Supporting Ownership

Swedish Development Cooperation with Kenya, Tanzania, and Uganda

Volume I: Synthesis Report

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Foreword

Looking at Swedish development cooperation with three countries in East Africa, Kenya, Tanzania and Uganda, this evaluation tries to find out how a longstanding Swedish policy of facilitating and promoting partner country ownership has been translated into practice. In each country, half a dozen projects and programs are examined in depth.

The study finds that ownership is heavily influenced by the quality of government-to-government partnerships. Most notably, the strained relations between the governments of Kenya and Sweden have adversely affected the prospects for Kenyan ownership. Strained partnerships often give rise to policy conditionalities that weaken recipient ownership. Even in the Kenya case, however, there are examples of strong ownership at the level of individual projects and programs.

The overall conclusions of the study are relevant to development cooperation generally. With the shift from projects to programs and the increasing need for coordination between donors, the contextual parameters for implementing a pro-ownership policy are changing. While program support can facilitate ownership, the link is by no means automatic. Ownership can be undermined by policy conditionalites or by lack of administrative and technical capacity in the partner country. Consequently Sida and other donors who are shifting to program aid have found that they need to support institution building at central government as well as at district level.

The shift to program aid also affects the ability of donors to promote popular participation and broader stakeholder ownership of the activities that they support. In the context of program assistance, the government is responsible to program beneficiaries and other citizens through the general democratic processes rather than through representations by donors. In this perspective popular ownership can only be assessed through an evaluation of the functioning of democratic institutions.

The study was done by a team from the School of Oriental and African Studies (SOAS), London University, under the leadership of Professor John Weeks. It consists of two volumes, one containing the country case studies, the other being a synthesis study on the basis of the cases.

Eva Lithman
Director
Department of Evaluation and Internal Audit

Authors' Preface

The CDPR evaluation team thanks all those who provided the information to make this evaluation possible. Many government officials, representatives of civil society groups, and individuals generously gave their time. Special thanks go to Sida staff in Stockholm and in the countries studied, whose help and openness was key to our work.

The latter group will find in this report a number of suggestions for changes in Sida practice. The critical subtext of these suggestions reflects the gap between practice and the lofty and difficult goals that Sida professionals have set themselves. Promoting recipient 'ownership' of projects and programs is a radical agenda, which involves a difficult process of reflection upon the agency's past work. The willingness of staff to engage in this process reflects the resilience and adaptability of the agency.

Sida's ability to foster ownership in each of the countries is facilitated by a fundamental characteristic of the organisation: its institutional self-interest is more consistent with a broad and deep ownership agenda than for any other significant donor in East Africa.

Transferring control of projects and programs has profound implications, for the relationship between Sweden and its development partners, for the internal operations of Sida, and for the day-to-day work of Sida professionals in Stockholm and in the field. The evaluation team was acutely aware of the seriousness of the evaluation task and the potentially important role this report might play in future Swedish aid policy. Our hope is that the care we have taken in preparing the report matches the seriousness of the endeavour.

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Annexes

Ownership by Country

Below, we provide an encapsulation of national ownership of Sida assistance in each country. These statements seek to summarise the situation in each country at the time of the evaluation. They are elaborated further in this report and the country reports.

Kenya

Kenyan donors are faced with the contradiction of attempting to convey ownership in the absence of partnership. Low donor trust of the Kenyan government's commitment to transparency and openness in budgetary matters implies that dialogue with the government is prevented from making progress on ownership issues. It is not clear whether ownership by other stakeholders can be sustained in the absence of partnership.

Tanzania

Donor operations in Tanzania are in transition, from donorship (where the donor controls the aid process) to ownership-based partnership. Sida is one of the leaders in this transition. The process is driven by donors' assessment of abuses associated with donorship in the past, and pressure from government and civil society for a more ownership-based dialogue. Obstacles to the transition include:

1) lack of reform by major donors in their approach to dialogue;
2) weaknesses in government and donors in their capacity to cope with new challenges and aid modalities, with asymmetries of capacity between government and donors;
3) continued lack of trust among donors in the government's commitment to transparency and poverty reduction.

Uganda

The Ugandan government seeks ownership of development assistance of all forms, and would subsume this assistance within the state budget. This facilitates ownership of expenditure and of specific activities, but does not necessarily result in such ownership. Donor views on transparency, effective implementation, and stakeholder ownership are excessively positive, perhaps due to their wish to support a 'success case'.

Chapter 1 Introduction

A. The Purpose of the Evaluation

This evaluation places ownership in the context of Sida's relationships with the three East African countries, Tanzania, Kenya and Uganda. While the concept has influenced Sida policy and practice for decades, the meaning has changed over time. The evaluation examines the character of Sida's relations with each of the countries, both with regard to past and present strategies. In this evaluation ownership refers to projects or programs. When we use the phrase 'ownership of development assistance', it always means specific projects and programs.

The report is written for Sida's Department for Evaluation and Internal Audit (UTV). It does not cover many background issues and topics that might be unfamiliar to the general reader, but well-known within Sida. Some of the key background information can be found in the annexes. Those seeking further discussion of the character of Swedish development assistance might refer to other Sida documents. (e.g., White 1999, Sida 1997a, 1997b, 1999a, 1999b and 2001) The terms of reference of the evaluation called for a review of Sida operations in three East African countries, to consider the extent to which recipient government and stakeholder ownership had been achieved. These terms of reference explicitly excluded consideration of the impact of ownership on the success of projects and programs.

Critics of the ownership concept have dismissed it as involving playing with words whose meaning is too vague for rigorous analysis (partnership, ownership, stakeholders, dialogue). The report addresses this issue and challenges it by employing clear and unambiguous definitions. Also important as background to the evaluation are analytical treatments of ownership in the context of development assistance. To avoid an excessively abstract discussion of policy issues, the review of analytical contributions is placed in an annex.

B. Terms of Reference

This evaluation is governed by the following terms of reference:

"The planned evaluation is intended as a study of how activities financed by Sida accord with Swedish and Sida policies regarding partner country ownership…The evaluation will *describe* development co-operation in an ownership perspective, *explain* discrepancies between ownership in policy and ownership in practice, and *suggest* ways by which Sida, single-handed or in co-operation with partners, could achieve closer harmony between concept and action. Its point of departure is the established Swedish view that the partner countries have the main responsibility for their own development and that Sida's task is to assist in the creation of preconditions for development, not itself to bring about change. The study is to investigate what this has come to mean in practice." (Molund 2001 p 1)

It should be noted that the terms of reference do not require the evaluation to pass judgement upon specific practices in the past, but to *describe* them and *explain* how and why they did or did not produce outcomes that fostered ownership, applying the Sida definition of the term:

"For the purpose of this evaluation [ownership] refers to the exercise of control and command over development activities. A country or an organisation within a country can be said to 'own' its development program when it is committed to it and able to translate its commitment into effective action. Where a country or organisation is not committed to its development activities or not able to take responsibility for them in practice, ownership is lacking." (Molund 2001 p 2)

Further, the evaluation does not address the question of whether successfully fostering ownership impacts on the effectiveness of the delivery or outcomes of development assistance:

"The evaluation will not deal with the more basic issue of whether there is in fact a positive causal connection between ownership and development results. For the purpose of the evaluation the existence of such a connection will be taken as sufficiently proved." (Molund 2001 p 2)

The questions raised by the passages above, and the 'main issues' listed in the terms of reference (Molund 2001 pp. 2–4), guide this evaluation. The final section of this report synthesises the lessons from the case studies as specified in the terms of reference. The terms of reference called for 'a discussion of the indicators of ownership used by Sida for different purposes.' (Molund 2001 p 5) At an early stage in the evaluation it was decided, with the agreement of Sida, that quantitative indicators would add little to the understanding of ownership. Therefore, the approach is qualitative in nature. To make the qualitative judgements transparent, for all interviews the evaluators entered the information they received into a standard reporting matrix. These matrices are not included in this or the country reports, because they would compromise confidentiality. They will be part of the documentation provided to the Department for Evaluation and Internal Audit, which will determine their wider use.

C. Ownership and the PRSP Process

Our evaluation would be too narrow if it were organised under the umbrella of the Poverty Reduction Strategy Paper (PRSP) process. However, in the future in East Africa and other program countries, Sida and other donors will increasingly locate ownership within this process. The formal completion of PRSP documents does not bring the process to an end. On the contrary, there is pressure, varying among the three countries, to bring all issues of development assistance within the PRSP process. There are at least two reasons for this that affect Sida's operations.

First, while ownership has been integral to Sida operations for decades (albeit under other names), some other donors would have come to it as part of the PRSP process. As a consequence, Sida may find its agenda for ownership diverted along the lines dictated by the terms of the PRSP. To an extent the PRSP ownership agenda and that of Sida coincide, although Sida's is broader and deeper and should not be confined to the PRSP arena.

Second, among the donors, the World Bank will tend to play the principal role in the PRSP process. This is the consequence of the Bank's programs in each country being dependent upon approval by its executive board of the PRSP document. The importance of the PRSP to the institutional role of the World Bank has led the Bank to press other donors to treat the PRSP as the framework for donor-country dialogue. While Sida should be, and has been, fully engaged in the PRSP process, too close an 'alignment' of its program with this specific vehicle could restrict its ownership agenda. The country report on Tanzania shows how limitations on national ownership in the process of producing the PRSP imposed restrictions on ownership of Sida's involvement in budget support.

PRSPs raise a more general issue for Sida practice. The terms of reference and guidelines for the PRSPs is that they must be approved by the Governing Boards of the World Bank and the IMF, but there is no requirement that they be approved by the Parliaments of the countries to which they refer. This rather strange asymmetry raises doubts about their compatibility with the process of transferring ownership to recipient governments and civil society.[1]

[1] This point is based on comments by Jan Olsson of Sida at the public seminar when the first draft of their report was presented.

