MACS
Management & Consulting Services

Delegation of the European Commission to Guyana

Technical Assistance for the Development of an Action Plan for improved EC technical cooperation with Guyana

EUROPEAID /119860/C/SV/multi

REPORT ON ACTIVITIES

February 2009

Delegation of the European Commission to Guyana, Suriname, Trinidad&Tobago, Aruba and Netherlands Antilles

Georgetown, Guyana

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Abbreviations:

CARICOM	Caribbean Community and Common Market
CDB	Caribbean Development Bank
CSP	Country Strategy Paper
DAC	Development Assistance Committee
DFID	UK Department for International Development
EC	European Commission
ECA	European Court of Auditors
EIB	European Investment Bank
EU	European Union
GoG	Government of Guyana
GoS	Government of Suriname
IDB	Inter-American Development Bank
MDG	Millennium Development Goals
MoE	Ministry of Education
MoH	Ministry of Health
MS	Member States
MTR	Mid Term Review
NAO	National Authorizing Officer
PC	Partner Country
PLOS	Ministry of Planning and Development, Suriname
PS	Permanent Secretary
PIA	Project Implementation Arrangement
PIU	Project Implementation Unit
PRAG	Practical Guide to Contract Procedures for EC External Actions
PRSP	Poverty Reduction Strategy Paper
TA/ TC	Technical Assistance/ Technical Cooperation

TOR	Terms of Reference
UNDP	United Nations Development Program
USAID	US Agency for International Development
WP	Work plan

1 INTRODUCTION

In July 2008 the European Commission adopted the document "Reforming Technical Cooperation and Project Implementation Units for External Aid provided by the European Commission – A Backbone Strategy" (further "Strategy").

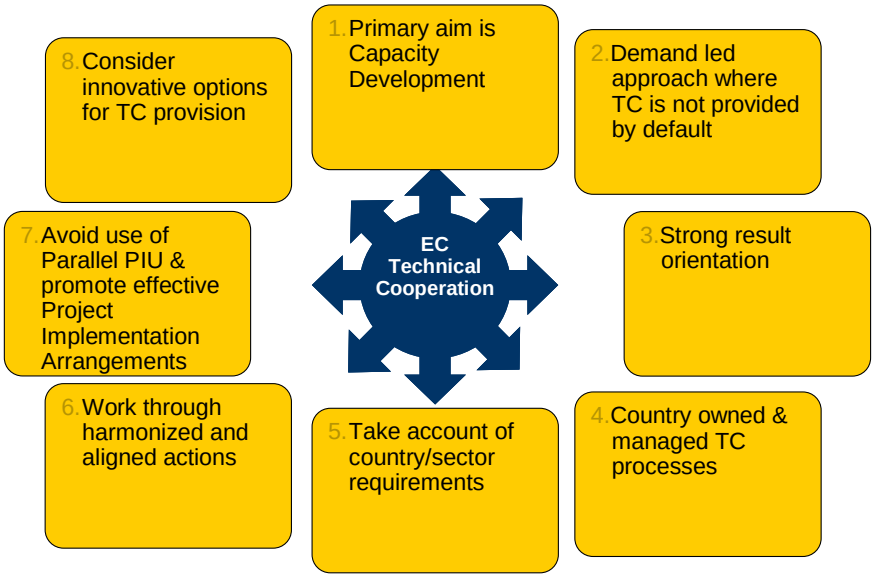
EC Delegations are requested to prepare "Action Plans" that will include appropriate targets for the implementation of the Strategy at country level. More specifically, the Action Plan should include a) a 'mapping exercise of TC operations and of parallel PIU's, b) actions to address TC practices which conflict with the guiding principles of the Strategy and c) measures to phase out parallel PIUS and to ensure better accountability of all TC operations and improved Project Implementation Arrangements[1].

An expert mission under a framework contract took place from January 19th and 28th and from February 5th to 13th, with a presentation in Suriname on February 17th. The objective of the assignment was to finalize the Action Plan for the Guyana Delegation and thus to contribute to harmonization of the action within the region for which the Guyana Delegation is responsible. The present report gives an overview over the activities and meetings held during the assignment. The Action Plan is presented as a separate document.

2 METHODOLOGY/ APPROACH

The EC Backbone Strategy contains a set of principles that shall guide the future provision of EC funded Technical Cooperation

Figure 1: EC Backbone Strategy on Technical Cooperation – Guiding Principles



[1] EC (2008): Backbone Strategy, p.23.

The guiding principles were used in order to structure interviews with Government stakeholders and representatives from other donor organizations active in Guyana. The following aspects where also studied during the assignment:

- **The Policy Environment for Technical Cooperation.** Improved donor coordination and alignment of Technical Cooperation with the Partner Government's priorities are major components of the Backbone Strategy. It is therefore important to understand the environment in which areas for TC interventions are identified and projects are designed.

- **Donors and sectors of intervention (TA mapping**). Equally important is to map current sectors of interventions and areas of specialization of different donors. This helps to avoid duplication of efforts, to create synergies and to identify gaps where more intervention is needed.

- **Considerations for future TC interventions in line with the guiding principles meeting the quality criteria.** The guiding principles and quality criteria were used to structure interviews with stakeholders and to identify perceived shortcomings in current project setups and gather suggestions for improvement.

3 SUMMARY NOTES OF MEETINGS

3.1 Project partners/ Government of Guyana

3.1.1 National Authorizing Officer, Ministry of Finance

Date: 21.01.09

Present: Mr Tarachand Balgobin, Division Head, Project Cycle Management Division, EC Action plan group, Mr Felix Girard (NAO Task Force), Mr Ingelbrecht, Mr Belpaire, Ms Lord-Corbin (EU delegation).

Mr Balgobin outlined his view on the framework of governance in donor coordination, that consists of three levels: (1) the highest level is the PRSP group chaired by the President that leads the discussion on the PRS under the auspices of the UNDP. Meetings take place on an ad-hoc basis (2) the second level consists of the Thematic groups. Thematic Groups are organized around sectors, but are not institutionalized very well; some work better than others, such as the Water Thematic group. (3) on the third, more operational level, Mr Balgobin himself meets donors on a bilateral basis.

Mr Balgobin criticized the following aspects:

- Different technical approaches by different donors (eg in the water sector – donors do not build upon what other donors have already done; different technical concepts)

- Thematic groups are too weak in terms of decision making

- Donors do not provide enough general budget support – budget support however is needed because it provides far greater flexibility

On the question, what can be improved in terms of provision of TC, Mr Balgobin mentioned:

- more use should be made of local staff (eg local auditors)
- PIU staff should be fully integrated in Government structures (with a possible salary topping up)
- Local public financial management systems should be used – no parallel use of financial management systems
- More focus on sector strategies
- No studies should be prepared on topics that have been already over studied – TC often wasted on studying the same topics again
- More focus on capacity building

3.1.2 Ministry of Public Works and Communication

Date: 23.01.09

Present: Mr Rickford Lowe, Head of Work Services Group, Ms Agnes Dalrimple, Chief Sea Defense Officer, Mr Mewburn Amsterdam, Project Manager

Mr Lowe briefly outlined the new institutional situation – Works Services Group (WSG) also responsible for Sea Defenses – as well as the challenges to the sector. The WSG is responsible for coordinating/ implementing all donor funded projects in the sector. Mr Lowe mentioned that the WSG maintained a very close and good relationship with the EC as the main donor in the sea defense sector.

