

UGANDA

DEVELOPMENT PARTNER

Division of Labour Exercise

AID INFORMATION MAP

**Introduction and Instructions
for DP Questionnaire**

28 July 2006

Conducted by:

Overseas Development Institute
111 Westminster Bridge Road
London SE1 7JD
T: 020 7922 0300 F: 020 7922 0399
W: www.odi.org.uk



Table of Contents	Page
Glossary of Terms and Abbreviations	3
Introduction	5
Aid Information Map	5
Key steps	6
Timeline	6
Overview of Questionnaire	7

This document contains instructions for the Development Partner Questionnaire. Development Partners will receive the Questionnaire as a separate Word file. The Financial Data Tool will be sent out as a separate Access database file for verification and correction.

Glossary of Terms and Abbreviations

Actively Engaged Development Partner: A Development Partner that continues active involvement in some areas, such as reporting or financing, in a given sector. Engaged development partners in a sector/thematic area can represent others in sector/thematic dialogue with the Government. They share all relevant information among each other and with “delegating” DPs and assure that the views of “delegating partners” are equally heard and reflected in the positions presented to the Government. (See *Leading Development Partner*).

Aid Information Map (AIM): Comprises the Development Partner (DP) Questionnaire and the Financial Data Tool (FDT) and will map aid flows in relation to the PEAP pillars and Uganda Budget/MTEF classifications.

Alignment: The arrangement of development partners’ activities and systems to a recipient government’s priorities and systems. Increasing the government’s “ownership” of systems and policies to make implementation more effective.

Basket (or pooled) Funding: Aid finance flowing from a joint development partners’ account, kept separate from other funding for the same (sub-)sectors.

Delegated partnership: An arrangement where one development partner (DP) devolves responsibilities to another DP. This can be across a range of aspects of sectoral activity but particularly in terms of financing and/or dialogue functions.

Development Partner (DP): Bilateral and multilateral organisations and agencies providing support to Uganda.

Development Partner Questionnaire: The questionnaire collects information on current and possible future DP activities and explores the characteristics that are likely to be important for the degrees of engagement DPs can commit to in a given sector.

Financial Data Tool (FDT): The FDT contains detailed financial information from the MFPED and the Economists Group on aid instruments and relates them to PEAP pillars and Uganda Budget/MTEF classifications. The existing data for each DP will be sent to them for verification, correction and completion, in the form of a user-friendly MS Access database.

General Budget Support (GBS): Financial support given directly to government budget, with no earmarking of funds but accompanied with dialogue with GOU around the implementation of the PEAP.

GOU: Government of Uganda.

Harmonisation: Coherence of approaches, systems or policies between development partners with the aim of reducing transaction costs.

Leading Development Partner: In any given sector/area, there are a range of leadership functions that can be taken on by DPs. This may be undertaken by one or more partners. Functions include acting as the main liaison with Government in policy dialogue and advocacy. The role of the lead development partner will depend on the agreements reached with government and other development partners in the sector/area, but may include the following: acting as the main liaison with Government in policy dialogue and advocacy, facilitating funds and aid management, ensuring that joint reviews, monitoring and reporting take place following agreed formats, providing services to other development partners (information, communication and

technical advice) and/or monitoring development partners' performance. Some of these functions are currently managed by the Chairs of DP sector/thematic groups.

Local Development Partners Group (LDPG): A high-level policy forum where the DP Heads of Mission or Heads of Development Cooperation based in Uganda meet to coordinate their efforts as part of the harmonisation and alignment agenda.

LDPG/GoU Taskforce on harmonisation: Group tasked with taking forward the division of labour process for Government and DPs, includes representatives of OPM, MFPED and LDPG. Reports to the LDPG/GoU Committee on Harmonisation.

MTEF: Medium-Term Expenditure Framework of the GOU Budget.

MFPED: Ministry of Finance, Planning and Economic Development of Uganda.

OECD/DAC: Organisation for Economic Cooperation and Development / Development Assistance Committee. A discussion forum and self-regulatory mechanism for official development organisations.

OPM: Office of the Prime Minister of Uganda.

