

# The Status of Sector Wide Approaches

A Framework Paper for the meeting of the  
Like-minded Donor Working Group on Sector Wide Approaches  
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3<sup>rd</sup> Draft

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### ACRONYMS

CAPE	Centre for Aid and Public Expenditure
DfID	UK Department for International Development
ESAF	Enhanced Structural Adjustment Facility
HIPC	Heavily Indebted Poor Countries
HIV	Human Immunodeficiency Virus
HPSP	Bangladesh Health and Population Sector Programme
IMF	International Monetary Fund
MoU	Memorandum of Understanding
MoH	Ministry of Health
MTEF	Medium Term Expenditure Framework
NGO	Non Governmental Organisation
SAP	Pakistan Social Action Programme
SIP	Sector Investment Programme
SWAp	Sector Wide Approach
TA	Technical Assistance
TC	Technical Co-operation
WB	World Bank
WHO	World Health Organisation

## **1 Introduction**

### **1.1 Purpose of paper**

1. This is the second draft of a study commissioned by Irish Aid for the informal likeminded donor working group on implementation of Sector Wide Approaches. This version takes the form of a framework paper to be used as a resource at the Seminar on Sector Wide Approaches with a focus on Partnership (Dublin February 8-10<sup>th</sup> 2000). Issues have been highlighted for possible discussion and response, and the final paper will be based on:
  - Conclusions from the seminar
  - Comments on the first draft
  - Additional research work in progress
2. Some further information from the donor representatives attending would be appreciated. CAPE will identify specific issues at the seminar.

### **1.2 Sources**

3. The paper draws upon a survey of published and grey literature on sector wide approaches. The authors would be grateful for further help from the like minded group in drawing our attention to additional sources. We have also been able to draw upon a series of six case studies which CAPE have undertaken of health sector reforms for WHO.

### **1.3 Definition**

4. The Sector Wide Approach defines a method of working between Government and donors, and should not be confused with various policies and procedures of individual donors which have been associated with the approach in particular countries. Various definitions have been proposed for the broad sector approach, though the criteria defined have often gone far beyond the actual achievement so far in those operations usually defined as taking a Sector Wide Approach.<sup>1</sup> For the purpose of this paper, the defining characteristics of a SWAp are that all significant funding for the sector supports a single sector policy and expenditure programme, under Government leadership, adopting common approaches across the sector, and progressing towards relying on Government procedures to disburse and account for all funds. However, a key message from the experience so far is that the SWAp is, as the name implies, an approach rather than a blueprint. Most programmes, even quite well established ones, are in the midst of a process for moving over time towards broadening support to all sources of funding, making the coverage of the sector more comprehensive, bringing ongoing projects into line with the SWAp, and developing common procedures and increased reliance

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<sup>1</sup> For example, Harrold and Associates (1995) define six criteria: sector-wide in scope, a coherent policy framework, local stakeholders in driving seat, all donors sign on, common implementation arrangements, and minimal long-term technical assistance.

on Government. The working definition thus focuses on the intended direction of change rather than just the current attainment.

## 2. Ownership

5. Government Ownership is widely referred to in donor discussion, but less commonly defined. In trying to give operational meaning to the concept, we need to be clear on what it is that is being owned. The expression 'SWAp' itself is a donor term, which is rarely used by governments. The *Ugandan* Government talks about their Universal Primary Education policy, not the Education SWAp. It is important to ensure that ownership is stronger than adoption of some general principles: it is the extent to which priorities are backed by budget allocation and by confronting difficult policy and programme choices which will help to determine whether the programme can be implemented. Ownership is rarely universal within Governments or donors, and may change over time.

### 2.1 Models of Ownership

6. We have not had time to provide a comprehensive review of all SWAps, but those on which we have been able to obtain knowledge suggest a way to classify the experience to date. Indicators used to assess ownership include:
  - Are government priorities backed by budget allocations?
  - Who within government has contributed to the development process? Staff at several levels, or just one? Has the lead come from within the relevant ministry or from a more detached development unit?
  - Has government gone through internal processes to secure real commitment?
  - Does the government produce robust arguments when donor positions conflict with their views?
  - Has sector policy been affected?
  - What does the government call the programme – SWAp or their own name? I.e. what is it that is being owned?
  - Has the programme been implemented?
  - Who has endorsed the programme? Parliament, cabinet, sector Minister?

#### *Issue*

- *How can ownership be assessed?*

#### 2.1.1 Strong Government Leadership

7. Some governments have demonstrated strong ownership of sector programmes:
  - i. *Uganda education* is the clearest example. The process was initiated by strong leadership from the Head of State's commitment to Universal Primary Education, for which he had an electoral mandate. There had been a broadly participatory process in developing policy, including some consultation with civil society groups and, at a later stage, the poor. The high level political commitment was reflected in budget allocations to the sector, which were increased and protected as part of the poverty action fund within the budget. The strong Government motivation was to obtain donor support for their own

initiative, something which donors (who share the priority given to primary education) were happy to support. Political and poverty objectives coincided.<sup>2</sup>

- ii. *Ethiopian* sector programmes in *health, education* and *roads* also reflect strong leadership from Government. The Government motivation has been to obtain increased donor support for major investments to improve the coverage of basic services and of the road network. Government has resisted donor efforts to influence policy, or to increase their presence through technical co-operation. Ownership is clear (Government for example made sterling efforts to increase domestic funding for the health SWAp when the war affected donor contributions), but donors have found the lack of transparency of the dialogue problematic, with Government keeping a tight grip on information, restricting donor attendance at meetings, and keeping donors away from implementation.<sup>3</sup>

### 2.1.2 Government Change Agents Allied to Donors

8. There are a number of cases where individuals, Ministers or senior officials, have strongly promoted reforms within the sector, using the prospect of increased donor support to help in persuading colleagues and ensuring their ideas can be implemented:
  - i. *Zambia health* was strongly associated with a specific Minister, committed to shifting personnel and resources to district based health services while restraining the budget of the tertiary hospitals. The Ministry was involved jointly with donors in determining conditionality and used the conditions to protect key reforms and health expenditures against domestic opposition. However, participation in the preparation of the programme was weak. Other Ministries, NGOs, private health providers, some Ministry of Health staff and local communities were left out of the consultations.<sup>4</sup> As a consequence local ownership was not broad enough to prevent reversals in policies. When the sector wide approach appeared to fail to deliver, the change in spending priorities was substantially reversed.<sup>5</sup>
  - iii. *Ghana health* was strongly led by senior officials within the Health Ministry, very committed to a decentralised Ghana health service model, with an increased share of funding for district services, and a focus on overcoming quality and access problems at that level. Their allies were regional and district level staff, frustrated by inflexible planning from the centre: a key event was a 1991 seminar in which the frustrations of district level staff were strongly expressed.<sup>6</sup> Although ownership started from a narrow group, major efforts have been sustained to embed the ideas throughout the health sector, with participation of regional and district officials in meetings, significant capacity building efforts, and focus on strengthening district level planning and budgeting. The relationship with donors has been co-operative at the level

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<sup>2</sup> DfID, Government of Uganda (1998).

<sup>3</sup> See Brown A, Conway T & Foster M (1999).

<sup>4</sup> See Jones (1997b).

<sup>5</sup> See Jones (1999)

<sup>6</sup> LaFond, Anne K (1994); Asamoah-Baah and Smithson (1999).

of the health ministry officials, but has experienced serious political problems due to pressure to build new regional hospitals for electoral reasons. The donor role has sought in part to defend the reformers from outside pressures (see further discussion under 3.5 *Conditionality*).

### 2.1.3 Donor Leadership: Develop the Strategy then sell it to Government

9. There are a number of cases where donors have attempted to take the lead, motivated by frustration at perceived weaknesses of sector policy. Many of these attempts resulted in failure, or in long drawn out policy debates.
  - i. In *Vietnam health*, donors provided consultants for a health sector review, frustrated at the lack of content in the Government's own strategy document. The resulting document challenges a number of Government positions, and is perceived as owned by the donors rather than by Government. It has yet to be accepted.<sup>7</sup>
  - ii. In *Ghana education*, World Bank sought to develop a basic education sector programme based around the project implementation unit set up for their own programme. This resulted in some fragmentation in the approach to the sector and the loss of some sector wide characteristics.
  - iii. In *Tanzania education*, a four year process was strongly led by expatriate technical assistants, working with local counterparts not close enough to the centre of power, though the then Secretary in the Ministry also appeared to be supportive.. The work was not used, and Government eventually presented to donors a scheme focused heavily on investment in buildings, and not integrated with the medium term budget framework, nor consistent with available resources.<sup>8</sup> There is still no sector programme in place, nor much progress towards one. This example illustrates some of the difficulties in assessing 'ownership': it is only with hindsight that the fragility of support became evident.

#### *Issue*

- *Models in which Government leads, or where change agents within Government are allied to donors, appear to work better. Are there any examples where donor initiative has produced good results despite lack of Government ownership?*
- *How can Government ownership be defined, when sector policy may echo donor positions? Is it agreed that willingness to make difficult choices on priorities within a confined resource envelope is a critical indication?*

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<sup>7</sup> See Foster M, Brown A & Conway T, (1999).

<sup>8</sup> See Chijoriga et al (1999).

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## 2.2 Factors affecting ownership

10. Analysis of sector programmes suggests the following factors may be influential on whether sector programmes are owned by government.