Lack of sufficient operational staff was mentioned as a constraint – currently an internship program for students is being developed to attract new staff.

Mr Lowe expressed more need for capacity building and for making use of embedded experts that can provide hands-on training on the job (sea defense structure maintenance) for a longer period of time.

There should also be made more use of local or regional (academic) knowledge.

As for cooperation with donors, Mr Lowe mentioned different approaches between EC and IDB – whereas the EC usually drafts ToR and asks WSG for approvals, ToR under IDB financed projects are usually prepared with more involvement of WSG staff and sent to IDB for no objection.

There is involvement of other donors in the sector: The Indian Government financed the Cricket Stadium and Traffic Lights in Georgetown, the Brazilian Government is offering assistance to reconstruct the road to the Brazilian border.

3.1.3 Ministry of Health

Date: 26.01.09

Present: Hydar Ally, PS, Dr Shamdeo Persaud, Ms Karen Yaw

The PS briefly outlined the donor support received. The Health sector receives support from IDB and WB, UNICEF and UND in combating HIV, Tuberculosis and Malaria. Additional support is provided through the placement of Cuban Doctors and through different training program for medical personnel funded by India and China. JICA is looking at increasing their engagement in the sector.

As for the coordination and implementation of donor funded programs, the MoH has established an PIU (Health Sector Development Unit, Head Keith Barrowes) that is responsible for managing all donor funded projects. Employees in the unit are staff contracted by the MoH, but a large share of the funding is provided from the donor projects.

As for sectorial coordination, the PS mentioned that the Health Thematic Group meets regularly (about once a quarter). Meetings are chaired by the Minister and co-chaired by PAHO representatives – often PAHO organizes the meetings and prepares the Minutes. In addition, the Health Policy Committee is responsible for discussing the Multi-Annual Health Sector Strategy (currently a draft for the new policy is preparation).

The main constraint in the implementation of projects is the weakness of middle management and administrative personnel. More specialized (postgraduate) training is needed for Health Sector Administrative personnel (with skills in planning/ budgeting, Health economics, monitoring of indicators). There is also a lack of funding for postgraduate specialized medical training – partly due to the risk that qualified personnel seeks private sector opportunities. There is too little staff – project staff is overworked. As for funding – sufficient is available for HIV/ AIDS programs, but too little attention is given to dealing with other diseases or to increasing the capacity of the sector itself.

Dr Persaud provided a copy of the Terms of Reference for the present Thematic Groups (General ToR) to the Consultant.

3.1.4 Central Housing and Planning Authority, Ministry of Housing and Water

Date: 27.01.09

Present: Ms Myrna Pitt, Head CHPA.

The CHPA receives support through the EC funded Support to Low Income Housing Project (running until mid 2009). A project financed by the IDB has been completed (Low Income Housing Program I), but the agreement for a second phase (LIH II) has been signed in December 2008.

The EC funded project is implemented by GTZ, effectively managing independently all project related activities. The project setup is perceived as a condition to the grant financing. The setup creates problems with respect to the integration of activities under the project framework and the Agency's general procedures. In contrast, the LIH II will be implemented directly by the CHPA without any assigned PIU, an approach very welcome by Ms Pitt.

In general all TA should be focused directly on the CHPA staff (such as financing Postgraduate level degrees for staff, provide assistance in enhancing the MIS, providing in-house training etc).

3.1.5 Ministry of Education

Date: 05.02.2009

Present: Permanent Secretary Pulander Kandhi

The PS outlined the current development assistance programs in the education sector:

- Education for all fast track initiative (EFTI) financed by the World Bank
- Basic Education Access Management Program (IDB) financed by the IDB

Both programs have components to strengthen the institutions, to build up capacities and to invest in teaching infrastructure.

In addition, the GoG has signed a program loan over USD 7.5 mln to support Technical and Vocational Education and Training.

With respect to both programs the PS noted that sustainability is difficult to guarantee, as the education sector faces a risk form brain drain/ migration of skilled/ trained personnel, as well as a lack in administrative capacity (administrative/ managerial staff, staff for monitoring of results). Adequate maintenance of newly constructed/ rehabilitated facilities is difficult to ensure.

Projects staff is usually drawn from public sector employees with the prospect of higher salaries, which weakens the administrative capacity. After the project funds run out, the Ministry cannot continue to pay the higher salaries. There is not enough focus on training of counterparts.

The MoE runs two separate in-house PIUs for the two projects mentioned above, with staff paid from project funds.

There is a lack of administrative/ project management staff. As for TC – most projects deal with short term consultants; however it would be more effective if a longer presence in the country is foreseen.

The Thematic Group on Education only meets on about once a year. Most donor funded projects are discussed on a bilateral basis.

3.1.6 Ministry of Agriculture

Date: 05.02.2009

Present: Permanent Secretary Mr Dindyal Parmaul, Ms Elizabeth Ramlal

Mr Parmaul briefly explained which donors were active in the Agriculture Sector and how donor funded programs were managed within the MoA. Recently, all PIUs have been merged into a central project implementation unit, the Agricultural Sector Development Unit (ASDU) – an approach that is being followed in other Ministries as well (such as MoH, and WSG in Ministry of Public Works). Work is ongoing on establishing a centralized register/ archive for reports and studies within the ASU.

MoA pursues innovative approach in order to retain qualified staff: By creating independent agencies on an arm-length basis, the public service salary structure can be avoided – salaries in agencies are higher than public service (eg Lands and Surveys Commission, Forestry Commission). Many functions are thus covered by specialized arm-length institutions, the MoA only retaining an oversight function.

As for the experience with EC funded projects, Mr Parmaul made the following comments:

- lack of in-house capacity for technical backstopping
- work together more closely in the drafting of ToR and the selection of consultants
- more focus on training in the country – also involving trainers from the Caribbean Region as opposed to international/ European experts

3.2 Donors active in Guyana

3.2.1 Department for International Development, UK

Date: 22.01.09

Present: Ms Joanne Cooke

Ms Cooke presented the ongoing DFID funded TA activities. DFID activities in general in Guyana are being downscaled, because in the future DFID pursues a regional approach through Caricom. In Guyana, DFID will be involved in the sectors of:

- Economic Growth
- Security and
- Climate Change/ Disaster Risk Reduction

The presently ongoing project in the water sector (through the Ministry of Housing and Water/ Guyana Water) and the Education sector (Ministry of Education) are coming to an end. DFID does not provide any budget support to Guyana.

DFID works mainly through Consultants directly selected and hired by DFID. In particular in the security project DFID deals directly with the Office of the President. DFID participates in the Thematic Group on Governance (headed by the Office of the President) and in its sub-group on Security (both of which meet regularly once to twice per month). IDB and UDNP are the other donors in sector. There are discussions ongoing on establishing a Thematic Group on Disaster management and risk reduction.

