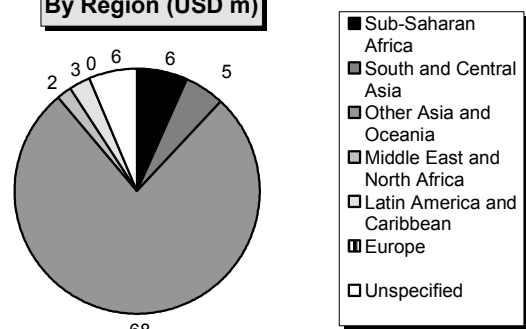
Net ODA	2001	2002	Change 2001/02
Current (USD m)	112	122	9.1%
Constant (2001 USD m)	112	110	-1.1%
In NZL Dollars (million)	266	264	-0.9%
ODA/GNI	0.25%	0.22%	
Bilateral share	76%	75%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	0.3	0.7	192.0%

Top Ten Recipients of Gross ODA/OA (USD million)	
1 Papua New Guinea	6
2 Solomon Islands	5
3 Samoa	4
4 Tokelau	4
5 Indonesia	4
6 Tonga	4
7 Vanuatu	3
8 Niue	3
9 Cook Islands	2
10 Fiji	2

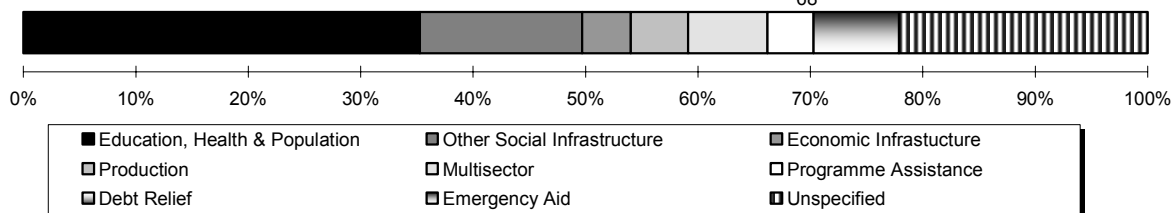
**By Income Group (USD m)**



**By Region (USD m)**



**By Sector**



Source : OECD

## Norway

**Objective:**

The main objective is to contribute to the fight against poverty, by supporting partner countries poverty reduction strategies and other national strategies and thereby contribute to the achievement of the MDGs (*St.prp.nr. 1 2003-2004, Development aid budget, approved by the Norwegian Parliament*)

**Legislation:**

**Overall policy statement:**

Policy Report No. 35 (2003-2004) *Fighting Poverty Together: A Comprehensive Development Policy to the Starting*

**Other general policy statements:**

*Fighting Poverty: The Norwegian Government's Action Plan for Combating Poverty in the South towards 2015* (2002)

**Ministers:**

Minister for International Development assisted by a State Secretary

**Other ministers:**

Minister of Foreign Affairs assisted by a State Secretary

**Principal department/development agency:**

Ministry of Foreign Affairs  
(<http://odin.dep.no/ud/engelsk/>)

**Other agencies/ministries:**

Norwegian Agency for Development Co-operation (NORAD) ([www.norad.no](http://www.norad.no))  
Fredskorpset (Norwegian volunteer service) ([www.fredskorpest.no](http://www.fredskorpest.no))

**Interministerial co-ordination structures:**

**Main bilateral partners/programme countries:**

There are seven main partner countries: Bangladesh, Malawi, Mozambique, Nepal, Tanzania, Uganda and Zambia.

There are 18 partner countries: In Africa these are: Angola, Eritrea, Ethiopia, Kenya, Madagascar, Mali, Nigeria and South-Africa. In Asia: Afghanistan, China, East Timor, Indonesia, Pakistan, Sri Lanka and Vietnam. In Central America: Guatemala and Nicaragua. In the Middle East: the Palestinian Administered Areas.

**Main sectors:**

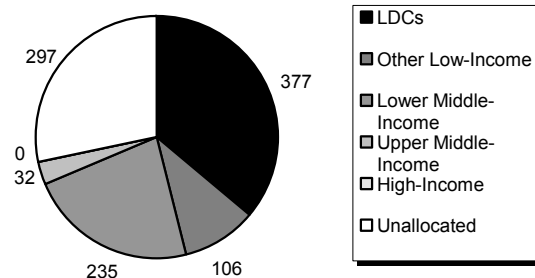
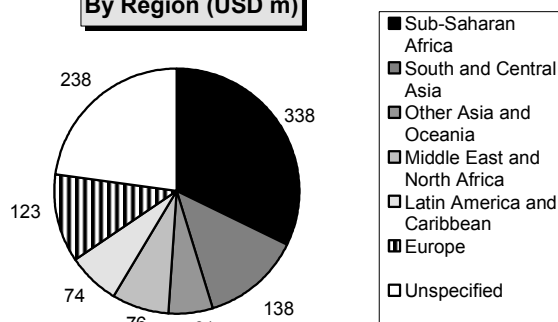
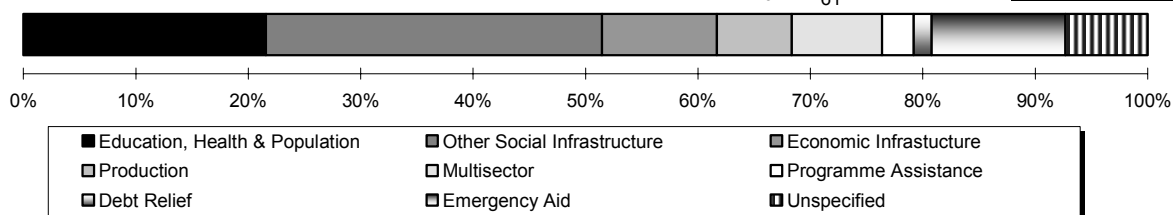
Education, HIV/AIDS, private sector and agriculture, sustainable development, good governance and anti-corruption, peacebuilding and development, and health

**Ministerial advisory bodies:****NORWAY**

Net ODA	2001	2002	Change 2001/02
Current (USD m)	1 346	1 696	26.0%
Constant (2001 USD m)	1 346	1 517	12.7%
In Norwegian Kroner (million)	12 104	13 544	11.9%
ODA/GNI	0.80%	0.89%	
Bilateral share	70%	68%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	32	45	42.1%

Top Ten Recipients of Gross ODA/OA (USD million)	
1 Afghanistan	50
2 Palestinian Adm. Areas	44
3 Tanzania	41
4 Mozambique	36
5 Serbia & Montenegro	29
6 Uganda	26
7 Zambia	25
8 Ethiopia	22
9 Ex-Yugoslavia Unsp.	22
10 Russia (OA)	21

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

**By Income Group (USD m)****By Region (USD m)****By Sector**

Source: OECD

## Portugal

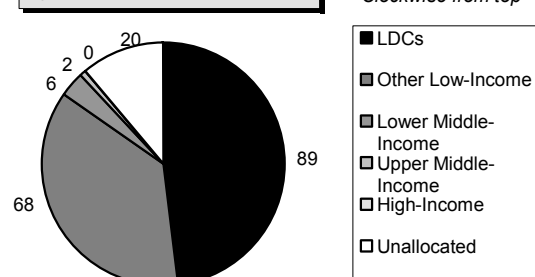
<b>Objective:</b>	Reinforce democracy and the rule of law, reduce poverty, stimulate economic growth, foster regional integration and promote a European partnership for human development ( <i>Portuguese General Policy Statement</i> )
<b>Legislation:</b>	<i>Decree Law 5/2003 13<sup>th</sup> January</i>
<b>Overall policy statement:</b>	<i>The Portuguese Co-operation for the Incoming 21<sup>st</sup> Century – Strategy Paper</i> (Approved by the Council of Ministers Resolution no. 43/1999 18 <sup>th</sup> May)
<b>Other general policy statements:</b>	
<b>Minister:</b>	Secretary of State for Foreign Affairs and Co-operation in the Ministry of Foreign Affairs
<b>Other ministers:</b>	Secretary of State for European Affairs Secretary of State for the Portuguese Communities Minister of Finance
<b>Principal department/development agency:</b>	Institute for Portuguese Development Support (IPAD) ( <a href="http://www.ipad.mne.pt">www.ipad.mne.pt</a> )
<b>Other agencies/ministries:</b>	Ministry of Finance Seventeen ministries and agencies and over 300 municipalities from 22 districts.
<b>Interministerial co-ordination structures:</b>	
<b>Main bilateral partners:</b>	Seven main partner countries: Angola, Cape Verde, East Timor, Guinea Bissau, Mozambique, and Sao Tome and Principe.
<b>Main sectors:</b>	Education and training, culture and heritage, health, productive activities and infrastructure, society and its institutions, security, financial assistance, and humanitarian and emergency assistance.
<b>Ministerial advisory bodies:</b>	

**PORTUGAL**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

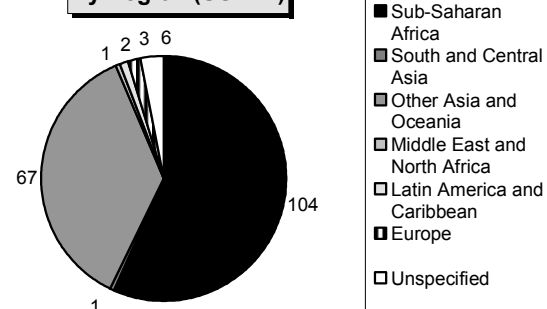
Net ODA	2001	2002	Change 2001/02
Current (USD m)	268	323	20.2%
Constant (2001 USD m)	268	293	9.2%
In Euro (million)	300	342	14.2%
ODA/GNI	0.25%	0.27%	
Bilateral share	68%	58%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	28	33	20.1%

**By Income Group (USD m)**

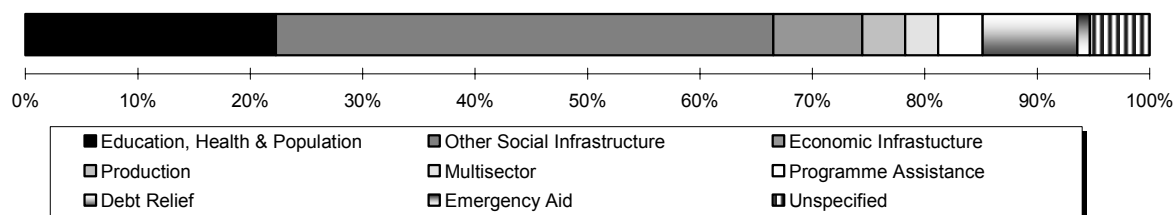


Top Ten Recipients of Gross ODA/OA (USD million)	
1 Timor-Leste	67
2 Mozambique	29
3 Cape Verde	17
4 Sao Tome & Principe	14
5 Angola	13
6 Guinea-Bissau	10
7 Congo, Dem. Rep.	2
8 Bosnia and Herzegovina	2
9 Sierra Leone	1
10 FYR Macedonia	1

**By Region (USD m)**



**By Sector**



Source : OECD

## Spain

<b>Objective:</b>	The promotion of sustainable human, social and economic development in order to eliminate poverty ( <i>Law on International Co-operation in Matters of Development 1998</i> )
<b>Legislation:</b>	<i>Law on International Co-operation in Matters of Development 1998</i>
<b>Overall policy statement:</b>	
<b>Other general policy statements:</b>	<i>Four-year Master Plan (2001-2004)</i>
<b>Minister:</b>	State Secretary for International Co-operation and Latin America within the Ministry of Foreign Affairs
<b>Other ministers:</b>	Minister of Economy State Secretary for Trade and Tourism within the Ministry of Economy
<b>Principal department/development agency:</b>	State Secretariat for International Co-operation and Latin America (SECIPI) and its executing agency the Spanish Agency for International Co-operation (AECI) ( <a href="http://www.aeci.es">www.aeci.es</a> )
<b>Other agencies/ministries:</b>	Ministry of Economy (State Secretariat for Trade and Tourism) Ministry of Agriculture Ministry of Fisheries and Food Ministry of Defence Ministry of Education and Culture Ministry of Employment and Social Affairs Ministry of the Environment Ministry of Health and Consumer Affairs Ministry of the Interior Ministry of Justice Ministry of Public Administration Ministry of Public Works Ministry of Science and Technology. Autonomous regions and municipalities
<b>Interministerial co-ordination structures:</b>	The Interministerial Committee for International Co-operation  The Inter-territorial Commission for Co-operation in Matters of Development

**Main bilateral partners/programme countries:**

Spain has 29 programme countries. In Africa these are: Algeria, Angola, Cape Verde, Equatorial Guinea, Guinea Bissau, Mauritania, Morocco, Mozambique, Namibia, Sao Tome and Principe, Senegal, South Africa, and Tunisia. In Latin America these are: Bolivia, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Paraguay, Peru, and Nicaragua. In Asia: China, the Philippines, and Viet Nam. In Europe: Albania, Bosnia Herzegovina, and the Federal Republic of Yugoslavia.

**Main sectors:**

Basic social services, education, human rights, democracy and civil society development, environment, culture, scientific and technological research.

