

Ministry of Planning and Development

**Inception Report - Paris
Declaration Evaluation Phase 2**



KPMG Mozambique

July 2010

This report contains 17 pages

Inception Report

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Contents

1	Introduction	1
2	The Process so Far	2
3	Initial Considerations Regarding the Evaluation in Mozambique	3
3.1	Long History of Paris Declaration-Type aid	3
3.2	Complex Aid Architecture	3
3.3	Timing	4
3.4	Availability and reliability of data for the key areas of enquiry	4
3.5	The feasibility of conducting specific aspects of the evaluation.	5
3.6	The aspects of the evaluation that the Country Evaluation Team has initially focused their attention on and the rationale for this – a statement on the ‘game plan’ for conducting the evaluation; any key issues emerging that to date have not formed part of the ToR.	6
3.7	Any opportunities emerging for triangulation with data gathering and analysis from within the Donor HQ studies.	6
3.8	Any management and communication issues arising between the actors involved in the evaluation process that need to be raised and addressed including any related resourcing issues.	6
4	The Agreed Workplan and Timeframe	7
5	Conclusions and Next Steps	9
6	Annexes	
6.1	Calendar and workplan	
6.2	Minutes of the Meeting held on 15 th July 2010 with the NRG (in Portuguese)	

1 Introduction

The Paris Declaration (PD) was endorsed by 52 donors/agencies and partner countries, and 30 other actors in the development cooperation field in 2005, and was seen as a breakthrough in bringing donor and recipient countries together to address and codify the actions needed to improve aid effectiveness. The ultimate aim of the Declaration was to improve aid effectiveness not just as an end in itself, but in order to enable partner countries to improve development results.

Regular evaluation is built into the PD as an integral part of its objectives, and there have been a number of exercises carried out to establish whether the PD was having an effect on donor and partner country actions. A baseline monitoring survey was carried out in 2006 to establish a baseline for the indicators included in the PD, and a follow-up was carried out in 2008. Also in 2008, an evaluation of the more qualitative aspects of PD implementation was carried out, and the current survey is the second phase of this initial evaluation. Mozambique participated in both quantitative monitoring surveys but not in the initial qualitative survey.

The objective of the current evaluation is to go further than the first phase – which assessed the process of early implementation in order to provide information for the High Level Forum in Accra in 2008 – and to assess outcomes and results of the implementation of the PD. The aim is to assess whether the intended results of the PD are being achieved, or if there is movement towards achievement. An emphasis is placed on examining the context in which the PD is implemented (core question 1), the impact on intermediate outcomes and aid effectiveness (core question 2) and the impact on final results and development outcomes (core questions 3). The evaluation is intended to take into account different country contexts and explicitly recognizes that the PD did not emerge in a vacuum – many initiatives at country level were already underway prior to 2005, and many other factors play a role in a country's achievement of development results.

This report briefly describes the process in Mozambique so far, highlights some key considerations regarding the evaluation in Mozambique, including all the issues raised in the “Guidance Note for Country Inception Reports”, outlines the workplan and timeframe, and concludes with next steps.

2 The Process so Far

The National Coordinator and National Reference Group have been appointed, and consultants contracted as of 12th July 2010. This represents a significant delay in comparison with the initial timeline, and a revised workplan has been agreed (see section 4).

The delays encountered in contracting the consultants were due to various factors, including delays in appointing the donor representatives of the national reference group and the process of channeling the funds to finance the study via the treasury. It was strongly felt by the donor (Finland) that the funds for an evaluation of the Paris Declaration should be channeled via government systems, and while this did lead to administrative delays, nonetheless the experience gained should encourage more donors and ministries to put projects on-system in future.

Initial meetings have been held between the consultants and the National Reference Group (NRG), and the general approach and methodology approved. Initial meetings have also taken place between the consultants and the National Coordinator, and an updated work schedule and timeframe agreed. A list of key informants has been discussed, and these have been contacted to inform of the process and identify a focal point. It has also been agreed to hold an initial workshop in the first two weeks of August to present the process and brainstorm some of the issues around the evaluation, prior to the in-depth interviews to be held during August 2010. This will allow the evaluation team to hear from a wider range of donors and government institutions than the interviews will allow, and should also act as preparation for interviewees, which should make the interviews more efficient.