### *Breadth of support and political endorsement*

11. The positive experiences such as *Ghana health*, *Ethiopia* sector programmes, and *Uganda education*, and the negative experiences such as *Zambia health* and *Tanzania education*<sup>9</sup>, suggest that the wider based the ownership is, the more likely it is to be embedded in government policy, and remain unchanged when individuals move on. Endorsement of the sector strategy by Cabinet or Legislature can underpin this although the necessity and value of this depends on the political environment. In *Ghana health* the partnership shifted over time from a reliance on personal contacts towards making use of developing institutional channels.<sup>10</sup>

### *Issue*

- *How can Governments broaden and deepen the ownership of the sector programme, and how can donors help?*

### *Incentives*

12. In some cases where government ownership has been low, donors have tried to create incentives for Government to implement reformed policies. The *Pakistan SAP* follows this approach. This has not been successful as the experience so far has confirmed the findings of research on conditionality, that conditions do not bring about policy change in the absence of ownership: Government has not met its obligations to increase funding for the social sectors, leaving the donors with a dilemma on how to react (a dilemma resolved in part by the military coup).<sup>11</sup>

### *Issue*

- *How should government and donors address the need to provide incentives so that programme ends are achieved without distorting the means? Does it matter?*

### *Clear vision*

13. One of the reasons for strong ownership of the *Uganda Universal Primary Education Programme* may be the fact that the strategy focuses on a limited number of key priorities agreed by Government and donors. This fits in to the overall 'vision' for the direction in which the country is going and the role of the state overall and within the sector. In other sectors and countries there is less clarity on the role of the state (e.g. *Zambia agriculture*) which hinders developing a clear vision. Donors may contribute to this process if their own inputs lack clear focus on the essential, and expand the agenda of issues to be addressed.<sup>12</sup>

14. There have been a number of cases where the process to develop a SWAp went ahead in parallel with the development of the sector policies and strategy, without

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<sup>9</sup> For Zambian example see Jones (1999), for Tanzanian examples see Ratcliffe Macrae Associates (1999) & Chijoriga et al (1999).

<sup>10</sup> See Annan (1999).

<sup>11</sup> See World Bank (1999a).

<sup>12</sup> See Brown A & Conway T, Foster M (1999).

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a clear vision at the outset (e.g. *Tanzania and Uganda health*<sup>13</sup>). The experience has been at best mixed, often resulting in extended preparatory phases, leading in some cases to programmes which still lack a clear focus, and which may be over ambitious in relation to the available budget and implementation capacity.

### **Issues**

- *To what extent should the SWAp development process emphasise the development and agreement of a clear vision early on in the process or can this evolve over time?*
- *How should the aid relationship be conducted if Government and donors do not initially share a common vision for the sector?*
- *To what extent is a clear vision for the sector realistic given that some sectors are faced with very difficult policy issues that could have major political implications; e.g. the problem that even a basic health care package for all may be unaffordable. To what extent should donors insist on rigorous analysis, and transparent presentation of the dilemma?*

### **Timing**

15. *Ghana health* featured a clear, time limited process for joint appraisal of the Government proposals by a professional team, followed by donor review and then negotiation of individual financing agreements based on an aide memoire signed by all parties. *Ethiopia health* similarly sought to keep the preparation process on a timetabled future track. Even in these cases, a further period of a year or more was required in order to put in place individual financing agreements consistent with the overall sector programme.<sup>14</sup>
16. At the same time, whilst trying to keep to a manageable timetable, governments and donors are faced with trying to reconcile two potentially conflicting concerns. The SWAp process needs to be managed to ensure that a clear and costed strategy, and the finance to implement it, are in place within a reasonable time-scale (two years is probably the minimum). Planning paralysis, with endless negotiation while the sector deteriorates, needs to be avoided. On the other hand, it is not realistic to expect solutions to be identified to all issues, nor all policy disputes resolved, over such a time-scale.

### **Issue**

- *How can government and donors strike the balance between the need to 'get it right' and the need to 'get it done'?*

### **Government capacity for policy analysis**

17. There are a number of examples where increased capacity for policy analysis within government has been encouraged by donors as a way of promoting ownership, and reducing reliance on donor supplied technical assistance:
  - i. *Bangladesh health* has benefited from a strong health economics unit, now evolving into a policy research unit, able to ensure that policy advice was

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<sup>13</sup> See Foster M, Brown A & Conway T, (1999)

<sup>14</sup> See Brown A & Conway T, Foster M (1999).



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continually fed in at appropriate points in the planning and budget cycle. However, this has been financed as a donor project, and largely expatriate staffed.<sup>15</sup>

- ii. *Ghana health* sector developed long term relationships with external resource centres, in order to supplement local capacity without displacing it.<sup>16</sup>
- iii. *Tanzania* has a high level policy team working on health reform and overseeing policy implications as they arise. For example, the legislation on private practise is being modified.<sup>17</sup>
- iv. *Uganda* has established a high level Poverty Working Group within Finance and Planning. It is linked to the poverty monitoring unit, and draws on expertise from within and outside Government. It should be able to both challenge and support the policies and programmes developed at sector level.

### **Issue**

- *How can Government build policy capacity, and how can donors assist?*

### **Donor behaviour**

18. Donor do not necessarily operate in the best way to ensure ownership:
  - i. *Tanzania and Uganda health* officials both felt that donors became too enmeshed in points of detail
  - ii. Discussions on the *health SWAp*s in *Ethiopia and Tanzania* revealed a perception by Government that donors are often in too much of a hurry to press Government to agree policy positions consistent with their own views and priorities, allowing too little time for the necessary political process of reflection and consensus building.<sup>18</sup>
  - iii. Donor time scales tended to be shorter than those of Government, for a variety of reasons. The need for agency staff to achieve results during a three year posting, to achieve lending and disbursement targets, and to sign agreed aide memoirs at mission end also place pressure on Government to ‘sign up’ to policy positions

### **Issue**

- *How can donors adapt to the rhythm of Government decision making, and ensure they leave space and time to build domestic consensus? How can donor incentives be changed?*

## **3. Partnership and conditionality**

### **3.1 Motivation for Partnership**

19. It is important to consider motivation for entering a SWAp, whether formalised by signing an agreement or not. From the point of view of the Government, it concedes some enhanced donor voice in policy discussions, in return for donors providing more predictable, flexible, and hopefully increased support to Government plans for the sector. The balance of the negotiation will depend on

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<sup>15</sup> See Foster, Mick (1999a).

<sup>16</sup> See Asamoah-Baah, A. and Smithson, P. (1999), p.19.

<sup>17</sup> See Foster M, Brown A & Conway T (1999).

<sup>18</sup> Health Sector examples from Foster M, Brown A & Conway T, (1999). See also Smithson,P (1994).

how close Government policy views are to the donors, how badly it needs extra funding, and how far it feels existing donor projects distort the pattern of spending and impose high management costs. Essentially, Governments with high aid dependence will be keenest to move to a sector approach. It is no coincidence that they are most common in the most aid dependent of African countries.

20. From the donor viewpoint, the positive incentives will be strongest for donors who feel in a strong position to influence the policy dialogue, who are able to provide support through flexible budget support, and where policy recognises the sustainability problems of project support. Donors with strong commercial interests, commitment to project approaches incompatible with the sector programme, dominance of staff with a project background and outlook, incompatible and inflexible disbursement procedures, and modest finance unlikely to yield much influence, are less likely to be positive.

### **3.2 Principles and Progress**

20. The clearest statements of partnership are usually found in agreements between government and donors supporting the respective sector programme (statements of intent, aid memoirs, codes of conduct). The following is a summary of the principles usually stated and the progress against each:

- i. *All activities will be under one common sector-wide programme, fully costed, and integrated into a medium term budget framework.*

Most programmes attempt to cost the programme and integrate donor and Government finance. In some cases, only the development programme is fully integrated (e.g. *Ethiopia* programmes, *Bangladesh health and population*.) Some projects may be outside, though reporting is generally improving in Africa. Medium term budget frameworks are increasingly important in rolling SWAPs forward: *Ghana, Uganda, Tanzania, Mozambique*.

- ii. *Government takes responsibility and accountability for the performance of the sector as a whole, with all projects and components consistent with and contributing to agreed sectoral goals. Partners have responsibility to support planning and financing of the sector programme.*

Integration with private sector spending is weak, though Governments often account for less than half of sector expenditure. Goals are not always well linked to outputs and inputs. Donor financing is still unreliable on timing and amount.

- iii. *All partners aim to synchronise their own processes to joint cycles and systems for appraisal, programming, review, monitoring and evaluation. Procedures and mechanisms for joint missions and appraisals are defined.*

Generally good, though some avoidable inefficiencies, e.g. large missions wasting time information gathering; donor trust depends on rigorous and open review process.

- iv. *Reporting will be harmonised towards one common report system for all activities in the sector.*

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In place, but need to develop content (see 9. *Financial Accountability and Common Procedures*).

- v. *Technical assistance should be demand driven, with preference to short term and local TA.*

There are examples of pooled TA under Government control, e.g. *Ethiopia, Bangladesh*. Long term TC is still perceived as necessary and being provided often by bilateral support, even when pooled systems exist, e.g. DfID support to *Bangladesh health and population*

- vi. *Resources will be channelled increasingly through government systems and consolidated into joint accounts, with a view towards overall budgetary support. Common disbursement, accounting, reporting, auditing and procurement system will be used.*

Progress is limited (see 9. *Financial Accountability and Common Procedures*), but improving. Common donor disbursements through Government are being used in some difficult policy environments, e.g. *Mozambique, Tanzania education* (7 donors), *Uganda education, Ghana education*. No examples in Asia, and World Bank unable to participate (see paragraph 76).

- vii. *Partners are committed to openness, transparency, consultation, the sharing of information, and in the case of problems, dialogue before any interruption of support.*

Variable. Interruption for political reasons unavoidable (*Ethiopia, Pakistan*.) Ghana health did use dialogue to resolve difficult hospital funding issues, though transparency not conspicuous from Government. *Uganda PAF* and education a model for transparency.