Ms Cooke expressed interest in setting up an internet platform for information exchange between donors and the Government, but mentioned that it would have to be hosted and administered by the Government to be effective.

3.2.2 World Bank

Date: 23.01.09

Present: Ms Angela Demas.

Ms Demas outlined the currently ongoing projects funded by the WB.

- Conservancy Adaptation Project (CAP) with the objective to decrease the vulnerability of catastrophic flooding in the Guyana low-lying coastal area (running since 2007) funded from the GEF (USD 3.8 mln) – three components: 1) pre-investment studies for engineering design of works. 2) investments in specific adaptation measures. 3) institutional strengthening and project management - strengthen institutional framework for flood control within the context of the national emergency management sector headed by the civil defense commission.

- HIV Prevention and Control Project – Mix of Technical activities both related to mitigation and HIV/ AIDS prevention, institutional strengthening, scaling up HIV response, expanding health care (2004-2009, but with a probable extension) – implemented by MoH – Health Sector Development Unit

- Education Fast Track Initiative (MoE) – in order to strengthen planning and procurement an officer in the MoE is financed by project funds

- Support to development of Office of Statistics

Problems occur in working with Project staff in Ministries since there is too little staff and staff is overworked. WB gives support in preparing mullet-annual strategies (eg MoH, MoE)

Thematic groups meet with mixed regularity: Education (work on sector strategy, but not meeting regularly), Health and water, Governance (meeting regularly). Usually they are organized and chaired by a Minister and co-chaired by a donor. As

for non-standard practices to provide TC there is a south-south trust fund that supports the sharing of best practices amongst developing countries.

An information Web Site would be a useful tool, if the structure and access rights are clearly defined.

3.2.3 CIDA

Date: 26.01.09

Present: Mr Brett Maitland

Mr Maitland outlined the currently ongoing TA projects financed by CIDA and explained the way projects are usually set up. Projects are in general implemented by Canadian Implementing Organizations (either non-governmental or other Canadian Government Agencies – called Canadian Executing Agency, CEA).

CIDA is also considering to channel more funds through regional programs as opposed to bilateral assistance, and to channel funds through international bodies such as the UN organizations, PAHO or the Red cross. It is not clear yet what will be the detailed regional strategy. CIDA will further be engaging actively in the governance sector through a wide range of activities (support to Government procurement, legislative drafting, support to media, civil society). In line with the regional approach, CIDA will provide funding to capacity development of the CARICOM secretariat.

As for donor coordination, technically the responsibility should lie with the Ministry of Finance. However in practice the MoFs role in donor coordination is limited.

Thematic groups are one possible platform for donor coordination – the Thematic groups for Governance being the most effective. The regular coordination meetings within the framework of the National Competitiveness Strategy (MinTEC) are also effective in promoting coordination, although the meetings do not formally constitute a thematic group.

The PRSP coordination process is not very effective – no meetings have taken place to discuss progress in the last two years.

3.2.4 Inter-American Development Bank, IDB

Date: 26.01.09

Present: Mr Marco Nikola, IDB Representative.

Mr Nikola briefly outlined the IDB's engagement in Guyana: the IDB is present all every sector, providing stand-alone TA as well as TA connected to capital investment projects (project preparation, monitoring, capacity building).

As for stand-alone TA there are two major axes: a) Economic Governance/ Public Financial Management (with the MoF) and b) PRSP progress monitoring and

evaluation. In addition there is support in the field of Climate change (with the Office of the President) – supporting the GoG in preparing another Disaster Management Plan.

As for non – stand alone technical assistance, the IDB focuses on TA for project preparation and monitoring and evaluation accompanying projects in:

1. Transport
2. Water Sector – Guyana Water Inc.
3. Nutrition – Ministry of Health

The Government does not play an active role in donor coordination – process is largely driven by donors. The sector coordination in the Thematic Groups works reasonably well, although in some sectors better than in others (eg Water). There should be more coordination in the Competitiveness sector.

Criticism that too many studies are prepared by donors is justified – often objectives of study are not defined clearly between donor/ consultant and government – so that acceptance is low (eg Democratic Government Institutional Assessment Study, Transport Sector Study financed by EC).

Supervision of Consultants should be improved – guidance should be given to Project Partners / Government how this can be done.

As for coordination with "Non traditional donors", CDB does not communicate much with other donors, communication with Brazil, India and China difficult, since they only have diplomatic missions in the country.

3.2.5 USAID

Date: 09.02.2009

Present: Ms Chloe Noble

Ms Noble provided the Consultant with an overview over ongoing USAID funded projects:

- Guyana HIV/ AIDS Prevention
- Guyana Democratic Consolidation and Conflict Resolution Project
- Guyana Trade and Investment Project

USAID is currently in the process of discussing its new cooperation strategy (2009-2013) with the Government of Guyana. Interventions in the coming four years will focus on the same sectors:

- Health
- Democracy and Governance

- Economic Growth

All projects are implemented through contractors that set up independent PIUs. Contractors are chosen by USAID directly.

Country strategies are discussed with the Office of the President and the Ministry of Finance (Mr Balgobin). USAID project managers participate in the relevant thematic group meetings, but due to constraints within USAID procedures options for formal cooperation with other donors are limited.

3.2.6 UNDP

Date: 10.02.2009

Present: Mr Didier Trebucq

Asked about the two-level aid coordination mechanism, Mr Trebucq mentioned that the high-level meetings to discuss the PRSPP have not taken place within the past two years. Coordination does take place within the Thematic Groups on a sectoral level. However, there are no updated detailed ToR available for the Thematic Groups. A new thematic group on Disaster Management and Climate Change is about to be established. The most effective groups and the groups that UNDP is most active in is the Thematic Group on Governance and its sub-group on Security. In general donors do coordinate on a level of country strategies, but the degree of coordination on the operational level is low. There should be a second coordination mechanism on operational level in addition to the Thematic Groups.

As for specific areas of intervention, the UNDP is supporting a Working Group to draft the new 2009 MDG progress report. In addition, UNDP is financing a number of TA projects related to environment/ climate change.

3.2.7 GTZ Low income housing project (EU funded)

Date: 21.01.09

Present: Mr Bernhard Weihs, GTZ Project Team Leader

Mr Weihs outlined the setup and the evolution of the project and the problems connected to the implementation. Problems arose with respect to the implementation schedule, the coordination with the CHPA as well as the MoF, the timing of the contract. In particular the underlying assumptions and targets and the budget for the project had created difficulties as the external circumstances changed (such as the increase in construction materials). Assumptions and budget should be reviewed on a regular basis and in a transparent process involving all stakeholders.

EC procedures create a high administrative cost (procurement, accounting). The 90 day term for settlement of bills creates problems with suppliers that are used to shorter terms (increases the cost, less bidders).

The project includes a component for Community Development; however, there is no ownership from the part of the CHPA. It is highly unlikely that the staff contracted by GTZ will be taken over by the CHPA after the end of the project.