**Ministerial advisory bodies:**

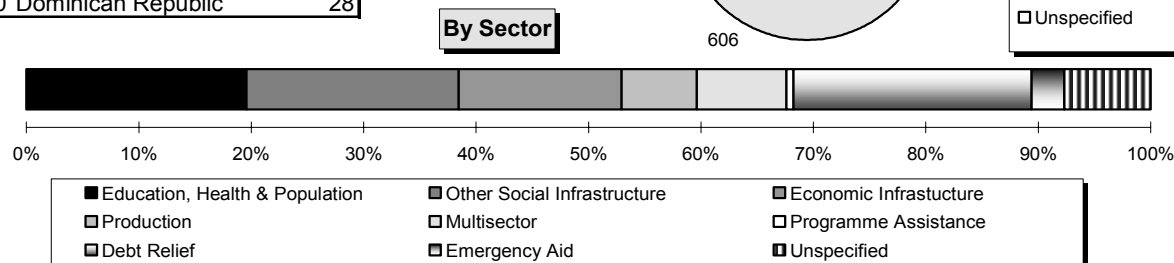
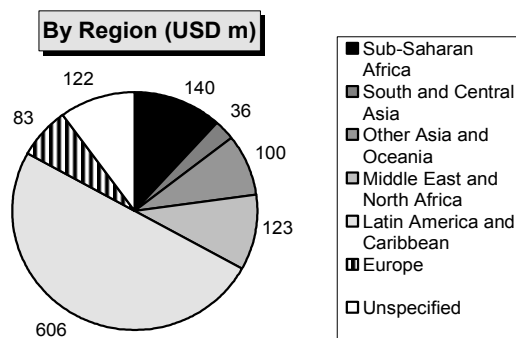
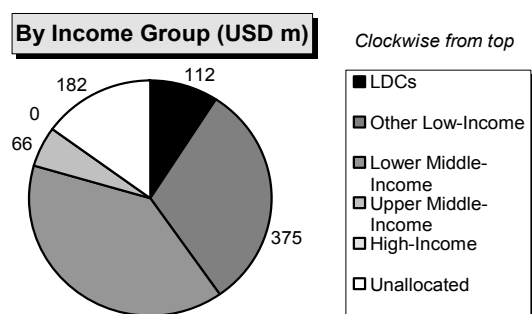
The Council for Co-operation in Matters of Development

**SPAIN**

Net ODA	2001	2002	Change 2001/02
Current (USD m)	1 737	1 712	-1.4%
Constant (2001 USD m)	1 737	1 559	-10.3%
In Euro (million)	1 940	1 817	-6.3%
ODA/GNI	0.30%	0.26%	
Bilateral share	66%	58%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	14	11	-19.5%

Top Ten Recipients of Gross ODA/OA (USD million)	
1 Nicaragua	212
2 El Salvador	51
3 China	46
4 Morocco	39
5 Ecuador	37
6 Bolivia	36
7 Peru	36
8 Honduras	35
9 Colombia	32
10 Dominican Republic	28

Gross Bilateral ODA, 2001-02 average, unless otherwise shown



Source : OECD

## Sweden

<b>Objective:</b>	To contribute to an environment supportive of poor people's own efforts to improve their quality of life. ( <i>Act on Global Development 2003</i> )
<b>Legislation:</b>	None
<b>Overall policy statement:</b>	<i>Act on Global Development (2003)</i>
<b>Other general policy statements:</b>	<i>The Rights of the Poor: Our Common Responsibility (1997)</i>
<b>Minister:</b>	Minister for International Development Co-operation assisted by a State Secretary
<b>Other ministers:</b>	Minister for Foreign Affairs Minister of Finance Minister for International Economic Affairs and Financial Markets Minister of Industry and Trade
<b>Principal department/development agency:</b>	Global Development Department of the Ministry of Foreign Affairs ( <a href="http://www.ud.se">www.ud.se</a> )
<b>Other agencies/ministries:</b>	Swedish International Development Co-operation Agency (SIDA) ( <a href="http://www.sida.se">www.sida.se</a> ). Ministry of Finance ( <a href="http://www.sweden.gov.se/govagencies/fiag.htm">www.sweden.gov.se/govagencies/fiag.htm</a> ) Ministry of Industry, Employment and Communications ( <a href="http://naring.regeringen.se/inenglish/index.htm">http://naring.regeringen.se/inenglish/index.htm</a> ) Swedish Migration Board ( <a href="http://www.migrationsverket.se/english.html">http://www.migrationsverket.se/english.html</a> ) The Swedish Institute ( <a href="http://www.si.se">www.si.se</a> ) The Nordic Africa Institute ( <a href="http://www.nai.uu.se/indexeng.html">http://www.nai.uu.se/indexeng.html</a> )
<b>Interministerial co-ordination structures:</b>	
<b>Main bilateral partners:</b>	Operational in around 100 countries.
<b>Main sectors:</b>	Humanitarian assistance and conflict prevention, social sectors, human rights and democratic governance, infrastructure, private sector and urban development.
<b>Ministerial advisory bodies:</b>	Expert Group on Development Issues



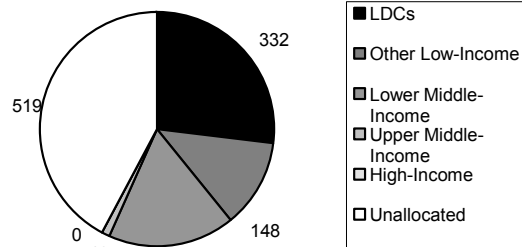
**SWEDEN**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

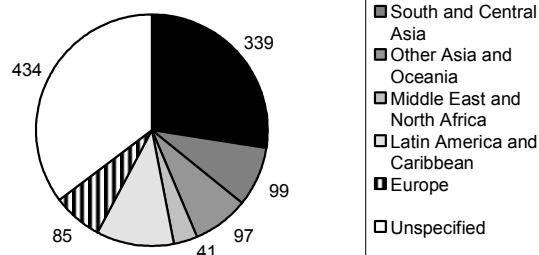
Net ODA	2001	2002	Change 2001/02
Current (USD m)	1 666	1 991	19.5%
Constant (2001 USD m)	1 666	1 848	10.9%
In Swedish Kronor (million)	17 220	19 354	12.4%
ODA/GNI	0.77%	0.83%	
Bilateral share	72%	63%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	119	107	-10.2%

Top Ten Recipients of Gross ODA/OA (USD million)	
1 Tanzania	54
2 Mozambique	44
3 Russia (OA)	32
4 Nicaragua	31
5 Serbia & Montenegro	30
6 Viet Nam	30
7 Bosnia and Herzegovina	28
8 Uganda	26
9 Palestinian Adm. Areas	25
10 South Africa	24

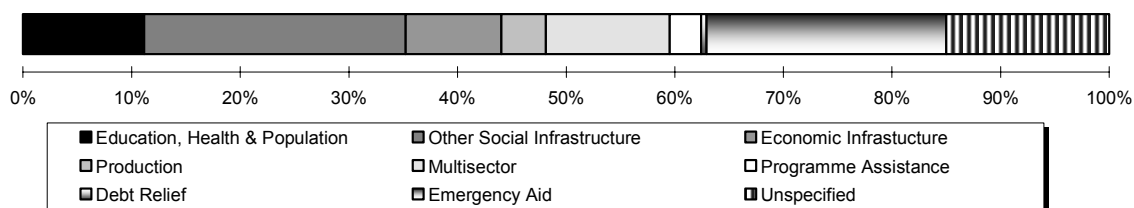
**By Income Group (USD m)**



**By Region (USD m)**



**By Sector**



Source : OECD

## Switzerland

<b>Objective:</b>	To help developing countries improve the living conditions of their populations ( <i>Federal Law 1976</i> ).
<b>Legislation:</b>	<i>The Federal Law on International Development Co-operation and Humanitarian Aid (1976)</i>
<b>Overall policy statement:</b>	<i>SDC Strategy 2010; SECO Strategy 2006</i>
<b>Other general policy statements:</b>	<i>Foreign Policy Report (2000)</i> <i>Message on the Continuation of Technical Co-operation and Financial Aid for Developing Countries 2004-2007 (2003)</i>
<b>Minister:</b>	Federal Councillor of Foreign Affairs
<b>Other ministers:</b>	Federal Councillor for Economic Affairs
<b>Principal department/development agency:</b>	Swiss Agency for Development Co-operation (SDC) of the Federal Department of Foreign Affairs (DFA) ( <a href="http://www.sdc.admin.ch">www.sdc.admin.ch</a> )
<b>Other agencies/ministries:</b>	State Secretariat for Economic Affairs (SECO) ( <a href="http://www.seco-cooperation.ch">www.seco-cooperation.ch</a> ) Political Department IV of the Federal Department of Foreign Affairs Cantons and municipalities
<b>Interministerial co-ordination structures:</b>	
<b>Main bilateral partners:</b>	SDC has 17 “priority” countries: In Africa these are: Benin, Burkina Faso, Chad, Niger, Mali, Mozambique, and Tanzania. In Latin America these are: Bolivia, Ecuador, Nicaragua, Peru, and in Asia: Bangladesh, Bhutan, India, Nepal, Pakistan, Vietnam, plus six “special programme countries” including Cuba, North Korea, the Palestinian Administered Areas, South Africa, Rwanda and Madagascar.  SECO has 16 “priority” countries: In Africa: Burkina Faso, Egypt, Ghana, Mozambique, and Tanzania. In Asia: Albania, Bulgaria, China, Kyrgyz Republic, Macedonia, Rumania, Tajikistan, Serbia-Montenegro, and Vietnam, and in Latin America: Peru. SECO also has 11 other “important” countries: Azerbaijan, Bolivia, Bosnia-Herzegovina, Jordan, India, Indonesia, the Maghreb, Russia, South Africa, Ukraine, and Uzbekistan.

**Main sectors:**

Prevention and resolution of conflicts, good governance, income generation, social justice and the sustainable use of natural resources for SDC.

Macroeconomic support, investment promotion, infrastructure financing, trade and clean technology co-operation for SECO.

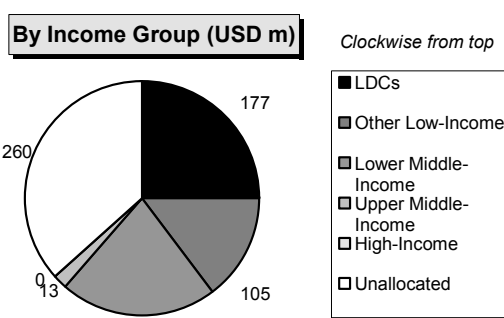
**Ministerial advisory bodies:**

Advisory Committee on International Development and Co-operation.

**SWITZERLAND**

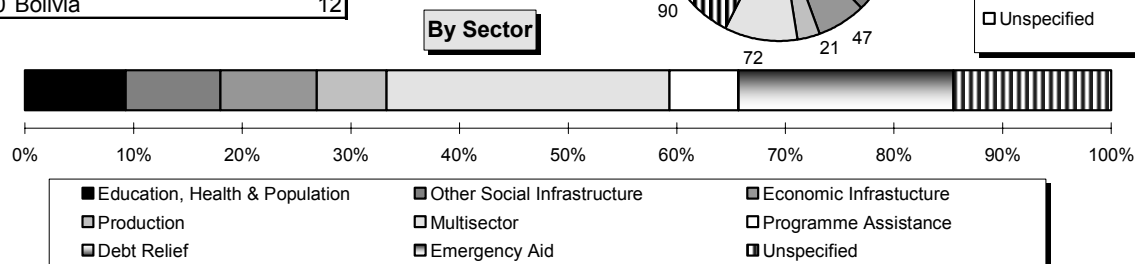
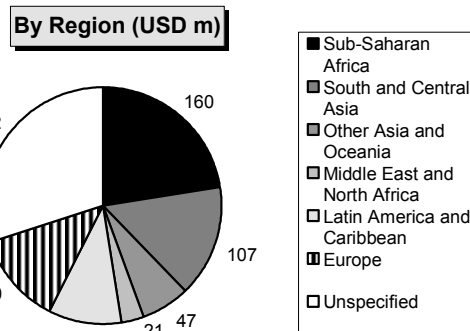
Net ODA	2001	2002	Change 2001/02
Current (USD m)	908	939	3.4%
Constant (2001 USD m)	908	863	-5.0%
In Swiss Francs (million)	1 532	1 462	-4.6%
ODA/GNI	0.34%	0.32%	
Bilateral share	71%	81%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	63	66	5.0%

Gross Bilateral ODA, 2001-02 average, unless otherwise shown



**Top Ten Recipients of Gross ODA/OA (USD million)**

1 Serbia & Montenegro	29
2 India	23
3 Mozambique	23
4 Tanzania	18
5 Ex-Yugoslavia Unsp.	17
6 Burkina Faso	14
7 Bosnia and Herzegovina	14
8 Nepal	13
9 Bangladesh	13
10 Bolivia	12