It should be noted that the late start of the evaluation may have an impact on the number of interviews that can be carried out, and the duration of consultation phases. Nonetheless, it is believed that the report can be completed on time for its inclusion in the Synthesis report, and will bring value added for government, donors and civil society within Mozambique.

3 Initial Considerations Regarding the Evaluation in Mozambique

In this section we present some initial considerations, including a response to all the issues outlined in the “Guidance Note for Country Inception Reports”.

3.1 Long History of Paris Declaration-Type aid

Mozambique is a heavily aid dependent country, with a long history of “PD-type” aid and activities. There has been donor co-ordination around budget support and programme aid since the mid-1990s¹, which became more formalised in 2000 with the “Joint Donor Programme for Macro-Financial Support” which involved 6 donors. By April 2004, a new Memorandum of Understanding signed by 15 donors (known as the G15) and the Government of Mozambique superseded this Joint Donor Programme. In 2006 there was a major process of aligning country strategies with government priorities, through a series of “hearings” held by government, during which each donor presented a draft strategy which was discussed and commented up on by government². In 2009 a new MOU was adopted, and the total number of GBS donors had risen to 19. There are also well-established SWAs and common funds in a number of sectors, which pre-date the PD, and the first PRSP was also developed and implemented in the PD environment.

While the issue of causality and attribution of changes to the PD is well referenced in the support documents to the evaluation, this will be a particular challenge for Mozambique. Mozambique was one of the countries at the forefront of developments in aid effectiveness at the time of writing of the PD, and indeed reference to the Mozambique experience was made in a draft of the PD, although this was subsequently removed in the final version³.

This implies the need for a careful reading of the impact of the PD itself, and particularly an attempt to identify, if possible, what can be attributed to the PD, and what would have been the likely outcome in the absence of the PD.

3.2 Complex Aid Architecture

The country has complicated aid architecture, with various donor groups and lines of communication with government. The strongest and most influential donor group is that centered upon provision of GBS, which has led all major activities which could be seen as implementation of the PD on the donor side. Recently this group has admitted the US and UN as associate members, partly in response to an expressed wish from Government to have a more inclusive dialogue, but this still leaves other donors, including Japan, a number of vertical funds and the so-called “non-traditional” donors without an official voice in the most influential group and dialogue processes.

¹ Trocaire/Christian Aid “Donor co-ordination and Aid effectiveness in Mozambique”

² KPMG (2006) Donor Cooperation Strategies with Mozambique on behalf of SIDA.

³ *ibid*

It is also unclear exactly what the division of labour is in terms of aid effectiveness activities within government, with the Ministry of Planning taking the lead in technical and political dialogue with the G19, but the Ministry of Foreign Affairs and Cooperation leading political dialogue with the EU, and being responsible for implementation of the recently approved cooperation policy.

This lack of a unified and clear aid architecture will mean that the consultants will need to gather information from a wide range of donors, both within the GBS and others, and also a wide range of government officials, in order to establish a clear view of the ways in which the PD has affected aid and development in the country. It will be particularly important to remember that particular institutions within government may hold differing or indeed opposing views, and therefore it will be necessary for the consultants to distinguish between sector or individual viewpoints, and official government policy.

3.3 Timing

2010 marks an important moment in the collaboration between donors and the Government of Mozambique. The government was returned to power in late 2009, and is currently developing the next Poverty Reduction Action Plan (PARP in Portuguese). A large number of donors are in the initial stages or about to commence development of new country strategies, to align with the PARP. There was a brief suspension of GBS disbursements in early 2010, while dialogue was held around governance issues, although this has now been resolved and funds are being disbursed as planned. However, the incident reflected increasing donor concerns around key governance issues, and will provide an interesting example of the use of coordinated political dialogue linked to GBS.