Partnership Principles: A set of principles agreed by GOU and DPs in 2003, linking DP support and the PEAP. (see: http://www.odi.org.uk/PPPG/cape/what_we_do/aid_effectiveness/uganda_partnership_principles.pdf)

Poverty Action Fund (PAF): Established by the GOU in 1998 under the Medium-Term Expenditure Framework (MTEF), the PAF is a virtual ring-fenced fund aimed at protecting resources for key poverty reducing areas including water, health, education and rural infrastructure among others. Initially it comprised debt relief savings with additional support from development partners and the Government of Uganda.

Poverty Action Fund (PAF) Budget Support: Budget support notionally earmarked to expenditures within the Poverty Action Fund areas.

PEAP (Poverty Eradication Action Plan): A public action framework for the eradication of poverty and for turning Uganda into a middle-income country. First launched in 1997; revised in 2000 and 2004. It is grouped into five "pillars", and has acted as Uganda's Poverty Reduction Strategy Paper since 2000. (see: http://www.odi.org.uk/PPPG/cape/what_we_do/aid_effectiveness/uganda_PEAP_2004.pdf)

Sector Budget Support: Financial support, channelled through the Government of Uganda's Budget, that is notionally earmarked to a specific sector or sub-sector.

Sector Working Group (SWG): Comprising stakeholders from GOU institutions within a sector, civil society organisations and development partners, SWGs meet to agree sector budget submissions and new projects proposed to sector, as well as to review sector performance and to deliberate on key sectoral policies.

Uganda Development Partner division of labour exercise: An exercise, agreed by the GOU and DPs, to improve DP selectivity, promote key Partnership Principles and achieve greater efficiency and effectiveness in the delivery of aid in Uganda.

UGANDA DEVELOPMENT PARTNER DIVISION OF LABOUR EXERCISE

Introduction

The Aid Information Map (AIM) is the first step in the recently commissioned Development Partner Division of Labour exercise. The exercise aims to improve Development Partner (DP) selectivity and ultimately achieve greater efficiency and effectiveness in the delivery of aid in Uganda. Agreed by the Government of Uganda (GOU) and the Local Development Partners Group (LDPG), the exercise is intended to help promote key Partnership Principles; in particular, that:

- DPs should work in fewer sectors, in line with areas of comparative advantage;
- Transaction costs can be reduced by employing a lead development partners approach.

The Overseas Development Institute (ODI)¹ was appointed to support the Uganda DP division of labour exercise. This exercise is running simultaneously with the OECD/DAC Harmonisation & Alignment survey on the 12 Paris Declaration indicators. The two exercises are complementary; by their nature there will be some overlap (e.g. some headline aid data for FY05). However, the OECD/DAC work is more general, asking for baselines figures in relation to the Paris Declaration indicators, and it will feed into an overarching mutual accountability exercise at the global level. The DP division of labour exercise starts with an Aid Information Map (see below), which will generate more detailed, Uganda-specific and forward-looking information that will be subject to peer review by other DPs.

The deadline for completing the Questionnaire and Financial Data Tool (FDT) is **September 29th**. Please **submit your responses electronically to uganda.questionnaire@odi.org.uk**.

Contacts

For further information or support, please contact us:

- **By phone:** Susan Juuko on 0712 698 609, Charles Mugerwa on 0772 793 488 or Andrew Clarke in the UK on +44 (0)20 7922 0379
- **By email:** uganda.questionnaire@odi.org.uk

We also have a Uganda Division of Labour website which we will regularly update:

http://www.odi.org.uk/pppg/cape/what_we_do/aid_effectiveness/uganda_dp_division_labour.html

Aid Information Map (AIM)

The purpose of the AIM is to provide a baseline for the Division of Labour exercise as a whole, supplying data that will help rationalise Development Partner (DP) engagement across the whole spectrum of the PEAP. The AIM is intended to assist the Government and DPs, primarily through SWGs, to agree a better division of labour. The Aid Information Map (AIM) has two components: the Development Partner (DP) Questionnaire and the Financial Data Tool (FDT). Additional material, such as the OECD/DAC survey and other recent evaluations (e.g. evaluation of general budget support, ongoing EU work, assessment of individual performance), will also be used.