Source : OECD

## United Kingdom

<b>Objective:</b>	The elimination of poverty and the encouragement of economic growth which benefits the poor. ( <i>Eliminating World Poverty 1997</i> )
<b>Legislation:</b>	<i>International Development Act</i> (2002)
<b>Overall policy statement</b>	<i>Eliminating World Poverty: A Challenge for the 21<sup>st</sup> Century</i> (1997); <i>Eliminating World Poverty: Making Globalisation Work for the Poor</i> (2000)
<b>Other general policy statements:</b>	
<b>Minister:</b>	Secretary of State for International Development assisted by a Minister of State, and a Parliamentary Under Secretary of State.
<b>Other ministers:</b>	Chancellor of the Exchequer
<b>Principal department/development agency:</b>	Department for International Development (DFID) ( <a href="http://www.dfid.gov.uk">www.dfid.gov.uk</a> )
<b>Other agencies/ministries:</b>	The Foreign and Commonwealth Office ( <a href="http://www.fco.gov.uk">www.fco.gov.uk</a> ) The Home Office ( <a href="http://www.homeoffice.gov.uk">www.homeoffice.gov.uk</a> ) The Treasury ( <a href="http://www.hm-treasury.gov.uk">www.hm-treasury.gov.uk</a> ) The British Council ( <a href="http://www.britishcouncil.org">www.britishcouncil.org</a> )
<b>Interministerial co-ordination structures:</b>	
<b>Main bilateral partners:</b>	DFID has no formal list of priority countries but has offices or personnel in approximately 40 countries including 20 in Africa. The major DFID offices are located in the following countries, in Africa: Ghana, Kenya, Malawi, Mozambique, Nigeria, Sierra Leone, South Africa, Tanzania, Uganda, Zambia and Zimbabwe. In Asia: Afghanistan, Bangladesh, China, India, Nepal, Pakistan, and Thailand plus offices in Russia, the Ukraine and Barbados.
<b>Main sectors:</b>	Health, education, sustainable livelihoods, security sector reform, humanitarian assistance, private-sector development.
<b>Ministerial advisory bodies:</b>	

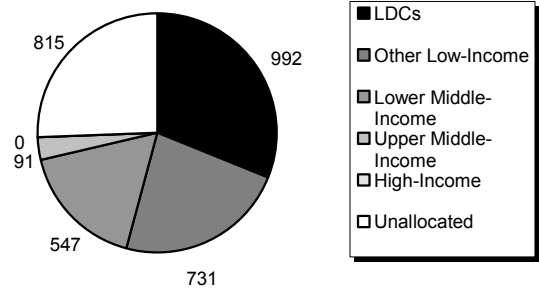
**UNITED KINGDOM**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

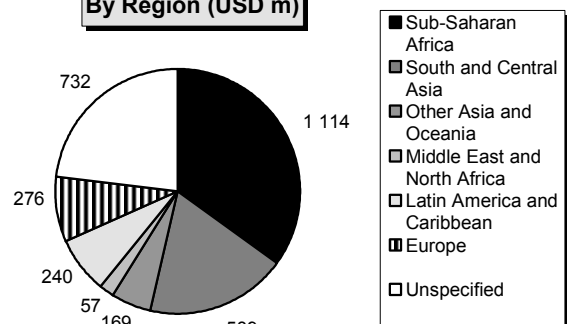
Net ODA	2001	2002	Change 2001/02
Current (USD m)	4 579	4 924	7.5%
Constant (2001 USD m)	4 579	4 581	0.0%
In Pounds Sterling (million)	3 179	3 282	3.2%
ODA/GNI	0.32%	0.31%	
Bilateral share	57%	71%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	461	494	7.3%

Top Ten Recipients of Gross ODA/OA (USD million)	
1 India	271
2 Serbia & Montenegro	238
3 Tanzania	198
4 Mozambique	117
5 Bangladesh	113
6 Ghana	111
7 Uganda	92
8 Afghanistan	83
9 Zambia	62
10 Malawi	61

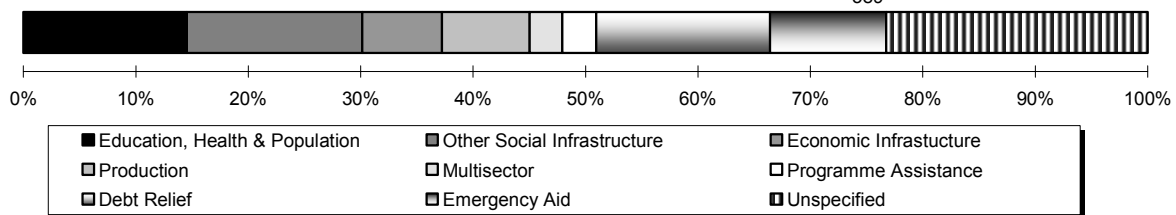
**By Income Group (USD m)**



**By Region (USD m)**



**By Sector**



Source: OECD

## United States

**Objective:**

**Legislation:**

*Foreign Assistance Act (1961 amended)*

**Overall policy statement:**

*US Department of State and US Agency for International Development, Strategic Plan: Fiscal Years 2004-2009*

**Other general policy statements:**

*White Paper: US Foreign Aid: Meeting the Challenges of the Twenty-First Century, January 2004*  
*National Security Strategy (2002)*  
*Foreign Aid in the National Interest: Promoting Freedom, Security and Opportunity (2002)*

**Minister:**

USAID Administrator (who reports to the Secretary of State)

**Other ministers:**

Secretary of State  
Secretary of the Treasury

**Principal department/development agency:**

United States Agency for International Development (USAID) ([www.usaid.gov](http://www.usaid.gov))

**Other agencies/ministries:**

State Department (<http://www.state.gov/>)  
The Treasury - Office of International Affairs ([www.ustreas.gov](http://www.ustreas.gov))  
The Millennium Challenge Corporation (<http://www.mcc.gov>)  
Departments of Agriculture, Defence, Health and Human Services, Interior, and others  
Peace Corps ([www. peacecorps.gov/home.html](http://www.peacecorps.gov/home.html))

**Interministerial co-ordination structures:**

The National Security Council is responsible for on-going, general inter-agency co-ordination.  
Policy Co-ordination Committees (PCC) are established to co-ordinate special policy issues on an ad hoc or standing basis. The Development PCC is chaired by the Department of State.

**Main bilateral partners/priority countries:**

USAID has offices in over 70 countries including in 22 countries in Africa, 20 countries in the Middle East and Asia, and 17 countries in Latin America.

**Main sectors:**

Agriculture, conflict management, democracy and governance, economic growth and trade, education, environment and population, health and nutrition.

**Ministerial advisory bodies:**

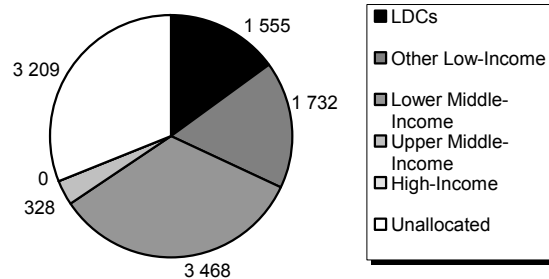
Advisory Committee on Voluntary Foreign Aid (ACVFA)

**UNITED STATES**

Gross Bilateral ODA, 2001-02 average, unless otherwise shown

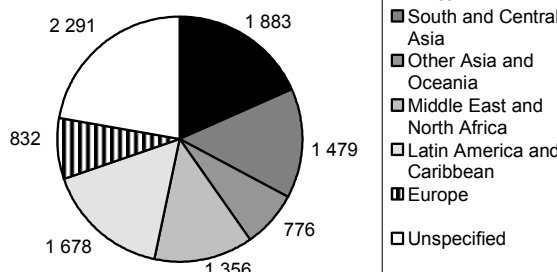
Net ODA	2001	2002	Change 2001/02
Current (USD m)	11 429	13 290	16.3%
Constant (2001 USD m)	11 429	13 140	15.0%
ODA/GNI	0.11%	0.13%	
Bilateral share	72%	80%	
<b>Net Official Aid (OA)</b>			
Current (USD m)	1 542	2 313	50.0%

**By Income Group (USD m)**

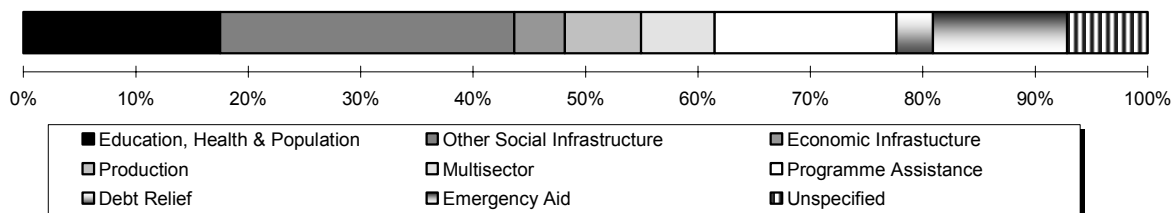


Top Ten Recipients of Gross ODA/OA (USD million)	
1 Egypt	919
2 Russia (OA)	813
3 Israel (OA)	529
4 Pakistan	494
5 Serbia & Montenegro	353
6 Colombia	330
7 Ukraine (OA)	257
8 Jordan	225
9 Peru	188
10 Afghanistan	188

**By Region (USD m)**



**By Sector**



Source : OECD

## ANNEX 2

### REPORT ON THE MANAGEMENT OF DEVELOPMENT CO-OPERATION PROGRAMMES IN MOZAMBIQUE

#### Introduction

1. As part of the preparations for a report on management structures and practices for development co-operation in member countries of the OECD's Development Assistance Committee (DAC), a mission was organised to Mozambique and South Africa from 23 February to 3 March 2004. The objective of the mission was twofold: i) to understand better the complexities and realities associated with managing and implementing development co-operation programmes from a field perspective; and ii) to collect a core set of information from most DAC member countries to enable general trends to be identified.

2. The findings presented in this report are drawn from the information and insights gained during meetings in either Maputo or Pretoria with representatives of 20 of the 22 DAC member countries. Eighteen DAC member countries are actively engaged and represented in Mozambique while two other DAC member countries manage activities in Mozambique from their diplomatic mission in Pretoria, in one case through a project management office in Maputo.<sup>1</sup> In most cases, these meetings involved the head of development co-operation stationed at the local field mission. Due to the focus of this exercise on learning more about how DAC member countries manage their development co-operation programmes, no meeting was arranged with representatives of the Government of Mozambique.

3. The mission was conducted by a member of the OECD Secretariat accompanied by a consultant hired for this project. The participants would like to express their appreciation for the valuable work done by the staff of the Embassy of Ireland in Maputo and the Australian High Commission in Pretoria to organise the mission.

#### Overview of the development context in Mozambique

4. Mozambique is one of the poorest countries in the world. Annual per capita income in 2002 was USD 210 (World Bank Atlas basis). Its human development index rating was 170 out of 173 (as calculated by the UNDP). It has a national HIV prevalence rate among antenatal clinic attendees of 14% but this figure masks significant regional variations and in Inhambane province the rate is 36%.<sup>2</sup> Little infrastructure remains after a prolonged civil war that ended in 1992 and catastrophic flooding in 2000 and 2001.

5. Mozambique is also one of the largest recipients of official development assistance (ODA), receiving a total of USD 1.6 billion of net ODA in 2002 (of which USD 1.1 billion took the form of debt relief).

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1. Several non-DAC donors are also active in Mozambique including Brazil, China and Iceland.

2. UNAIDS/WHO (2003), *AIDS Epidemic Update 2003*, WHO, Geneva.



## Main findings and conclusions

### *Nature of the country programmes*

#### *Priority given to Mozambique*

6. For 17 DAC member countries, Mozambique is a designated or *de facto* “priority” country for their development co-operation or has a special place in their development co-operation system, for example by being eligible for additional funds or for special funding for high priority activities such as HIV/AIDS. For 11 DAC member countries, Mozambique was one of their five largest development co-operation partners in 2001-02.

#### *Size of the country programme*

7. The size of the programme for Mozambique managed and implemented by each DAC member country’s field mission varies between approximately USD 3 million and more than USD 90 million a year, with an average size of about USD 32 million annually. These figures exclude activities not managed and implemented by the field mission, notably debt relief which is a major component of some countries’ ODA to Mozambique.

#### *Sectoral focus and cross-cutting issues*

8. To improve efficiency and impact, a few DAC member countries have decided to concentrate on a restricted number of priority sectors. This may be contributing to most countries concentrating in the same sub-set of key sectors, possibly at the expense of some other important sectors for Mozambique’s development where the partner government is trying to encourage greater involvement by donors (e.g. fisheries). Fourteen countries have a priority focus on the health sector (with a 15<sup>th</sup> focussed on HIV/AIDS). For 12 donors, a major focus is rural development/agriculture, 11 donors are focused on education and nine on good governance. Seven countries focussed on three of these four sectors. There may consequently be scope for a more efficient and comprehensive matching of the partner country’s needs with individual donors’ comparative advantages to ensure that all important sectors are adequately covered and that the number of donors in any given sector is manageable. Only one example was encountered whereby two countries had agreed to split responsibilities in their overall country programme with one concentrating on health and the other on education. Representatives of a few DAC members met declared that they were ready to pursue silent partnerships at the field level (i.e. providing their funding in a particular sector through another donor that is actively engaged) but that their headquarters were not yet ready to support these initiatives.

9. DAC member countries also work to integrate various cross-cutting themes into their activities. Both HIV/AIDS and gender are pursued by five countries. Other issues pursued are governance (by three countries), private sector development (two countries), decentralisation (two countries) and environment (one country).

