

Country-Level Questionnaire on the implementation of Division of Labour

2nd Monitoring of the EU Fast Track Initiative on Division of Labour - September 2009

To be completed by the EU facilitating donor of the EU Fast Track Initiative on Division of Labour in coordination with partner country representatives, EU and non-EU donors present in the partner country.

This questionnaire has been filled by France, then commented by the EC Delegation and the Task Force on Working Groups and Division of Labour chaired by the Netherlands, and finally commented and endorsed by the EU Member-States.

<i>Country:</i> Mozambique	<i>Date:</i> 06 th October 2009
<i>EU facilitating donor:</i> European Commission	<i>Name of the facilitating donor representative:</i> Paul Litjens <i>E-mail address of the facilitating donor representative:</i> pjm.litjens@minbuza.nl
<i>Partner country institution and representative responsible:</i>	Ministry of Planning and Development; National Director of Planning Momad Piaraly Ministry of Foreign Affairs and Cooperation Director of the NAO's office (GON) Alexandre Zandamela
<i>Responses approved by partner country:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<i>Responses coordinated with other donors:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1. Status of the process:

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1.a. Is there a generally accepted national development strategy / plan and / or joint assistance strategies which form or could form the basis for decisions on division of labour?	<div style="text-align: right;">Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></div> <p><i>If yes, please name it</i></p> <p>The Government of Mozambique (GoM) has prepared an aid policy that has still to be approved by the Council of Ministers. The donors have sent to GoM a set of comments on the draft of this document. One of them is that division of labour is not addressed in the aid policy. Decisions on division of labour (DoL) are taken by the donors for the moment, without any general discussion with GoM. The PARPA II is the national strategy (PRSP).</p>
1.b. Has a donor mapping taken place? <i>(please attach relevant documents or internet link if available)</i>	<div style="text-align: right;">Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></div> <p>The last donor mapping on country strategies and sectors of concentration has been done in December 2008. This mapping will be updated in October/November 2009 by the Task Force on Working Groups and Division of Labour (Task Force on WGs-DoL) based on a self-assessment. In addition the Task Force is currently undertaking a mapping exercise on Technical Assistance (TA)/Technical Cooperation (TC).</p>
1.c. Have comparative advantages been identified in a systematic assessment?	<div style="text-align: right;">Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></div> <p>The assessment of the comparative advantages has been done during the mapping exercise.</p>
1.d. Is there an agreed definition of sectors / cooperation areas between the partner country government and donors as a basis for division of	<div style="text-align: right;">Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></div> <p>There is an agreed definition of sectors based on a pragmatic approach, but only by donors and not by GoM, since the discussions with GoM on division of labour</p>