¹ The ODI team comprises Karin Christiansen (team leader), Dinah McLeod, Tim Williamson, David Booth, Susan Juuko, Charles Mugerwa and Andrew Clarke.

Key Steps

The division of labour exercise comprises the following steps:

Step 1: Collecting and processing data for the Aid Information Map (AIM)

In this step, DPs will complete the DP Questionnaire and FDT. The ODI team will process this data for each DP and prepare a sector/area breakdown of results for the peer review stage (step 2). The ODI team will also compile a draft Aid Information Map (drawn from the DP Questionnaire and FDT results) to feed into the interim report.

Step 2: Peer review of DP responses

Representatives from the GOU and DPs will review the outputs produced in step 1. The peer review process will consist of a selection of DPs reviewing the future plans of other DPs. Peer reviewers will receive a guidance note on how to undertake the review. They will be provided with a profile of another DP, based on data from the AIM and other relevant materials. This step will focus on Section C of the questionnaire, which looks at the future plans of DPs. The peer reviews will be sent to DPs, giving them an opportunity to revise their future sector working preferences. The revised preferences will feed into the interim report (step 3) and, more importantly, be the basis for discussion for changes in the division of labour in SWGs (step 4). GOU will also review the balance of DP presence in each sector and provide feedback for DPs' consideration.

Step 3: Interim report

The ODI team will prepare an interim report for the PEAP implementation review and for SWG discussions (step 4). The interim report will draw on DP preferences, peer reviews and other materials supplied by DPs and GOU. It will include a synthesis of the data and initial recommendations. Additionally, this step will provide guidelines for SWGs on how to approach the finalisation of this exercise and supply synthesis material by sector for them to consider.

Step 4: SWG process

The ODI team will prepare materials for the LDPG/GOU Taskforce to circulate materials to SWG members. The interim report will be presented at SWG meetings, where a structured discussion will lead to initial plans for sectoral division of labour. SWGs will provide feedback on division of labour plans to the ODI team.

Step 5 Final Report

The findings of the SWG process will be synthesised by the ODI team, which will produce a report for inspection by the LDPG/GOU Taskforce and the SWGs. Once comments have been received from both, a final report will be produced that, subject to GOU endorsement, will provide the basis for a revision of the overall division of DP labour in Uganda.

Timeline

28 th July	DPs receive DP Questionnaire
Early Aug	DPs receive Financial Data Tool (FDT)
29 th Sept	DP Questionnaire and FDT returned by DPs
Sept/Oct	Data collated and processed for Peer Review and draft AIM compiled
Late Oct	Peer reviewers receive materials
Mid-Nov	Deadline for completed peer reviews; DPs provided with pack of materials
Late Nov	DPs firm up future plans on the basis of Peer Reviews
Late Nov/early Dec	ODI report to PEAP implementation review meetings
Dec	Materials prepared for SWGs
Jan/Feb	SWG consultations held
March	Finalisation of division of labour plans by DPs and Government and final report

Overview of the Development Partner Questionnaire

The attached questionnaire collects information on current and possible future DP activities. It is divided into four sections:

- A. **Present Activities.** This section maps DP activities onto PEAP pillars in terms of financial support and dialogue processes. This section is supplemented by information from the Financial Data Tool (FDT), which DPs will receive separately.
- B. **Division of Labour and Degree of Engagement.** This section asks for each institution's opinions on the characteristics that are likely to be important for the different roles DPs can take in a given sector. These roles and responsibilities range from taking a leading role in all or some particular aspects, remaining actively engaged, delegating specific tasks and functions to other DPs or disengaging from a sector. The results from this section will be collated to provide the basis for recommendations by the ODI team on how SWGs could approach a division of labour. There is no ideal model or blueprint that can be applied across the board; these specific roles, responsibilities and functions need to be adapted sector by sector.
- C. **Future Plans.** This section asks for initial opinions on DPs' future plans for engagement. It explores the sectors/areas in which each DPs would potentially consider taking on leadership functions, devolving dialogue or financial responsibility to another DP or withdrawing. This will be refined by DPs on the basis of the peer review and other material and analysis provided later in the exercise.
- D. **Other Comments.** DPs are given the opportunity here to provide extra information or opinions that are not covered elsewhere in the survey.