#### *Geographic coverage*

10. Most DAC member countries focus a part of their programme geographically and collectively they cover nine of Mozambique’s ten provinces. Each country tends to focus on between one and three provinces (e.g. Ireland is in Niassa and Inhambane while Germany is in Inhambane, Sofala and Manica). The overall distribution is somewhat unequal, though, with several donors concentrating on Niassa and Maputo, whereas some of the poorer provinces, such as Zambézia, receive less support. To a certain extent, this results from the gradual and informal division of provinces that has taken place during the decades since independence in 1975. In provinces where a number of countries are active, a division of labour

along sectoral lines may occur (e.g. in Sofala, Austria concentrates on rural development, Germany concentrates on education and Italy concentrates on health). Most DAC member countries find value in maintaining their provincial-level activities because it enables them to monitor the impact of actions taken by the Mozambican government and to feed lessons learnt into their policy dialogue at the national level. At this stage, only one country plans to wind down its activities at provincial level (these have been in Zambézia).

#### *Aid modalities*

11. Pooled-funding mechanisms are well developed and widely supported by donors in Mozambique. As well as general budget support, sectoral funds have been set up for agriculture, education and health (where there are actually four sub-sectoral funds). A few DAC member countries are providing large shares of their assistance in the form of pooled funding. For example, one country is providing nearly two-thirds of its programme as general budget support while another is providing about 15% in general budget support and further 25% in sector support. Currently, only two countries represented in Maputo are not providing either sectoral or general budget support, but both are considering providing some pooled sectoral support in the future. With a few countries, Mozambique has been selected as a pilot to test pooled-funding modalities. This has sometimes required adopting exceptional procedures in headquarters. Few countries are able to provide the firm multi-year funding commitments that would enable Mozambique to plan medium-term macro-economic and fiscal positions. Most countries also provide their pooled funding in their own currency, which means that Mozambique has to carry the risks associated with exchange rate variations and adjust its budgets accordingly.

12. The majority of DAC member countries contributing to sector funding are involved in PROAGRI, the agricultural sector fund. PROAGRI is considered to be very progressive and a few countries who are not normally involved in sectoral support have contributed to this fund. At the same time, some frustrations are building up due to perceptions that PROAGRI has mostly had an impact on improving capacity within the Ministry of Agriculture in Maputo and, so far, has had limited impact across the rest of the country. One country also found that their funding had not been appropriately administered. Another country has found similar irregularities with its funding for the education sector.

13. Today, 13 DAC member countries (as well as the European Union and the World Bank) provide general budget support to Mozambique. The so-called "G-15" has become one of the most active fora in Mozambique for donor co-ordination and harmonisation and for policy dialogue with the partner government, more active than the Development Partners Group (a forum for donor discussions and the sharing of policy positions). Some countries who are not able to provide budget support participate as observers in general G-15 meetings, indicating the importance of this group. Nevertheless, these countries cannot observe all meetings and do not have access to certain documents. This limits the extent to which the G-15 can legitimately become the main forum for donor-government relations. There is also a noticeable degree of variation among countries in the perception and acceptance of the risks associated with general budget support. As the experience in the agriculture and education sectors suggest (see previous paragraph), a degree of risk is involved in providing pooled funding to Mozambique, as it is in many developing countries. While a few DAC member countries are comfortable carrying this risk because they are convinced of the potentially high development impact of general budget support, others are becoming increasingly hesitant and making some of their budget support conditional on positive outcomes in terms of improvements in governance standards. It is not apparent whether countries that have joined the G-15 on a pilot basis have formed their own positions on the degree of risk they are comfortable carrying.

14. Among several of the countries that work principally through projects, conscious efforts are being made to increase impact by concentrating on a smaller number of more substantial activities. This

will also help reduce the transaction costs for Mozambique associated with managing a very large number of development activities.<sup>3</sup>

#### *Other activities*

15. In addition to the activities managed by the field mission, headquarters departments, other national government agencies or regional and local governments may also fund development activities in Mozambique. Many DAC member countries mentioned regional programmes for Southern Africa, multi-bilateral assistance, humanitarian assistance, debt relief, tertiary scholarships and co-financing of activities by non-governmental organisations (NGOs) as the main activities their governments were also involved in. In a few countries, the people stationed at the field mission play a modest role in co-ordinating or facilitating some of these activities by, for example, organising occasional roundtable meetings or commenting on proposed activities. For two DAC member countries, some activities in Mozambique are implemented independently of the local field mission by a different government department or a sub-national level of government, through representative offices located in a neighbouring country. For many donors, there is scope to improve the consistency and complementarity of the various strands of their development co-operation and to ensure that good development practices are applied to all ODA activities.

#### *Field presence*

##### *Representation in the field*

16. Many DAC member countries declared that their development co-operation programme was the principal justification for them being represented in Mozambique. Whereas many countries' diplomatic missions were previously headed by a development person at *chargé d'affaires* level, over the last few years several countries have up-graded their representation and 15 now have a resident ambassador/high commissioner in Maputo (who may be accredited to other countries as well). For four other countries, the ambassador/high commissioner accredited to Mozambique is located in Harare or Pretoria. One country has the unusual configuration of their diplomatic mission being headed at *chargé d'affaires* level without this person reporting to a non-resident ambassador/high commissioner.

17. Of the 18 DAC member countries represented in Mozambique, only eight field missions are integral parts of the embassy/high commission. In each of these cases, the foreign affairs ministry has a pre-eminent role in managing or co-ordinating the development co-operation programme and the overall structure of the country's development co-operation system does not include a separate executing agency. With the remaining ten countries, the field mission is in separate premises, the executing agency for the development co-operation programme is housed separately from the embassy or the embassy is located in another country.

18. Now that a critical mass of countries have a resident ambassador/high commissioner in Mozambique, two levels of co-ordination and policy dialogue have emerged: heads of mission and heads of co-operation. Coherence in the messages delivered and approaches adopted by DAC member countries may be enhanced when the people occupying these two posts are from the same ministry and located in the same premises. In other circumstances, the risk of diverging positions and reduced information flow could be greater. Countries that do not have a resident ambassador/high commissioner in Mozambique may now find themselves at a disadvantage in influencing debates at the highest political levels.

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3. On average, there were 845 new development activities started in Mozambique each year between 1999 and 2001.

### *Roles and responsibilities of field missions*

19. In all DAC member countries, projects and programmes supported in Mozambique are broadly in line with each country's general policies and approaches, with staff in both headquarters and the field playing a role in formulating and implementing activities. At the same time, there is considerable difference between countries in terms of the specific responsibilities of the field mission and the degree of delegated authority to representatives in the field. Approximately half the DAC member countries have fairly centralised systems where the field mission implements decisions made by headquarters, with little or no flexibility to change programmes or funding. At the other end of the spectrum, some field missions design and implement programmes, subject to headquarters' general approval, and make funding changes within the limits of the country framework prepared through an iterative process involving staff both at headquarters and in the field. In two countries where there are several entities involved in delivering the development co-operation programme, one entity is quite decentralised whereas others still need to consult headquarters on a regular basis. This can make internal co-ordination at the field level more difficult. In a few countries, the move towards greater decentralisation took place only recently or is in the process of being implemented. For the most part, these processes are resulting in some changes in work at the field mission, notably less routine reporting to headquarters, and are being implemented without a change in overall staffing levels at the field mission.

20. With regard to the amount that can be approved in the field for new activities without consulting headquarters, four countries advised that they are not able to approve any funding at all. In contrast, eight heads of mission can approve funding, usually up to a certain ceiling, within the confines of the overall country framework. These ceilings vary widely, with two countries reporting that there is no limit and another mission stating that only sums of up to USD 350 000 can be approved. However, even when large amounts can be approved by the field mission, approval for some specified activities, such as general budget support, may still need to be referred to headquarters where approval is given by the minister or the government. In at least one case, the approval ceiling was increased recently, in keeping with the move towards a transfer of authority to the field. Finally, the heads of mission of a few countries have a small fund at their discretion to be allocated for development related purposes such as cultural activities, local NGO funding and small grants schemes. The annual allocations for these funds range from approximately USD 12 000 to USD 675 000.

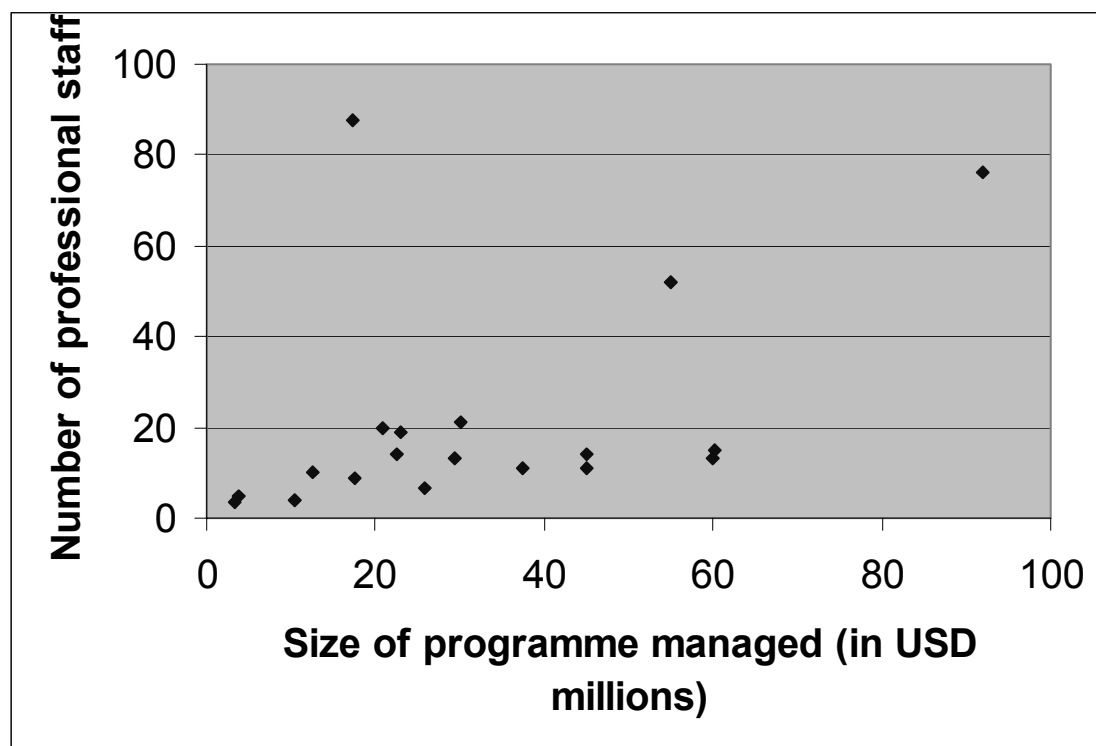
### *Staffing issues*

#### *Staff numbers*

21. An area where there is great interest but little reliable and comparable data available is the number of staff managing and implementing development co-operation programmes. These data are difficult to compile for a variety of reasons. The nature of individual programmes are very different with some activities possibly less staff intensive than others. The degree of support and back-up provided by headquarters varies, as does the amount of reporting to headquarters that is required and the need to consult and discuss issues with people in headquarters. Some donors contract out activities that others may perform in-house, such as regular monitoring and reporting on activities, staff training and selection or research. Some countries are free to staff their field mission as they judge best, within the budget envelope provided, including by hiring foreign nationals or local staff for professional-level positions if they prefer. Others operate within highly constrained environments with the creation of every new position needing to be approved by a range of different government entities pursuing competing objectives. Some countries can hire staff using programme funds (i.e. funds that could otherwise be used to fund development activities) to pay their salaries whereas others cannot. Finally, the number of hours staff work may differ, due to variations in the number of hours in the working week and differences in leave entitlements.

22. Despite these inherent difficulties, an attempt was made to quantify the number of professional staff<sup>4</sup> used by DAC member countries in the field to manage and implement their country programme for Mozambique. At one end of the scale, a few countries have a total of six or fewer professional staff while two countries have in excess of 75 (see Figure 1). Although the average number of professional staff is 21, most countries have between 10 and 15 people. One country currently has 40 long-term advisors stationed in Mozambique. Several countries reported they are phasing out their long-term advisors in the field, as part of a more general shift from project to more programmatic approaches.

**Figure 1: Programme size and staff numbers in Mozambique**



Source: Information provided by DAC member countries

23. A sentiment expressed by many DAC member countries was that the number of staff they have in the field is insufficient to enable them to participate in the full range of donor co-ordination mechanisms now taking place in Mozambique and to keep abreast of developments in all of their main areas of focus. A few countries recognised that a consequence of this is that staff spend too much of their time attending meetings in Maputo and may become out of touch with the situation in more isolated and poorer parts of the country. Several countries also mentioned that increased participation in pooled-funding arrangements required different staff skills, with less emphasis on process skills and greater emphasis on the capacity to engage with and influence other stakeholders and to analyse policies.