Chapter 2
Sida's Mission

Sida is part of the foreign policy establishment of the Swedish government. Its constitutional position as an agency of the foreign ministry is different from its counterpart institutions in other European countries.[2] In Sweden, the ministries concentrate on policy-making as directed by Parliament, and a ministry is not empowered to intervene in the affairs of an implementing agency such as Sida. Since 1965, Sida has functioned as 'the central executive aid agency for planning, administering and evaluating bilateral development cooperation programs.' (Elgstrom, 1999 pp 118–9) While Sida does not make policy, the agency has considerable freedom in determining the strategies by which policy will be implemented. Sida, not the foreign ministry, determines the means to achieve the goals set by Parliament. With expertise and responsibility over development assistance, Sida is in a position to inform and influence public debate within Sweden. This gives Sida a greater degree of autonomy than is enjoyed by counterpart agencies in other European countries, notably the Department for International Development (DfID) of the UK.

The legal and institutional status of Sida determines the practicalities of the ownership of development assistance. Within the guidelines set by Parliament, Sida can develop an interpretation of ownership, rather than be completely constrained by instructions from the foreign ministry, which would be the case in some other European countries. Even were recipient ownership of aid not a stated goal of foreign policy in Sweden, Sida could adopt this as appropriate to achieve aid effectiveness and program sustainability.

In Sweden, the Social Democratic Party (SDP) has held government since the 1960s, yielding to centre-right coalitions during two brief periods, 1976–1982 and 1991–1994. Changes in governments, within the SDP and between it and the opposition, have had an impact upon the organisation of foreign aid, principally through the creation of additional agencies with specialist roles (for example SAREC). The objectives of Swedish policy, first established in the Aid Bill of 1962 and adopted by Sida in 1965, have remained notably constant. Poverty alleviation was from the start the principle goal, with four associated goals: 'Swedish aid should

[2] The institutional history of Sida policy can be found in Fruhling (1986) and Elgstrom (1992 and 1999).

contribute to economic growth, political and economic autonomy, a democratic development of society, and economic and social equity.' (Elgstrom 1999 p 122) The sustainable use of natural resources and environmental protection was added as a fifth objective in 1988, and gender equality became the sixth in 1996. It is our understanding that Sida plans to reformulate these objectives, such that poverty reduction is the single, core objective, with the others aspects of that objective. This should give greater clarity to the mission of the agency.

How these goals are configured for each recipient country is a matter of strategy for Sida, and such decisions are influenced by conditions in the recipient country, its capacity and needs, and the history of Sida's relationship with that country. There is considerable variation in the priorities assigned to these goals in East Africa, discussed in detail below and in the country reports.

Box 2.1: Ownership within the Swedish Aid Program

Reducing poverty is a guiding principle of Swedish development assistance. This would be achieved through partnership between Sweden and the recipient government. Shared values are the common ground of this partnership. The subsequent, on-going dialogue is based on ownership by the recipient government. Ownership means that the recipient government has control over the decisions about appropriate development strategy. Consultation and participation by stakeholders deepens national ownership, and is part of the shared values (representative political structures).

Chapter 3
Evaluating Ownership

> "One of Sida's most important tasks is to strengthen its partners' possibilities for exercising ownership of processes leading to poverty reduction." (Sida forthcoming p 22)

This evaluation addresses the specific objective of Sida policy to enhance ownership of development activities by recipient governments and other stakeholders. Some writers have suggested that ownership is not a clear concept, and cannot be defined at the operational level. The implication is that in practical work, it assumes whatever definition the Sida professional cares to give it.

This is not the case. An operational definition exists, derived from the concrete purposes of the Sida aid program. To put the matter simply, ownership implies that Sida pass to the recipient government the control of development assistance activities in as far as that is politically and technically possible. Achieving this purpose may prove difficult in practice, and in conflict with other goals of the aid program, but the purpose itself is clear. Critics should not seize upon the phrase, 'in so far as possible', as indicating that the definition is void of meaning. All public policy is constrained politically and technically; all policies achieve a large or small fraction of their planned outcome; and the goal of ownership shares these limits without losing substance and impact.

The difficulty in defining ownership arises when a donor seeks to maintain control over basic parameters of design, implementation and review of its development assistance. The World Bank and the International Monetary Fund must struggle to find coherent definitions of ownership, because they seek a definition that accommodates their particular form of donor conditionality. In their context the problem lies in specifying a definition that can include a denial of ownership on key issues.

The clarity in the Sida assistance program comes from precedent-setting government documents. In a 1998 communication to the Swedish Parliament, the ministry for foreign affairs set out the task of 'revitalising Swedish Policy towards Africa' by setting the following aims:

1) supporting Africa-led processes of change toward democracy and sustainable development, focusing particularly on the situation of the poor;

2) developing partnerships between Africa and the surrounding world;

3) strengthening the long-term exchange between Sweden and Africa.[3]

Written at a moment when it was possible to view developments in the sub-Saharan region with greater optimism than in 2002,[4] the document set out policy principles that guide Swedish development policy. It is instructive that this report was on Africa, and specifically Africa south of the Sahara, and that no equivalent reports were issued at the time on Swedish development policy towards other regions. In part this was because the African region was the most underdeveloped, and its development performance the least positive. Perhaps more fundamentally, it indicated the concern that donor policy towards Africa had been less successful than elsewhere, as a direct result of lack of ownership and, in some countries, the lack of capacity by governments to achieve ownership. It is in this context that we locate the evaluation of Sida operations in Kenya, Tanzania and Uganda.

The intention is to deepen the understanding of ownership, and draw out its concrete policy implications. Almost every aspect of development assistance policy, and ownership in particular, is affected by whether Sida's activities are bilateral or part of a multi-donor arrangement. In order to avoid repeated qualification of statements in light of multi-donor arrangements, a separate section is devoted to that issue. However, the reader should keep in mind that all issues treated in this report must be re-considered in the section on multi-donor arrangements.

As this report was being completed, Sida was in the process of writing a policy document, *Perspectives on Poverty*, which deals with many of the issues we cover. We benefited from reading portions of that document, especially in our discussion of 'dialogue'.

[3] This document, "Africa on the Move...", preceded the report of the working group for a new Swedish Africa policy, Partnership with Africa – Proposals for a New Swedish Policy towards Sub-Saharan Africa. (MFA 1998)

[4] To take but two examples, the situations in the Congo and Zimbabwe could be viewed more positively in 1998 than in 2002. As a result, the following statement in the document now seems somewhat over-optimistic: 'For the millennium, there is reason to hope for an "African Renaissance."' (MFA 1998 p.4)

Box 3.1: Basic Definitions

The discussion of ownership tends to suffer from use of terms that are inadequately defined. The definitions we use of key terms are as follows:

1. Partner refers to the governments involved in the development negotiation that leads to an agreement in which the recipient becomes a program country. Partnership is the result of a successful outcome of that negotiation.
2. Partner dialogue is the discussion process between partners; donor dialogue is the discussion among donors; and social dialogue is the process of consultation and participation of civil society in the discussion of development issues.
3. Stakeholders are all those people and organisations, national and external, affected by a development project or program.
4. Ownership is the control over a project or program and commitment to its success.
5. Conditions (conditionality) are actions required of governments of program countries in order that development assistance be disbursed.

Chapter 4
Fundamental Concepts in Swedish Aid Policy

A. Ownership

Sida development assistance is nationally owned when the recipient government takes control of the design, implementation, and monitoring of its development strategy, including specific projects and programs.[5] This definition is unaffected by whether the government is democratic or non-democratic, or by whether it consults its people broadly or not at all. However, the purpose of development assistance is to benefit the population of a country, not the government. In this context, the government serves as a conduit through which the assistance flows. Ideally, the government rules through national consensus, and its transmission of the development assistance implements that consensus within the framework of a national development strategy. Thus, if national ownership is to be more than *government* ownership, control over policy should arise in a context of credible consultation with national stakeholders. Implicit in the term 'credible consultations' are complications that must be clarified in practice. The complications arise from the specific nature of projects and programs, not the lack of clarity about the nature of ownership.

Recipient ownership develops within partnership in an evolving, dynamic process. In the sense used by Sida, recipient ownership is relatively new and quite radical, especially for other donors. It is still in the process of developing, and many donors have yet to realise the radical nature of the process. The form ownership will take, and the challenges of achieving it, will change over time. Both in the general discussion in this evaluation and for specific development activities, the question is not, has a state of ownership been achieved, but has a specified process involved a partnership based on ownership. Also, given circumstances and constraints, has ownership been 'fostered' through Sida development assistance? Thus the focus is on what Sida has and has not done to foster ownership.

[5] This definition is based on (Molund 2000). The issue of definition has been treated in an earlier paper (Weeks 2002). The present paper does not repeat that discussion, although the reader should be aware that many of the issues discussed below require a more concrete definition, specified for particular assistance modalities and country circumstances.

Box 4.1: Consultation Varies Across Development Activities

The *Uganda* government's Poverty Eradication Action Plan (PEAP) is designed to fit in the economic planning process through guiding the formulation of the sector-wide approaches (SWAps). The public expenditure requirements of SWAps in turn are considered through the budget under the Medium Term Expenditure Framework (MTEF). While the first PEAP document of 1997 may have involved only limited stakeholder participation, the production of the 2001 PEAP drew on wide consultation among government, the private sector, NGOs, donors and communities. There is now a consensus in Uganda that the latest PEAP is actually the product of wide-ranging stakeholder participation.