A number of recent initiatives have taken place in the field of aid effectiveness. Of note is the very recent approval of the cooperation policy and strategy, as well as the inclusion of the UN and US as associate members of the G19. The Ministry of Planning and Development also recently created an aid coordination department. There have been ongoing discussions related to the development of a code of conduct between government and all donors (rather than just the GBS donors) and initial work has been carried out, and may be given more impetus with the approval of the coordination policy and strategy. The code of conduct as currently envisaged would comprise principles for engagement by both sides, specific commitments and a monitoring and evaluation framework, which would draw upon the PD and AAA.

3.4 Availability and reliability of data for the key areas of enquiry⁴

Data on specific commitments of the PD is available for the group of GBS donors, due to the mutual accountability framework and annual evaluation of partner performance by an independent consultant, as part of the annual review of GBS. For 2009, data is also available for the UN and the US. The challenge for the evaluation team will be that the data available is by definition for the most-aligned and most “PD-compliant” group of donors, and information on others (especially “non-traditional” donors and vertical funds) is less widely available.

⁴ The points in this section from 3.4 onwards are taken from the ‘guidance note for country inception reports’

Mozambique participated in the 2006 OECD-DAC baseline study and the 2008 monitoring study, and data on aid effectiveness is therefore available from this.

There is a wide range of data regarding development results, although poverty information from the most recent household survey will likely not be available at the time of the data analysis stage of the evaluation. An evaluation of the second PRSP (PARPA II in Portuguese) was carried out in 2010, covering the period 2006-9, and a number of key indicators are also reported annually in the government's main M&A document, the *Balanço do PES* and the reports of the annual review between government and the G19. The challenge, as recognised by the IRG and the terms of reference of the evaluation, will be to link any development outcomes to aid effectiveness initiatives or to the PD. However, it is hoped that the detailed analysis for the two chosen sectors may be able to provide specific examples or indications of where this may have happened.

3.5 The feasibility of conducting specific aspects of the evaluation.

The evaluation matrix is extremely exhaustive, and the interview guide is also highly detailed. Time with senior government and donor officials is likely to be limited to at most an hour per interview, and as such it will be necessary to be highly strategic about the approach and the specific questions to ask each interviewee. For this reason, the team will create an interview guide for each key interviewee within government, and will also tailor the interview guide to the specificities each donor, while ensuring that all questions in the matrix are covered throughout the process.

Given that outside of the central ministries there may be less knowledge of the PD and AAA, it will also be important to gauge the level of understanding and familiarity with these instruments. This will be done at the beginning, and the approach taken adapted accordingly. This will be particularly important for the sector studies, but it will also be interesting to assess the level of real understanding of some of the PD issues among donors and central ministries.

As previously mentioned, the GBS group of donors, the G19, has been at the forefront of discussions around aid effectiveness, which has to some extent until recently marginalised other donors. It will therefore be interesting to compare the experiences of GBS and non GBS donors, and particularly the government position on the relative costs and benefits of different approaches, both at sector and central levels.

It will also be important to recognise that the government does not necessarily always “speak with one voice” or share opinions, and therefore care will have to be taken not to attribute to the government what may be an individual, department or ministry viewpoint.

3.6 The aspects of the evaluation that the Country Evaluation Team has initially focused their attention on and the rationale for this – a statement on the ‘game plan’ for conducting the evaluation; any key issues emerging that to date have not formed part of the ToRs.

This inception report is being written less than two weeks into the evaluation process, which has naturally not allowed a great deal of time for detailed analysis. The team has focussed on getting the approach agreed, and developing a good working knowledge of all the documents and particularly the country matrix and interview guides.

The “game plan” essentially follows what has been laid out in the terms of reference and the consultants’ technical proposal, with the addition of a workshop in the pre-interview stage in order to stimulate discussion and debate, and the specific commissioning of a separate study covering the two sectors to be analysed.

The main key issue related to the ToRs is that due to the initial delays, the workplan has been adapted, and there is less time available for each stage. This will put pressure on deadlines and the number of interviews and consultations it is possible to carry out.