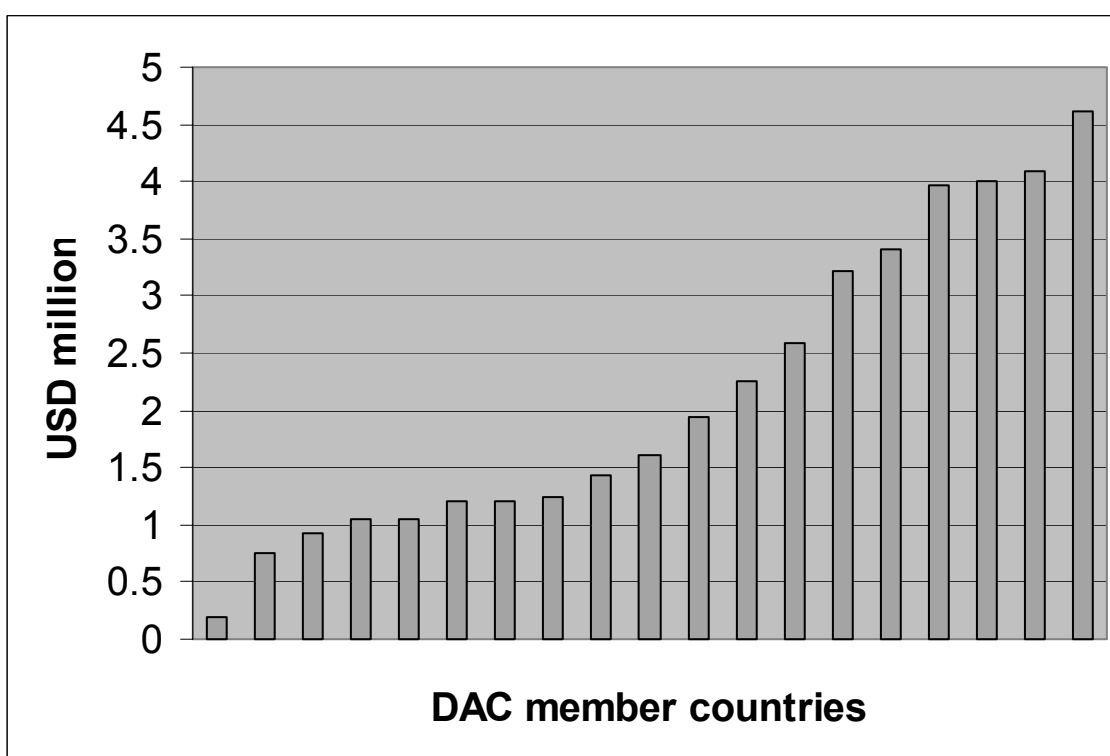
24. There were also clear differences in the number of staff in headquarters providing back-up for the staff located in Mozambique. In one case, four desk officers in headquarters work on the Mozambique programme alone whereas in another only two people are available for all activities in Africa. Most

4. For this exercise, the following categories of personnel are not included: volunteers, administrative assistants, secretaries, drivers, security guards, cleaners and gardeners.

countries reported between one officer partially responsible to two full-time officers working on the Mozambique desk in headquarters. Many countries also indicated that sections in headquarters dealing with various thematic areas become involved in the Mozambique programme from time to time.

25. The information collected during this exercise enables a rough comparison to be made across DAC member countries of the size of the programme managed in the field per professional staff member. In nine countries, one professional staff member manages on average between USD 0.7 million and USD 1.5 million per year (see Figure 2), irrespective of the size of the programme managed. In four countries, one professional staff member manages around USD 4 million or more a year while at the other end of the scale one professional staff member manages USD 0.2 million. Across the DAC member countries in Mozambique, each professional staff member manages on average around USD 1.5 million a year.

**Figure 2: Programme managed in Mozambique per professional staff member**



Source: Information provided by DAC member countries

#### *Policies for locally employed staff*

26. Most DAC member countries acknowledge that local staff add value to their field mission because they are often the custodians of the mission's institutional memory and bring local knowledge that international staff cannot gain easily. Most countries can and do hire professional staff locally with only two stating that this was not a possibility for them. In addition, a central part of the decentralisation plans of a few countries is to rely increasingly on locally recruited staff to fulfil professional and sometimes managerial positions in the field mission. While the majority of countries indicated that no explicit policies have been put in place to foster long-term career development for locally employed staff, most of these

mentioned that training is available, either in Mozambique or at headquarters. Two countries, on the other hand, do have policies in place with one offering permanent contracts complete with full training, a retirement package and the option to transfer to other field missions. A few countries maintain formal or informal policies to encourage local staff to eventually move back to broader Mozambican society while some others doubt whether this is a realistic proposition, given the substantial drop in salary that it would most likely imply. In the health sector, a growing number of countries have signed a Memorandum of Understanding with the Mozambican government stating that they will avoid recruiting local civil servants.

27. The increasing reliance on locally recruited staff, in both Mozambique and other main partner countries, was a factor in the decision by the development agencies of a few non-English speaking DAC member countries to adopt English as their corporate language. At the same time, representatives of some non-English speaking DAC member countries stressed the importance of actively using the national language of the partner country and of maintaining linguistic diversity so as to provide alternative conceptual bases for analysing and discussing issues.

28. A few donors currently have a workplace HIV/AIDS policy in place. These usually include awareness raising, free confidential counselling and testing and treatment, although some concerns were expressed that treatment for family members was insufficiently covered at present. A number of countries that do not have formal policies nonetheless have general health insurance plans that would cover some aspects of treatment. Some countries considered that their local staff numbers are too small to warrant formulating a specific policy and that situations could be and sometimes already have been dealt with on a case-by-case basis. Several countries indicated that agency-wide policies are currently being formulated at headquarters.

#### *Movement between headquarters and the field*

29. The trend towards increased dialogue in the field with the partner government and other donors and greater decentralisation of responsibility to field missions points to a need for experienced and capable development staff in the field. Most DAC member countries' systems allow staff from headquarters to be posted to the field and then take the knowledge and experience they have gained back to headquarters, or another developing country, at the end of their posting. However, in a few DAC member countries with fairly centralised management approaches, no system exists for rotating staff between headquarters and the field. In these cases, the development co-operation programme may be managed in the field by diplomats stationed at the embassy or consultants recruited locally for this purpose. Neither approach would tend to build up development expertise within donors' development co-operation systems nor support greater decentralisation of responsibility to the field.

#### ***Management issues***

##### *Country envelopes*

30. Most DAC member countries operate with an overall budget envelope for Mozambique from which the majority of activities managed locally are funded. These envelopes may cover a number of years with funding levels for future years being indicative only. In other countries, approval is given for each specific activity with money committed over the lifetime of the activity. Through this process, a portfolio of activities can be built up that constitutes the country programme. Neither of these approaches provide the partner country with the firm multi-year funding commitments that are now considered good practice by the DAC.

### *Cost of implementing the programme*

31. The majority of DAC member countries cannot give the exact cost of administering their development co-operation programme in Mozambique and so cannot say whether the programme is being implemented more or less efficiently than last year or more or less efficiently than in other countries. Most countries can give the embassy's administrative costs as an approximation of this figure, but this includes costs for some non-development activities as well. In addition, some salaries of staff in the field, travel and training are paid from separate headquarters budgets and the salaries of some staff working on the development programme may be paid from programme funds. Four countries have identified their administrative costs, which correspond to 5.1% of programme funds managed in one case and 6.2% in another. Of these four countries, three are housed separately from their embassy/high commission and therefore also manage their administrative costs separately. While a few countries stated that their missions are relatively cheap to run, two reported that their costs have increased due to moves to separate offices.

### *Communications systems*

32. Communications systems for all DAC member countries include e-mail and fixed telephone lines to communicate with headquarters. Too narrow a bandwidth and viruses aside (which a few donors expressed concerns about), a satellite connection makes an enormous difference in the way headquarters and field offices can interact, including by enabling access to internal Intranet facilities. The majority of countries now have satellite communication facilities installed, in two cases this happened as part of the decentralisation process. Countries without satellite connections are at a clear disadvantage as local service providers are not always reliable or they need to telephone headquarters several times a day to download e-mails. Field missions housed in embassies/high commissions tend to enjoy better communication facilities, but limitations on access to secure communications systems can limit effective communication with headquarters for staff without adequate security clearances (including foreign nationals). Finally, for communicating with people throughout Mozambique, it was indicated that mobile phones are often more practical and more reliable than fixed telephone lines.

33. Two countries' field missions are equipped with video-conferencing facilities and a third may have access to these facilities as part of a new satellite system that should be installed shortly. Another three countries indicated that they occasionally make use of the video-conferencing facilities at the World Bank office, the university or the main embassy building. This technology, which is mostly being used by countries with a high degree of delegated responsibility and with their headquarters located in a similar time zone, is being used for a variety of purposes including: interviewing job applicants, weekly meetings with senior managers in headquarters, participating in project appraisal committee meetings and communicating with regional offices.

### ***Partnership***

#### *Country strategies*

34. Most but not all DAC member countries have prepared a country strategy for their programme in Mozambique. In two cases, these are not technically country strategies but Memoranda of Understanding signed with the partner government. Although all donors stated that their country strategy is in line with the PARPA (the Mozambican PRSP covering the period 2001 to 2005), the duration of country strategies ranges from two to six years and is mostly determined by donors' own internal processes. The country strategies of a few donors are primarily internal documents, although a short summary may be published. Some countries have a clear policy to publish their country strategy, including a version translated into the national language of the partner country.



*High-level consultations*

35. Despite the regular contacts between donors and the partner government that have taken root in Mozambique through the rich mosaic of co-ordination mechanisms, many DAC member countries continue the practice of holding high-level bilateral consultations. In only a few cases do these consultations occur annually, the trend appears to be towards holding consultations when this is most appropriate, such as when a new country strategy is being finalised or when a minister visits Mozambique. In several cases, DAC member countries' representation at high-level consultations (as well as at Consultative Group meetings) is headed by a senior staff member from headquarters. A small group of countries advised that they no longer hold high-level consultations at all, in some cases for the reason that the G-15 budget support group meetings provide them with regular contact with the partner government.

*Monitoring, evaluation and performance assessment*

36. DAC member countries adopt different approaches to monitoring the impact of their activities in Mozambique. In some countries, particularly those with centralised management systems, there are few formal requirements to monitor activities and this is sometimes a source of frustration for staff in the field. In a few cases, logical frameworks are not prepared for any activities which means that monitoring is reduced to a rudimentary level of collecting anecdotal evidence. On the other hand, a few countries have developed sophisticated strategic management systems with results of specific activities closely monitored and aggregated, so as to gauge the impact of the country programme as a whole. In some cases, indicators are chosen depending on the specific activity and the country's overall objectives. In others, there is a conscious effort to use partner government systems to the maximum degree possible in monitoring exercises. Another trend noted is an increasing use of computer-based systems, where appropriate communications systems are available, for scoring and monitoring all activities funded by an agency throughout the world.

37. Only a few DAC member countries carry out full country programme evaluations, and these tend to be donors with relatively smaller country programmes. With many countries, the annual evaluation plan is determined by headquarters although field missions can influence the choice of evaluations to be conducted. Increasingly, these are covering a range of activities in Mozambique or similar activities across a range of developing countries. With pooled-funding arrangements, particularly general budget support, attracting both an increasing number of donors and larger amounts of ODA, there is an increasing tendency in Mozambique to conduct joint evaluations. Furthermore, with some donors moving towards more of a results focus in their activities and putting more emphasis on maintaining high quality standards, the primary function of evaluations has shifted to capturing and sharing lessons learnt.

38. Perhaps also related to the increasing use of pooled-funding arrangements is a greater interest by auditors-general or national audit offices in DAC member countries in the activities donors are funding in Mozambique. However, the missions of national auditors to Mozambique have tended to be fairly uncoordinated and more can be done to promote greater harmonisation in these activities, including standards and norms used, as is occurring with evaluations.

## ANNEX 3

### AN INTRODUCTION TO DAC STATISTICS

#### Coverage

1. DAC statistics are designed to measure international resource flows which promote the development or welfare of developing and transition countries. Their design has been influenced:

- On a *technical* level, mainly by conventions used in balance-of-payments statistics.
- On a *policy* level, mainly by DAC Members' desire to show, on a comparable basis, the full extent of their national effort in promoting development.

#### Types of flow

2. Resource flows can come either from the private sector or the official/government sector and can be either at market terms or at concessional terms. Data are collected on the following broad categories:

3. ***Official development assistance (ODA) and official aid*** – Flows from the official sector of the donor country which:

- Have as their main objective the promotion of the economic development and welfare of the partner country.
- Are given either as grants or as concessional loans.

4. Aid is referred to as official development assistance (ODA) if directed to a developing country on Part I of the *DAC List of Aid Recipients* (see below) or to a multilateral agency active in development, and official aid if directed to a transition country or to a multilateral agency primarily active in those countries.

5. ODA/OA includes the costs to the donor of project and programme aid, technical co-operation, forgiveness of debts not already reported as ODA, sustenance costs for refugees for their first year in a donor country, imputed student costs, food and emergency aid and associated administrative expenses.

6. ***Other official flows*** – Consist of (i) grants or loans from the official sector not specifically directed to development or welfare purposes (e.g. those given for commercial reasons) and (ii) loans from the official sector which are for development or welfare purposes, but which are not sufficiently concessional to qualify as ODA (see also next section).

7. ***Private flows at market terms*** – Flows for commercial reasons from the private sector of a donor country. Includes foreign direct investment, bank loans and the purchase of developing country bonds or securities by companies or individuals in donor countries.

8. ***Private grants*** – Funds from non-government organisations for development or welfare purposes.

### Note on concessional loans

9. To qualify as ODA/OA, loans must have a grant element of at least 25%, calculated against a fixed 10% discount rate. To serve as a rough guide, here are some sample loans which just qualify as aid, having a grant element of just over 25%:

- 6 year loan, annual repayments, interest rate 0.75%
- 10 year loan, annual repayments, interest rate 3.5%
- 20 year loan, annual repayments, interest rate 5.5%
- 10 year loan, annual repayments, first payment after 5 years, interest rate 5%
- 15 year loan, annual repayments, first payment after 5 years, interest rate 5.75%

### Exclusions

10. The following are considered to have insufficient development potential to qualify for inclusion in DAC statistics:

- Loans repayable in one year.
- Grants and loans for military purposes.
- Transfer payments (e.g. pensions, workers' remittances) to private individuals.