In *Tanzania* the degree and form of consultation varies across activities. In the formulation of a new trade policy, the ministry of industry and trade went to considerable lengths to draw in representations from a range of stakeholders, including holding 'zonal' workshops. In the evolution of the Education Sector Development Program, supported by a SWAp to which Sida contributes, consultation has been more fraught. Nonetheless, even if the history of policy formulation here has been more conflictual, by 2002 there was greater representation in the relevant working groups of both teaching unions and NGOs and, in theory, the new primary education policy encourages the involvement of local school development committees. At another level in Tanzania, interviewees suggested that there are significant limitations on consultation – or consultative representation – in relation to budget priorities and the degree of responsibility given to

In the case of *Kenya* a lively and robust civil society appears enthusiastic to participate in policy decision-making, but government rarely facilitates this. A consultative process in devising the national plan for development of services in the health sector was used by Sida as a basis for its development assistance in the sector, yet the ministry of health has been reluctant to implement important elements of the strategy. The more positive example of constructive consultation is to be seen in the urban renewal project in Kisumu, part of the Lake Victoria Initiative. This project has involved broadly-based consultation with community groups, and with the Municipal Council. Stakeholder participation has been formalised through membership of a Trust established to administer the park.

The dynamics of the ownership process are treated in detail in the country reports, and there are few generalisations one can make about the process that are not obvious or trivial. First, and as discussed in further detail at the end of the report, recipient ownership is not a goal that develops automatically or that can be nurtured 'later' out of a program or project that is initially donor-driven. For example, despite considerable efforts and genuine progress in 'adding on' ownership to the HESAWA project in Tanzania, these aims have ultimately foundered on its origins as a very top-down, non-ownership oriented project. Second, even if recipient ownership is 'built into' a project or program from the outset, it will ebb and flow, stronger at some moments than others. This implies that Sida must be patient, but not passive in its fostering of ownership. This has characterised Sida's involvement in recent years in the gestation of education sector reform in Tanzania. Third, and perhaps most important, the recipient government and stakeholders must have the capacity to assert ownership. Often, this will require that projects and programs will need capacity-enhancing activities within them, such as the debt management project within Kenya's ministry of finance between 1985 and 1995, and that the timing of the overall project or program will be determined by the speed or slowness at which the necessary capacity is created.

Box 4.2: Capacity Development is Key to Implementation with Ownership

Increasingly in Uganda, funding for the Water and Sanitation Project (WES) flows directly to the districts. Funds are allocated to districts under a cash budget scheme. However, this has resulted in many districts failing to account for funds, because they lack the financial and administrative capacity. Another problem is that, once capacity has been built up through training, it becomes difficult to retain that capacity. To ensure a 'hands off' approach, Sida has effectively had to adopt a short-term 'hands on' intervention, through support for organisational and institutional change that focuses on capacity building.

In Tanzania capacity building has been uneven across Sida activities. Nonetheless, a clear long-term commitment by Sida to capacity enhancement has been critical to developments of ownership capability in, for example, the National Bureau of Statistics and the ministry of industry and trade.

In Kenya, the Debt Management Project, initiated in 1985 and running through to 1995, aimed to build capacity within the ministry of finance. The project was only reluctantly embraced by the ministry, yet many staff were quick to take advantage of the training opportunities that formed the main element of capacity building within the project. However, a high proportion of those staff subsequently left the ministry, using their enhanced skills to acquire better-paid work in the private sector.

These aspects of ownership dynamics imply the re-negotiation of partnerships to be less unequal with regard to bargaining power, more tolerant of differences in views, and based upon the recipient government and national stakeholders driving the development process, and donors assuming a more flexible policy approach. The evolving outcome of this agenda is to pass control of development assistance to the recipient government and stakeholders. Early in the course of our gathering of information, it became clear to us that the move to recipient ownership may conflict with the institutional interests of donors in a number of specific ways. This occurs most obviously for donors whose approach is project focused with explicitly or implicitly tied assistance. Even in the case of Sida, institutional interests conflict with aspects of recipient ownership. All institutions have self-interests, and it is naïve to suggest that they can be set aside. Facilitating ownership does not require Sida to abandon self-interest, but to redefine it in a manner that is consistent with the process of fostering ownership. It is our judgement that the Swedish government in general, and Sida in particular, have done, and are doing, this.

Box 4.3: Institutional Constraints on Ownership

Ownership issues are inevitably tangled in the institutional and organisational context of each national and international stakeholder in a given activity. This might involve rules governing selection of consultants and the limits imposed by national rules on degrees of shared decision making; it might involve asymmetries in capacity; or it might involve the different types of constituency to which parties to a development partnership are themselves accountable.

In Tanzania, the Public Expenditure Review (PER) process is a mechanism intended precisely to enable greater ownership: however, the uneven distribution of technical skills, know-how and time between the government and donors, especially the World Bank, can limit that ownership. Tanzanian participants can easily feel crowded out by the weight of material and even the frequency of meetings. Regarding accountability to different constituencies, one Sida interviewee in Tanzania argued that the fact that the World Bank is accountable to its Board while a bilateral donor like Sida is accountable to Swedish tax-paying voters leads to a different degree to which the two organisations are driven by the logic of disbursement as opposed to other objectives. Another example in Tanzania concerns benchmarks and targets in budget support. Many people suspect that a merger of the Poverty Reduction Budget Support (PRBS) mechanism with the World Bank's related funding mechanism might constrain the ability of the PRBS to be an effective vehicle of ownership. This would happen if the Bank, driven by its particular organisational and institutional characteristics, were unable to treat targets and benchmarks with the degree of flexibility that donors involved in the PRBS are aiming at.

B. Ownership and Multiple Owners

Except under unusual conditions, Sida's development assistance is delivered through a partnership with governments.[6] Therefore, in the first instance, Sida's task is to pass ownership to the partner government. Conceptually, if not in practice, this is a straightforward process, which we treat in our discussion of 'dialogue'. It is typically the case that the ultimate beneficiaries of a project or program are not the government; indeed, the purpose of development assistance is to benefit the population as a whole, especially the poor, with the government serving as the conduit by which this would be done.[7] To clarify our discussion we use the

[6] There are exceptions, for example the Export Promotion of Organic Products from Africa (EPOPA) project, which markets organic coffee from Uganda to the European market. This project is a private sector initiative in export promotion initiated in 1994. The project provides assistance to private farmers and exporters and no government institution is involved. The project components include registration of organic coffee farmers; awareness of EU regulations; certification of products (key to project); and market information and research.
Another exception is the Femina-HIP project in Tanzania, which involved Sida aid to an NGO in partnership with a private sector company. These projects are discussed in the country report.
[7] A recent Sida policy document refers to the poor as 'the ultimate stakeholders', and identifies their participation as central to Sida's mission, that they must be 'given the opportunity to participate and influence directly or indirectly…the process of change in their societies.' (Sida forthcoming p. 22)

following terms: 'stakeholders' refers to all those who participate in a project or program, those involved in its planning and implementation, and those directly affected by its outcome; and 'beneficiaries' refers to those to whom the project or program delivers a service, product, or policy outcome. The latter are a sub-set of the former.

Evaluating the degree of ownership beyond the government itself raises a number of difficult conceptual and practical problems. The most fundamental problem arises with the shift from project to program funding. For projects, it is relatively easy to identify the implementing agency and the intended beneficiaries. Acceptance of a project for funding normally requires a clear specification of both. Once these are specified, the Sida project officer can enter into discussions with the implementing authorities over the appropriate way to facilitate the involvement of stakeholders. Program funding does not relate to a specific project; or, if it does, it is only program assistance in form, not in essence. Therefore, program assistance cannot be traced to a specific set of beneficiaries. The purpose of these SWAps is to end bilateral (including Sida) involvement at the project level. Rather than approving specific projects, Sida and other SWAp members review and endorse sectoral plans formulated by the government and participate in working groups on policy formulation and technical issues through a representative of the whole donor group involved in a SWAp. (Lind and McNab 2000; Riddell 2001) It is envisaged that in future no donor involved in such a SWAp would lay claim to any specific project or set of beneficiaries, although in practice, both sectors mentioned are in transition to this status.

The effect of the shift to program support is to make it difficult for Sida to be involved in fostering the participation of direct beneficiaries, either because they cannot be identified, or because the beneficiaries are so many that they can only be consulted through an institutionalised system of representation in which it would be inappropriate for Sida to play a major part. As the shift from project to program aid continues, Sida's development assistance will be a fungible part of an integrated development strategy of its program countries. This should not be viewed as a problem, but rather the successful outcome of Sida's ownership objective.

Increasingly, the view that the 'direct beneficiaries' of an activity 'should have their voices heard', will be seen as part of the donorship syndrome. Under program assistance, ownership by beneficiaries, *from the perspective of the donors*, becomes part of the general process of democratic representation, rather than as ad hoc consultations over specific products and services. In other words, stakeholder participation would be satisfactory or unsatisfactory depending on the extent to which, and mechanisms by which, government is responsible to civil society. This does not imply that past Sida efforts to involve stakeholders directly were inappropriate, or that such efforts should not continue in project work. It does imply that the shift to program assistance alters the context of stakeholder involvement.

Box 4.4: Stakeholders and Ownership – National Agriculture and Livestock Extension Program (NALEP), Kenya

The NALEP evolved out of long-term Sida support for the agricultural sector in Kenya, going back to the early 1970s. The evolution of support programs over that period, from the initial top-down technical assistance focus, to the current NALEP which aims at delivering 'demand-driven' services to farmers, has built trust and strong partnership between Sida and the ministry of agriculture. The NALEP involves a radical reorientation of extension services across 42 districts, requiring improved management, new financial systems, training of staff, a high degree of professional commitment, and the re-organisation and development of capacity within the ministry. Ownership of the NALEP has been strong through every stage of the process, from design through to implementation, and has required the resolution of conflicting interests within the ministry. Strong partnership over the longer-term has contributed to strong ownership both within the central administration of the ministry and at the local level with district staff.