21. In summary there has been substantial progress, especially in several African countries, in putting in place all of the main elements of a SWAp partnership. However, that experience is very recent, not all donors are able to participate, and the transactions cost savings expected have yet to emerge. The partnership principles do not mention poverty or participation.

### **3.3 Formalising partnership**

22. Written agreements (usually a memorandum of understanding, an aid memoire, or a code of conduct) are used in a number of sector programmes between government and groups of donors to formalise the partnership and understanding on how the SWAp and supporting relationships will proceed. Where the breadth and depth of ownership of the sector strategy is uncertain donor may try to use them to get governments to be explicit about what is in the SWAp and how the government will adhere to it (e.g. *Mozambique health*). Agreements are also used as a way of getting donor commitment on board, something which can cause friction between those donors able to provide budget support and those who prefer to continue with project approaches: strong pressure by some *Mozambique* donors to persuade others to sign up to the principle of budget support was resented by

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CIDA<sup>19</sup>, who face procedural constraints, but also felt that capacity problems had not been addressed.

23. The agreements have sometimes been rejected by governments as being one sided. The *Ethiopian* Government were quick to recognise that the proposed memorandum of understanding for the health sector would not commit the donors to the level, timing, or channels by which they would commit funds. They indicated they were not interested in signing such a document. The initiative for these documents has normally come from the donors. In the case of *Uganda health* DfID and WB provided a first draft of the MoU, which the Government presented for comments without alterations.

#### *Issue*

- *How can donors be held to account? How can the flow of donor funds be made more predictable?*
- *What determines the effectiveness of aide memoires? What can be done to make them more effective?*

### **3.4 Dealing with disagreement**

24. Where there have been disputes about actions and behaviour in a SWAp it has generally been more effective to discuss disagreements informally in private before any official steps are taken and before the written agreement is used. The success of informal discussions often depends on individual personalities. They play a huge role in making donor – Government relationships harmonious and managing conflict when it arrives. The WHO representative in *Uganda* has acted in a co-ordination role on the health SWAp and both donors and Government groups perceive his contribution as having a major impact on how they work together.<sup>20</sup> Similarly the climate and the outcome of the appraisal mission in the *Ethiopian Education* SWAp greatly benefited from very good mission leadership and a collegial approach.<sup>21</sup> Experience from *Mozambique, Bangladesh, Zambia, Cambodia* and *South Africa* also points towards the importance of balancing formal and informal relationships between development partners. Informal discussions are often crucial for successful implementation of a sector programme.<sup>22</sup> And even formal partnership arrangements are often better if they are loosely phrased and allow flexibility.<sup>23</sup>

25. However sometimes donors have referred to agreements between themselves and government as a way of resolving disagreement. In the case of *Ghana health*, the Aide Memoire signed between Government and the donors was referred to by donors in seeking a resolution of a disagreement over Government funding of regional hospitals at levels not envisaged in the programme. The obligation to consult and the process for evaluating new capital projects had been clearly stated,

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<sup>19</sup> Oral comments by CIDA staff at presentation by CAPE staff in Ottawa, 21-22 October, 1999.

<sup>20</sup> See Brown A, Conway T, Foster M (1999).

<sup>21</sup> Martin, Oksanen and Takala (1999).

<sup>22</sup> Walt et al (1999).

<sup>23</sup> Pavignani and Durao (1999).

and the failure to honour the agreement became the justification for donor sanctions (for example, DfID re-imposed earmarking of budget support.) The situation in Ghana was rectified by including an agreement in a new aide memoire for government to produce and share with donors a full costing of the medium term capital programme, for including regional hospitals in the next annual review round, and by the Government's commitment to maintain agreed recurrent budget levels.<sup>24</sup>

26. Although the aid memoire performed a useful function in Ghana, in other countries there is more scepticism e.g. *Mozambique health*, where some donors perceive the government track record on adhering to undertakings as likely to undermine the usefulness of subsequent agreements. This is consistent with a trend that has been observed in programme aid: the number and specificity of conditions tends to increase where donors fear that ownership is not strong, and wish to bind Governments to aspects of the agreement where they are unsure of the commitment. Previous experiences of binding Government in this way is not encouraging.

### **3.5 Conditionality**

#### **3.5.1 Levels and Types of Conditionality**

27. We are seeking information on donor conditions applied in specific SWAp operations, in order to draw comparisons of consistency between donors supporting the same SWAp: assistance from the Like Minded group in providing documentation to enable us to complete this would be welcome.
28. Conditionality is applied at all levels, and it is important to set the conditionality of individual sector wide programmes in the broader context.

#### *Macro level conditionality*

29. Macro level conditionality affects sector programmes because:
- i. If structural adjustment funds are abruptly interrupted there is a major impact on the budget. Budget management systems, such as the cash budget management still practised by *Tanzania, Zambia, Malawi* and *Uganda*, can lead to unpredictable budget flows poorly matched to the phasing of spending needed for efficient implementation of the programme.
  - ii. Overall structural adjustment programmes, or IMF ESAF programmes, frequently include conditions on the share of Government spending which should go to specific sectors or categories of spending. These provide the budget underpinning which ensures that a SWAp can be planned on the basis of reasonable security as to the size of the resource 'envelope.' This form of conditionality may not always be desirable. It reduces budget flexibility, and the percentage shares may not be based on very rigorous analysis.

#### *Sector Level Conditions*

30. Conditionality implies sanctions for non-performance. There is no consensus at sector level of the appropriate role of conditionality within sector wide approaches, even though there is active discussion within the donor community.

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<sup>24</sup> Republic of Ghana and Co-operating Partners (1998) & (1999).

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Many donors appear to agree that applying both macro-economic and sector conditions in a SWAp would undesirably increase uncertainty and risk disrupting social spending. It is preferable to make sector aid conditional on specific sectoral indicators.<sup>25</sup> It is difficult to strike a balance between avoiding stop-go financing, and maintaining a credible threat, especially where the dependence of sectors on donor finance is substantial. The advent of SWAps has seen some new approaches to enforcing conditionality: reintroducing earmarking, and graduated sanctions by varying future commitment levels.

31. At sector level, there are still examples of explicit policy conditionality:
- i. *Pakistan Social Action Programme* was explicitly conditional on Government committing increased expenditures to the sectors from domestic revenues, a key aim being to leverage the Government to allocate more funds than it otherwise would have done<sup>26</sup>. The programme was largely unsuccessful in this, and the coup saved donors from the dilemma of how they should react to Government failure to meet conditions. This coercive approach to conditionality in a SWAp appears to be a unique example.
  - ii. In *Uganda education*, the World Bank used a sector adjustment credit to support the SWAp. This included explicit conditions for tranche release, covering both budget allocation and education policy issues.<sup>27</sup>
32. It is more typical, however, for SWAp financing agreements to take a similar form to project agreements, with both partners agreeing to implement the programme set out in the Government strategy document and workplan, and to abide by the agreed management and decision-making arrangements. Some aspects of the programme may be the subject of specific undertakings, with the World Bank most inclined to include specific policy undertakings in financing agreements. For example, *Bangladesh health and population* credit is conditional on a range of both policy and implementation conditions, including implementing agreed re-organisation of the Ministry, and implementation of an Action Plan with 22 key measures.<sup>28</sup> Failure to implement many of these policy conditions on time has been intensively discussed in programme reviews, but has not lead to an interruption of disbursement.
33. Bilateral donors most commonly include conditions related to the disbursement and accounting and audit of funds. The extent to which there are formal agreements beyond this varies. However, the absence of formal conditions does not mean an absence of donor conditionality. The aide memoires produced after each review are normally signed by Government and donors, and their recommendations are treated as accepted by Government, even though Government often has had only hours to study the draft<sup>29</sup>. The next annual review gives the donors the opportunity to assess progress in implementing them, and some donors are able to vary the level and the channel by which their funds for the

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<sup>25</sup> Foster & Naschold (1999).

<sup>26</sup> World Bank (1999a).

<sup>27</sup> World Bank (1998c).

<sup>28</sup> World Bank (1998).

<sup>29</sup> Observation based on participation in reviews of Ghana health, Bangladesh health and population, and discussion of Pakistan SAP.

sector are disbursed from year to year. Donors can easily signal their pleasure or disappointment at progress and commitment by Government.

#### *Sub-sector conditions and Disbursement Arrangements*

34. Conditions are also common at sub-sector level. These most commonly relate to the approval of sub-sector plans and fund release, and are discussed in 3.5

#### *Conditionality.*

#### **Issues**

- *How can a balance be struck between reasonable assurance of budget support for SWAp planning, yet effective redress if Government does not implement the agreed measures?*
- *Should macro level conditionality be avoided once a commitment has been made to a SWAp?*

### **3.5 Alternatives to conditionality**

35. In practise the main donor influence on policy has been through support to policy analysis and dialogue, and through the experience of joint working, rather than hard conditions. Positive examples include:

- *Uganda* tracking studies, which revealed serious problems of diversion of funds from intended uses, provoked serious attention to increased transparency, better monitoring, shorter funding routes.
- Funding arrangements to regions in *Ethiopia* changed to allow for swifter disbursement of money for HIV services in recognition that the epidemic is moving too fast for normal Government systems to apply. There is also now a greater concentration on more appropriate approaches to reproductive health.
- *Tanzania* has developed decentralised district planning processes, and transferred responsibilities for district hospital management.
- In *Bangladesh health*, the decision to integrate health and population services was heavily influenced by research showing that facility based family planning services were able to maintain contraceptive prevalence.

36. Not all of the lessons are one way: the positive experience of funding decentralised schools construction through Government systems in Uganda has led donors to review the need for expensive alternatives.