11. Flows originating in partner countries, for example, investments by their nationals in donor countries, are also ignored. However, partner countries' loan repayments, and repatriations of capital to the donor country, are deducted to arrive at net flows from the donor.

### Stages of measurement

12. Flows can be measured either at the time they are firmly agreed (**commitments**) or at the time of the actual international transfer of funds (**disbursement**). Disbursements may be measured either **gross**, i.e. in the full amount of capital transfers to the partner country over a given period, or **net**, i.e. deducting repayments of loan principal over the same period. The usual measure of donor aid effort is net disbursements of official development assistance.

### Data collection methods

13. **DAC Questionnaire** – A set of ten statistical tables completed annually in July by DAC Members, who report the amount and destination of their flows in the previous year. Detailed information is collected regarding the destination, form, terms, sector and tying status of official flows. A simplified form of the questionnaire is completed by multilateral agencies. There is also a one-page “Advance Questionnaire on Main DAC Aggregates” completed by DAC members each April to give early data on their flows.

14. **Creditor Reporting System (CRS)** – A system for reporting individual official transactions (both ODA/OA and other official flows) relevant to development. Reports are received directly from participating official agencies, including bilateral and multilateral agencies, development lending

institutions and export credit agencies. All DAC member countries report to the CRS with 17 countries reporting fully and 5 countries reporting partially. Follow-up to reports on the disbursement and repayment status of loans allows the OECD Secretariat to calculate the debt burden of developing and transition countries.

### **Publications**

15. The are three main paper publications of DAC statistics:

- *Development Co-operation Report* – This annual report, and especially its statistical annex, give detailed data on flows to developing and transition countries, concentrating on DAC members' aid efforts.
- *Geographic Distribution of Financial Flows to Aid Recipients* –This annual report shows the resource inflow of developing and transition countries, by source and type of flow.
- *Creditor Reporting System Regional Reports* – This annual publication - in five volumes by region - records project/activity notifications by recipient country and sector.

16. These publications are also available in electronic format on a CD-ROM entitled *International Development Statistics*. More information on DAC statistics is available from the internet at: [www.oecd.org/dac/stats](http://www.oecd.org/dac/stats) and comprehensive access to the databases is available by subscription through the DAC Internet site at: [www.oecd.org/dataoecd/50/17/5037721.htm](http://www.oecd.org/dataoecd/50/17/5037721.htm).

Table 3.1: DAC List of Aid Recipients - As at 1 January 2004

Part I: Developing Countries and Territories (Official Development Assistance)					Part II: Countries and Territories in Transition (Official Aid)		
Least Developed Countries (LDCs)	Other Low-Income Countries (Other LICs) (per capita GNI < \$745 in 2001)	Lower Middle-Income Countries (LMICs) (per capita GNI \$746-\$2975 in 2001)		Upper Middle-Income Countries (UMICs) (per capita GNI \$2976-\$9205 in 2001)	High-Income Countries (HICs) (per capita GNI > \$9206 in 2001)	Central and Eastern European Countries and New Independent States of the former Soviet Union (CEECs/NIS)	More Advanced Developing Countries and Territories
Afghanistan Angola Bangladesh Benin Bhutan Burkina Faso Burundi Cambodia Cape Verde Central African Republic Chad Comoros Congo, Dem.Rep. Djibouti Equatorial Guinea Eritrea Ethiopia Gambia Guinea Guinea-Bissau Haiti Kiribati Laos Lesotho Liberia Madagascar Malawi Maldives Mali Mauritania Mozambique Myanmar Nepal Niger Rwanda Samoa Sao Tome and Principe Senegal Sierra Leone Solomon Islands Somalia Sudan Tanzania Timor-Leste Togo Tuvalu Uganda Vanuatu Yemen Zambia	*Armenia *Azerbaijan Cameroon Congo, Rep. Côte d'Ivoire *Georgia Ghana India Indonesia Kenya Korea, Democratic Republic *Kyrgyz Rep. *Moldova Mongolia Nicaragua Nigeria Pakistan Papua New Guinea *Tajikistan *Uzbekistan Viet Nam Zimbabwe	*Albania Algeria Belize Bolivia Bosnia and Herzegovina China Colombia Cuba Dominican Republic Ecuador Egypt El Salvador Fiji Guatemala Guyana Honduras Iran Jamaica Jordan *Kazakhstan Macedonia (former Yugoslav Republic) Marshall Islands Micronesia, Federated States Morocco Namibia Niue	Palestinian Administered Areas Paraguay Peru Philippines Serbia & Montenegro South Africa Sri Lanka St Vincent & Grenadines Suriname Swaziland Syria Thailand Tokelau Tonga Tunisia Turkey *Turkmenistan Wallis and Futuna	Botswana Brazil Chile Cook Islands Costa Rica Croatia Dominica Gabon Grenada Lebanon Malaysia Mauritius Mayotte Nauru Panama St Helena St Lucia Venezuela  ----- <b>Threshold for World Bank Loan Eligibility (\$5185 in 2001)</b> ----- Anguilla Antigua and Barbuda Argentina Barbados Mexico Montserrat Oman Palau Islands Saudi Arabia Seychelles St Kitts and Nevis Trinidad and Tobago Turks and Caicos Islands Uruguay	Bahrain	*Belarus *Bulgaria *Czech Republic *Estonia *Hungary *Latvia *Lithuania *Poland *Romania *Russia *Slovak Republic *Ukraine	Aruba Bahamas Bermuda Brunei Cayman Islands Chinese Taipei Cyprus Falkland Islands French Polynesia Gibraltar Hong Kong, China Israel Korea Kuwait Libya Macao Malta Netherlands Antilles New Caledonia Qatar Singapore Slovenia United Arab Emirates Virgin Islands (UK)

\* Central and Eastern European countries and New Independent States of the former Soviet Union (CEECs/NIS).

▪ Territory.

Source: [www.oecd.org/dataoecd/50/17/5037721.htm](http://www.oecd.org/dataoecd/50/17/5037721.htm)

## ANNEX 4

### **MAINSTREAMING POVERTY REDUCTION AND OTHER CROSS-CUTTING ISSUES: HIV/AIDS, GENDER AND ENVIRONMENT**

1. As outlined in Chapter 6, certain cross-cutting issues are fundamental to the achievement of overall development objectives. Issues such as poverty reduction and gender equality are cross-cutting in that they are critical to the outcome, and impact of all aspects, of the foreign assistance programme and cannot be pursued as stand-alone activities or managed as sectors. Rather, such cross-cutting issues should be integrated or mainstreamed into the overall programme of a particular development agency. This annex draws on the experience of a number of DAC member countries and OECD/DAC documents and outlines good practices for mainstreaming cross-cutting issues in general and considers a number of specific cross-cutting issues such as poverty reduction, gender equality, HIV/AIDS and environment.

2. *Mainstreaming* a cross-cutting issue means that all decisions, analytical processes, policies and planning are informed by and take full account of the issue. It is clear from this definition of mainstreaming, that mainstreaming goes beyond the integration of a cross-cutting issue and requires significant investment of time and resources. It is not feasible to mainstream multiple issues throughout a development programme without risking dilution of the significance of the issue to development outcomes. A realistic approach would be the identification of one or two issues that reflect overall policy objectives that would be fully mainstreamed into all aspects of the programme. An additional two or three cross-cutting issues could then possibly be integrated across the programme. Although not to the same degree, the integration of issues into policies and procedures would require resources, expertise and commitment as well.

3. To date, much experience has been gained by development agencies through their mainstreaming of gender issues. While the strategies for mainstreaming may vary according to the issue and the context (in partner countries) the gender experience provides valuable lessons. Mainstreaming cross-cutting issues involves strategies to mainstream within the policies and operations of the development agency or department, strategies to mainstream beyond the organisation i.e. through partner organisations including multilateral agencies and NGOs, and strategies to support mainstreaming in partner countries as part of the partnership model of working.

4. The most important mainstreaming strategies include the development of a clear agency-wide policy, high level commitment, the development of strategies for mainstreaming at the country level, the establishment of specialist units or the identification of specialist expertise, and the development of appropriate analytic skills. At times, in order to achieve desired outcomes, it will also be necessary to adopt issue-specific strategies.

5. This annex considers in some detail strategies for the effective mainstreaming of poverty reduction, many of which apply to the mainstreaming of other cross-cutting issues. The following sections consider mainstreaming strategies specific to mainstreaming of HIV/AIDS, gender, and environment which are supplementary to the core strategies outlined for the mainstreaming of poverty reduction.

## Mainstreaming Poverty Reduction

6. The commitment of DAC members to poverty reduction as set out in the MDGs has led most members to formally adopt poverty reduction as the overall objective of their development co-operation. *The DAC Guidelines: Poverty Reduction* argue that tackling poverty effectively requires the mainstreaming of poverty reduction throughout agency policies, and operations. This requires changes in organisational structures, incentives, practices, system and cultures.

### *Strategies for Mainstreaming Poverty Reduction*<sup>5</sup>

#### 7. The Role of Agency Leadership, Vision and Commitment

- Determined leadership at both political and policy-making levels should capture and channel the interest and commitment of all staff, other government bodies and civil society to focus more resolutely and forcefully on supporting poverty reduction in partner countries
- Develop a clear agency vision, policy framework and strategy for attacking poverty
- Tensions exist where agencies have multiple objectives (for example sustainable development, poverty reduction, gender equality, conflict, or national foreign policy goals). Top management needs to clarify objectives and consult widely with staff in doing so, as a way of identifying complementarities, addressing tradeoffs and resolving differences in the ensuing debates
- It is essential to link human resources staff with policy staff: leadership must understand the practical implications of strategy and policy in terms of the way staff are managed and human resources renewed
- There is a need for leaders at all levels of the agency – and particularly at middle management level – to clearly flag their commitment to poverty reduction

#### 8. Policy and Programme Development

- Align policies as closely as possible with the partner poverty reduction strategy, include poverty reduction objectives in the agency's country strategies, and include strategies for the inclusion of country level indicators.
- The goal of reducing poverty should inform all planning processes (including country strategies, sector approaches and project interventions) within the agency. Programmes and projects should be systematically assessed for their potential to reduce poverty in all agency screening and approval procedures.
- Consider revisions and additions to staff regulations that reinforce the role of reducing poverty as central to agency objectives, operations and performance.
- Promote an institutional culture that supports poverty reduction. A “disbursement” culture or a culture that treats poverty reduction with only lip-service can dilute or undermine the agency's focus on it. Develop approaches, instruments or strategies that accommodate or reduce disbursement pressures at the end of the agency fiscal year.

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5. This section draws on a number of sources notably the OECD (2001), *The DAC Guidelines: Poverty Reduction*, OECD, Paris.

- Strengthen links between mainstreaming activities at the centre and the field.
- Terms of reference for research, studies or programme preparation should make links to poverty reduction goals. Build targets and standards for poverty reduction into contractual arrangements and partnership agreements with external agencies, NGOs and consultants. These agreements should incorporate incentives and sanctions, and have clear systems for monitoring results.
- Engage with multilateral partners to ensure they promote poverty reduction in agency policy and through their activities.
- Ensure institutional evaluations of multilateral partners consider the importance of poverty reduction objectives.

9. Developing Organisational Capacity

- Work with the existing agency skills set, assisting sector staff to acquire and integrate poverty reduction skills in their work.
- Focus on “new skills” building:
  - For partnership: skills in facilitation and co-ordination and in relationship building (such as active listening, consensus-building, negotiation, diplomacy).
  - For diplomatic staff: skills for understanding development issues, for taking risks, and for interacting with partners in the field.
  - For all operational staff: skills to enhance flexibility, adaptability, self-criticism, and lateral thinking.
- Addressing the many dimensions of poverty calls for building and deploying multidisciplinary teams at country level with competence and skills in many domains. Bring skills together at macro, meso and micro levels.

10. Staff Policy

- Staff recruitment (for permanent, temporary and diplomatic staff) should focus on poverty reduction skills and performance, team-working capacities, and experience in co-ordination (facilitation, listening and negotiating skills)
- Provide additional support for focal staff based in overseas offices that may lack authority and support.

11. Training

- Strengthen the links between the agency’s strategic objectives, its unit business plans, and individual staff performance “results agreements” to increase internal coherence and consolidate efforts.
- Country directors and programme managers should have clear poverty reduction and partnership goals in their briefs, in their performance assessments and in their criteria for assessing the performance of their staff.



- Credible performance management systems are based on objective criteria. Where poverty reduction performance is a criterion, agency evaluation systems may need to focus on developing methodologies for assessing poverty reduction impact.
- Incentive systems should be flexible and of a facilitative/regulatory nature.
- It is important to identify and understand institutional incentives and counterincentives (both explicit and implicit) when evaluating measures to increase coherence between agency poverty reduction objectives and staff performance.