Stakeholder participation in the NALEP is mobilised through the Focal Area approach, which identifies participating farmers, forms them into registered groupings and undertakes assessments of capacity. Each Focal Area has its committee, elected by members. These groups have the authority to define the services they require, and negotiate provision through the ministry's frontline Extension Officers. Farmers may also form smaller special interest groups, intended to allow them to acquire specific services or advice. The Extension Officers are facilitators, rather than providers.

While this structure encourages participation, it is also apparent that not all farmers are equal stakeholders within the Focal Area. Those with higher levels of education, those with access to better and more productive land, and those who already have accumulated greater resources are inevitably better placed to take advantage of this 'demand-driven' service. While this program therefore provides a model example of strong ownership, reinforced by robust mechanisms to foster participation, it is not necessarily targeted at the most needy amongst the recipients. Strong ownership and active stakeholder involvement are therefore no guarantee that poverty reduction is being tackled.

It follows, therefore, that Sida's efforts to facilitate stakeholder ownership will increasingly occur within the dialogue with the government (see below, the 'partner dialogue'). For example, in the Tanzanian education SWAp, the donor group through their representative may raise stakeholder ownership issues in its dialogue with relevant government ministries and departments. Just as Sida leaves the design of development strategy to the government, so it leaves consultation and participation to the institutions of representation. The shared values required for partnership, the basis for a healthy dialogue, become the vehicles for stakeholder ownership. A cynic might say that concluding that ownership by non-government actors becomes a process mediated by the government itself, at best makes a virtue of necessity, and at worst represents a shirking of Sida's responsibility to the poor, whose voices are weak and seldom heard. However, unless Sida wishes to return to an emphasis on project funding, or enter into a degree of intervention in partner politics that is inconsistent with Swedish values, there is no alternative. All processes of change have losers as well as beneficiaries, and representative institutions are the generally accepted vehicles for resolving the conflicts between the two groups (see Putzel and Moore 1999). Further, in any stable society, the government is the principle mediator in representative institutions (that is part of the definition of a 'government').

Box 4.5: The J/LOS SWAp in Uganda

The Justice, Law and Order SWAp (J/LOS) in Uganda is an example of problems arising from channelling funds through the government to civil society groups. While the donors and the government agree on the necessity of a sector plan, there is fear among Civil Society Organisations (CSOs) that it will marginalize inarticulate groups and those who prefer to work outside of the government funded framework, because of the sensitivity of human rights issues. This conundrum limits the extent of civil society ownership of certain aspects of the sector plan. The fear expressed by many is that the government will attempt to integrate Sida-supported projects into the official system of administration. It was not clear whether, after Sida has moved to sector support, how civil society concerns would be taken into considerations. However, Sida responded to the partnership between seven CSOs and the government in June 2001, which initially resulted in provision of financial aid services to those burdened by legal fees. The CSOs formed a partnership that became the Civil Society Organisation Sector (CSO/S). This put NGOs at the centre of the sector program. Ownership in this sense emerges out of the interaction among the ministry of justice and constitutional affairs and the CSOs.

In summary, Sida has no alternative but to accept that the governments of its program countries will determine the extent and manner that stakeholder interests will be consulted. This means Sida can assist CSOs in as far as governments lack capacity to provide all the services indicated in their sector plan. It follows that evaluating the extent of stakeholder ownership of assistance programs, be they health SWAps or debt relief, is inseparable from the general process of political debate and representation in a country. This makes the dialogue over shared values of central importance to the ownership agenda.

C. Dialogue

The process of ownership is inseparable from the dialogue between Sida and the recipient country. Clarification of what is meant by dialogue also clarifies ownership in both principle and practice. Sida's aid operations in program countries involve two major dialogues: between Sida and the recipient government, and between Sida and other donors. We shall use the term partnership dialogue[8] to refer to the former, and donor dialogue for the latter. Another dialogue is essential to the deepening of ownership, namely the dialogue between representatives of civil society and the government, the social dialogue. The latter is important to Sida because it is the vehicle for popular participation and, especially, for the poor and disadvantaged of society.[9]

The partnership dialogue begins with an initial phase when Sida and the government of the prospective program country establish that the two share a common set of values. Once partnership is established, formalised by an agreement that makes the partner a program country, the partner dialogue becomes the forum for managing the on-going assistance program, monitoring its progress and outcomes, and resolving disputes. This is the forum in which social ownership is, or is not, developed. In the Kenya country report we show that stakeholder ownership without dialogue based on a sound partnership is not sustainable.

Box 4.6: Failing dialogue, failing ownership: the Kenyan health sector

Sida has a long-term commitment to development assistance for the health sector in Kenya. The current program derives from a new Sida initiative, first envisaged in the mid-1990s, linking assistance more closely to the National Strategic Plan and reform agenda within the sector. Within the National Plan, Sida's purpose has been to deliver services directly to selected rural districts (six in total), with improved efficiencies, better targeting of recipient groups, and improvements in transparency in disbursement.

Despite congruence between Sida's aims and the stated objectives of the ministry, there has been reluctance on the part of the Kenyan government to implement the program. The donor has taken a prominent role in pushing for the implementation of specific aspects of the program that have been resisted by the ministry. The implementation of the financial management system has been especially contentious. Dialogue between Sida and the ministry has broken down on several occasions, and Sida consequently delayed disbursement to the program. Sida's focus on disbursement to the districts won support from staff at that level, and this might be seen as a positive sign of ownership. However it is difficult to discern whether this amounts to support for the program because of its intrinsic aims, or whether it simply reflects a positive view of the shift in power implied between the central administration of the ministry and local level staff. There is little evidence of any degree of sustainable ownership of the program without heavy donor promotion and facilitation.

[8] "Policy dialogue has a central function in Sweden's development cooperation…a process of negotiation and a quest for a common platform of thought and action." (Sida forthcoming p. 22)

[9] The draft of a forthcoming Sida policy document states: "Particular attention must be paid to [groups] known to be frequently excluded, such the very poorest people, women, the elderly, children, people with disabilities, ethnic minorities and the inhabitants of remote and resource-poor areas." (Sida forthcoming p. 23)

Our evaluation indicates that the donor dialogue is considerably more problematical. There are two inter-related aspects to the problem: the nature of the donor dialogue, and the relationship between it and the partnership dialogue. In all three countries covered by this evaluation, the donor dialogue involved interaction among donors, with the partner government excluded. Since partner government ownership is the basis of the partner dialogue, it is not clear what issues Sida would discuss in the absence of that partner. Even the most obvious, donor coordination, would seem more appropriately considered with the active participation of the partner. If the donor dialogue is structured to foster national ownership, the question remains of how the partner is integrated into the deliberations of the donor dialogue. On the basis of our evaluation, we conclude that the donor dialogues as presently constituted retain strong elements of the traditional donorship approach to development assistance.

Sida could make a major contribution to national ownership by pressing for reform of the Consultative Groups (CG). In Viet Nam, the CG is co-chaired by the World Bank *and* the government, and one of the largest donors favours an early move to the government serving as the sole chair. Several donors report that the inclusion of the government, and its role as co-chair, resulted in a substantial improvement in the discussions of the Consultative Group.[10] The CG stopped being a forum primarily for complaints about government behaviour, to become a dialogue over policy. We judge that in Uganda and Tanzania the time has come to implement this reform, with Sida the logical donor to take the initiative. In the case of Kenya, the donor group is already well established and takes a highly influential role, but it is not clear to what extent Sida has been able to make its voice heard in this forum. Social dialogue and participation improved after the moving of the donor Consultative Group meetings to Kampala, so ending the tradition of holding the meetings in European capitals. For instance between 1998 and 2000, the government of Uganda (GoU) hosted in-country meetings with donors. Holding the meeting in Kampala allowed broad participation by members of civil society including the private sector, academia, and NGOs.

A reformed Consultative group would be an appropriate forum in which Sida could lobby other donors and the International Financial Institutions (IFIs) for broadening the practice of recipient and stakeholder ownership. The PRSP process provides the vehicle to do this, since national ownership, both of the document and the strategy it embodies, plays a central role. Indeed, the PRSP process reformulates the ownership

[10] The views reported in this paragraph about the Consultative Group in Viet Nam are based on confidential interviews carried out in August 2002 with donors and the government as part of a review of the role of the UNDP in the PRSP process.

agenda for all donors, and Sida can use it as a viable alternative to 'going it alone' with its relatively more radical approach to ownership.

While Sida does not specify the nature of the social dialogue, this process has direct implications for the partner dialogue. The partnership is based upon shared values, one of which is the recipient country's commitment to democratic participation. Just as government ownership is a dynamic process, so too is the extent to which the social dialogue conforms to the democratic principles established as common values in the partner dialogue. This implies that ownership cannot be transferred in the absence of shared values, or in the absence of evidence of progress towards establishing shared values. Thus, there are severe constraints on Sida's ability to transfer ownership in Kenya, where the disbursement of Sida support directly to the district level within line ministries has facilitated greater transparency and accountability but has, at the same time, undermined the control of central government over the development process.

These three dialogues are crucial to Sida operations in all program countries, and Kenya, Tanzania and Uganda are not exceptions. The table below provides a summary of the stage of the dialogues as of mid-2002. In the context of Sida's mission and goal of enhancing ownership, the situation in Kenya must be judged as quite negative. The partner dialogue is moribund. Sida, with justification, concludes that the government does not adequately satisfy the conditions for partnership. The government, also with justification, believes that Sida is a party to a wider donor agenda of political modification, if not regime change. A social dialogue, in the sense of a debate among various interest groups that has the potential to converge on a consensus, does not include the Kenyan government. What dialogue there is takes place largely amongst those groups perceived by government to be 'in opposition', and between such groups and the donors. Donors, including Sida, are therefore too easily viewed as advocates of anti-government activities. Consistent with the other non-dialogues, the donor dialogue in Kenya has limited interaction with the government. It remains to be seen whether the pending elections (December 2002) will result in an improvement in this dialogue.