3.7 Any opportunities emerging for triangulation with data gathering and analysis from within the Donor HQ studies.

While no specific opportunities for data gathering have been identified at this stage, it is very welcome that the Donor HQ studies include both the US and Japan; both are important donors in Mozambique who, due to the strength of the GBS grouping, have been to some extent excluded from some of the aid effectiveness activities (e.g. mutual accountability frameworks and high level joint political dialogue). Both the US and Japan have been actively involved in the wider dialogue around the development of a Code Of Conduct for all donors in the country, and have expressed the view in the past that GBS is not the only way to achieve PD principles, and it will therefore be of interest to assess the different approaches taken by these donors, which should be aided by the donor HQ studies.

3.8 Any management and communication issues arising between the actors involved in the evaluation process that need to be raised and addressed including any related resourcing issues.

There are no major management or communication issues arising, a good working relationship has been established between the evaluation team leader and the national coordinator, and the NRG has met and approved the approach. One constraint may be the timing of the interviews, which will now fall during the main holiday season for donors, and the government “quiet time”. However, work is already underway to ensure effective communication to interviewees about the process and requirements of the consultants throughout the evaluation.

Resources have been guaranteed by Finland and UNDP, and should not therefore present any constraints to the successful termination of the evaluation.

4 The Agreed Workplan and Timeframe

This section describes the agreed work plan and the timeframe for the main activities to be undertaken during the project implementation. The project is divided into five phases, namely: (i) Project preparation, (ii) Development of the tools for data collection, (iii) Data collection, (iv) Data analysis and (v) Drafting of the report.

It is important note that all these steps should be implemented within a maximum period of three months, i.e. from July to October of the current year. Below is a brief description of each of the project phases, and a detailed workplan and calendar can be found in Annex 1.

Phase 1: Project preparation

The engagement started with an initial meeting with the National Coordinator that took place on July 05th, 2010. This meeting was followed by an initial meeting with the National Reference Group which took place on 15th July 2010. Minutes were taken (in Portuguese) and are presented in annex 2. Additionally, background information was collected and analysed, and a detailed work plan and time line developed.

These activities aim to ensure that the expectations of all stakeholders (both client and other partners) are known and documented as well as relevant information is gathered. This phase will also lead towards a consensus and a common understanding of the project objectives and methodology. The main output expected in this stage is this inception report submitted to the client on 26th July 2010.

Phase 2: Elaboration of the tools for data collection

All the documents and information gathered during the previous phase (several policies of the government, the plans of the government and donors, the Annual Review, etc), will be subject to analysis in order to develop a better understanding of the current context of the project. All activities related to data collection tools elaboration shall be carried out namely elaboration of the guide to the semi-structured interviews and for focus group discussion. As the standard interview guide has been prepared by the International Reference Group, the main work in preparation of the interviews will be to adapt this, and in particular to choose which questions will be most relevant for which audience, given the time constraints many interviewees will face. Additionally, the interviews and meetings with the relevant government institutions and donors will be arranged, including the sending out of detailed information about the process. The approach to quantitative analysis will be elaborated in this stage. The KPMG team in collaboration with the client will organize a workshop for the official launch of the project and presentation of main project aspects. The workshop will take place in the second week of August.

The core output of this phase is the tools needed to carry out the field work. It is expected that this phase ends on 13th August, 2010.

Phase 3: Data collection

In this phase information will be gathered through interviews, focus group discussions and analysis of relevant documentation and statistics. In parallel to the interviews quantitative data collection on specific indicators (indicators of aid effectiveness, poverty and budget allocation)

will be carried out. All information gathered will be revised and stored for further analysis. The main output for this phase is that qualitative and quantitative data is collected, and detailed interview reports of all interviews. A brief summary of the findings from the workshop in phase three will also be presented. This stage is planned to end on the 17th September 2010.

Phase 4: Data analysis

The consultants will document all steps carried out, approaches and methodologies used as well as all findings achieved in each stage of the evaluation. Additionally, data triangulation will be conducted so that diverse viewpoints can be brought to bear on the topics. Additional follow-up interviews and meetings with strategic stakeholders will be held if necessary. This stage is expected to end by 01st October. The output from this stage is a brief analysis of preliminary findings.