## **4. Managing the SWAp Process**

### **4.1 Management Structures**

37. There are two main approaches currently adopted:

#### *Using existing Government management structures and responsibilities*

38. Most African SWAps have used this model where planning and implementation depends on the existing management systems of the Ministry to plan and execute the programme. The structure usually includes:

- an overall *steering committee*, chaired at Ministerial or Secretary level, and involving representatives from other relevant Ministries and donors. This usually meets quarterly.
- An *implementation committee* at senior official level, also with inter ministerial and donor representation, is likely to meet monthly. This level tends to be responsible for monitoring the overall programme and reporting to the steering committee.
- An *operational committee* of some donors and selected MoH officials may meet once a week to discuss detailed implementation issues.
- *Working groups* may also be set up to address particular issues.

#### *Using a project implementation unit*

39. World Bank led SWAp, e.g. *Bangladesh Health and Population* and *Pakistan Social Action Plan*, have tended to use the project implementation unit model with which the Bank are familiar, and which is consistent with World Bank disbursement procedures. In *Bangladesh Health and Population*, three separate consultant staffed management and co-ordination units were set up outside the Ministry, a project co-ordination cell, a management change unit, and a donor support unit.<sup>30</sup> The focus on a separate structure and heavy emphasis on the development budget fits the South Asian budget model where recurrent and development budget are separated.<sup>31</sup> The Bank also argued unsuccessfully for the same approach in Ghana education and continue to do so despite donor opposition in the Zambia basic education SWAp.

#### *Issue*

- *Experience to date suggests that where parallel structures have been set up to plan and manage SWAp activities and the flow of funds, issues of ownership and sustainability have loomed large. Is sustainability more likely to be achieved where SWAp management is vested in Government Departments, and where the SWAp is seen as coterminus with the work of the Ministry?*
40. Where donors are providing direct budget support, there may be an additional committee set up to discuss disbursements into the budget, supplementary to existing government processes. The *Tanzania health* case is one such example where a committee of government and donors has been set up to approve individual district plans.

#### *Issue*

- *Is it necessary or appropriate that additional structures should be set up to manage Budgetary Support systems, with donor involvement in approval of plans etc?*

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<sup>30</sup> World Bank (1998b); and Bangladesh Health and Population Sector Program, Aide Memoire, Report of First Annual Programme Review, April19-May2 1999.

<sup>31</sup> Even in countries where the separation of development and recurrent budgets is less marked, there are problems of integrating them. In Uganda, Ministry of Finance officials remarked that budget preparation in line ministries tends to be dominated by the Accounting Officers who control the overall budget, with too little co-ordination with the planning officers, resulting in the danger of planning without budgets constraints, and budgeting without plans. The SWAp approach can help bring these functions together.



## 4.2 SWApS and the Budget Cycle

41. There is the intention in countries involved in a SWAp to make the annual sectoral planning cycle fit in with the Government budget cycle. In *Ghana, Uganda, Tanzania* and *Mozambique*, the medium term budget framework provides the budget envelope within which SWAp are planned, and there is an iterative relationship between discussions at sector and budget wide level. SWAp meetings in *Ghana* are timed in principle to permit the rolling forward of the Government and donor funding to proceed in parallel. In *Tanzania* and *Uganda*, the local Government/donor health sector working group helps to support Ministry staff in preparing the budget submission for the Medium Term Budget Framework.

### Issues

- *Line Ministries may sometimes see advantage in using the SWAp to try to evade budget disciplines by appealing to donors over the heads of the finance ministry, e.g. Tanzania education (although this ended in failure and criticism in Parliament for failing to present a realistic budget submission<sup>32</sup>). How should donors respond?*
- *Should the SWAp planning horizon be co-ordinated with the medium term budget framework where one exists? E.g. the use of a five year horizon in Uganda health gives a longer perspective but causes confusion and duplication of effort at local and central government as it mismatches with existing local government cycles.*

## 4.3 Managing SWAp Reviews

42. Although locally based donors may be represented in management and implementation committees which meet more frequently, there are normally two main annual meetings where HQ staff are likely to be present: a planning meeting followed six months later by a review meeting.

43. Experience of annual reviews to date suggests that:

- i. Some Governments have been sensitive about findings of the review, and felt exposed to donor criticism. E.g. *Ethiopia health*
- i. Review reports often appear in multiple versions: the official, and often somewhat bland, version is supplemented by less tactful notes which each donor seeks to obtain from 'their' person on the review team
- ii. Robust and independent reporting is feasible where trust can be established, e.g. the impressive *Ugandan* track record in allowing reports to discuss difficult problems including corruption, and taking action in response to challenging reports.
- iii. Governments often provide data too late to incorporate in review reports, which means that, even when received on time, they are not as informative as they should be. This was a serious problem for the April 1999 *Ghana health* and May 1999 *Bangladesh health and population* reviews.

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<sup>32</sup> See Chijoriga et al (1999); and Ratcliffe Macrae Associates (1999), p.41.

- iv. Review team members are not always chosen on the basis of technical expertise, but rather for other reasons e.g. their ability to follow up particular interests of their sponsoring donors.
- v. Missions are often still too large, and attempt to cover too much ground, while insufficient scheduled time for writing up tends to result in exhausted members producing a mission report and aide memoire written in haste by a team which has spent too little time checking facts, co-ordinating positions and reviewing each others work.
- vi. Government frequently receive documents very late, but are expected to sign the aide memoire based on a quick reading before the closing ceremony. This problem is exacerbated when the independent review is collapsed into the main Government donor meeting, as has been the case in *Bangladesh health* (though now proposed to change).

#### *Issue*

- *How can it be ensured that the review process yields sufficiently complete and credible information to enable donors to confidently step back from project detail?*

#### **4.4 Transaction Costs**

44. In theory transaction costs should go down:

- Less time is spent in one to one meetings between Government and donors
- Fewer bilateral missions are taking up government officials' time.
- Meeting with donors as a group produces better quality policy dialogue, enabling Government to make better use of technical resources, and focussing less on individual donor concerns.

45. However there is evidence that this has not happened:

- i. Donor discussions in the Oslo meeting<sup>33</sup> were concerned about increased donor staffing implications of SWAp approaches, and several donors have retained field staff in country to 'manage' their SWAp support (e.g. DfID has moved towards country programme missions in SWAp countries.) It seems possible that these staff are spending their time seeking as many meetings with the same Government staff to discuss SWAp as they previously did to discuss projects.
- ii. Bilateral arrangements with some donors remain in place despite the existence of a SWAp.
- iii. The process of developing the basic SWAp documents has proved very time consuming. In the health sector, *Uganda, Mozambique, Tanzania* donors required many rounds of comment and revision, not always on what the Government felt were priority issues.
- iv. New supervision arrangements can be very time consuming. There is evidence that supervision costs to the Bank are 50% higher for SWAp than for projects.

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<sup>33</sup> NORAD, 1999

### **Issues**

- *Even if transactions costs are unchanged, there should be a net benefit in so far as an increased proportion of Government donor contacts are now aimed at supporting the effectiveness of Government systems rather than parallel project ones. Is this the case?*
- *How can transaction costs be reduced?*

## **5. Dealing with Poverty in SWApS**

46. It is difficult to make an unambiguous assessment of the extent to which programmes are moving towards an improved focus on poverty. The general resource shift seems positive, and the opportunity for sector wide dialogue and the increasingly direct feed-in of poverty analysis are all favourable factors. There is also encouraging evidence that sector approaches can be made consistent with increased delegation of responsibility and power closer to local level. In terms of actual impact of SWApS on poverty there is however very little material.

### **5.1 Policy focus**

47. Most SWApS have placed the primary emphasis on improving coverage and access to effective services. On the assumption that the poor are most likely to be excluded from access to services, this approach can be regarded as a pro poor policy, especially in very poor countries such as Mozambique where the vast majority of the population are below international definitions of absolute poverty such as the \$1 per day indicator used in the international development targets. Where present sector service coverage is very low and most of those excluded are poor, it may make sense to focus on cost effectively extending coverage rather than seeking to target the poorest, provided ethnic, gender, regional or other biases are not reinforced. In practice there may be a trade-off between two legitimate policy goals: extending coverage of basic services as cost-effectively as possible, versus reducing the marginalisation and exclusion of groups of the population who are outside the mainstream institutional systems and processes of the society.

### **5.2 Poverty analysis and policy making**

48. The sector programmes have in general not made as much use as one might wish of poverty analysis in designing strategies. In the health sector, essential service packages are unaffordable, and exemption schemes for charges crude and ineffective, virtually without exception. For example, in *Ghana* there is marked variation between regions in the extent to which funds for exemptions are drawn on, with some of the poorest regions making least use.

49. The diagnosis of poverty issues as they affect the sector should ideally be situated within an overall diagnosis and strategy for poverty reduction. The most fully developed attempt to do this of which we are aware is the *Uganda Poverty Eradication Action Plan*. The design of the sector programmes, especially in education, has been directly informed by the poverty analysis from household surveys and participatory poverty assessments. This analysis feeds in to

expenditure priorities via the medium term budget framework and the poverty action fund.

50. In practice, informed policy making requires a grasp of realities at all levels – including information on the demand side (poor people’s priorities and problems) and the supply side (resources and capabilities at all levels from the community through to the central government budget). The following are examples from practice:

- i. *Tanzania* is one of a number of examples where the priorities of the administrators favoured improved physical facilities, while the poor were concerned by high charges for schools with inadequate teachers and health facilities lacking drugs.<sup>34</sup>
- ii. In *Uganda*, the participatory poverty assessment and the service delivery surveys confirmed the importance of security issues and road access.<sup>35</sup>
- iii. In a number of countries, studies have revealed the importance to the poor of first level curative care, resulting in SWAps being designed to include general hospitals as part of the essential service package.
- iv. Other examples include understanding the importance of high and uncertain charges as a major constraint on access to services by the poor: *Bangladesh health*<sup>36</sup>, *Zambia health and education*<sup>37</sup>, *Tanzania education and health*, and *Uganda*, where a range of measures has been taken to address illegal charges.