The health of the dialogues in Tanzania could hardly be more different. In part due to Sida's long commitment to Tanzania, and in part to changes in approach of the government, the partner dialogue is quite constructive. It is likely that Sida has closer relations with the Tanzanian government than any other donor. While Tanzania is not a perfect democracy, its representative institutions provide for an increasingly active social dialogue *on the mainland*. Political circumstances in Zanzibar are quite different, with few gestures toward democratic values. It would appear that most donors and the IFIs chose to treat Tanzania as if it were only the mainland.

In as far as the donor dialogue has problems, these arise from the structure of that dialogue (i.e. its donorship structure). There is an uncommon degree of donor coordination in Tanzania, in which Sida is acknowledged to play a central role. However, there are both structural and more contingent tensions between many of the bilateral donors and the World Bank and IMF, which complicate national ownership, as shown in the country report.

Uganda is the most complicated situation. On the surface, the partner dialogue appears constructive and harmonious. However, there are serious, underlying tensions, related to democratisation, the Congo, and the conflict in the Northeast. Official Swedish policy, from the foreign ministry and the Embassy, is that Uganda's government policy on these matters is consistent with the shared values criterion of the partnership. Recent decisions to further delay and constrain the movement toward multi-party democracy in Uganda (May 2002) casts some doubt upon this sanguine view (Bratton and Lambright 2001, Therkildsen 2002). Further, and perhaps most problematical, there is a strongly held, if non-public, view among donors that development assistance is funding military expenditure. Informed non-government observers among Ugandans share this view. Since over fifty percent of the non-military budget comes from external funding, this concern cannot be avoided.

Opinion is also mixed on the character of the social dialogue in Uganda. While the government established innovative forms of participation and consultation, down to the local level, the absence of an effectively organised political opposition casts the nature of the social dialogue into doubt. Certainly, it would be reckless of Sida to conclude that the government-organised channels of consultation are adequate for conflict resolution. These problems, particularly the fungibility of development assistance and military expenditure, haunt the donor dialogue. This dialogue has its own internal problems, with Sida and some other donors quite unhappy with the social expenditure limits set by the ministry of finance and supported strongly by the World Bank and the IMF. From a source present at the CG meeting in May 2002, the evaluation team learned that the discussion of this issue at the donor's meeting in early May 2002 verged on the acrimonious.

A review of the dialogues in the three countries suggests that the commonly held view that Uganda is a showcase of government commitment and ownership requires revision. Clearly, Kenya is the most problematical case among the three countries; but, whether the showcase of Sida's development partnership is Uganda or Tanzania is not obvious.

Table 1 – The Dialogues in East Africa

Table 4.1 Kenya			
	Role/attitude of:		
Level of Ownership	**Sida**	**Recipient Gov't**	**Civil Society**
Partner Dialogue (PD) Moribund	De facto suspended by Sida; suspending the partnership itself might be a relevant policy option	Suspicious that Sida has an agenda for regime change	Excluded
Social Dialogue (ND) Non-existent	Indirectly encourages political change through funding of NGOs	Has no apparent interest in fostering a national discussion of development strategy, pending elections might serve this function	Widespread distrust of central gov't, so a dialogue would not be productive
Donor Dialogue (DD) Constructive for Donors	Supports classic donorship framework, which makes the DD a forum for pressuring changes by central gov't	Excluded by donor preference	No vehicle to participate

Table 4.2 Tanzania

Level of Ownership	Role/attitude of: Sida	Recipient Gov't	Civil Society
Partner Dialogue (PD) Non-contentious & co-operative	Close co-operation & trust with central gov't due to long-term partnership, previous tensions (early 1990s) apparently resolved	Views Sida as its most reliable partner	Included indirectly through parliament
Social Dialogue (ND) Developing constructively	Indirect encourage-ment through funding of NGOs	Does not block greater participation, may encourage it	Independent press, opposition parties (albeit weak), political debate, relatively effective representative institutions
Donor Dialogue (DD) Constructive, but donorship by default (with the important exception of the government's disagreement with DfID over an air traffic control project)	Tends to represent the interest of the gov't more than other donors	Excluded by donor practice	No vehicle to participate

Table 4.3 Uganda

Level of Ownership	Role/attitude of: Sida	Recipient Gov't	Civil Society
Partner Dialogue (PD) Positive, with underlying tensions	Supportive of development goals, but seriously concerned about human rights and Congo policy	Unclear if the gov't takes the PD as a serious input for domestic policy	Included indirectly through various forms of gov't consultation
Social Dialogue (ND) Problematic	Plays indirect, very minor role through funding of NGOs	Tightly controls the mechanismsof debate, though consultation as considerable, especially at the local level	Effective action by political parties in effect banned, other institutional forms of participation allowed
Donor Dialogue (DD) Problematical	Supports greater flexibility by donors; major tensions with principle donors	Not pleased with the donorship role of the DD	No vehicle to participate

D. National Ownership

The lynchpin of national ownership is the partner dialogue, and the cement that binds it is shared values (see Box 2.1). New guidelines for this dialogue were established by a ministry of foreign affairs document, *Africa on the Move* (MFA 1998). In presenting a list of the 'important changes in the new policy', the first involved shared values:

"One change… [clarifies] the means to this [partnership] end. It should be clear…what the objectives of co-operation are and what means should be used to attain them. The parties [i.e., the Swedish government and the recipient government] must agree on premises and conditions. This basis of shared values that is manifested in respect for human rights is crucial to the…partnership. If the conditions are not fulfilled by one or other party, modifying or discontinuing the co-operation must be feasible." (MFA 1998 p. 7)

Shared values are defined as 'respect for human rights'. This definition creates the potential for policy inconsistencies if human rights were defined, for example, on the basis of the United Nations Universal Declaration.[11] The statement could be read to mandate regular evaluation of the human rights situation in program countries as part of planning budgets for development assistance. It is the impression of the evaluation team, from interviews in Stockholm and in the three countries, that a more flexible approach is taken in practice, although its procedure is not completely transparent. Transparency on the role of human rights issues might be achieved by clarification of a later passage in *Africa on the Move*, which could be interpreted as allowing considerable scope for explicit political conditionality:

"This stronger political dimension in co-operation with African countries will require modified forms of co-operation and more forums, and will impose requirements other than the traditional ones on the bodies responsible for aid and emergency inputs." (MFA 1998 p. 58)

We conclude from interviews that the operational interpretation of 'shared values' implies that:

1) Sida expects a government of a program country to rule by consent of, and in consultation with, its people, although the manner of achieving that consent and consultation would be unacceptable in Sweden itself (e.g., absence of nationally contested elections),[12]
2) the government takes the welfare of the population into consideration in designing economic and social policy, with a clear commitment to poverty reduction,
3) violations of 'core' human rights at any level of government are rare, though others, such as freedom of expression, may be substantially restricted.[13]

Uganda scores well on point two and does not violate point one, although opposition is severely restricted in its activities. The situation in the Northeast of the country raises serious doubts about the government's conformity to point three. The Tanzanian mainland passes all three texts, but Zanzibar none. Kenya fails on tests one and two, but human rights violations are not as extreme as in the Northeast of Uganda or Zanzibar.

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[11] A passage later in the document would seem to define human rights quite broadly: "A shared basis of values may consist of some of the conventions to which almost all countries are signatories. These relate to political and civil rights, equality between the sexes, the rights of the child, basic democratic rules, and social and economic rights. The intention is not to lash poor African countries with the moralistic whip, but to establish a fundamental ethic to govern co-operation…" (MFA 1998 p. 81) Few African governments would achieve this requirement.

[12] This would seem to be implicit in Africa on the Move, where one reads, 'President Museveni has opted for a political model…[that] foresees no multi-party elections.' (MFA 1998 p. 55)

[13] The long-standing Sida program in Viet Nam would seem to support this statement.

The role of shared values in the partnership presents Sida aid policy with a practical issue for clarification. There are two broad approaches:

1) the shared values criterion is an *ex ante* determinant of establishing partnership, after which they are taken as shared, and reviewed only as a result of extraordinary events, or

2) the MFA or some other Swedish institution conducts an ongoing monitoring of adherence to shared values.

The former would seem the more appropriate approach if a partnership is sound, and if one interprets ownership to include an attempt to equalise the power relationship between donor and recipient. Regular monitoring of human rights in a partner country amounts to continuous political conditionality. Various terms can be used to soften this monitoring, such as 'dialogue' itself, but the basic asymmetry remains. One partner assumes the right, on the basis of a financial relationship, to pass judgement upon the behaviour of the other, even after it has been formally established that values are shared.

Sweden attempting to influence political behaviour of the partner may be appropriate and even unavoidable, but it does not combine well with a development agenda 'fully owned by the recipient country.' (MFA 1999 p.1) This conclusion is suggested to us by the following passage:

"Another change [in the partners relationship] relates to attitudes, especially that of the stronger party. Gone are the times when the prescriptions for African success could be written in western capitals.[14] First, these prescriptions have often proved deficient, for the very reason that they are poorly based on African reality; secondly, the new African leaders insist on their right to formulate and impose conditions for programs focusing on development processes in their own countries." (MFA 1998 p. 8)

This is an extremely radical position: explicit recognition that recipient governments, not donors, have the right, as well as the responsibility, to determine their development policies and strategies, including their political dynamics.[15] In our review of the ownership literature, we conclude that no other important donor, bilateral or multilateral, accepts this principle and instructs its field staff to be aware of its implications.[16] Or, if

[14] 'Western capitals' should be read as a slip-of-the-pen, since in most years in the 1990s Japan was either the number one or number two bilateral donor.