Phase 5: Report drafting

Finally, based on the information gathered the team will produce a draft report to be delivered to the client in order to capture viewpoints of the stakeholders involved in the process. The draft report is planned to be delivered by the 18th October, and one week will be given for circulation and comments. These comments will be incorporated into the final report, which is planned to be delivered on 30th October 2010, at which point the project ends.

Sector Report

It should be noted that a report on the two sectors chosen (Health and Agriculture) will be developed prior to the main interview process, in order to feed into the more general interviews at a central level. The sector report will follow a similar methodology to the overall report, including the identification of focal points in each sector to coordinate the work of the consultants, interviews with key government staff and the lead donors in the sector. The draft report on the sectors should be finalized by 31st August 2010.

5 Conclusions and Next Steps

It is expected that this evaluation will bring added value not only to the international process and to understanding of the global impact of the PD, but also the government of Mozambique and its international partners. It will provide an opportunity to assess the current situation, and is taking place at a time when both donors and government may be reassessing the current *modus operandi*.

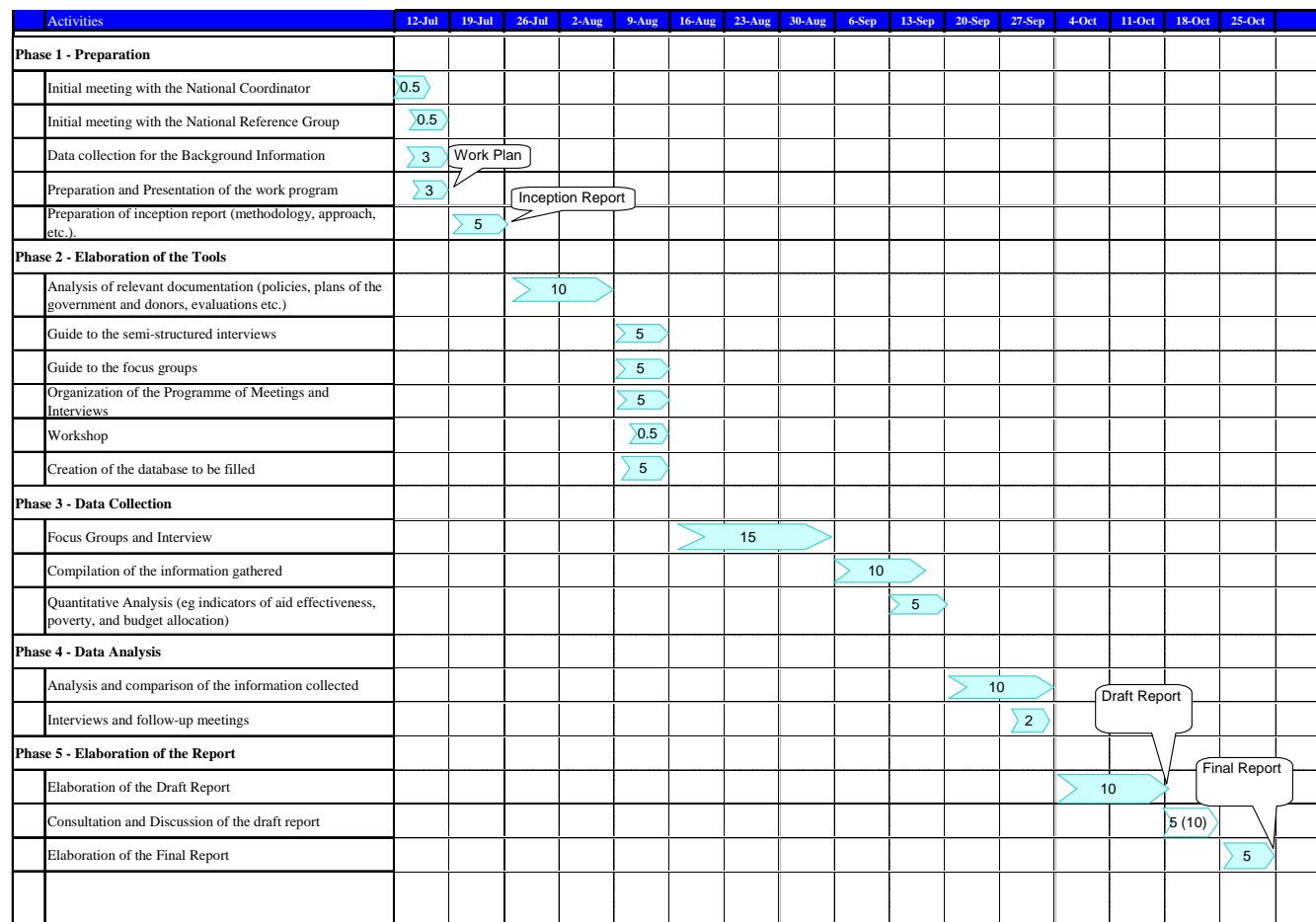
The basic structures for the evaluation are in place, and the methodology and approach have been agreed. The process of informing key interviewees has commenced, and the consultants are ready to start developing the detailed approach to the interview stage.