4 RESULTS OF PRESENTATIONS/ DISCUSSIONS

4.1 Presentation of Draft Action Plan, Georgetown 13.02.09

The results of the stakeholder interviews and the draft action plan were presented in the premises of the EC delegation on 13.02.09. Besides the EC delegation, the Office of the NAO, the Ministry of Agriculture, the Works Services Group of the Ministry of Public Works, the IDB and CIDA were represented.

During the discussion it was mentioned that one of the main constraints is lack of ownership, partly due to the highly centralized nature of Government.

Two proposals found the widest support in the audience:

- Setting up a cross-sector training agency and training program;
- Strengthening the thematic groups;

In order for one of the proposals to be successful, it would have to be communicated to the Cabinet of Ministers. A Government decision would be necessary to establish new terms of reference for Thematic Groups.

4.2 Presentation of Backbone Strategy, Paramaribo17 .02.09

After a presentation of the Backbone Strategy and of the approach followed in Guyana, the Backbone Strategy to EC delegation's operational staff in Paramaribo was presented to a wider audience of stakeholders in Suriname. The presentation took place in the delegation's office and brought together representatives form the NAO – the Ministry of PLOS, local partners from the projects (Ministry of TCT, Ministry of Public works, NGO and Business Forum projects) as well as representatives of the main donors (Dutch Embassy, French Embassy, IDB, UNDP).

The main driving principles behind the Backbone Strategy and the main pillars of the Strategy were presented.

Following the presentation, a discussion

- the framework for donor coordination and
- efficiency of EC procedures, quality of TC

Currently, there is no institutionalized framework for donor coordination. The Government through the Ministry of PLOS engages in bilateral discussions with the different donors. Although there are examples of coordinated efforts (eg EC funded Road to the Ferry), these are rather the exception than the rule. There is informal information exchange between donors, but no institutionalized platform.

The Ministry of PLOS is working on establishing a Aid Coordination Database. The project earlier received support from the IDB and is currently supported by the UNDP. The database structure is presently being finalized, and shall allow centralized access to reports and studies and information on past and ongoing donor funded projects. The database is also expected to allow access to information on future/ pipeline projects.

The Consultant proposed the representatives of PLOS to host multi-lateral donor coordination meetings on a regular basis.

A number of remarks were made with respect to the quality and the selection of TA Consultants. The selection of consultants could be improved by conducting telephone interviews; furthermore the Government is usually involved in selection processes through participation in the selection commission.

The following conclusions were made at the end of the discussion:

- EC delegation will continue in engaging in discussion about Action plan
- The Ministry of PLOS will continue its work on aid coordination database with support from UNDP
- The Ministry of PLOS will study the option of hosting regular donor coordination meetings
- Steps will be taken to improve selection process of experts (telephone interviews as a rule) and to improve monitoring of consultants (feedback cycle – payments/ penalties)
- Steps will be taken to improve the project setup – clearly define local contribution and responsibilities of local project partners (remuneration of project counterparts and project steering committees)

ANNEX 1: PERSONS MET IN SURINAME

Surname	Name	Position	Institution	Phone No
Ally	Hydar	Permanent Secretary	Ministry of Health	227-1316
Amsterdam	Mewburn	Project Manager EC project Sea Defences	Ministry of Public Works and Communications	
Balgobin	Tarachand	Division Head	Project Cycle Management Division, Deputy NAO, MoF	224-7262
Belpaire	Rigo	Head of Economic Section	EC Delegation Guyana	
Cooke	Joanne	Representative	DFID	224-5492
Dalrimple	Agnes	Chief Sea Defence Officer	Ministry of Public Works and Communications	
Demas	Angela	Country Representative a.i,	Worldbank	223-5036
Girard	Felix	Team Leader	NAO Task Force, MoF	
Heikens	Geert	Head of Delegation	EC Delegation Guyana	
Ingelbrecht	Christopher	Head of Technical Section	EC Delegation Guyana	
Kandhi	Pulander	Permanent Secretary	Ministry of Education	225-4163
Lord-Corbin	Shevone		EC Delegation Guyana	
Lowe	Rickford	Head	Work Services Group, Ministry of Public Works and Communications	225-9870
Maitland	Brett	Head of Aid, - Guyana, Suriname	CIDA	
Nicola	Marco	Representative	IDB	225-7950
Noble	Chloe		USAID	224-7315
Permaul	Dindyal	Permanent Secretary	Ministry of Agriculture	227-5527
Persaud, Dr.	Shamdeo	Chief Medical Officer	Ministry of Health	226-12224(0)
Pitt	Myrna	Head	Central Housing&Planning Authority, Ministry of Housing&Water	226-2265
Rigler	Vivien	Project Officer	EC Delegation Guyana	
Sexstone	Darrell	Head of Economic Section	EC Delegatin Suriname	+597-499322

Trebucq	Didier	Resident Representative	UNDP	226-4040
Weihs	Bernhard	Project manager	GTZ, Low income housing project	226-8530
Yaw	Karen	Expenditure Plannung&Management Analyst	Planning Unit, Ministry of Health	225-1643
Rumlal, Dr	Elizabeth	Head of Agricultural Sector Development Unit	Ministry of Agriculture	227-3751
Seepersaud	Cecil	Head of Agricultural Project Cycle Unit, Member of Public Service Commission	Ministry of Agriculture	226-100

ANNEX 2: PARTICIPANTS PRESENTATION IN PARAMARIBO

Name		Institution
Sexstone	D	EC delegation
Lenaerts	K	PMU Tourism
Poconi	E	Ministry of TCT
Bryce	B	Inter-American Development Bank
Phoelsing	A	Ministry of PLOS
Chin A Lin	T	Ministry of PLOS
Soman	G	Minstry of Public Works
Hof	P	Embassy of the Netherlands
Koote		Consultant
Clough	A	Roughton International, Supervision of Road to Ferry
Narayanassamy	G	Embassy of France
Sewradj	G	Ministry of Agriculture
Kalka	R	Suriname Business Development Center
Doekhie	R	Suriname Business Forum
Amanad	R	Suriname Business Forum
Leiser	C	Transtec SNIS Project
Gittens	T	UNDP
Boeddha	R	Ministry of TCT

ANNEX 3: SLIDES OF PRESENTATIONS

Action Plan for improved EC technical cooperation with Guyana

Delegation of the European Commission to Guyana

Georgetown, Feb 13th, 2009

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- The Policy framework
- Donor mapping
- Results from stakeholder interviews

III. **Action Plan**
- Programme Environment
- Programme Design
- Programme Implementation

I. Background

I. **Background**

- The International Agenda for Aid Effectiveness
- The Commission‘s Backbone Strategy
- Guiding Principles
- Action Plan for EC Delegation
- Approach

The International Aid Effectiveness Agenda

- **Paris Declaration on Aid Effectiveness**
  - » Focus on Capacity Development and alignment of TC and PIUs
  - » Regular monitoring of progress – positive trend

- **Accra Agenda for Action**
  - » Capacity development is the responsibility of developing countries
  - » Donors playing a supportive role.
  - » Demand-driven & country owned support
  - » Developing countries & donors will :
    - jointly select and manage technical cooperation,
    - promote the provision by local / regional resources, South-South Cooperation.