[15] It is important to use both terms, since much of the current debate over development is about strategy, not particular policies.

[16] 'Sida representatives must realise the complications of having the power of money. Thus it is important that dialogue be conducted with humility, dignity, and respect towards one's counterparts, constituting a truly mutual learning process.' (Sida forthcoming p. 23)

they accept the words, do not interpret them as profoundly as Sida does. Indeed, few other donors would even use the term 'stronger party'.[17]

A concrete example of Sida action to make the partnership more equal is found in the guidelines for the Justice, Law and Order program in Uganda (see box).

Box 4.7: More Equal Partnership

In Uganda the Development Partner Principles for the Justice Law and Order Sector (J/LOS) are good examples of guidelines for a more equal partnership. The principles seek to facilitate the cooperation and collaboration of the GoU and the funding partners in developing, implementing and reviewing the sector program. The principles are:

1. The development and implementation of the J/LOS program is the responsibility of the GoU who should lead all aspects of the process.
2. The aim should be to take a comprehensive sector wide perspective in order to achieve the GoU Mission to enable all people in Uganda to live in a safe and just society. To that end the intention is that: all GoU activities related to justice, whatever ministry, agency or level of government is responsible; all other actors, whether thy be service providers, advocates or campaigning organisations; and the wider community will be included.
3. Sector Wide Policy and Planning will be for the whole sector and will not be limited to activities financed under the sector program.
4. All activities within the Sector Program will be subject to joint appraisal, design, review and on going commitment. Development Partners will endeavour to ensure that all new agreements, projects and other support is congruent with this principle. No new funding or project initiative will be developed outside the framework of the sector agreement.
5. GoU systems for budgeting, disbursement and accounting should be used wherever possible. Financing through the GoU consolidated account to a single sector budget as part of the agreed MTEF should be the preferred modality. Where this is not possible bilateral projects will still be planned and treated as integral parts of the agreed budget framework for all practical purposes.
6. Wherever possible resources for technical assistance will be provided to the GoU through the Sector Program and the GoU will be responsible for selection and contracting. Where this is not possible priority should be given to Ugandan consultants.

The GoU and development partners will review the sector program on a bi-annual basis in April and October. The April review will focus on budget approval and policy priorities for subsequent years and the October review will focus on the financial and program performance of the sector in the previous financial year.

[17] DfID, for example, might not use this term but would make similar claims to the 'rights-based' focus of its work. However, the reality is that DfID programs concentrate on assisting the host country to implement the PRSP, where possible through budgetary support.

Given how radical the Sida position is, it is not surprising that passages in *Africa on the Move* appear contradictory. Negative judgements are passed on the development policies of African governments in the post-independence period, specifically with regard to state intervention in the economy. To recognise the 'right to formulate and impose conditions' by 'new African leaders' would seem to imply a suspension of the judgemental approach to delivery of development assistance; or, at least, a humility and hesitancy with respect to such judgements. If this approach is granted to 'new leaders', it is not clear why it should not be granted *post facto* to the old ones, unless the 'new' are judged as 'improved'. This judgement itself evokes donorship. The inconsistency in the tone and approach of *Africa on the Road* to decisions by African leaders indicates the extent to which granting ownership or 'letting go' is an evolving process.[18] We found similar inconsistencies in statements and behaviour by Sida in the three countries under review. The clearest example of this contradiction in Kenya is the health sector, where Sida has at key moments driven the policy process to make disbursements, despite the best efforts of Sida staff to avoid donor direction.

An essential characteristic of the 'donorship regime' was an omniscient external judgementalism. The donor reserved the right to pass unilateral judgement on the appropriateness of, and commitment to, recipient government policies. In a national ownership regime, assessment of policies passes to the recipient government in consultation with the donor. The continuation of the former approach represents a concrete example of what was pointed out by Sida's development partners, that 'donors are not sensitive…to how ownership comes about.' (MFA 1999 p. 8) National ownership does not require Sida to suspend all judgements; rather, it implies that those judgements arise out of an interactive process with national stakeholders.

A central characteristic of donorship was the presumption that if development assistance failed in its goals, the blame lay with the recipient government. This approach can be seen in a recent document from the Overseas Development Institute, which repeats a view commonly found in donor documents: '[recipient] governments need to be convinced of the need for sound policies, rather than coerced.' (Foster 2000 p. 7) This type of comment is often accompanied by invoking the need for the recipient government to show 'political will'. While these comments may

[18] The problem of donors accepting that they should facilitate ownership, that they are part of the problem, is generally recognised. After commenting on the need to induce recipient governments to promote participation of civil society, a World Bank document goes on to say, 'a second challenge is for the Bank and development partners to allow the time and space for ownership to be expressed, and be prepared to let go.' (World Bank 2002)

seem bland and non-controversial, they are in the donorship tradition. Not withstanding the laudable phrase, 'rather than coerced', the first comment makes a number of presumptions inconsistent with a dialogue based on ownership:

1) it presumes that there exists a set of sound policies which the donors know and recipient governments do not (the recipient is ignorant);

2) recipient governments must not only be informed of the sound policies of which they are ignorant, but require convincing of the need to implement these (in the absence of donor advocacy, the recipient lacks the judgement to distinguish good policies from bad ones);

3) development failures arose from the mistakes of recipient governments, which were not in whole, or part, the result of unsound policies of the donors (development failures are recipient government failures).

A variation on the sound policies criticism of recipient governments is that they may be aware of the policies, and aware of the need for them, but fail to implement them because of special interests within or outside of the government. In such circumstances, the argument goes, donors are justified in their criticism of policy choices, and the criticism may strengthen domestic supporters of sound policies. This argument is also in the tradition of donorship, for it implicitly suggests that institutional, political, and economic interests do not motivate donors.

The ownership equivalent of the 'sound policies' statement would be: 'donors and recipient governments should engage in dialogue to identify sound policies on the part of each, and each should be convinced of the need to implement these'. It is our impression that such a statement represents the Swedish government's approach to development assistance in Tanzania and Uganda, though not in Kenya.

Two more terms, 'political will' and 'political commitment', require deconstruction. In the absence of concrete specification of the political context in which a government operates, the term 'political will' has limited meaning. For example, two governments in parliamentary democracies may be faced with similarly difficult and politically controversial economic decisions. If one government has a large majority and the other a tiny one, it is not analytically useful to accuse the latter of a lack of political will for not implementing a controversial policy. The problem would not be a lack of will, but a lack of effective power. 'Political will' and 'political commitment' obscure Sida's understanding of policy constraints in a country, rather than facilitating it. Were it possible to define the concepts rigorously, it is doubtful that one could specify a way to judge the degree of will and commitment independently of the outcome they are alleged to determine. More basically, the terms 'will' and 'commitment' fit well into the donorship mode, precisely because they are black boxes and tautological. A donor could explain a project or program failure by 'lack of political will', with no fear of being refuted.

In light of this discussion, we can look back to the UTV definition of ownership and identify an ambiguity. The definition includes the statement that ownership is lacking if 'a country or organisation is not committed to its development activity' (see Section IB). This inclusion presents two questions for Sida operations:

1) how does one define commitment without it being tautological;

2) how, and by whom, will the judgement be made?

If Sida reserves the right to pass judgement on commitment, and it is not defined *ex ante* for each activity, then the danger of donorship judgementalism remains. These questions are treated at the end of this report.

Box 4.8: 'Political Will' and 'Commitment' in Tanzania

Frustration with the 'lack of commitment' or of sufficient 'political will' was common among donors, including Sida, throughout the lengthy gestation of the Education Sector Development Program (ESDP) and of the SWAp that supports it, in Tanzania. During the mid-1990s the education ministry provided various draft reform plans but donors felt there was no clear process of, or basis for, prioritisation in these plans. Reforms stuttered and stalled, and were then jump-started again towards the end of the 1990s and in 2000–2002. Sida staff claim that the ESDP and associated SWAp have finally got underway thanks to a boost of commitment and political will. However, there is no clear analysis of exactly what this means, nor really any clear acknowledgement that donors themselves are a part of the political determination of 'commitment'. Senior diplomats from donor countries put pressure on the president to push education reform more urgently and Tanzania's reaching the completion point for HIPC debt relief depended on progress on education reform. These two factors seem to have been important also to significant personnel changes in government. However, Sida does not have a clear picture of how to monitor this commitment or of what factors may influence and constrain it in future.

Also in the donorship tradition is the assertion that 'there is no right to aid', which came to us as a general comment, and specifically referring to one of the three countries under the evaluation. It implies that receiving assistance is contingent on recipient behaviour. We doubt whether this statement is consistent with the Sida ownership agenda. In as far as it refers to development assistance in general, it is the policy of the Swedish government that the wealthy countries are under a moral obligation (as well as enlightened self interest) to provide resources to the poor countries of the world.[19] This would seem to imply a general right to aid. If the statement refers to specific countries, it would be unlikely to play a positive role in the partner dialogue. One presumes that the ownership equivalent of this statement would be a paraphrase of the 'shared values' element of Swedish policy: 'the government of Sweden is unconditionally committed to providing development assistance, and partnerships to make this concrete will be based upon common values, ownership, clear and mutually agreed objectives, and national capacity to implement'.

Sida is committed to a more equal partnership with recipients. This new partnership should include, and does in East Africa, a new language of dialogue, in which the discourse of ownership seeks to eliminate the subtext of donorship. The guidelines for the new language are proposed in the 'code of conduct' found in *Africa on the Move*.[20] The code of conduct reads:

E. Dialogue and Conditionality

While we have referred to conditionality, we have yet to consider it analytically. Conditionality, defined as actions required of the recipient government in order to receive development assistance, is at the heart of the ownership agenda. Once the partnership dialogue establishes the common ground of shared values, conditions on assistance become a topic of discussion. Superficially, it would appear that conditions on assistance are, by definition, inconsistent with ownership. Were this the case, full ownership would be impossible, because no aid is or can be extended without conditions.