It is hoped that despite time constraints the team will be able to carry out interviews with a sufficient (and sufficiently diverse) number of interviewees, both from donors and government in order to gain a good idea of the complex nature of the aid environment in Mozambique. It is hoped also that the holding of a workshop prior to the interview stage and the commissioning of a separate study on the chosen sectors will add extra richness to the final report, by providing concrete examples and an opportunity to discuss the concepts and objectives of the PD as they relate to Mozambique.

Next steps include a detailed analysis of relevant documentation, both country-specific and international, the adaptation of interview guides to relevant interviewees, carrying out the sector-based study, the interview process itself, and then the writing up of the main findings, conclusions and recommendations.

6 Annexes

6.1 Calendar and workplan



6.2 Minutes of the Meeting held on 15th July 2010 with the NRG (in Portuguese)

Acta – Encontro Inicial com o Grupo Nacional de Referência

Projecto: Avaliação da 2 Fase da Declaração de Paris

Data: 15 de Julho de 2010

Participantes: Embaixada do Japão (Akiko Aikawa); Nações Unidas (Ramesh da Silva); MPD (Adriano Ubisse, Hanifa Ibrahim e José Mate); ISRI/CEEI (Venilde Sermento); FDC (Marta Cumbe); G20 (Nilsa Chipec) e KPMG (Caroline Ennis, Momed Jamú e Áurea Lalgy).

Apresentação dos principais tópicos da avaliação:

- Objectivo Geral;
- Questões centrais da avaliação;
- Metodologia proposta (concepção lógica);
- Metodologia proposta – Métodos (definidos a nível internacional);
- Apresentação da equipa;
- Comentários aos Termos de Referência (TdR):
 - Advertência aos participantes sobre os limites desta avaliação, concretamente no aspecto referente à atribuição de melhorias ocorridas no país à Declaração de Paris (DP), pelo facto de muitas iniciativas terem sido introduzidas antes da DP, derivando daí a dificuldade de fazer atribuições de melhorias;
 - O horizonte temporal de avaliação ser muito curto (apenas 5 anos);
 - Falta de *counterfactual*, i.e., a possibilidade de existência de um cenário que permitiria a comparação de uma situação com e sem a DP.
- Factores críticos de sucesso da avaliação;
- Plano de trabalho revisto;
- Questões e passos a seguir:

- Indicação das datas de viagem dos peritos internacionais afim de integrarem as equipas de trabalho na condução da avaliação;
- Definição do momento para a organização de um seminário para a apresentação do projecto junto aos doadores e instituições governamentais;
- Indicação do estudo comparativo específico a fazer;
- Indicação da data específica de entrega do relatório de inepção ao MPD.