labour?	have not started yet (see below). How to address the issue of donor activities outside concentration sectors ('non-focal sectors') is still outstanding.																								
<p>1.e. Are lead donor arrangements established? (please attach relevant documents or internet links if available)</p> <p>Are cross cutting issues (e.g. human rights, gender, environment) addressed in these lead donor arrangements (e.g. by agreeing on specific lead donors or integrating these issues explicitly into other sectors/areas)?</p>	<p style="text-align: right;">Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p><i>If yes, please name the sectors / areas and the lead donor:</i></p> <p>In all sectors, donor focal points are nominated by the participants to the Working Groups (WGs) and represent all donors involved in the sector for the dialogue with GoM. The list of the WGs and of the donor focal points of the WGs is attached to this note.</p> <p>Specific delegated cooperation arrangements and silent partnerships have been agreed and signed, or are under negotiation. All the information about these arrangements are in the tables on Division of Labour (DoL) attached to this note.</p> <p>The EU code of conduct requests the presence of EU MS/EC in all main sectors, with lead donor arrangements to ensure EU presence. As there are 13 active EU MS in Mozambique, EU is represented in all main WGs.</p> <p>There are 8 WGs for cross-cutting issues (6 currently working), with the specific objective of integrating the cross-cutting issues into the national strategy (5 years programme and PARPA) and in all sector strategies.</p> <p style="text-align: right;">Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>																								
<p>1.f. Is reprogramming underway (do donors concentrate their aid in focal sectors and in turn move out of other sectors or use the modality of delegated cooperation)?</p> <p><i>If yes:</i> Please name sectors/areas where donors are moving out and/or are delegating cooperation (please attach relevant documents or internet links if available)</p>	<p style="text-align: right;">Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <table border="0"> <thead> <tr> <th style="text-align: left;">Sector/</th> <th style="text-align: left;">Donor</th> <th style="text-align: left;">Moving out</th> <th style="text-align: left;">Delegating Area</th> </tr> </thead> <tbody> <tr> <td colspan="4">See the attached table on division of labour and sectors of concentration</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </tbody> </table>	Sector/	Donor	Moving out	Delegating Area	See the attached table on division of labour and sectors of concentration						<input type="checkbox"/>	<input type="checkbox"/>												
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<p>Comments on 1.a, b, c, d, e and f:</p>	<p>A first work on harmonization of donors strategies has been done by a task force called CS 19 at the end of 2006 (Germany, Danemark, Sweden and UK were members of this task force chaired by Sweden). A report was disseminated in beginning of 2007, with the strategies of the donors who participated to the exercise (19 donors, who are in the meanwhile all contributing to General Budget Support). The CS19 process concluded that, in the absence namely of a national aid policy and different programming calendars a JAS would not be adequate.</p> <p>In addition, a specific task force on DoL was created in August 2007, mainly to implement the EU code of conduct. This task force was chaired by France. EC and Portugal were members.</p> <p>In October 2008, the task force on WGs (chaired by France) and the task force on DoL (chaired by France) merged to create the Task Force on WGs and DoL. This Task Force is chaired by the Netherlands, and Germany,</p>																								

Canada and France are members (Spain and Portugal were members at the beginning.). The Task Force expects UN to join the group as UN organizations are very active in the WGs architecture. The Task Force has terms of reference and an action plan (see documents attached).

The following actions have been carried out :

1. a first mapping of the strategies, sectors of concentration, comparative advantages and intentions of active participation in the Working Groups (WGs) has been done by France end of 2007. This mapping concerns all MS (13 present in Mozambique), the non European countries of the G19 (Canada, Norway and Switzerland), the multilaterals members of the G19 (WB, AfDB and EC) and the three main non G19 donors (USA, Japan and United Nations),
2. A note explaining the process has been approved by all MS and EC in April 2008 and sent to respective Headquarters (including EC in Brussels),
3. A new updating has been done end of November 2008 and the tables are attached to this note.

On DoL, generally speaking, the majority of donors (except WB and United Nations due to their specific mandate) intend to concentrate and limit the number of sectors where they are active. But it is more difficult for all donors to stop activities in non focal sectors as some instructions come from HQs to have activities in sectors, even if this sector is not a sector of concentration. Examples: agriculture (due to the food crisis), biofuels (due to the energy crisis), environment (to prepare Copenhagen conference), etc .

The EC is particularly subject to the multiplication of the facilities to give a response to specific needs, and thus non focal sectors, which makes it more difficult to implement DoL.

In conclusion, efforts to pull out from sectors are real. Some donors are engaged in silent partnerships and some delegated cooperation agreements are under preparation, mainly with EC for the moment.

The list of exit strategies is the following :

- Belgium : health by 2012
- Denmark : energy by 2008
- Spain : agriculture by 2007
- Irlande : two sectors by 2011, to be decided
- Norway : health by 2009
- Netherlands : education by 2011
- Sweden : higher education and culture by 2009, HIV aids by 2010 and roads by 2011
- UK : business services in 2007, water and roads in 2010 and possibly health in 2010 if criterias are OK

The list of silent partnership is the following :

- water in Inhambane province (Canada lead, Ireland silent)
- roads (UK lead, Ireland silent)
- agriculture/Proagri (Ireland lead, UK silent)