51. Data on access by the poor is certainly improving. The health sector accounts produced in *Bangladesh* in 1998 are a best practice example, but a range of other studies have collected similar information, including household surveys, service delivery surveys in *Uganda Tanzania* and *Bangladesh*<sup>38</sup>, and the CWIQ survey in *Ghana*. As better information becomes available, the realisation that Government is a minority player even in the social sectors is gaining ground, though it has yet to influence the design of programmes significantly.

### **Issues**

- *What is the best way to ensure that good policy analysis is undertaken, and feeds in to the decision making process?*
- *How can the interests of the poor be better represented in SWAp discussions?*

### **5.3 Changing resource allocations**

52. At least in Africa, there has been a movement towards higher resources for the social sectors and, within that, for primary services most used by the poor. Examples from *Uganda* and *Ghana* seem to show this trend in sector programmes, though the experience in *Pakistan* is less encouraging. The poverty reduction strategies required to be prepared for access to HIPC II funding (and for

<sup>34</sup> Chijoriga et al (1999).

<sup>35</sup> Ministry of Finance Planning and Economic Development Uganda (1999).

<sup>36</sup> See Health Economics Unit, Bangladesh Ministry of Health and Family Welfare (1997).

<sup>37</sup> Booth (1998)

<sup>38</sup> See Health Economics Unit, Bangladesh Ministry of Health and Family Welfare (1997) and Health Economics Unit, Bangladesh Ministry of Health and Family Welfare (1996).

the IMF poverty reduction and growth facility) should reinforce the positive trend. There have also been efforts to improve geographical equity, but with little success. Uganda education is the exception where basing grants on enrolment did address inequality quite effectively.

53. Although equalisation grants to provide extra resources to poorer districts are discussed, we are aware of no examples where they have a significantly equalising effect. They were tried in *Ghana* in the very beginning of the SWAp, and have been tried in *Uganda* (to prioritise infrastructure to poor regions). Relating education grants to pupil enrolment in Uganda does, however, appear to have had a significantly equalising impact.
54. The *Uganda* case provides a partial model of good practice for organising the budget process to address poverty issues effectively. Key features include the central location of capacity for poverty monitoring and analysis within the powerful finance ministry; involvement of civil society, donors and parliament in both policy decisions and the monitoring of implementation; strong focus on transparency to enable users of the service to hold the providers to account; multiple sources of information and channels for pressure for improvement. There is also an attempt to directly empower communities through representation on school committees, including some financial responsibility. The link to a transparent overall medium term budget framework, in which poverty related expenditures are specifically identified and have been consistently protected from cuts is also important. Uganda is also a model for having *taken action* to address issues revealed by monitoring, notably the problems of resources not getting to schools but being absorbed by the districts. This led to the decision to make conditional grants to schools on a standard per pupil basis, using transparency, publicity, and enhanced monitoring to ensure that they were received and properly used.

### *Issues*

- *How can it be ensured that SWAp discussions are informed by a good knowledge and understanding of poverty and service provision issues?*
- *How can it be ensured that innovation and piloting continues within a SWAp?*
- *Are aspects of the Uganda experience transferable?*

## **6. Participation, and political accountability**

55. To date there has been minimal research on participation in SWAps. Based largely on anecdotal information, our impression is that SWAp processes have tended to be top-down in character with little participation. There are few examples of SWAps which emerged after a broader national debate.<sup>39</sup>
56. There has been very little participation in the SWAp process within Government below senior level. In *Mozambique, Uganda health (but not education), Tanzania,*

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<sup>39</sup> See International Development Department (1999).

*Ethiopia* and other countries even dissemination of information about SWAp to lower levels is very poor. Similarly in *Bangladesh health* there was little local involvement in the sector strategy outside the Central Ministries, and the concept of the SWAp was poorly understood in the field, though significant efforts were made to take the message out, and part of the problem may be that it was both complex and not fully believed. It remains to be seen in these cases whether and how the perceived lack of communication will affect implementation. *Ghana health* is an example of broad participation of health sector staff (see Box 1), though not of civil society or communities

**Box 1 An example of participation of health sector staff**

In the preparation of the *Ghana health sector* strategy there was wide participation through regional, district and local level regular consultations involving stakeholders from all levels of the central Ministry and the district level, as well as with key representatives from the central government agencies. The considerable effort devoted to two-way communication with staff at all levels has been sustained, and is a major strength of the programme. The May 1999 Annual Review involved a wide cross-section of staff, and field visits confirmed strong understanding and commitment down to district level and below. Indeed local participation was so intense that some donors felt marginalised. In order to keep the process manageable, large six monthly meetings with strong involvement by local stakeholders had to be supplemented with smaller ‘business meetings’ at which concerns of Government and donor partners could be raised openly, and addressed in greater detail.<sup>40</sup>

57. Outside of Government there has been even less participation. The best example of where it does exist is *Uganda* mainly in relation to the poverty eradication action plan, where the process emerging does begin to amount to a broadly participatory approach, including participatory planning at every level from school, through pilot districts, up to civil society involvement in the monitoring of the poverty action plan. This level of participation is the exception rather than the rule, and is not universal even in Uganda. Even where organisations are crucially involved in providing health services, e.g. health sector NGOs in *Uganda*, consultation for programme design and implementation is minimal, and done only once the sector plan is worked out and the Government needs a partner to implement it. This may be partly due to the uneasy relationship that some governments (e.g. *Mozambique, Ethiopia*) have with NGOs, but it is also due to lack of government capacity to conduct such participation. NGOs that are involved often seem ineffectual at bringing forward experiences from participation in their programmes – either because they do not see that as their role (some international NGOs in *Ethiopia*), or lack national policy skills, or because unreceptive Governments have not conceded a role for them in the dialogue (*Mozambique and Ethiopia health*<sup>41</sup>).

<sup>40</sup> Observation based on participation in 1999 Health SIP Review.

<sup>41</sup> See van Diesen (1999).

58. In many countries there is no broader participation of other representatives of civil society, e.g. universities or the press, other than as channels for information dissemination.<sup>42</sup>
59. In some countries, the concept of community ‘participation’ (as in *Ethiopia, Tanzania and Mozambique health*) is more about community contribution, through e.g. labour and materials, than participation in decision making and ownership. This is assumed to be taken care of through local government channels so that direct participatory links with local initiatives/services/projects are not seen as particularly necessary. Moreover local government channels are however often inadequate to provide true participation even where this is recognised as beneficial.

### Issues

- *How can broader and more effective pro-poor participation be encouraged and used to improve sector programmes?*
- *Is there a case for support to enable NGOs, community based organisations, universities/research institutions and other civil society institutions to participate more effectively in independent review of sector policy and performance?*

### 6.1 SWAp, the political process and political accountability

60. There are varying degrees of interface between technocrats and politicians and the SWAp process. In some countries, e.g. *Uganda/Bangladesh health*, approval of the SWAp by Parliament/Cabinet was a condition for approval by the donor group. In contrast in Ethiopia this has not happened. There is political backing by the Minister, and strong ownership but the Health Sector Development Programme has not been through a wider process of political approval at parliamentary level. See also section 2. *Ownership*
61. Decentralisation presents a particular challenge for SWAp development. *Uganda* is an example of a country where tensions over central control and local autonomy mean that the development and implementation of the SWAp programme is bound up in a debate about the scope that districts have for adapting plans and policies to fit local needs. Although the strategic plan for the Health SWAp is being developed centrally (as was the health policy), districts are largely responsible for implementing it. The districts’ criticism of the health planning process to date has been that it does not fit in with the local planning cycle where integrated multi sectoral planning is meant to operate, nor do priorities necessarily reflect those identified locally. The MoH is seen as one of the most centralist of ministries and not in tune with the strong emphasis on decentralisation that the President is pushing. Local participation is not very effective so it is questionable how local priorities were decided and to what extent they reflect local needs. The tracking study, which revealed very high levels of diversion of funds from first level facilities towards district expenses, justifies some caution.<sup>43</sup>

<sup>42</sup> See Foster M, Brown A & Conway T, (1999).

<sup>43</sup> See Economic Policy Research Centre and Management Systems and Economic Consultants Ltd (1996).

### **Issues**

- *How can a sector wide approach best complement a decentralised delivery system? Is there a risk that a SWAp acts as a centralising force?*
- *In some countries and sectors donors have expressed an interest in maintaining close local links with regions/provinces/districts with regard to funding and programme input, in some cases effectively proposing what they call 'local level SWAps'. Is this ever appropriate?*
- *Do donors have sufficient understanding of the domestic political constraints and decision making processes? What can be done to improve this?*
- *Is enough being done to enable Parliament to exercise effective scrutiny of public expenditures?*

## **7. Capacity building**

62. There are concerns in all countries that capacity to implement the sector plans as designed may be inadequate. E.g. In *Ethiopia*, only a fraction of the health SWAp budget could be disbursed in the first year, and implementation progress and achievement was slow.