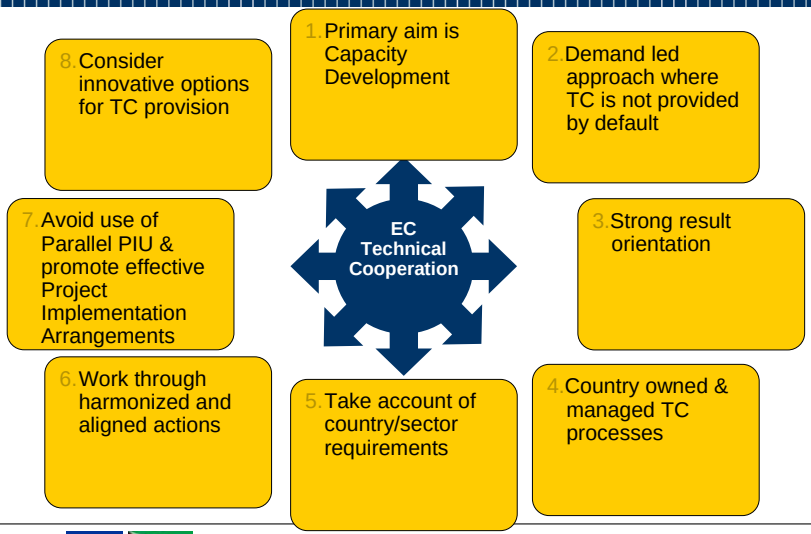
Backbone Strategy: Vision

Improved effectiveness and sustainability of EC development assistance, based on:

Provision of "**quality** TC" that supports **country-led** programmes, based on **partner demand** and focused on **sustainable** results

Provision of support through **partner-owned Project Implementation Arrangements**, with a substantial reduction of Parallel PIUs

Eight Guiding Principles for EC Technical Cooperation



Implementation of Backbone Strategy at country level

- Mapping of significant TC and parallel PIUs
- Develop concise country **Action Plans**
  - Redress "policy gaps"
  - Phase out parallel PIUs alive in 2010, improve project implementation arrangements
  - Frame the preparation of future TC operations and PIUs
  - Grasp opportunities for enhanced coordination

Country "Action plans" → : empower delegations to drive the reform

Approach

Interviews with partners in Government

1. Policy framework

2. Map of TA interventions

3. Comments with respect to EC TC and Strategy's Guiding Principles

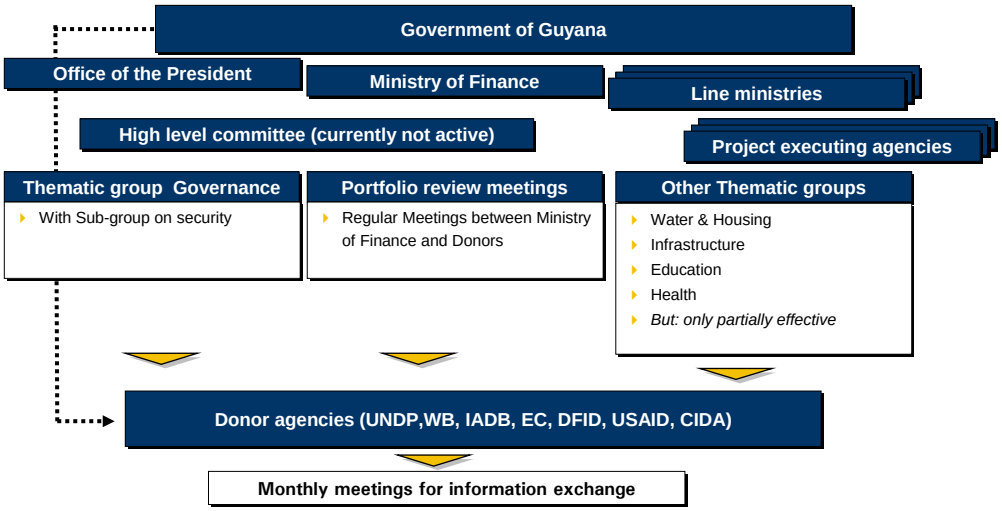
Interviews with other donor agency representatives

II. TA Mapping and Processes

II. **Assessment – TA Mapping and Processes**

- The Policy environment
- Donor mapping
- Summary of Results from stakeholder interviews

Policy framework



Policy Framework contd

- High level committee and thematic groups created in 2001/ 2002 in the PRSP process
- Thematic groups not too powerful in strategic decision-making due too low institutionalization
- Lack of clarity what constitutes thematic groups / competencies
- Strategic decisions taken in bi-lateral meetings
- However: potentially powerful too, as groups provide the only coordination platfom involving all actors in the respective sector

Map of donor funded TA (simplified)

Sector/ Agency	IDB	WB	UNDP	EC	DFID	USAID	CIDA
Housing & Water	Low Income Housing	Water Sector Consilidation		Support to Low income housing	Water Sector		
Health	Nutrition, Mental Health Care	HIV/ AIDS				HIV/AIDS	HIV/AIDS
Disaster Management and Climate Change/ Environment	Climate Change&Biodiversity	GEF-Conservandy Adaptation	Capacity Building for Environment, Sustainable Land Management				Environmental Capacity Building, Disaster Risk Management
Infrastructure				Sea Defense, Land Use Master Plan	Sea Defense		

- Note: Sectors follow Government's definition/ Thematic groups

Map of donor funded TA (simplified)…continued

Sector/ Agency	IDB	WB	UNDP	EC	DFID	USAID	CIDA
Education	Basic Education Access	Education for all - FTI					
Governance & Security	Citizen Security loan, Justice Administration loan, Support to MoF		Enhance Public Trust and Security, MDG Monitoring and Reporting	Support to Governance, MoF NAO Taks force Support	Security Sector Reform	Democracy & Governance (tbd)	
Competitiveness and Economic Growth/ Agriculture	Financial Sector, Energy, Agriculture, Comp. Strategy	Bureau of Statistics	Replicable Poverty Linkages	Sugar Sector Support		Guyana Trade and Investment Project	Support to Private Sector Commission

Map of donor funded TA - Coordination

- Sufficient Information sharing between Government and in particular amongst donors
- No clear overlaps or conflicts between interventions – due to donors‘ focus sectors
- However limited amount of formally coordinated aid (pooled funding, delegated implementation,co-financing)
- Synergies can be used with respect to cross-cutting issues (public financial managemet, statistics, monitoring)
- New sector where coordination should be improved: Environment/ Disaster Prevention and Control/ Climate Change

Interview results with respect to guiding principles

1. Focus on capacity development

- Abundance of studies as opposed to actual training/ capacity building projects
- Long term trainers in country needed as opposed to shortm expert missons
- Lack of mid level managerial/ administrative personnel in Government agencies