The IMF deals with this dilemma by concluding that 'full conditionality' and ownership are incompatible, but varying degrees of ownership can

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[19] The Parliamentary Commission on Swedish Policy for Global Development states that Sweden's development assistance is based on '*solidarity and enlightened self-interest*.' (italics in original, PCSPGD 2001 p.1) On the last page of the document, the Commission adds, "Sweden should join other like-minded countries in an active initiative to promote new forms for transferring substantially increased resources to poor countries and poor people in developing countries." (italics in original *ibid*. p.10)

[20] The code of conduct reads:

The qualitative side of partnership includes a code relating to such conduct as the following:

- Openness and clarity concerning the values and interests that govern co-operation;
- A basic attitude relating to sustainability and long-termism;
- An increased element of management by objectives and results of orientation of aid, instead of a multitude of predetermined conditions;
- A humble, listening attitude with respect for African assumption of responsibility and awareness of the local environment;
- Clarity on resource commitments, payments and reporting principles;
- Desire for coordination among the donors.

The document then adds, 'These are primarily Swedish starting points.' (MFA 1998 p. 81) be achieved within a framework of conditionality.[21] The IMF approaches the issue in terms of how much conditionality there might be, and its degree of restraint upon recipient government policy. Our evaluation leads us to conclude that this implicitly quantitative view of ownership and conditionality does not capture some of the important aspects of either conditionality or ownership in the context of Sida operations. We propose an alternative analytical framework that considers conditionality in terms of its motivation, purpose, and potential for causing conflict between partners.

The analysis begins with the generalisation that conditions on granting assistance cannot be eliminated, but they can be addressed in a transparent manner consistent with a more equal partner dialogue that enhances recipient ownership. The discussion applies specifically to Sida operations in East Africa, though the principles involved might be seen as 'best practice' in a general approach to ownership within partnership. While Sida-established conditions may under certain circumstances apply to non-government beneficiaries for program aid and budget support, the relevant forum for discussion is the dialogue between Sida and the recipient government. In this dialogue, Sida should be explicit about the motivations for conditions.

Conditions can be placed analytically into four categories:

1) legally binding requirements on Sida, arising from its relationship to its government;

2) those derived from shared values, set by Sida's national constituencies, which include the recipient's commitment to a poverty-focused development strategy;

3) those based on technical considerations;

4) those motivated by the Swedish government's desire, *via* Sida, to modify the behaviour of the recipient government with respect to political, social and economic development (see Table 2)

All development assistance agencies, bilateral and multilateral, are legally and politically responsible to constituencies. Category one conditionalities are required in order for Sida to conform to the requirements set by those constituencies (see (UNCTAD 2000 p. 198), and represent the 'core conditionality' for all its development funding. There are those conditions arising from the legal framework and system of government in which Sida operates, which require financial transparency, demonstration

[21] "…[S]ince only countries in some distress…borrow from the IMF…there is unlikely to be 'full' ownership, and the problem is really one of trying to maximize ownership within the context of conditionality…" (Khan and Sharma 2001 p. 7)

of effectiveness of expenditure, and adherence to the statutory mission of the agency. These set the basic legal and operational framework for any development funding. Financial risk management is a complex issue that is not purely technical. Where trust between the partners is strong, reporting mechanisms and requirements will be more easily agreed than when the partnership is problematical (as in Kenya). However, the principle that the recipient should be responsible for appropriate use of funds and that conditions will be associated with this responsibility is generally accepted. With rare exceptions, recipient governments accept this category of conditions as inherent in the development assistance partnership. This implies that ownership of development assistance is best understood in relation to shared 'rights' and 'responsibilities' in the management of resources, rather than in the more limited sense of property holding. This interpretation gives stronger meaning to ideas of trust and partnership in the relationship between governments, and retains the sense of donor 'engagement' with the process of development assistance and its goal of sustainability. There is thus no contradiction between national ownership of development assistance and continued partnership with a donor: both parties share an interest in the outcome, because both have committed resources to the process.

Category two conditionalities result from shared values. First, the Swedish parliament would not allow assistance to countries with governments that engaged in severe human rights violations; nor would the Swedish public be likely to support development assistance were it to flow to such governments. The conditions arising from shared values may be negotiated with regard to concrete circumstance, but cannot be suspended. For example, a government might be judged to share Sweden's basic values if it were making clear efforts to consult its population, although not through the representative institutions typical of Western Europe.

Further, the recipient government must demonstrate a commitment to a poverty-focused development strategy. This commitment involves the creation of that national strategy with clear goals, and the existence of the capability to implement it. These conditions, on human rights and national commitment to poverty reduction, arise in the initial dialogue in the creation of a partnership. These conditions should be distinguished from those in category four, 'behavioural modification', in that they represent the establishing of the initial framework in which the partnership will subsequently develop. One example is the Ugandan Poverty Action Fund (PAF), which is protected from budget cuts and where fiduciary assurance is provided to donors by the government, commonly known as *ring fencing*. The GoU developed fiduciary assurances to manage basket funds according to agreed procedures with donors.

The dialogue over shared values, especially with regard to human rights, may prove contentious, but this contention occurs in a context in which each party can withdraw from the dialogue, cancelling the move to partnership. The dialogue would not be between equals, in that one party holds greater bargaining power by the possibility of funding. However, explicit in this initial phase of the dialogue are obligations to be imposed upon both parties. The recipient may have to accept a change in its political and economic values; Sida is expected to commit to long-term development assistance. Both parties enter into obligations and assume risks, though of a different type.

Generally less contentious are category three conditionalities, which have their basis in technical considerations. Such considerations arise most clearly in project funding; Sida would not fund projects if the plans did not conform to generally accepted technical requirements. Further, a basic function of development assistance is to transfer knowledge from developed to developing countries. This implies that in a wide variety of development assistance activities, the technical and scientific knowledge of the donor exceeds that of the recipient. We are not suggesting that technical conditionalities are always unambiguous. Ours is a conceptual point: conditionalities that seek to achieve behaviour modification should not be packaged as technical requirements of projects and programs.

Most contentious are category four conditionalities, whose explicit purpose is to alter the behaviour of governments with regard to political structures, social practice, and economic strategy. These conditionalities are most likely to involve unilateral decisions by donors and, as a consequence, carry the greatest potential to compromise ownership of development activities. The context of such conditionalities differs in an important way from that of the shared values dialogue. Once a partnership is on-going, a relationship of aid dependency has been established, giving Sida a bargaining power over the recipient government that it did not have during the initial dialogue. Being sensitive to the asymmetric power within an established partnership is essential to moving from donorship to ownership. A succinct expression of this point is to be found in Stokke: 'Technical devices do not change human nature or remove vested interests. They do not spirit away the asymmetrical power relationship between North and South in general or that between donors and recipients of aid in particular.' (Stokke 1995 p 105)

An extreme case of behaviour modification conditionality arises when, in the donor's view, the recipient government takes an action that violates the conditions of the shared values partnership. In a recent example of this, the Department for International Development of the United Kingdom suspended the release of funds in response to the decision by the Tanzanian government to purchase a particular air traffic control system.[22] In such a case, a donor makes an explicit choice to drop ownership as a part of the partnership and, perhaps more important, to suspend the dialogue. Behavioural modification therefore involves re-negotiating the shared objectives of the partnership allowing some degree of ownership but not complete. For example, President Museveni argued that security was a pre-requisite to development, and justified the country's defence spending by the need to contain foreign-sponsored rebellions in the northern, eastern and western parts of the country. However the World Bank and IMF strongly warned Uganda on its military expenditures and the Paris Club talks on cancellation of Uganda's bilateral debts with key donors were suspended.

Suspending aid is the ultimate manifestation of the unequal nature of partnership, but it is an option Sida must maintain, and every beneficiary government must accept as a possibility. As drastic as this action might be, it could be handled in a manner that minimises the impact on long-term partnership. The suspension of aid disbursements is typically the result of political considerations, decided at a higher level than Sida. In light of the political nature of suspending aid, the partnership agreement might include an explicit commitment on the part of Sweden that a decision to suspend aid would be discussed at a meeting between high officials of the partners, for example, foreign ministers.

The case studies suggest how Sida might deal with the four categories of conditionality within an ownership-based partnership. First, in the process of dialogue, Sida should be clear and transparent with the partner over which category a conditionality falls. For example, a condition motivated by the desire to alter the direction of economic policy would not be presented as a technical issue, although it may have a technical aspect.

Second, the initial dialogue to establish partnership is extremely important, as Sida recognises. More explicit guidelines, such as a code of practice, could be elaborated on the basis of the points specified in Africa on the Move. Clarity on the motivation for conditionalities follows from 'openness and clarity concerning the values and interests that govern co-operation', and more generally from 'a humble, listening attitude with respect for African assumption of responsibility and awareness of the local environment.' (MFA 1998 p. 81)

The optimal process would be one in which the initial partnership dialogue on shared values eliminates the need for category four conditionalities. If values are shared, and the government has a clear strategy, as well as the capability of implementing it, then category four condi-

[22] The issue was resolved and assistance resumed in July 2002.

tionalities might be unnecessary.[23] While logical, this approach could be difficult in practice, since circumstances affecting the partnership change over time. The guiding principle could be that once a sound partnership is established, Sida would itself specify, or support if initiated by other donors, category four conditionalities only in response to substantially altered circumstances. In effect, category four conditionalities involve renegotiating the shared objectives of the partnership.