### **7.1 Capacity problems in context**

63. There is general recognition that the capacity problem is partly the result of system- wide problems: a bureaucracy which absorbs staff time unproductively; inefficient and unmanageable flows of funds and other resources; and low pay and motivation; corruption. Making the link between managing performance through appropriate roles, responsibilities, authority, and incentives is still problematic and Ministry staff and Sector specialists in donors may see the wider issues as beyond their power to influence. They then tend to focus on areas they can immediately influence such as training, and rely on civil service reforms and other government wide programmes to address the wider issues. However the links between such reforms and sector programmes have not always been as fully developed as they might have been:

- *Uganda and Tanzania* are both in the process of extensive civil service reform which is attempting to address some of the fundamental problems in staffing and organisation, but at the same time has created an environment where health sector reform is made more difficult. The senior levels of the Ministry of Health in Uganda has had three reorganisations within one year with the result that some key posts have been left vacant, and others are occupied by staff who are too junior.
- *Uganda* has implemented a long term programme to achieve living salaries, by a combination of higher revenue and reduced civil service numbers to finance a programme of medium term salary enhancement. However, the simple payment of higher salaries may prove ineffectual, given the scale of corrupt earnings, unless linked to effective performance management and sanctions for misbehaviour.



- *Uganda* has also experimented with increased transparency and community involvement as one route to controlling staff behaviour. This has gone furthest in the education sector: it remains to be seen how effective it will prove in reducing very high levels of health service corruption.
  - Capacity building efforts are underway in *Uganda, Mozambique, and Tanzania*, at both central and local levels, and there have been attempts to link these to a review of the functions of the Ministries.
  - *Ghana* has similar links to the civil service and financial management reform programmes.
64. Part of the capacity problem may be a reflection of over ambitious planning. There can be a cultural dimension to this. In *Tanzania*, a culture of decision by consensus makes deciding not to do some things difficult, and tends to encourage over-ambition. It also makes it difficult to undertake new tasks by dropping old ones, which increase the pressure on the need for extra staff. The donor pressures discussed earlier (see paragraph 18) may also militate against prioritisation: each donor has particular interests, which it presses to see included in the work plan.

#### *Issues*

- *There is a tension between the need to tackle immediate capacity problems to enable the programme to be implemented, and the much slower time scale of civil service reform addressing the underlying problem. How can this be resolved?*
- *How can the problems of recruitment be addressed, pending success of civil service and pay reform, especially to rural posts?*
- *Line Ministries often seek additional staff and resources to implement the programme, but may not be willing or able to transfer staff and resources absorbed in lower priority activities. How demanding should SWAs be in setting the balance between re-deployment and new recruitment?*
- *How can SWAs work more closely with central public sector reform processes (budget and civil service)?*
- *How can service delivery be improved? How can improved staff incentives be allied to better performance management?*

#### *Donor responses to capacity problems*

65. A positive aspect of recent sector programmes in Africa (but not in South Asia) is that they are working to set up sustainable capacity within Government. The sector programmes are working through Government planning and implementation structures, and building the capacity of Government staff rather than setting up parallel implementation staffed by donor funded consultants, which may prove to be less sustainable (see paragraph 39).
66. Donors have often offered technical assistance to help overcome capacity problems. *Ethiopia* initially resisted this, and only after a year of slow implementation was the need for capacity building better acknowledged. There may have been a high cost of Government 'ownership', but the technical

assistance which may now be asked for may stand an increased chance of being effective.

67. There is growing recognition that previous means of addressing capacity deficiencies have in some cases, become part of the problem: e.g. by paying salary tops up in Ministries, donors have become enmeshed in long term financial relationships which can cause ill feeling, depending on who benefits or not, and how the incentives are later withdrawn e.g. *Mozambique health*. The flexibility to move staff, the distorted incentives, problems of jealousy, and difficulty of finding an eventual exit route are all problematic. Donors are also making agreements with each other on the levels of per diems offered for additional work and training. However the opportunities and employment packages offered by aid agencies continue to cause a drain on government personnel.

#### *Issue*

- *How will donors have to change their approaches to capacity development under SWAps?*
- *When is it legitimate to pay staff incentives, and what principles should apply?*

### **7.2 Devolved Financial Management and Building Capacity**

68. In a number of African cases, devolution of financial management is seen by both donors and Government as a way to develop capacity: district managers can achieve more if they have access to resources, and the authority to use them. The weaknesses of financial management in all case study countries are acknowledged, but Sida and some other donors take the view that the a positive way to strengthen financial management systems is by taking the risk of disbursing money through them. This does not mean irresponsibly disbursing money without strengthening the planning and financial control environment. There are some interesting examples:

- *Tanzanian health* financial and planning arrangements for donor funds calls for districts to meet certain criteria before they can manage funds, and there are provisions for support to help them to do so. District plans have to be prepared and approved centrally, and accounting information on previous funds used has to be submitted in order to release each quarter's funding. This provides a framework for both giving districts an incentive to raise their capacity, while also making available support for them to do so, and resources to put that capacity to effect in improving services. It would be naïve not to expect early district plans to be very weak, and there will be problems in financial accounting, but the basic approach seems positive.
- A similar approach of defining readiness criteria was used in *Ghana health*<sup>44</sup>
- The district planning approach was also used in Zambia, though the required plans were widely criticised for being over elaborate and absorbing capacity in an unrealistic paper exercise. Section 9 has further discussion of common disbursement and financial management arrangements.

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<sup>44</sup> Asamoah-Baah, A. and Smithson, P. (1999).

### Issues

- *Devolving authority can help to release latent capacity when linked to assessment of readiness to manage, and support for achieving necessary standards. What are the key readiness indicators? How demanding should donors be on district planning and reporting processes?*
- *How should donors react when Governments prove unable to meet planning and financial accounting timetables, as seems quite probable in e.g. Mozambique?*

## 8. Target setting and monitoring

69. There is consensus between donors and governments that SWAPs need appropriate targets and indicators and systems to monitor progress against them. Typically donors' SWAP guidelines tend to include the following statements on indicators:<sup>45</sup>

- Indicators agreed by all partners, and related to long term strategic goals.
- Targets on indicators should be SMART (specific, measurable, achievable, regularly measured and timebound).
- Partners should decide on choice of indicators and a system for management and monitoring before the start of the programme, including responsibility for content and frequency of monitoring.

70. Indicators for the programmes reviewed can be broadly characterised as followed:

- Process indicators*: measuring whether actions set out in the work programme have been completed on time and whether completed within budget (where relevant). These are relatively straightforward to collect from internal management sources, and are usually the strongest element of the reporting system.
- Input indicators*: these measure a range of inputs:
  - *Financial*: have commitments and disbursements reached the budget levels against specific categories of spending? e.g. the non-salary recurrent budget for district level services is sometimes targeted as being thought to be related to service quality. The distribution of expenditure per capita between regions, and percentage distribution between levels of the system are also generally though not universally collected (Bangladesh health provides no geographical breakdowns.).
  - *Physical input* indicators: e.g. in the health sector, stock outs of key drugs at facilities of different types, the presence and operational state of medical equipment at facilities. For education, teacher pupil and book : pupil ratios.
  - *Staffing* indicators e.g. with breakdowns by type of facility and location, and as a ratio e.g. per pupil/patients.
- Output indicators*. Most programmes collect a range of these: e.g. for health: immunisation coverage, outpatients contacts per capita and per type of facility; for education: enrolments, attainment in examinations. These are collected from administrative sources, but also need household survey data to permit ratios to population to be calculated, census data will be needed for calculation down to district level.

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<sup>45</sup> These points are based on Sida's SWAP guidelines.

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- iv. *Service access and quality indicators*: e.g. access and use made by different groups (e.g. poor and non-poor) of public and private services: overall opinions on the quality of service offered; whether facilities are open at appointed times; whether bribes are sought and at what level; what user fees are charged; whether drugs were available in health facilities; whether they were treated fairly and with respect, what could be done to make the service more responsive to their needs. Uganda, Tanzania and Bangladesh have undertaken such surveys, some of the same types of information can be gathered from CWIQ surveys and from participatory poverty assessments..
- v. *Cost effectiveness indicators*: e.g. at the most basic level in health, data on unit costs per outpatient visit or per bed night, or patient contacts per staff member. These can be used for defining the essential healthcare package, enabling comparisons and setting goals for efficiency improvement. In education, cost per completer achieving a given standard is a useful composite indicator which captures repetition and drop out as well as attainment, though is demanding of data input.
- vi. *Outcome indicators and proxies for them*: where outcome targets exist (e.g. in health infant and child mortality, contraceptive prevalence), these are likely to respond only slowly to sector improvements, (if the link can be made between them at all). Therefore proxy indicators are used e.g. education: attainment tests, attendance and drop out data
71. From such information as we have been able to obtain on the indicator sets actually used and the data available from them, there would seem to be a number of problems with programme monitoring:
- Data on expenditure related in a meaningful way to output remains weak, making it difficult to derive efficiency data with any confidence.
  - Output indicators are also patchy in coverage, and frequently doubtful as to their quality. Most programmes are awaiting the installation of management information systems which should eventually improve statistics availability, though data will only be as good as the systems for ensuring staff compliance and for analysis in meaningful ways.
  - Too much of the data flow is one way, and little use is made at present of the potential to motivate staff through peer comparisons and emulation. *Ghana health and education* are beginning to address this as district planning is strengthened. *Uganda* has gone furthest in increasing reporting and accountability to the users and to civil society.
  - The usefulness of financial data can be limited by poor categorisation of the budget, e.g. making it difficult to distinguish between different types of spending below district level (e.g. between district hospital expenditure and primary clinic spending).

**Issue**

- *How can outputs be better linked to inputs, and tracked over time? Why has this central issue not been effectively addressed?*

## 9. Financial Accountability and Common Procedures

### 9.1 Objectives

72. The move towards Common Procedures for financial accountability in SWAps has these key objectives:

- Government plans can be based on prioritising all funding sources;
- Financial management capacity built to operate Government system, not parallel ones;
- Easier financial reconciliation, fewer accounts to operate.