2. Demand led approach

- Perception that TC is not always driven by explicit demand
- Donor coordination effective mainly because of donor committment

Interview results with respect to guiding principles

3. Adopting results-orientation

- Indicators are defined in EC projects – but revision of assumptions and targets may be necessary when project implementation is delayed or external factors change
- Sustainability is at risk not only in case of parallel PIUs, but in general when (integrated) Project units rely on contracted staff and project funds

4. Country owner and manager TC process

- See above – country ownership in managing TC process is often weak because of insufficient staff capacities

Interview results with respect to guiding principles

5. Taking into account country and sector-specific requirements

- Concerns about quality of expert services due to: insufficient ability to adapt to the country's political/ cultural environment
- EC procedures perceived to give preference to large international companies as opposed to local/ regional experts

6. Working through harmonized and aligned action

- More information sharing than formal coordination (pooling, delegated cooperation)

Interview results with respect to guiding principles

7. Avoiding use of parallel PIUs

- EC operates through five (integrated) PIUS, but
- Staff is hired by the implementing agency
- Staff is responsible to implementing agency and the NAO
- Tendency to integrate PIUs in Government structures, and merge different project PIUs

8. Consider different and innovative options for provision of TC

- Innovative options for provision of TC rarely used
- Demand has been expressed for study programmes abroad; staff exchanges or postings (internships), supporting academic qualification (lack of gradute level employees)

III. Action Plan

III. **Action Plan**

- Guiding principles and levels of action
- Programme Environment
- Programme Design
- Programme Implementation

Guiding principles and levels of action

Guiding principles

- ***1. Focus on capacity development***
- ***2. Demand-led approach where TC is not provided by default***
- ***3. Adopting a results-orientation***
- ***4. Country-owned and managed TC process***
- ***5. Taking account of country and sector-specific requirements***
- ***6. Working through harmonised and aligned action***
- ***7. Avoiding the use of parallel PIUs and promoting effective Project Implementation Arrangements***
- ***8. Considering different and innovative options for the provision of Technical Cooperation***

Levels of Reform - New EC Guidelines on Technical Cooperation

- ***1. Program environment - demand driven and harmonized TC support***
- ***2. Program Design - Results oriented and TC support***
- ***3. Program Implementation – improve quality of TC activities***

1. Programme Environment: Improve Coordination and Alignment

Create a centralized platform for information exchange

- Project database for Guyana development assistance with possible online access platform
- Implementation: Government supported by EC
- Target: Formal endorsement by Government and donor community (MoU) by April 2009

Strenghten Thematic Groups as a policy making tool

- Define TG and define new/ update Terms of Reference (regular meetings, effective Government leadership, donors required to discuss project proposals in TG)
- Implementation: Givernment
- Target 1: Government Decision and approval of new (general) ToR by April 2009
- Target 2: Specific ToR (for each Group) available by July 2009

1. Programme Environment: Improve Coordination and Alignment

Use Synergies in the areas of Infrastructure / Environment/ Climate Change

- Synergies in EC supported Sea Defense/ Land Management (both Infrastructure) and Disaster Prevention/ Climate Change (UNDP)?
- Exhange project concepts/ ToR

Government sstablishes Thematic Group on Disaster Management/ Climate Change or intergrate with Infrastructure Group

- Target:ToR available by April 2009

2. Programme Design: Focus on capacity building

Increase long term training as opposed to short term expert assignemnts

- Structure projects such that key experts spend more time in country (as opposed to having a pool of experts with intermitting missions) – note that this may be more costly
- Implementation: EC delegation and project partners
- Target: All ToR for upcoming projects screened and possibly revised

Involve line Ministries/ project executing agencies as early as possible in the project identification and design phase

- Involve line Ministries first as opposed to the Ministry of Finance
- Target: all project proposals discussed in Thematic Groups by July 2009

2. Programme Design: Focus on capacity building (Contd)

Create a training programme across sectors

- Set up general Training programme (cross cutting issues). Possible setup:
- Government establishes a training agency.
- 1 Intl LT Training expert to help draw up needs assessments in agencies across sectors and to organize courses
- Possible training contents: IT (also specialised eg GIS), Budgeting, Project and Financial Management
- Target 1: Discussion about establishment of centre put on Agenda of each Thematic group before May 2007
- Target 2: Project proposal available by July 2009

3. Programme Management: Improve quality of services

Enable Government Partners to prepare ToR for Experts and to select experts (incl. Framework contracts)

Reduce share of preparatory studies

- More flexibility towards accepting existing studies as basis for project evaluation
- Commission new studies if it has been sufficenty confirmed that no prior work has been done
- Improve filing system of existing studies – see information sharing platform

Adapt ToR for upcoming projects in order for experts to pursue a participatory approach

- Adapt terms of reference (but: may affect budget!)
- Explicitly require experts to follow a clear participatory approach/ wide stakeholder Consultation

3. Programme Management: Improve quality of services (Cont)

Increase ECs capacity to manage highly specialized technical projects

- Improve EC's capacity to provide technical backstopping (Technical/ Engineering specialists)

Involve local experts in framework contracts

- ToR for Framework contracts should require that Local/ regional experts be included either in the proposal, or a budget should be allowed for expert service in the country
- Target: 75% of all future framework contracts include a budget for services provided by local experts by April 2009

Summary of actions

	Responsibility	Time frame
Programme environment		
Approve concept for information exchange platform	Government, EC	Apr 09
Approve revised ToR for Thematic groups	Government	July 2009
Explore synergies in Infrastructure/ Climate change	GoG, UNDP, EC	Apr 09
Create Climate Change Thematic group	GoG	Apr 09
Programme design		
Adapt project setups towards Long Term Presence of Experts	GoG, EC	After approval of action plan
Involve line ministries in project design	GoG, EC	
Approve project proposal for training programme across sectors	GoG, EC	July 209
Programme management		
Enable Partners in preparing ToR and selecting expers	GoG, EC	After approval of action plan
Reduce share of preparatory studies	GoG, EC	
Adapt ToR - Require experts to pursue a participatory approach	GoG, EC	
Increase budget for local experts in FC	GoG, EC	

Next steps

- EC delegation to continue engaging in discussion about Draft Action plan
- Draft Action Plan refined and dissiminated
- Comments from Government and Donors
- Approval of Action Plan
- Implementation

Thank you very much for your attention!