The list of the delegated cooperation agreements is the following :

- Belgium : delegated cooperation to EC by 2009 for GBS and for SISTAFE to Norway by 2010
- Germany : delegated cooperation from EC for HIV Aids by 2009
- EC : delegated cooperation from Belgium for GBS by 2009, to Germany for HIV Aids by 2009 and to Portugal for governance by 2010
- Portugal : delegated cooperation from EC for governance by 2010

Several donors are in the process of defining new strategies and/or mid-term

	reviews (e.g. the 10 th EDF) in which DoL issues are important. In addition, a mapping exercise on TA/TC is underway and initiatives to map and better coordinate the civil society support activities.
<p>1.g. What has the partner country government and the donor community undertaken to promote the implementation of division of labour? What actions are foreseen in the future?</p>	<p>The current work on division of labour has shown great interest and positive results from donors, but has two weaknesses :</p> <p>1. No discussion with GoM for the moment: the first reason was that donors were waiting for the new aid policy, to build upon the vision of GoM on DoL. Therefore the TF on WGs-DoL requested the green light from the G19 to discuss DoL with GoM (DoL is a common objective of all donors, but as the DPG-Development Partners Group is not in a position to take decisions on that kind of issue, all the work to move forward on DoL is done at the G19 level). It was decided in July 2009 that this discussion with GoM could start and should be part of the preparation of the new strategy for poverty reduction that will take place in beginning of 2010 to substitute the current 2006-2010 strategy (PARPA 2).</p> <p>2. Some decisions on DoL have been taken so far by some donors (see above), after discussion with GoM, but more based on individual decisions and without general coordination among donors. In 2009 the EU Hocs (Heads of cooperation) and the EC have decided to start the next phase, a first discussion on a collective assessment of comparative advantages and sectors of concentration, before widening the exercise to other donors and before sharing this exercise with GoM.</p>
2. Participation in the division of labour process:	
<p>2.a. Commitment by the partner country (government and parliament)</p> <p>(i) <i>Leading role and directing the process:</i></p> <p>(ii) <i>Facilitating the process in close dialogue with donors:</i></p> <p>(iii) <i>Approving progress triggered by donor initiative:</i></p> <p>(iv) <i>No interest in division of labour between donors, not approving progress:</i></p>	<p style="text-align: right;"> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> </p>
<p>2.b. Participation by donors</p> <p><i>Do all ODA donors in the partner country participate in the division of labour process?</i> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p><i>Please name the donors with strong commitment for division of labour:</i></p> <p><i>Do non-DAC donors / private donors / foundations participate in the process? Please specify.</i></p>	<p><i>There</i> is a strong commitment of the EU-members and the G-19 donor group in general, included the associate members, for division of labour (however, specific mandates of WB and UN have to be taken into account). It is also more challenging for the EC to strictly stick to the principles of DoL as it is requested to act and implement on various policies decided at HQ level.</p> <p>For the moment, no non-DAC donor, private donor neither foundation participate in the process. This will be discussed and envisaged further on.</p>
<p>Comments on 2.a and b.</p> <p>If applicable: What are the reasons for weak commitment from donor or partner</p>	<p>See point 1.g.</p> <p>What is missing now is the discussion :</p> <p>1. with GoM on what are the implications of the exit strategies and how they will lead to a better aid efficiency. In particular, GoM fears that DoL could lead to less support (including financial support) to some sectors</p> <p>2. collectively among donors, to go beyond information sharing and towards a more proactive collective process.</p> <p>See point 1.g and comments above.</p>

country side?

3. Towards measuring impact of division of labour processes:

If there is no clear evidence on the issues please give an educated guess

3.a. Have transaction costs diminished through division of labour?

(i) For the partner country: Yes No Don't know

Educated guess: From the GoM side, no sign of reduction of the transaction costs.