Questões levantadas pelo Director:

O director explicou que o estudo pode trazer alguma subjectividade pelo facto de que antes de se introduzir a DP, o país já ter iniciado o processo de reforma do sector público (SISTAFE, etc), introdução dos Fundos Comuns, SWAPs, etc. Será difícil separar os efeitos do desenvolvimento resultantes da DP e os que não resultam da DP. Na sua óptica, é muito importante não atribuir excessiva superioridade à DP sobre as outras iniciativas que já se encontravam em implementação, antes da DP.

Quanto aos **estudo comparativos**, o director alertou acerca da necessidade de uma indicação mais clara acerca do que se vai comparar.

Questões gerais levantadas pelos participantes durante o encontro:

A Coordenadora Nacional para a avaliação referiu que este processo vai decorrer num momento crítico, pelo facto de que grande partes do doadores encontrarem-se em período de férias.

A mesma fonte indicou que já foi enviada uma carta do MPD aos sectores a avaliar (Saúde e Agricultura) a solicitar que estes indiquem um ponto focal para a colaboração na avaliação, tendo estes já sido indicados pelos respectivos sectores.

Pelo facto de existirem apenas 3 meses (e não 6) para desenvolver o trabalho, não será possível entrevistar todos os doadores dentro do G19 e nem todos os que não fazem parte dos G19. Assim procurou-se constituir um grupo que incluía tanto os grandes parceiros bem como os pequenos, tradicionais e não tradicionais.

Os doadores identificados pelo MPD para realizar entrevistas são:

Dentro dos G19

- USAID
- UN
- DFID

- Finlândia
- Canadá
- União Europeia
- França
- Portugal

Doadores não Tradicionais:

- China
- Brasil
- Índia
- África d Sul
- Rússia

Nota: O MPD já tem uma resposta da China e Rússia.

Fundos Verticias:

- Global Fund for Aids, TB and Malaria

A coordenadora Nacional informou sobre o plano de realizar o seminário entre os dias **2 a 6 de Agosto**, onde serão convocados todos os doadores, governo e sociedade civil. Este seminário tem como objectivo, colocar as diversas instituições ao corrente dos processos que envolvem este projecto, bem como o actual estágio do trabalho.

Contudo a representante da Embaixada do Japão sugeriu que o seminário ocorra na semana de **09 a 13 de Agosto**, por forma a não coincidir com a reunião dos *Development Partners Group* (DPG), não tendo sido ainda definido o dia específico para o efeito.

Sugeriu-se igualmente que na reunião dos DPG fosse feita uma pequena apresentação do trabalho que está sendo realizado no âmbito deste projecto. Concretamente: o que está sendo feito, as decisões tomadas, resultados, etc. O principal objectivo deste encontro é chamar a atenção dos parceiros sobre todo o processo que envolve este trabalho.

No que respeita à **Análise Comparativa**, foi avançado que o sector da Saúde (objecto deste estudo) recebe fundos verticais e tem também um fundo comum (PROSAUDE). É por esta razão que será importante analisar este sector, focalizando-se em particular nos seguintes pontos: (i) quais as vantagens de trabalhar com os diferentes sistemas; (ii) quais os custos de

transação envolvidos ao trabalhar com o fundo comum; (iii) será que os desembolsos dos fundos verticais chegam a tempo no sector?; (iv) qual dos sistemas é mais eficientes (entre os fundos verticais e o comum).

Foi indicado pelos participantes que seria importante analisar os acordos existentes no país antes e depois da implementação da Declaração de Paris. Isto será útil para avaliar de forma global se a resposta à ajuda externa melhorou em resposta à DP. A coordenadora Nacional (Hanifa) ficou responsável por contactar o Ministério dos Negócios Estrangeiros para tentar obter esses acordos.

Foi avançado que seria igualmente importante comparar a ajuda externa à maneira da DP e à maneira de não DP.

O director sugeriu que houvesse clareza nos elementos usados para efectuar esta análise comparativa. No entanto a equipa de pesquisadores afirmou que será difícil encontrar evidências concretas sobre a atribuição de resultados à DP. No entanto, a análise comparativa poderá ajudara a explicar alguns resultados concretos da DP.

A representante do Japão sugeriu que a equipa de consultores tivesse algum cuidado nas questões a abordar aos parceiros não tradicionais.