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Reforming Technical Cooperation and Project Implementation Units for External Aid provided by the European Commission – Presentation of Backbone Strategy

Delegation of the European Commission to Guyana, Suriname, Trinidad & Tobago, Aruba, Netherlands Antilles

Suriname Office

Paramaribo, Feb 17 th, 2009

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I. **Background**
- Setting the scene
- Challenges
- Paris Targets

II. **The European Commission's Backbone Strategy on Improved Technical Cooperation**
- Guiding principles
- 5 working axes
- Implementation at country level

III. **Towards an Action Plan for Improved Technical Cooperation in Suriname - Discussion**

I. Background

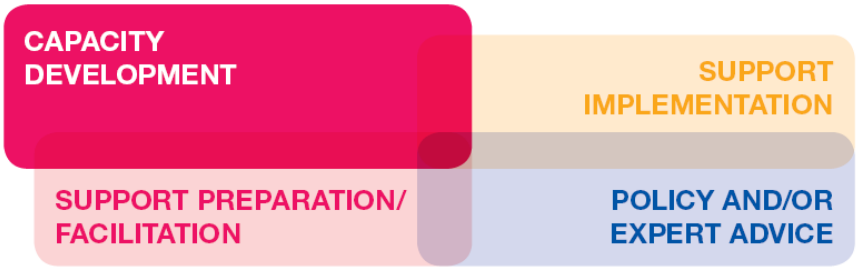
I. **Background**

- Setting the scene
- Main challenges
- Paris Targets
- Definitions

Setting the scene: TC and PIUs

- **Technical cooperation** – the « grey matter » in external assistance
  - » To increase knowledge, skills, know-how of people in developing countries
  - » Experts & consultancies, training, research
  - » On average up to 25% of Official Development Assistance
- **Project Implementation Units**
  - » To support project implementation on the field
  - » National staff, local/international experts, budgets
  - » Not sustainable, if not integrated into Government structures
- **OECD Paris Declaration survey (2007)** - 54 countries
  - » USD 9.3 bn
  - » A total of 2457 PIUs (47 per country)

Setting the scene: Purposes of Tc



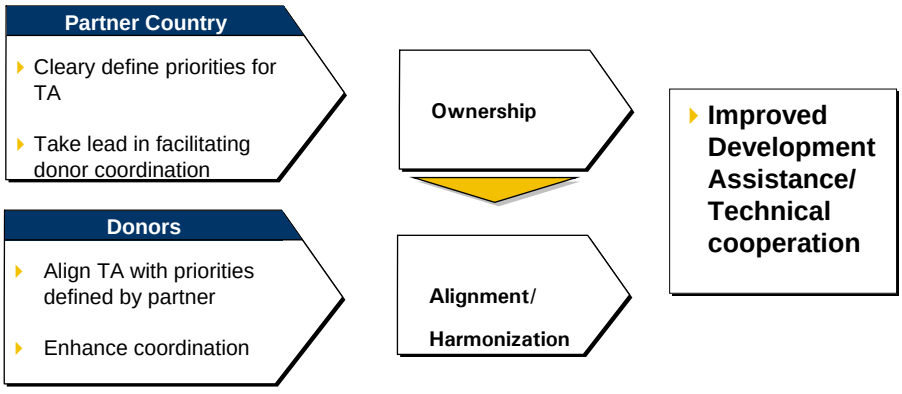
Main Challenges

Drivers of Change: The International Aid Effectiveness Agenda

- **Paris Declaration on Aid Effectiveness (2005)**
  - » Focus on Capacity Development and alignment of TC and PIUs
  - » Regular monitoring of progress – positive trend

- **Accra Agenda for Action (2008) – Reaffirm Paris Principles**
  - » Capacity development is the responsibility of developing countries
  - » Donors playing a supportive role.
  - » Demand-driven & country owned support
  - » Developing countries & donors will :
    - jointly select and manage technical cooperation,
    - promote the provision by local / regional resources, South-South Cooperation.

The International Aid Effectiveness Agenda – Donors' and Partner Country's responsibilities

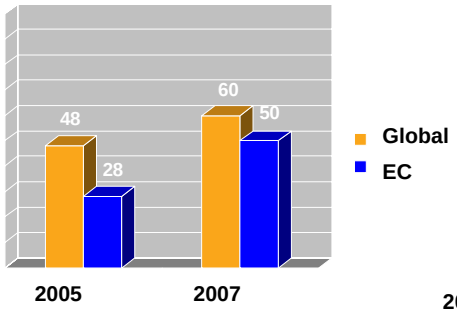


Drivers of Change : European Court of Auditors Report

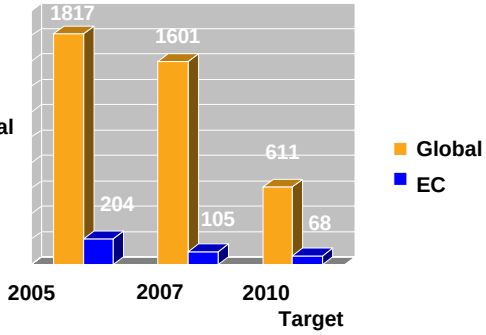
- **Comes timely and support the change process**
- **ECA Special Report 6/2007**
- **Recommended areas of work:**
  - » Design of capacity development projects (guidance).
  - » Quality of expertise
  - » TA performance and result orientation (blacklisting)
  - » Open up to non commercial and south sources of TC
  - » Enhance coordination among donors

Paris Targets (OECD/DAC DATA)

- **Paris Target 4 - 50% of TC to be coordinated and aligned:**



- **Paris Target 6 - reduce stock of parallel PIUs by two-third:**



DEC definition of parallel PIU

A PIU is parallel when it is created and operates outside existing country institutional and administrative structures at the behest of a donor. PIUs are said to be parallel when there are ***three or more "Yes"*** to the four questions below (anything less counts as integrated):

1. Are the PIUs accountable to the external funding agencies/donors rather than to the country implementing agencies (ministries, departments, agencies etc)? (Y/N)
2. Are the terms of reference for externally appointed staff determined by the donor (rather than by the country implementing agencies)? (Y/N)
3. Is most of the professional staff appointed by the donor (rather than the country implementing agencies)? (Y/N)
4. Is the salary structure of national staff (including benefits) higher than those of civil service personnel? (Y/N)

DAC definition of coordinated TC

Coordinated TC meets both criteria below*:*

1. Have relevant country authorities (government or non-government) communicated clear capacity development objectives as part of broader national or sector strategies? (Y/N)
2. Is the technical cooperation aligned with the countries' capacity development objectives? (Y/N)

… and at least one of the criteria below:

3. Do relevant country authorities (government or non-government) have control over the technical cooperation? (Y/N)
4. If more than one donor is involved in supporting country programmes, are there arrangements involving the country authorities in place for coordinating the technical cooperation provided by different donors? (Y/N)

II. The EC's Backbone Strategy on improved TC

II. **The EC's Backbone Strategy on improved TC**

- Vision
- Guiding Principles
- The 5 working axes
- Approach
- TC Design
- TC Procurement
- Implementation at country level