(ii) For the donors: Yes No Don't know

Educated guess: generally speaking, transaction costs have not been reduced for donors yet. Donors expected that transaction costs would be reduced thanks to General Budget Support and Sector Budget Support, but, for the moment, it is difficult to say that it has happened. On some important subjects (e.g. reaching agreement on a MoU), transaction costs are still rather high.

A reduction should be expected in the future for those who will implement exit strategies (see paragraph 1e and tables attached).

In addition, transaction costs will be reduced when more silent partnerships and delegated cooperations agreements are in place. But an issue to ask to HQs is how much they will expect in terms of reporting under these agreements, specially concerning the reporting to Parliament for example.

3.b. Has the quality of sector policy dialogue improved?

Yes No Don't know

Educated guess: Yes, but the quality of the sector dialogue is linked to the efficiency of the WGs. A note on good practices has been approved by G19 in June 2007 and has been updated in September 2009 (see document attached, still to be validated by G19). Two sessions to capitalize and disseminate the good practices of WGs have been organized by the Task Force on WGs-DoL :

- on December 5th, 2008 with all donor focal points (questionnaire and discussion on how to improve the WGs efficiency and the quality of sector policy dialogue),
- on September 28th, 2009, with all new HOCs and new donor focal points.

Generally speaking, good practices of WGs are improving (terms of reference, action plans, more interactions between WGs, better involvement of sectorial ministries, etc.). This is particularly noticeable in some sectors where the dialogue was weak.

3.c. Has the division of labour process had an impact on overall aid volume?

The partner country receives...
(1) more aid (2) less aid
(3) same volume Don't know

Educated guess : a synthesis of the current exit strategies (eight donors) has been prepared by the Task Force on WGs-DoL in May 2009 (see note attached) and shows that an exit strategy means re-allocation of aid towards sectors of concentration and not reduction of total aid neither shifting aid towards GBS.

3.d. Is aid allocation across sectors more rational (less orphan

Yes No Don't know

Educated guess: It is currently difficult to measure the effects

<p>and/or over-crowded sectors, needs and priorities by the partner country are more adequately addressed)?</p>	<p>and impact of the first measures taken according to DoL principles. How to address the issue of orphan and over-crowded sectors will be discussed during the meetings planned with GoM and among donors (starting with the EU donors). An assessment would need to be done end of 2009.</p>
<p>3.e. Considering all changes promoted and supported by the division of labour process (see questions 3a-d and possibly others), how would you evaluate its contribution to</p> <p>i. A more relevant, <u>effective and efficient aid system</u> in the partner country (Aid Effectiveness)?</p> <p>ii. <u>MDG-achievement/poverty reduction</u> in and sustainable development of the partner country (Development Effectiveness)?</p> <p>Comments:</p>	<p><i>i. None</i> <input type="checkbox"/> <i>Small</i> <input checked="" type="checkbox"/> <i>Medium</i> <input type="checkbox"/> <i>High</i> <input type="checkbox"/></p> <p><i>ii. None</i> <input type="checkbox"/> <i>Small</i> <input checked="" type="checkbox"/> <i>Medium</i> <input type="checkbox"/> <i>High</i> <input type="checkbox"/></p> <p>The contribution is small for the moment, but is expected to be medium or high in a medium-term perspective.</p>
<p>Justify your answers on 3:</p>	<p>See the detailed comments: even if the DoL process has already started, with some positive results for some donors that are now more active in less sectors and WGs (which is one of the aims of the process), new steps are still to be done, as explained above. But it is clear that in a country like Mozambique, with a high amount of aid (+50 % of the budget financed by ODA) and of a high number of donors, the global impact of a well articulated DoL process among donors and with GoM should have a high impact on aid efficiency in general.</p>
<p>4. General comments</p>	
<p>4.a. What have been the major obstacles in the process so far?</p> <p>Do you envisage more obstacles in the future?</p>	<p>As already said : no involvement of GoM so far, not because of lack of willingness, but because donors were waiting for the new aid policy and the new aid architecture to start the discussions. To be ready for these discussions, donors have prepared on their own initiative (and thanks to the impetus given by the EU code of conduct) a mapping of their strategies, sectors of concentration and comparative advantages, including all the donor community and not only the EU MS and the EC.</p> <p>Not really, GoM has already accepted the exit strategies proposed by donors when they prepare or negotiate their new aid strategies for Mozambique. And GoM is open to have discussions on DoL with donors via the Task Force on WGs-DoL.</p>
<p>4.b. What have been the enabling factors so far?</p>	<p>Three main factors :</p> <ol style="list-style-type: none"> 1. the existing strong donor coordination structures, detailed in the GBS MoU, 2. the work done in 2006/beginning of 2007 by the CS 19 for the harmonization of the strategies, 3. the work done by the Task force on DoL (mapping of the strategies and sectors of concentration). <p>This Task Force will be the driving force from the donors' side to implement the DoL process.</p>