## 12. Organisational structures

- Encourage team-working across professional boundaries to address more effectively the multidimensional nature of poverty and to overcome narrow single-sector-driven or supply-led approaches.
- Develop structures and mechanisms for mainstreaming poverty reduction. Poverty reduction “champions” can be used to raise the profile of poverty reduction within the agency, to provide advice, to strengthen communication between and across organisational levels, and to promote good practice. Resources and authority must be vested in agency poverty reduction advocates.
- Flatter, simpler organisational structures are more compatible with trends towards team work, developing and valuing multidisciplinary competence in staff and greater reliance on information flows and networking. At the same time, some hierarchy is needed to ensure accountability, quality control and leadership.
- It is essential to understand that while organisational structures are very important, informal working methods – which determine how people work together in groups and across organisational structures – matter most.

## 13. Monitoring

- Develop monitoring systems that provide accountability against poverty reduction objectives. Marker systems have some benefits.
- Develop methodologies for assessing poverty reduction impact.

## **Mainstreaming HIV/AIDS**

14. A number of DAC member countries including Canada, Denmark, Ireland and the United Kingdom regard HIV/AIDS as a key cross-cutting issue to be addressed within their development co-operation programmes. Members such as Ireland have made the policy decision to mainstream HIV/AIDS throughout their programme.

15. The essential strategies for mainstreaming poverty reduction also apply to the mainstreaming of HIV/AIDS. These include strategies to develop agency leadership, vision and commitment, to reflect HIV/AIDS in programme development, to build organisational capacity for the mainstreaming of HIV/AIDS and to develop monitoring systems. In addition, there are some strategies specific to HIV/AIDS mainstreaming or that require additional attention due to the very specific nature of the issue.

***Strategies for Mainstreaming of HIV/AIDS<sup>6</sup>***

16. Policy and Programme Development

- Ensure that policy statements reflect HIV/AIDS as a development issue rather than as a health issue
- Work with partner countries and key development partners to gather information on the status of the epidemic.
- Consider support for the strengthening of research capacity to increase understanding of the scale and path of the epidemic
- Evaluate the preparedness of partners to move forward on HIV/AIDS programmes and consider how other programmes may be oriented to address HIV/AIDS indirectly.
- Consider the development of country level HIV/AIDS strategies
- Create opportunities for dialogue at national level – the involvement of heads of country programmes and senior diplomatic staff is critical
- In programme development consider support to non-government organisations able to work with high risk and vulnerable groups
- Ensure the links to poverty reduction and gender programmes are made clear
- Identify how HIV/AIDS can be mainstreamed through sectoral programmes – going beyond the health sector critical
- Consider HIV/AIDS impact assessments of all new programmes or projects
- Include people living with HIV/AIDS in programme development and implementation where possible
- Develop appropriate and measurable indicators and monitor impact

17. Developing Organisational Capacity

- Develop training and awareness programmes. These are critical to the mainstreaming of HIV/AIDS as many people hold misconceptions, misunderstandings and prejudices about the causes, nature and spread of the epidemic.
- Provide specific training in advocacy and dialogue skills for staff in key positions
- Train senior staff in overseas missions particularly at ambassadorial level as such staff are well placed to raise and discuss the issue at senior levels of partner governments despite its sensitive nature.

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6. This section draws on a range of sources including the OECD/World Health Organization (2003), *DAC Guidelines and Reference Series: Poverty and Health*, OECD, Paris and the OECD (2003), *DAC Peer Review of Ireland*, OECD, Paris.

- Train and support capacity building in HIV/AIDS mainstreaming for consultants and NGO partners.
- Support the development of the analytic skills required to carry out HIV/AIDS impact assessments of programmes and projects
- Prioritise the building of capacity for HIV/AIDS mainstreaming outside the health sector
- Develop a workplace HIV programme including awareness training for staff at all levels. Good practice on workplace programmes include access to information, confidential HIV counselling and testing, and condoms, plus the development of an agency policy on access to treatment for infected staff.

### **Mainstreaming gender equality**

18. The term gender mainstreaming gained widespread use after the United Nations International Conference on Women in 1995 and the adoption of the Beijing Platform for Action. The United Nations defines gender mainstreaming as:

“the process of assessing the implication for women and men of any planned action, including legislation, policies or programmes, in any areas and at all levels. It is a strategy for making the concerns and experiences of women as well as of men an integral part of the design, implementation, monitoring and evaluation of policies and programmes in all political, economic and societal spheres, so that women and men benefit equally, and inequality is not perpetuated. The ultimate goal of gender mainstreaming is gender equality.” (United Nations Economic and Social Council (ECOSOC) 1997).

19. Many development agencies have been working towards the promotion of gender equality and women’s empowerment for some time and considerable progress has been made in both developed and developing countries with women enjoying greater freedom and power than before. However, a recent review found that many donors’ lack of accountability to gender equality processes is an ongoing obstacle to the achievement of gender equality, a failure to prioritise gender equality objectives in country strategies and a lack of guidance on how to operationalise gender policy.<sup>7</sup> Gender equality needs to be constantly promoted and actively sustained as indicated by the adoption of gender equality and women’s empowerment as the third millennium development goal.

20. Gender equality strategies must be formulated in the context of changes in development policies and approaches, change in partner countries and shifts in the international context. For example, the increasing use of aid instruments such as SWAs and direct budget support and the development of national poverty reduction strategies carry implications for mainstreaming strategies.

21. As indicated in the sections on mainstreaming poverty reduction and HIV/AIDS, the mainstreaming of gender equality includes strategies to develop agency leadership, vision and commitment, to reflect gender equality objectives in programme development, to build organisational capacity for the mainstreaming of gender equality and to develop monitoring systems disaggregated by sex and focusing specifically on impact on women and gender relationships. At the operational level, gender-specific activities and affirmative action may be necessary when women or men are in particularly disadvantaged position.

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7. Hunt, J. (2004), *Effective Strategies for Promoting Gender Equality*, document produced for the OECD/DAC GENDERNET.

*Strategies for Mainstreaming of Gender Equality*<sup>8</sup>

22. Policy and programme development

- Formulate policies and strategies that set out the goals and means by which overall progress of support to gender equality and women's empowerment can be assessed
- Involve gender experts in all aspects of policy development
- Develop a shared vision of gender equality objectives with partner countries involving government, non-government and civil society stakeholders in dialogue on gender-related objectives and activities
- Based on the participation of partner countries and high levels of ownership, ensure that country strategies reflect goals for gender equality and women's empowerment
- Making long term commitments to development partners and activities are an important aspect of the partnership model of development and are also critical role for sustainable progress towards gender equality at macro and micro levels
- Ensure project documents include actions to promote greater equality of influence, opportunity and benefit
- Identify strategic entry points for the promotion of gender equality
- Ensure gender objectives are reflected in staff job descriptions and performance appraisals
- Promote the involvement of women as well as men in project/programme design and implementation
- Conduct gender impact assessment of all projects and programmes
- Conduct gender sensitive stakeholder analysis of projects or programmes
- Work with partner governments to generate analytical research and sex disaggregated data

23. Developing Organisational Capacity

- Review staff capacity for mainstreaming gender equality on regular basis
- Develop operationally relevant training programmes
- Provide updated training courses for longer serving and senior staff

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8. This section draws on a number of sources including Derbyshire, H. (2002), *Gender Manual : A Practical Guide for Development Policy Makers and Practitioners*, DFID, London; Hunt, J. (2004), *Effective Strategies for Promoting Gender Equality*, document produced for the OECD/DAC GENDERNET; OECD (1999), *DAC Guidelines for Gender Equality and Women's Empowerment*, OECD, Paris; and OECD (n.d.), *Gender Equality Tip Sheets*, OECD, Paris.

- Develop new training programmes relevant to changes in the development context e.g. how to mainstream through SWAs and budget support, developing gender objectives for procedures for results based management
- Establish a specialist gender unit and focal staff initially to provide support and expertise in aspects of gender mainstreaming
- Ensure that in-country social and gender analysis expertise is available to undertake analysis and support the implementation and review of all strategies
- Ensure gender equality is addressed in other training programmes e.g. those on poverty reduction, HIV/AIDS, agriculture

#### 24. Developing Capacity in Partner Countries

25. As part of the partnership model, DAC members are concerned with enhancing national capacities in partner countries including for the mainstreaming or integration of key cross-cutting issues into policy and practice. An important element of this is the ability to identify and address gender related needs and disparities.

- Support strategies to increase partner country capacities to analyse policies, programmes and institutional cultures and to develop change strategies that contribute to gender equality
- Assist partners in the identification of strategies to increase the representation of women at policy and decision-making levels
- Support national statistical systems to increase the collection and availability of sex disaggregated data
- Support the development of research capacity and operational research on issues related to gender equality of opportunity and outcome

#### 26. Monitoring

- Develop sex disaggregated monitoring indicators and impact assessment

### **Mainstreaming Environment and Sustainable Development**

27. The protection and better management of the environment is an essential strategy for poverty reduction. Some DAC member countries provide significant external assistance to environmental issues while others address issues such as agriculture and energy which carry significant environmental implications. A number of DAC member countries aim to mainstream environmental issues as a cross-cutting issue regardless of whether they address environmental concerns directly through the programme.

28. The mainstreaming of environmental issues differs from the mainstreaming of the other issues discussed in two main respects. Firstly, irrespective of the extent of the environmental focus in the overall programme, the submission of all projects and programmes for Environmental Impact Assessment (EIA) screening is mandatory (OECD Council Recommendation on Environmental Assessment of Development Assistance Projects and Programmes of 1985). All members must therefore have some capacity for EIA. Secondly, most DAC members have also signed multilateral agreements on major global environmental

issues. This commits members to support partner countries, through external assistance programmes, in the management of environmental concerns.

29. Given these differences, the main principles of mainstreaming remain unchanged but very specific approaches are needed regarding the environment. The key strategies outlined for the mainstreaming of poverty reduction, HIV/AIDS and gender remain appropriate. These include strategies to develop agency leadership, vision and commitment, to reflect environmental sustainability objectives in programme development, to build organisational capacity for the mainstreaming of environmental sustainability and to develop adequate monitoring systems. However, fulfilling the requirements for EIA and supporting partner countries on global environmental issues should be an additional concern for all DAC members.

### ***Strategies for Mainstreaming Environment and Sustainability Issues<sup>9</sup>***

30. Environmental Impact Assessment (EIA) (\* indicates mandatory requirements)

- \*Establish an independent unit for EIA
- \*Develop EIA guidelines in line with existing principles and DAC Guidelines (see OECD/DAC (1992) DAC Guidelines on Aid and Environment: No.1 Good Practices for Environmental Impact Assessment of Development Projects)
- Promote and increase understanding of the EIA requirements among all development staff
- \*EIA screening is a requirement for all projects. It should be carried out either by the EIA unit (not by environmental specialists who are part of the project design) or by a specialist organisation sub-contracted by the EIA unit.
- Ensure adequate capacity is available for EIA
- The size and capacity of the EIA unit should relate to the nature and volume of activities carrying significant environmental implications.
- EIA staff should be part of the policy development process.
- The EIA unit should act as a source of information and support for agency staff
- Support capacity building initiatives in partner countries for EIA

Environmental Strategy at the Programmatic Level

31. Policy and Programme Development

- Ensure policies include environmental sustainability objectives

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9. This section draws on a number of sources including OECD (1995), *DAC Guidelines on Aid and Environment*, OECD, Paris; OECD (2001), *The DAC Guidelines: Strategies for Sustainable Development*, OECD, Paris; CIDA (n.d.), *Policy for Environmental Sustainability*, Available at: [www.acdi-cida.gc.ca/cida\\_ind.nsf/0/8d822748c6f30b31852565450065e876/\\$FILE/ENV-nophotos-E.pdf](http://www.acdi-cida.gc.ca/cida_ind.nsf/0/8d822748c6f30b31852565450065e876/$FILE/ENV-nophotos-E.pdf) and DFID (2000), *Achieving Sustainability: Poverty Elimination and the Environment*, DFID, London.

- Include environmental specialists in policy development
- Ensure environmental concerns are reflected in country strategy papers and country poverty assessments
- Inform policy development by Strategic Environment Analysis (SEA) and identify areas of potential support to reverse negative trends and reduce impact on the poor
- Dialogue with partner country and development partners to ensure that key policies such as PRS and SWAps in all sectors take account of environmental constraints and capitalise on environmental opportunities
- Identify opportunities for working with the private sector to raise environmental standards (e.g. the promotion of cleaner production by industry)
- Enhance disaster preparedness and include environmental disaster prevention and mitigation measures in national strategies for sustainable development and major long term development projects (see OECD/DAC (1994), *DAC Guidelines on Aid and the Environment: No. 7 Guidelines for Aid Agencies on Disaster Mitigation*)
- Develop and disseminate case studies of opportunities for poverty reduction and environmental protection within the agency, to other agencies and main partners
- Develop cross sectoral strategies to promote sustainable development (see OECD/DAC (2001), *The DAC Guidelines: Strategies for Sustainable Development*)
- Ensure linkages are made in policies and programmes between environmental sustainability, poverty reduction, HIV/AIDS and gender equality
- Work with major multilateral partners to ensure the inclusions of sustainability targets and indicators

### 32. Building Organisational Capacity

- Establish a specialist unit with expertise in strategic environmental analysis (SEA) or allocate specialist staff to key teams within the agency
- Ensure specialist expertise available to centre and field based staff
- Develop guidelines for strategic environmental analysis
- Build staff capacity to analyse the environmental dimensions of policies and programmes
- Develop analytical skills on links between environmental degradation and poverty
- Ensure staff are adequately trained on the implications of environmentally sustainable development

33. Monitoring

- Develop systems to allow monitoring of environmental impact during project or programme implementation

34. Developing Capacity in Partner Countries

- Support the inclusion of environment and sustainability issues in national poverty reduction strategies
- Support capacity building initiatives for strategic environmental analysis

35. Global Environmental Issues

- Support capacity building initiatives in partner countries to enable countries to fulfil their obligations and benefit from multilateral environment agreements (see OECD/DAC (1992), *DAC Guidelines on Aid and Environment: No. 4 Guidelines for Aid Agencies on Global Environmental Problems*).