### 9.2 Constraints

73. However, in practice adopting common procedures has run into a number of constraints:

- Some donors are prohibited from merging funds
- Recipients lack financial management capacity
- Entrenched corruption in some countries
- Donors are risk averse
- The link from budgets to activities is poor, making it hard to show the benefits from the budget support

74. This has led some to the conclusion that using “common procedures is the greatest challenge to implementing SWAps”.<sup>46</sup>

### 9.3 Experience to date

75. Data from the SPA pilot survey<sup>47</sup> of 16 SWAP like sector programmes suggests limited use so far of common procedures:

- 80% of reported donor disbursements used project disbursement procedures;
- However 40% of donor replies reported using direct budget support for part of their sector support;

76. Other conclusions were that:

- Pooling arrangements do not necessarily work better in some sectors than others;
- Donors using common basket arrangements had considerable confidence in these mechanisms: Nearly three quarters felt that measures had been taken to ensure adequate financial management including procurement.
- Where there is agreement to move towards common procedures, it is not universal.
- Budget management capacity was most improved at sectoral and national levels, but weak and least improved at the decentralised level. This perception is picked up in the design of common disbursements (see section 9 *Donor involvement in common procedures*).

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<sup>46</sup> Peters and Chao (1998), quoted in Walt et al (1999).

<sup>47</sup> SPA (1999).

- Some donors continue to have problems of principle, which do not allow them to support common procedures and pooled funds. E.g. the World Bank's procurement and disbursement regulations for investment support<sup>48</sup> prevent the mixing of World Bank and other donor and government funds. They have not broken the link between their finance and what it pays for, except for *Uganda education*, where they used adjustment finance to support the sector programme. In all other cases the World Bank provides investment loans, and has a tendency to interpret the idea of common procedures as everyone using theirs. (See for example the *Bangladesh HPSP* and the *Pakistan SAP*.) Some of the largest bilateral donors to Sector Programmes, Japan and Germany, cannot or have not provided budget support.

#### 9.4 Examples

77. In *Uganda education*, the reimbursement route used by DfID minimises the risk of misuse of money. Donors can do pre audit checks before releasing the money to Government. The reimbursement mechanism may not be feasible if Government has a liquidity problem. Releases in Uganda are linked to work plans and indicators which are embedded in a medium term budget framework. Moves to further strengthen the link from budgets to outputs are expected. Uganda produces timely audited final Government accounts. Donor confidence in the government system is also boosted by annual independent audit, and multiple other routes to ensure good financial management, including transparency to parents representatives, national integrity and service delivery surveys. Actions are taken to build capacity, and to address identified weaknesses, for example through a consultancy to look at weaknesses in payroll control.
78. The financial system in the *Mozambique* SWAps also uses Government financial systems. In contrast to Uganda, donors provide pre-funding, with each quarterly release dependent on financial reconciliation and progress reporting on the quarter before last. The Government auditor commissions private firms to carry out audit. As in Uganda there is a strong emphasis on linking Work Plans to the budgets needed in order to implement them. However, the system has been slow to get off the ground because of an inability to produce meaningful work plans: as at October 1999, no disbursements from the account had been made. The agricultural Sector Programme is supported by a capacity building project in financial management. The education sector has not yet agreed on capacity building support, but capacity to implement the system seems lacking. Consultants have prepared plans for an overall strengthening of the budget systems and capacity, but these are still at an early stage. Some donors (e.g. CIDA) are sceptical of capacity to make the system work<sup>49</sup>. Adding the transparency and accountability features present in Uganda would help raise confidence.

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<sup>48</sup> Support for SWAps by the World Bank is usually in the form of investment credits, rather than adjustment credits. The latter allow more flexibility in procedures. The Bank argue that it is (theoretically) feasible to use their investment procedures to finance budget support, but it is difficult, and has not yet happened.

<sup>49</sup> Floor comments on a CAPE presentation to CIDA, October 21-22<sup>nd</sup> 1999.

## 9.5 Donor involvement in common procedures

79. Donors have varying degrees of involvement in approving disbursements through government procedures:

- The *Tanzania health* SWAP also uses the Government's own financial management system to direct some sector programme funds to support district health plans, via local government. Donors were involved in establishing readiness criteria for access to funds (including acceptable plan, financial management, reporting), and have a role in approval of quarterly fund release against district plans.
- *Mozambique agriculture and education* SWAPs require the approval of district plans, and a submission of accounting data to back fund releases.
- In contrast, in *Ghana health* the assessment of district plans is a line ministry responsibility without direct donor involvement, other than in reviewing how effectively the process operates as part of the annual review of the programme.

### *Issues*

- *As some donors become more involved in fitting in with Government systems for financing and monitoring but others do not, how do Governments need to adapt to managing the range of relationships this implies?*
- *Should donors providing budget finance have more influence over formulation of Government policy and allocation of the Government budget than those who do not?*
- *How much donor involvement should there be in review and approval of local level plans?*
- *Some donors are still a long way from being able to move to budget support. How much does this matter?*
- *How should donors react when Governments prove unable to meet planning and financial accounting timetables, as seems quite probable in e.g. Mozambique?*

## ANNEX 1 Fora on SWAPs

### Overview

To date SWAPs have been discussed in a number of fora. These are summarised in the table below.

Forum	Sector	Region	Focus	Membership	Future work on SWAPs	Operating since
ADEA Working Group on Education Sector Analysis (WGESA)	Education	Africa	Partnership and fostering ownership; as well as building local capacity for education sector analysis	African Ministers of Education, donors, research institutes and experts	Yes	1989, on SWAPs since 1997
Interagency Group on Sector Wide Approaches and Development (WHO Secretariat)	Health	Africa and South East Asia	Donor government co-ordination, link between domestic policies and SWAPs; practical guidance for health SWAPs	Bi and multilateral health donors	Yes	1999 (two meetings so far)
SPA	All (Transport/ roads, education, health, agriculture , energy)	Africa	'Second generation reform issues', e.g.: Monitoring and indicators, poverty orientation, Tracking of donor support, common procedures, donor co-ordination; building financial capacity, stakeholder participation; coherence of sector support with the macro-economic frameworks	Bi and multilateral donors to Africa plus Economic Commission for Africa	Yes	Discussions on SWAPs since 1997; Tracking SWAP support since 1998
DAC Informal Network on Institutional and Capacity Development (I/CD)	All		(institutional) capacity building	DAC members (OECD donors)	Possibly, to an extent depends on Chair	SWAPs have been discussed since December 1996
Like minded donor working group	All		Procedures and accountability, link between macroeconomic issues and sector strategies	Like minded donors	Scope to be decided in Dublin	Copenhagen meeting; 1997 Three meetings so far



<b>Forum</b>	<b>Sector</b>	<b>Region</b>	<b>Focus</b>	<b>Membership</b>	<b>Future work on SWAp</b>	<b>Operating since</b>
Horizon 2000	Education		(Poverty) indicators and SWAp; government donor co-ordination	EU member countries' donor agencies, plus invited institutions and multilateral donors	Yes	Reincarnation of the Horizon 2000 with a meeting in November 1999
EU Member States' Health Experts (HAP Poverty group)	Health		Indicators, poverty monitoring	EC and donor agencies from EU member countries	Will not initiate additional SWAp working group	
International Working Group on Education (IWGE)	Education			Bi and multilateral education donors		Biennial meetings since 1982
EC Task Force on Sectoral Programmes	All		adapting donor procedures; civil society participation expenditure priorities and the poor	Internal EC working group, Development Directorate and SCR	Yes	

Note: Blank 'Region' field to denote *No regional focus*.

### ***Detail on the SWAp fora***

Since September 1997 Economic Management Working Group of the **Special Programme of Assistance for Africa (SPA)** has had an expressed mandate to examine changes and adaptations of aid modalities in support of economic reform programmes.<sup>50</sup> It has held a number of discussions of the sector wide approach, and has set out criteria for assessing the quality of a SWAP and donor support to it. The SPA has embarked on the formal tracking of donor support to SWAp, both qualitatively and quantitatively.

In addition the SPA has identified a number of 'focal sector wide approaches', where it will make special efforts to promote and develop common disbursement procedures and to strengthen donor collaboration overall. The SPA has established a SWAP website, though this has not been very active recently<sup>51</sup>.

At the last meeting in Paris in late 1999 SPA members decided to continue to monitor donor support for SWAp, analyse results, and distil good practice as it emerges. Future work will focus on:

- improving the coherence of sector support with the macro-economic frameworks,
- developing 'objective' outcome indicators for SWAp;

<sup>50</sup> See SPA Working Group on Economic Management Issues 'Terms of Reference for SPA 4 Period'. <http://www.worldbank.org/html/afr/groups.htm>

<sup>51</sup> The address is <http://www.worldbank.org/afrsp>.

- improving capacity and accountability of financial and outcome accounting in partner countries;
- strengthening poverty orientation of SWAps; and
- supporting stakeholder participation for improved programme design and implementation.

A workshop will be held in the Netherlands in mid-2000 to explore some of the overarching constraints to SWAps.

The **Like-minded donor working group** has held several meetings, starting with the Copenhagen meeting on procedures and accountability, followed by a meeting in Sweden<sup>52</sup>. The most recent meeting in Oslo was concerned with linking macroeconomic concerns with Sector Strategies.<sup>53</sup> The next meeting in Dublin in February will discuss this draft report.

Under the '**Horizon 2000**' initiative, donors from EU member countries had two meetings in 1997/8 to exchange information on SWAps in the education sector. They also produced an EU strategy paper for supporting education sector SWAps.<sup>54</sup> After a year and a half gap the Initiative was revitalised with a meeting in November 1999. SWAps was one of the main issues on the agenda. A survey among the Horizon 2000 members determined two areas on which the Initiative will focus its SWAp discussions in future: indicators, especially for poverty, and government donor co-ordination. Horizon 2000 is in the process of establishing working groups that will produce issues papers on Education SWAps. The work of the initiative will have subject rather than a regional focus.