<p>Do you see a role of donor headquarters in facilitating progress?</p>	<p>Yes, to disseminate informations on good practices of other countries and on useful tools such as the toolkit prepared by EC. HQs should also support the local representations to prepare or adapt the legal, financial and administrative requirements for new forms of cooperation. Before decisions are made it would be useful to check on eventual agreements at local level. Moreover, when at EU level, it s decided to implement a new policy (response to global issues, crisis...) the integration of this activity in the CSP and its impact as regards DoL should be addressed. Any deviation from DoL should be already justified at programming stage.</p> <p>But for the work to be done in the country with GoM, the momentum must come locally from interaction between GoM and the donors, strongly stimulated by the EU (EC and MS).</p>
<p>4.c. Any other comment:</p>	<p>To better understand the achievements so far on DoL, please find attached to this questionnaire :</p> <ul style="list-style-type: none"> - the table on strategies at a glance of all main donors active in Mozambique, updated in November/December 2008 (will be updated in October/November 2009), - the table summarizing the sectors of concentration of all main donors active in Mozambique, updated also in November / December 2008, - the three tables on the WGs (detailed, summary and planning of chairs), updated in September 2009, - the note on exit strategies dated on May 5th, 2009, - the Terms of Reference of the Task Force on WGs-DoL dated on October 28th, 2008, - the note on good practices of WGs, updated in September 2009 (but that has still to be formally approved by the G19), - the powerpoint summarising the note on good practices of WGs.
<p>5. For lead facilitators only:</p>	
<p>5.a. Do you feel well prepared for your role as lead facilitator of the EU Fast Track Initiative on Division of Labour?</p>	<p style="text-align: right;">Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Comments: The EC delegation was appointed the facilitating donor of the EU Fast Track Initiative on DoL. It has been proactive in promoting delegated cooperation between EC and MS. However, the DoL process including the FT on DoL was mainly coordinated by the TF as it falls under its mandate.</p> <p>As the dialogue on DoL is now well organized and structured (the key actor being the Task Force on WGs-DoL), the joint proposal of MS and EC Delegation is that logically, the chair of the Task Force on WGs-DoL is the facilitating donor of the EU Fast Track Initiative on DoL (the Netherlands for the moment).</p>
<p>5.b. Are you satisfied with the communication by your HQ in regard to the EU Fast Track Initiative on Division of Labour?</p>	<p style="text-align: right;">Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>
<p>6. Suggestions to improve the questionnaire</p>	
<p>Three suggestions :</p> <ul style="list-style-type: none"> - the current situation of silent partnerships and delegated cooperation is too complex to be described in the small table of the paragraph n°1f, - clear definitions of delegated cooperation, silent partnership, etc. would be useful and should be added to this questionnaire, - sometimes, the general comments requested at the end of a chapter have been already included in 	

the detailed answers to questions above.

Please send this questionnaire until 2nd October 2009, to the Facilitators of the Fast Track Initiative (please do not forget to attach relevant documents on the division of labour process in your country if available, e.g. donor mapping, table on lead donor arrangements and/or sectoral involvement of donors):

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Thank you for your participation!