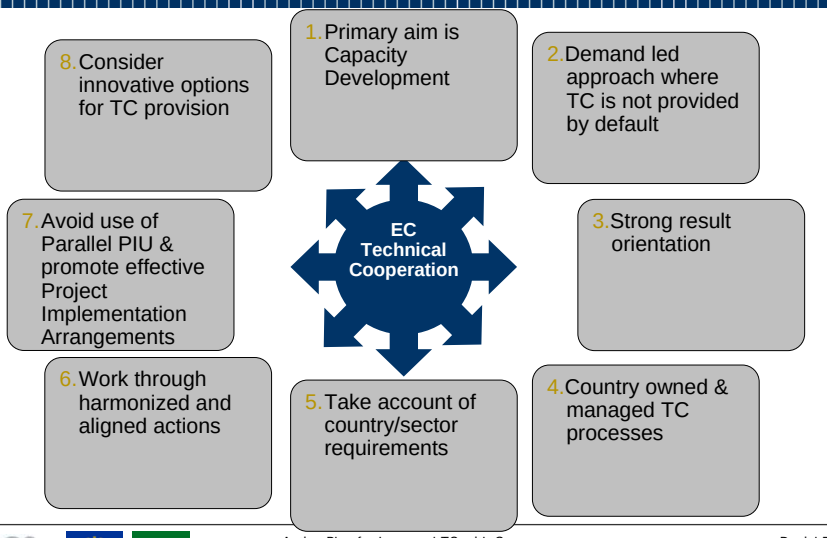
Backbone Strategy: Vision

Improved effectiveness and sustainability of EC development assistance, based on:

Provision of "**quality** TC" that supports **country-led** programmes, based on **partner demand** and focused on **sustainable** results

Provision of support through **partner-owned Project Implementation Arrangements**, with a substantial reduction of Parallel PIUs

Eight Guiding Principles for EC Technical Cooperation



5 Working Axes

4. Communication, knowledge management, training

1. Strategic dialogue

2. Improve design management & accountability

3. Improve tendering, contracting & other procedures

5. Implementation and monitoring of the Strategy

Axis 2: TC design, Management and Accountability

- Better/more realistic project design (new guidance)
- Partner countries involvement in in project design and management
- Improve quality screening system focusing on:
  - » Commitment/ownership and “real demand” from partner countries
  - » Clarity of roles and result orientation
  - » Coordination with other donors
- Promote accountability of TC providers to partner countries
- Improve monitoring and performance assessment systems

Axis 3: TC procurement, contracting and other procedures

- **Short term actions:**
  - » Better inform / raising awareness on existing possibilities (FAQ etc…)
  - » Revise the “Practical Guide on Contract Procedures”
  - » Promote good practices for involvement of Partner Countries
  - » Develop Guidelines on Technical Cooperation (Draft available since Dec 2008)
- **Mid term actions …..** next revision of the Financial Regulation/Implementing Rules
  - » Database on performance assessment (beyond Framework Contracts)
  - » Promote new generation of twinning arrangements
  - » Use of country systems

Axis 5: Implementation of Backbone Strategy at country level

» Mapping of significant TC and parallel PIUs

» Develop concise country **Action Plans**

- Redress "policy gaps"
- Phase out parallel PIUs alive in 2010, improve project implementation arrangements
- Frame the preparation of future TC operations and PIUs
- Grasp opportunities for enhanced coordination

Country "Action plans" → : empower delegations to drive the reform

III. Towards an Action Plan for Suriname - Discussion

II. **Towards an Action Plan for Suriname**

- Approach
- The Policy environment/ current donor coordination
- Experiences with EC TA with respect to the Strategy's Guiding Principles
- Need for Action?

Approach

Discussion with partners in Government

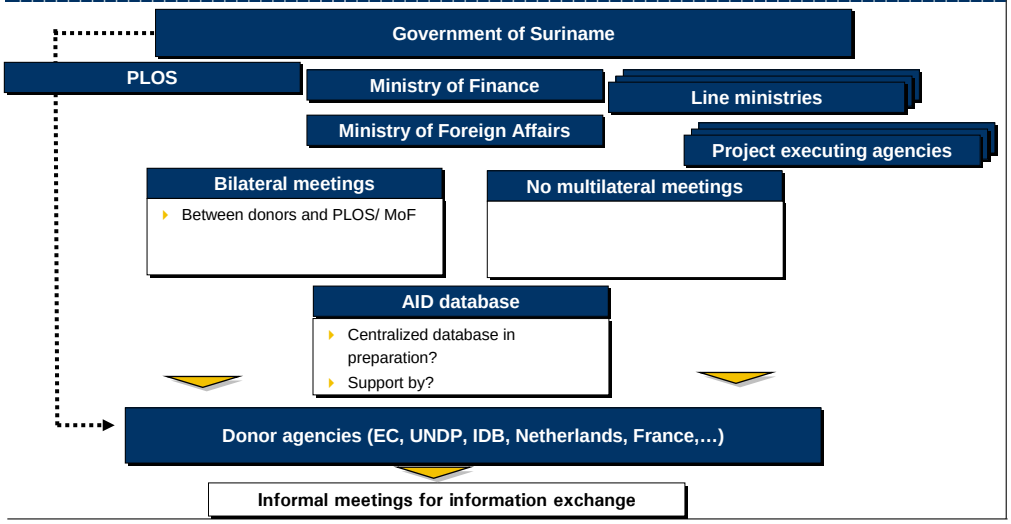
1. Policy framework

2. Map of TA interventions – currently updated by EC delegation

3. Comments with respect to EC TC and Strategy's Guiding Principles

Discussion with other donor agency representatives

Policy and coordination framework



Policy and coordination framework contd

- Donor coordination weak
- Information sharing rather than formal cooperaton – update on donor involvement in sectors regularly performed by EC delegations staff
- Donors concentrate in their focus areas – no overlap, possibly gaps?
- Better coordination could increase support across donors' traditional focus areas (in the mid term)
- Aid coordination database in progress?

Questions for discussion

1. Focus on capacity development

- Does present EC funded TC pay enough attention to capacity building, as opposed to financing studies?

2. Demand led approach

- Is there explicit demand from Government for TC interventions? How is it expressed (in mulit-annual programs, on the level of projects)
- How can the EC/donors improve alignment of their policies to the demands?

3. Adopting results-orientation

- Are indicators/ inputs and outputs in EC projects sufficiently defined?

Questions for discussion

4. Country owned and managed TC process

- Does the Government encourage donor coordination?
- Is Government sufficiently involved in drafting ToR, selecting and monitoring experts?

5. Taking into account country and sector-specific requirements

- Do project setups take into account sector/ country specific requirements?

6. Working through harmonized and aligned action

- Is the donor environment dominated by one donor to such that harmonzation is discouraged? Is there a need for donor coordinated/ harmonization?

Questions for discussion

7. Avoiding use of parallel PIUs

- EC operates through three PIUS, but are two out of three are running out until 2010
- What has been the experience of other donors with integrated/ Parallel PIUs?
- Is sustainability guaranteed, if PIUs are integrated?

8. Consider different and innovative options for provision of TC

- Do you see opportunities for innovative options for providing TC in the ECs focal sector (Transport)? – Twining arrangements, staff exchanges, involving non-commercial providers ot TA

Next steps

- EC delegation to continue in engaging in discussion about Action plan
- Work on AIDCO database continued?
- PLOS to host donor coordination meetings?
- Improve selection process of experts (telephone interviews as a rule)
- Improve monitoring of consultants (feedback cycle – payments/ penalties)
- Improve Project Setup – clearly define local contribution and responsibilities of local project partners (remuneration of project counterparts and project steering committees)

Thank you very much for your attention!

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