## ANNEX 5

### MANAGING DEVELOPMENT PROJECTS AND PROGRAMMES<sup>10</sup>

1. Project Cycle Management (PCM) is the process that begins with the initial conception of a project or programme and concludes with post-completion evaluation. The approach is based on a strong focus on potential beneficiaries, detailed assessment and application of the logical framework approach. Many development agencies have developed or adapted project cycle management and logical framework approaches for use within their programmes.

2. PCM and the logical framework approach are believed to provide a structured, logical approach to the setting of priorities and in determining the intended results and activities of an intervention. They help those in charge of project planning, implementation and evaluation to focus on the elements of an intervention considered most relevant to a successful outcome. PCM can be applied to both projects and programmes such as SWAps, as well as to local and national level interventions. PCM should apply both to directly managed development interventions as well as to those that are subcontracted to implementing agencies, consultancy firms or NGOs.

3. The project cycle is a detailed model of the entire lifespan of a development intervention, starting with problem recognition, intervention identification and ending with evaluation and lessons learned. It is a continuous process in which each stage provides the foundation for the next. The division of an intervention into distinct stages helps make sure choices are based on relevant and adequate information and highlights the need for decisions to be made about whether to continue or revise plans.

4. There are a number of identifiable stages in the project cycle, the descriptions of which vary between DAC members, but the most important of which are identification, design, appraisal, preparation and approval, implementation and monitoring, and evaluation.

#### **1. Identification: Development of the initial idea and preliminary design**

5. The initial identification of a development problem or issue, and the idea for a development intervention or for financial assistance from a DAC member increasingly comes from partner country governments. However, regional or local governments, civil society groups, community, international organisations, or development agencies may still identify a problem and a need for external assistance.

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10. This annex draws on a number of sources including: AusAID (1998), *Review of the Evaluation Capacities of Multilateral Organisations*, AusAID, Canberra; Dearden, P. (2001), *Programme and Project Cycle Management: Lessons from DFID and Other Organisations*, Presentation to the Foundation for Advanced Studies for International Development; European Commission (2004), *Aid Delivery Methods Volume 1: Project Cycle Management Guidelines* available at: [http://europa.eu.int/comm/europeaid/qsm/documents/pcm\\_manual\\_2004\\_en.pdf](http://europa.eu.int/comm/europeaid/qsm/documents/pcm_manual_2004_en.pdf); FAO/SEAGA (2001), *Project Cycle Management Technical Guide*, available at: [www.fao.org/sd/seaga/downloads/en/projecten.pdf](http://www.fao.org/sd/seaga/downloads/en/projecten.pdf); Finland Ministry of Foreign Affairs (1998), *Guidelines for Programme Design, Monitoring and Evaluation*, Helsinki; UNDP (n.d.), *Introductory Notes about Project Cycle Management*, available at: [www.undp.sk/uploads/IntroductoryNotesaboutProjectCycleManagement.pdf](http://www.undp.sk/uploads/IntroductoryNotesaboutProjectCycleManagement.pdf).

6. Whatever the origin of the initial idea, it is important that the preliminary design is done in a participatory manner and includes an initial stakeholder analysis to establish primary and secondary stakeholders, beneficiaries and key groups who will drive the intervention. In some member countries, an initial concept note with preliminary budget must be approved before further design work can be undertaken.

## **2. Preparation/design: Detailed design addressing technical and operational aspects**

7. In stage 2, the design proceeds in more detail, identifying key objectives, beneficiaries and activities, major risks, and operational considerations. Most DAC members use a logical framework or logframe as the basis for project preparation and design, and then for monitoring and evaluation.

### *The Logical Framework*

8. The logical framework or logframe is a planning tool which sets out the basic structure of an intervention. It is a systematic method for setting and analysing the objectives of a development intervention and the assumptions behind it. Although a logframe is a key tool of project cycle management, it represents only one aspect of the project or programme cycle.

9. The logframe identifies the overall development objective or goal to which the intervention will contribute; the purpose of the intervention which is the specific objective of the intervention to be achieved within the life cycle of the intervention; the expected outputs or results of the intervention, the types of activities required to produce the outputs, the indicators to be used to monitor the achievement of the goal, purpose, outputs and activities; and the means of verification. The inclusion of an assumptions column is critical and identifies positive conditions in the external environment that need to be met if the goal, purpose and outputs are to be achieved.

10. The 'logic' of the logframe flows from bottom to top, and from left to right. That is, activities should lead to outputs which should lead to achievement of the purpose and contribution to the overall goal. However, the links between the project structure and the external environment must be included and the assumptions must hold true. Hence as indicated by the arrows in the following logframe:

- If the activities are carried out and the assumptions hold true, the outputs will be achieved.
- If the outputs are achieved and the assumptions hold true, the purpose will be achieved.
- If the purpose is achieved and the assumptions hold true, then the goal will be achieved.

11. The 'logic' and connection between the project structure and external environment or assumptions is clearer in the sample logframe shown below. In this example:

- If activity 1.1 is carried out - the group is formed - and the assumption that family members are supportive of women developing new skills holds true, then output 1 - the group will be operational - will be achieved.
- If output 1 is achieved - the group is operational - and the assumption that good quality garments are produced holds true, then the purpose – income generating activities for women - will be achieved.

**Table 5.1: The Logical Framework Structure**

Project structure	Objectively Verifiable Indicators	Means of Verification	Assumptions
Goal <i>then</i>			
Purpose <i>if</i> <i>then</i>			and
Outputs <i>if</i> <i>then</i>			and
Activities <i>if</i>			and

12. Only the major assumptions that are essential to the success of the intervention but do not require redesign or rejection of the intervention are included in the logical framework. Activities may be included in the design to anticipate and overcome a critical assumption. In the above example, activities to sensitise families to the purpose of the project and the longer term benefits to them may increase the chance of the assumption that - family members will support the women to establish their own income generating activities - holding true.

13. Identifying key indicators and their means of verification is also critical to the logframe and intervention design. Indicators may be identified in participation with key stakeholder groups, they may be revised during the project cycle or additional indicators developed. There is likely to be a need for both quantitative and qualitative indicators and there may be several indicators for each objective. There should also be consideration of how indicators should be disaggregated – according to gender, income level, target group etc – in order to accurately monitor project impact on a range of different groups.

14. Establishing the means of verification is a cross check on the choice and feasibility of measuring indicators. Where possible, indicators and means of verification should draw on national data sources. In situations of limited capacity, it may be necessary to facilitate baseline and ongoing surveys and capacity strengthening as a part of the intervention.

15. The logical framework approach is also relevant for complex programmes such as nation-wide or sector-wide programmes. In these cases, a master logframe may be divided into sub logframes where the project purpose of the master framework is the same as the goal of one or several sub-components.

**Table 5.2: An example of a Logical Framework - Establishing Income Generating Activities for Women**

Project structure	Objectively Verifiable Indicators	Means of Verification	Assumptions
<b>Goal:</b> <ul style="list-style-type: none"> <li>Quality of life in fishing village improved</li> </ul>	<b>By 2005:</b> <ul style="list-style-type: none"> <li>70% houses brick built</li> <li>40% houses with iron sheet roofs</li> <li>90% decrease in incidence of common illnesses among fishing community</li> <li>90% population able to pay local taxes</li> </ul>	Community records	
<b>Purpose:</b> <ul style="list-style-type: none"> <li>Income generating activities for women established</li> </ul>	Proportion of household income generated by tailoring activities: <ul style="list-style-type: none"> <li>5% in Year 1</li> <li>15% in Year 2</li> <li>30% in Year 3</li> <li>at least 30% in Year 4 and beyond</li> </ul>	Community records	<ul style="list-style-type: none"> <li>Women have control over their earnings</li> <li>Sanitation and hygiene practices improved</li> <li>Fishing practices improved</li> <li>Fish catch sustainable</li> <li>Fishermen cease migrating to other islands</li> </ul>
<b>Outputs:</b> <ol style="list-style-type: none"> <li>Tailoring group operational</li> <li>Sewing machines owned by group</li> </ol>	<ol style="list-style-type: none"> <li>Group trading commercially within two years</li> <li>Loan for machines fully repaid after 18 months</li> </ol>	<ul style="list-style-type: none"> <li>Records of tailoring group</li> <li>Financial records</li> </ul>	<ul style="list-style-type: none"> <li>trained women remain on island</li> <li>group works well together</li> <li>good quality garments produced</li> <li>school uniform contract renewed</li> <li>import duty on clothes continued</li> </ul>
<b>Activities:</b> <ol style="list-style-type: none"> <li>Form tailoring marketing group</li> <li>Train women in tailoring skills</li> </ol> <ol style="list-style-type: none"> <li>Train group members in loan repayment</li> <li>Purchase sewing machines</li> </ol>	<ol style="list-style-type: none"> <li>Tailoring group:               <ul style="list-style-type: none"> <li>formed within 2 months</li> <li>office holders appointed within 4 months</li> <li>35 women from fishing families attain proficiency in tailoring</li> <li>meet 3 times a week for 12 weeks</li> </ul> </li> <li>All group members attend 10 sessions (over a period of 3 weeks)</li> <li>A total of 12 machines purchased within 3 months</li> </ol>	Records of tailoring group Training Records Training Records Financial records	<ul style="list-style-type: none"> <li>Women attend training regularly</li> <li>Family members supportive</li> <li>Machines remain operational</li> <li>School uniform contract secured</li> <li>Materials for sewing available</li> <li>Payments made to group on time</li> </ul>

Source: FAO (2001), *Project Cycle Management Technical Guide*, Socio-Economic and Gender Analysis Programme, FAO available at: [www.fao.org/sd/seaga/downloads/en/projecten.pdf](http://www.fao.org/sd/seaga/downloads/en/projecten.pdf)

**3. Appraisal: Analysis of the project from a range of perspectives including economic, poverty impact, social, gender, institutional, environmental and HIV/AIDS.**

16. The stage of appraisal is essential for the design and implementation of any development intervention be it at project or programme level. Appraisals should determine:

- Compatibility with government policies
- Compatibility with other donor interventions
- The viability of the intervention
- The appropriateness of the technical design
- The primary and secondary impact on major stakeholder groups particular poor and vulnerable groups
- The likely gender disaggregated impact
- The degree of participation of stakeholder groups
- The likelihood of the activities and outputs being achieved in the timeframe
- The financial viability of the intervention
- The current status of relevant institutions
- The need for institutional capacity building activities to be included
- Any possible environmental impact
- Risks to achievement of the purpose
- The sustainability of benefits beyond the life of the intervention

**4. Preparation, approval and financing: Finalising the project proposal and securing approval and funding**

17. The final proposal will reflect the formatting and content requirements of each development agency. It will also reflect budget cycles and ceilings for a particular country programme.

**5. Implementation and monitoring: Implementation of activities and on-going monitoring**

18. Monitoring is an integral part of the project cycle and is defined by the OECD/DAC as a “continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of ongoing development intervention with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds.”<sup>11</sup>

19. Monitoring enables the review of progress and the proposal of actions necessary to ensure the achievement of the objectives. It is the responsibility of both implementing and funding organisations but should include the perspectives of stakeholders and beneficiaries. The logframe provides the basis for monitoring against the indicators and means of verification specified. Indicators measure not only the carrying out of specified activities but also the achievement of the project outputs and the extent of achievement of the project purpose at each stage of implementation. In some cases it may be necessary to

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11 . OECD (2002), *Glossary of Key Terms in Evaluation and Results Based Management*, OECD, Paris.

collect baseline information during the initial project phase in order to provide an adequate basis for monitoring. Any changes in the external environment and the major assumptions should also be monitored.

**6. Evaluation: This may be near the end of a project, upon completion or after its completion.**

20. According to the OECD/DAC an evaluation is “an assessment, as systematic and objective as possible, of an ongoing or completed project, programme or policy, its design, implementation and results. The aim is to determine the relevance and fulfilment of objectives, developmental efficiency, effectiveness, impact and sustainability. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process of both recipients and donors.”<sup>12</sup>

21. The main purposes of evaluation therefore are to provide an objective basis for assessing the performance of the intervention, to improve future interventions through the feedback of lessons learned, and to provide accountability. For evaluations to fulfil these objectives, they must be used as learning tools within the organisation and, where necessary, used to change organisational behaviour.

22. Some of the main issues to be addressed during evaluation are:

- The relevance of the intervention within the context of its environment
- The intended and unintended impact of the intervention and any contribution to achievement of the overall goal
- The effectiveness of the intervention in achieving its purpose and the extent to which achievement of the purpose can be attributed to the intervention
- The efficiency of the intervention in terms of the inputs used for the outputs achieved
- The sustainability of the benefits after external assistance is ended

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12. OECD (2002), *Glossary of Key Terms in Evaluation and Results Based Management*, OECD, Paris.

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