A **Group of EC Member States' health experts** met in Autumn 1999 to discuss Health, HIV/AIDS and Population (HAP) issues, including SWAps<sup>55</sup>. Since there are already a number of international fora on SWAps, the Member States' Experts decided not to initiate another working group. However, the EC will participate in existing groups and use these to disseminate its experiences with SWAps.

The existing HAP and Poverty-Working Group is working on SWAp related issues, focusing on indicators and monitoring of sector performance and its impact on poverty. Coordinated by the European Commission it seeks to identify key groups and distill the most useful ongoing work in the area. It brings together EC member states, the WHO, and the DAC group on indicators to exchange information. The group's work focuses not only on the static DAC poverty indicators but includes more detailed dynamic indicators linked to processes through which people move in and out of poverty.

**DAC Informal Network on Institutional and Capacity Development** started to discuss SWAps as part of a meeting in December 1996 in Paris. The Network then chose SWAps as the major research theme for 1998/99, and made them the main topic

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<sup>52</sup> SIDA 1998

<sup>53</sup> See NORAD (1999)

<sup>54</sup> European Union (1997).

<sup>55</sup> Member States Experts Meeting on Health, HIV/AIDS and Population- Brussels 5-6<sup>th</sup> October 1999.

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at their May 1999 annual meeting in Ottawa. A further meeting will take place in Dublin in April.<sup>56</sup>

Discussions on SWAs have focused on capacity and institutional development issues, and how these affect operational aspects between government and donors. As a donor forum, the DAC informal network aims to identify implications and recommendations for best practice among aid donors.

The agenda of the Network is influenced by the agency holding the chair, and hence future discussions on SWAs will depend on the policy priorities of the Chair.

The **Interagency group on Sector Wide Approaches and Development's** (WHO Secretariat) work revolved around the analysis of current practice in co-operation between donors and government. To date the group has held two meetings on SWAs. It has commissioned six case studies on health SWAs in Africa and South East Asia. The synthesis report from those studies<sup>57</sup> was discussed at the last meeting January 2000. Other outputs include a guide to Sector Wide Approaches; analyses of the relationship between priority programmes and SWAs; and guidance to countries preparing SWAs. The set up of the Interagency group has not yet been finalised, but participants have found discussions useful, and hence the group is likely to continue dealing with SWAs in future.

**International Working Group on Education** (IWGE) is an informal forum of the major bilateral and multilateral funding agencies in the field of education. Senior agency officials meet every two years discussing latest issues in education sector development.

The **Association for the Development of Education in Africa** (ADEA) is a network of African Ministers of Education and external partners providing financial and professional support to education in Africa. One of its 11 working groups is the UNESCO-led **Working Group on Education Sector Analysis** (WGESA). Membership of the Group includes representatives from African ministries of education, international agencies, research institutions and universities, and NGOs. The group has been meeting since 1989 starting with analyses of education sector policies in Africa. It started to analyse Sector Programmes after the ADEA biennial meeting in Dakar in 1997.

Its two main areas of work are related to SWAs. The first is to improve donor agency practices in terms of content and process, including their increased use of domestic capacities and reliance on national leadership in the education sector. The second is to support capacity and institution building for education sector agencies in Africa.

Recently, WGESA was commissioned by ADEA to carry out a study on Partnerships between Ministries of Education and International Funding and Technical Assistance Agencies in Burkina Faso, Ghana and Mozambique. A synthesis report has been presented to ADEA in December 1999.<sup>58</sup> In addition, WGESA has conducted and

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<sup>56</sup> DAC Informal Network (1999).

<sup>57</sup> Brown A, Conway T, Foster M (1999), CAPE

<sup>58</sup> WGESA (1999).

commissioned a total of six country reports on education sector strategies, including SWAp. The Working Group expects to continue to advise ADEA on developments related to SWAp in the education sector in Africa.

The internal **EC Task Force on Sectoral Programmes** has representatives from the social sectors as well as agriculture and water. One of its areas of work is to identify best practice on how to enter a dialogue on sector-wide approach with Governments, while ensuring civil society participation in the countries. In particular this relates to how to include stakeholder concerns in defining expenditure priorities.

In conjunction with the SCR the Task Force is currently co-ordinating an exchange of experiences of constraints to SWAp implementation (administrative, procedural and capacity constraints). As part of this exercise Member States will attempt to identify their constraints and assess how current trends and development with SWAp impact on their procedures. The Commission will look at its own administrative and procedural constraints, and its capacity to engage in SWAp partnerships both at central and in-country level. A Draft Working paper on this is being prepared by the EC and will be circulated to the Member States in February.

Finally, there are a number of **internal fora on SWAp** with working groups in the WHO, World Bank, DfID, and Sida.

### ***Focal sectors by fora***

<b>Focus</b>	<b>All sectors</b>	<b>Education</b>	<b>Health</b>
<b>Ownership</b>		WGESA	
<b>Partnership and co-ordination</b>	SPA	WGESA, Horizon2000	WHO
<b>Capacity building</b>	SPA, DAC	WGESA	
<b>Donor procedures and accountability</b>	SPA, Like Minded, EC		
<b>Monitoring and indicators</b>	SPA	Horizon2000	EU (HAP)
<b>Participation</b>	SPA, EC		
<b>Poverty</b>	SPA, EC		EU (HAP)
<b>Link between macro economy, domestic policies and SWAp</b>	SPA, Like Minded		WHO

## **ANNEX 2 Terms of reference**

**DRAFT TERMS OF REFERENCE FOR A WORKING PAPER ON  
THE STATUS OF SECTOR WIDE APPROACHES.**

16/9/1999

### **Background**

An informal working group of likeminded donors (SIDA, Finland, NORAD, DANIDA, Netherlands, Irish Aid, DfID) have had a number of meetings to discuss their practical experiences in the implementation of Sector Wide Approaches and to share information available. Each donor has commissioned various studies and participated in different reviews, in addition some are members of SPA which is also undertaking research on Sector Programmes. The group will be meeting again in February and would like a framework paper for discussions, which would outline developments in the key areas of interest and would provide concrete empirical data on what is happening in these areas. The framework paper would then be developed into a report, with inputs from the meeting and would serve as a resource document for the agencies.

### **Objective**

There are many disparate reports on experiences, case studies etc. on sector programmes in particular and the sector approach in general. The objective of producing a status report would be to provide a baseline of information and issues to date on SWAs and of experience with the practical application of sector programme principles. This report would form the basis for discussion and also ensure full dissemination of information on issues and experience to date. The document would be a framework to allow all the agencies to input practical experiences in a structured way.

### **Scope**

The following issues were identified by the group as areas where information and experiences are available and should be synthesised for discussion

### ***Conditionality***

Danida and Norad have commissioned a study on the types of conditionality being applied by different donors and how these should be harmonised and on the effectiveness of conditionality to date.

### ***Dealing with Donors/ Ownership***

Representatives of one of the partner countries (probably Mozambique) will be invited to present their experience of dealing with donors in negotiating SWAs. The means of donor inputs into policy formulation and implementation in various SWAs should be summarised and the practical experience of ownership discussed. In particular the memorandum of understanding between donors and government should be discussed, and harmonisation amongst donors.

### ***Dealing with poverty in SWAs***

The study should outline the most recent developments in this area based on the information available and indicate any systems which have been put in place to monitor developments in this area by governments and donors? In particular the work of SPA in this area should be discussed./synthesised.

### ***Participatory process/ Democratic issues***

What is the scope for participation in the SWAP process? What is the reality in terms of in country experience. Has the process been top down? Institutional development issues and the role of donors in advocating for and supporting measures for wider participation should also be discussed. The experiences of different donors again should be examined.

### ***Financial accountability***

A number of examinations of financial systems have been carried out, for example the PROAGRI and ESSP in Mozambique and BESSIP in Zambia and the efficiency of macro economic financial support. Different donors have financial guidelines for SWAs. The outcome of the different studies should be summarised in the light of their broader implications for the implementation of SWAs

### ***Political accountability***

The outcome of SWAs may encounter political bottlenecks in different countries and the origins of the bottlenecks should be highlighted, as well as solutions that have been implemented. This section should look at the interface between the technocrats and the politicians. The relationship between SWAs and the wider democratic process should be examined.

### ***Reviews & Evaluations***

The reviews carried out to date and the processes for carrying them out should be summarised and assessed. The proposed methods for carrying out evaluations should also be discussed in the light of the issues above. The

roles of tertiary institutions and the scope for different kinds of research should be analysed.

### ***Fora for discussing SWAps***

The potential fora for discussing SWAps should be identified and their relative merits and areas of specialisation assessed.

### **Methodology**

The proposed methodology is a document review and synthesis, discussion with selected donors and the preparation of a framework document which could be circulated prior to the meeting.

The consultants would be expected to participate in the meeting and act as a resource to the participants in terms of empirical data available and to facilitate discussions.

The different presentations at the meeting and the issues arising from the discussions of the working groups should feed into the document. The final report should then serve as a baseline or status report which will inform future actions and approaches..

### **Timetable**

The document review should be undertaken in November and donors contacted late November/ early December. A draft of the framework should be circulated mid December and a final version available by mid January. The time for the synthesis and consultations is two weeks, the meeting will be for three days and the final write up for the report will be three weeks.

### **Format**

The initial framework paper should be brief, contain key information and findings and present issues to be discussed under each heading. The use of comparative summary tables might also be useful. The paper should be useful in provoking discussion at the meeting. The final report will be more comprehensive and narrative in nature and should be useful to the uninformed reader.

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