This, the 'sound partnership' approach, has a serious implication, and a very practical difficulty. The implication is that Sida would be prepared explicitly to suspend the partnership dialogue if it found it necessary repeatedly to impose behavioural conditions on its 'partner'. While this would be a drastic step to take, suspending partnership would be more consistent with national ownership than continual recourse to behaviour modification conditionalities.[24] The conditionality approach to difficulties in the partnership involves a practice of fostering ownership when the donor judges the recipient's behaviour to be satisfactory, and when it is not, donorship replaces ownership.

As indicated elsewhere in this report, multi-donor activities create a practical obstacle to the 'sound partnership' approach. This raises the question of Sida's posture when it considers a partnership sound, and one or more of the other donors insists on behavioural conditionalities to which the partner government is opposed. One can identify two circumstances in which Sida would face this problem. First, in the case of some budget support and basket funding, Sida need not attach conditions even if other donors do, and Sida's contribution may be sufficient to allow the government to decline conditionality-demanding donors. Second, and the dilemma in pure form, there may be a conditionality-based sectoral or macro program initiated by another donor, whose purpose Sida supports. Further, assume that the funding would be essential to the government's finances. Such a situation, common with so-called reform programs, would seem to confront Sida with the question, 'which side are you on?'

However, the policy decision is more complex than this. If the principal donor, e.g. the World Bank or IMF, is committed to conditionality, and the government for economic reasons cannot reject the conditionality (and, therefore, the loan or grant), then the government will be subject to ownership-reducing conditionality no matter what Sida does. Sida has two courses of action:

[23] In a seminar including Swedish officials and African leaders, it was recommended that 'once the common objectives have been established, donors must accept government's leadership. This means that they should adjust own strategies and activities to the government's strategy.' (MFA 1999 p. 7)

[24] It is our understanding that Sida invoked the threat of suspension of assistance in Tanzania in 1994.

1) not to support the program, even though the goals are sound, because the conditionality undermines ownership to an unacceptable degree;

2) to contribute to the program and press the other donors for more flexibility of conditions.

It was not possible for the evaluation team to assess how often Sida has taken the former action. However, we recommend that it be adopted more often, in order to achieve the ownership goals of Sida.[25]

Box 4.9: Ownership and Conditionality Tensions

In Uganda, Sida committed SEK50 million annually for three years in the current agreement for the health sector (ending in 2003), followed by SEK25 million contributed to the health 'basket'. In contrast the World Bank, under its Poverty Reduction Strategy Credit (PRSC), has committed $150 million each year since 2000. It is reasonable to ask: will Sida be able to influence the World Bank?

Similarly, in the education sector in Tanzania a number of major bilateral donors complain of the 'bullying tactics' of the World Bank and fear that their own objectives might be compromised by the Bank's superior resource allocation (including staff capacity) to the sector and its performance as a kind of 'donor of last resort' for the sector. Regarding budget support in Tanzania, there is an ongoing debate among donors about the merits and disadvantages of merging more closely the World Bank mechanisms for budget support with those of the PRBS group of donors.

In Kenya, the implementation of health sector reforms has been fraught with political difficulties, and Sida's assistance to the sector has been hampered as a result. The unwillingness of the ministry of health to implement a robust financial management system that would allow disbursement directly to the districts partly reflected loss of control (and power) for the central administration, but was couched in terms of 'capacity'. This did not necessarily imply lack of support within the ministry for reform, although it certainly displayed an unwillingness to take ownership. It was therefore difficult for the donor to avoid using the implementation of the reform agenda as a condition for disbursement.

With regard to the second option, while donor solidarity calls for 'quiet diplomacy', open and public debate among donors would seem more consistent with the new ownership agenda. This would be facilitated by the change of the Consultation Group that we proposed in a previous section.

[25] In Africa on the Move, one reads, 'if the conditions [for partnership] are not fulfilled by one or other party, modifying or discontinuing the co-operation must be feasible.' (MFA 1998 p. 8)

Table 2. Categories of Conditionality		
Category	Donor Motivation	Civil Society
1. Legal obligations & Shared values [Core conditionality]	These conditions derive from legal requirements set by donor governments (e.g., financial accounting)	Non-negotiable except in detail.
2. Shared values & commitment [Core conditionality]	Need to conform to values of the government's constituencies (e.g., protection of basic human rights, commitment to poverty reduction)	Negotiable within the bilateral dialogue, but cannot be suspended.[Can overlap with category 4.]
3. Technically-based	Projects and programs must be consistent with generally accepted scientific and technical knowledge.	Non-negotiable.
4. Behavioural modification	Desire to induce the recipient government to: a) alter its political institutions, b) change its social policy, or c) adopt a particular development strategy.	Negotiable, but might be rare if initial partnership dialogue achieves its purpose.

F. Partnership and 'Taking Sides'

In all three case study countries, the donor dialogue contributes to a relationship that can be accurately characterised as 'the donors on one side and the government on the other'. This division manifests itself most obviously in the 'donors' meetings', where the government is not represented. We have suggested a reform to alter this. In addition to the Consultative Groups, each of the countries has sectoral committees of donors, with one donor acting as leader (usually on a rotating basis). The evaluation team concluded that as currently practiced, the institution of the donor committee does not contribute to increased government and stakeholder ownership.

This is for two reasons. First, the donors' committees formalise the 'us and them' approach to development assistance, as well as explicitly treating that assistance as something that the donors offer and the stakeholders accept. The ownership agenda seeks to overcome this approach to development assistance.

Second, the 'us' and 'them' division has a more subtle, but important, effect on Sida operations. Typically, Sida proposes (rather than imposes) conditions less strict upon recipient governments and stakeholders than other donors, and is more willing to negotiate these. As a result, the partnership between Sida and the government tends to involve greater mutual trust than for other donors.[26] As a consequence, Sida frequently finds itself urging other donors towards greater flexibility in multi-funded activities, and the governments view this as part of the trust established within the Swedish partnership. When in the opinion of the government Sida fails to achieve agreement on greater flexibility, trust within the partnership weakens. To put the matter concisely, the government might conclude that Sida failed to deliver on its commitment within the partnership.

From our interviews, we conclude that this problem causes concern among many Sida staff. The problem must be placed in context. It arises from Sida pressing for changes that are in the interest of the government. In as far as failure to achieve these changes results from Sida's structural position in the country (e.g., not a major donor), rather than lack of effective advocacy, failure is disappointing but to be expected on occasion. For Sida to contest the policies of other donors only when it anticipated success would be short-sighted. The repeated advocacy of unlikely changes could undermine Sida's credibility, but the success or failure of advocacy should not be judged solely on whether the change is achieved in full or within a short time period.

It is our judgement that in Tanzania Sida has, on the basis of its long-term partnership with the government, established itself as a trusted advocate of the government's interests. A major breech between Sida and the government in the early 1990s interrupted this trust, but did not undermine it in the long run. As a result, Sida exerts more influence on the Tanzanian government than the size of its program would suggest. This close partnership would, under enabling conditions, be the model for Uganda and Kenya. It would appear that conditions are favourable in Uganda, but certainly not in Kenya for the present and immediate future. There is also less scope for conflict between Sida and other bilateral agencies than in some other countries, given the work of a core group of donors on coordination and ownership since the Helleiner Report and the formation in the second half of the 1990s of the Multilateral Debt Group.

[26] This is not to suggest that other donors have 'bad' relations with the three governments. Rather, it reflects the long-standing institutional predilection of Sida.

Chapter 5
Ownership and Multiple Donors

Sida has had projects and programs with other donors for many years. This practice has increased, and is likely to be the rule rather than the exception with the shift toward budget support by most donors. In addition, the PRSP process is intended to induce all donors to participate in joint funding through budget support. While it is appropriate in this evaluation that we primarily consider Sida's action with regard to national ownership, we must now consider that in the context of interaction with other donors.

Ownership is but one of the important issues arising from relations among donors. Central to these relations is aid coordination, which a recent UNCTAD report identified as one the major factors impacting on aid effectiveness (UNCTAD 2000 Chapter VI). We deal with this issue only in as far as it directly relates to the ownership of Sida projects and programs. The following discussion abstracts from personalities, since the success of Sida in fostering its ownership agenda should not be dependent on the strengths and weakness of individuals, although such is always the case to some extent. The purpose of an institutional policy is to minimise such dependence, although it will always be a factor. While the discussion may seem detached from the specifics of the three countries, it derives directly from knowledge gained in the study of those countries. The purpose is to avoid unnecessary comparisons that might be interpreted as referring to particular people.

The experience in the East African countries suggests that Sida's success in promoting ownership in joint activities depends on Sida-specific and country specific circumstances. We recommend clear guidelines and instructions from Sida Stockholm on what the country offices are to achieve.[27] Overall, we judge that the guidelines are relatively clear for Uganda and Tanzania, and less so for Kenya. The ambiguity in the latter case arises from the nature of the country dialogue, which reflects an absence of shared values. In the pursuance of the ownership agenda, embassy and Sida staff may encounter opposition from other donors and,

[27] Guidelines derive from overall Swedish aid policy, most obviously from Africa on the Move. The word 'instructions' should be interpreted as meaning country-specific objectives resulting from an interchange between the country office and Stockholm.

in some cases, from parts of the national government. When this occurs, in-country professionals need to be reassured that they have the support of Stockholm. We received no information to suggest that this was not the case.

With clear goals and institutional support, the success of Sida staff in fostering ownership depends on whether country circumstances are favourable. To consider ownership within joint activities, it is necessary to identify the factors determining the ability of Sida to assert itself within these activities. Otherwise, the discussion of each joint activity is purely descriptive, resulting in subjective judgements. The framework has three components:

1) any activity will be more important and strategic to some donors than others;

2) there will be an inherent tendency for the major contributor to the activity to presume right of leadership (if not dominance);

3) differences will arise with regard to objectives among donors, and among stakeholders.

Point 1 implies that Sida (and any other donor) will be more active, even aggressive, in some activities than others. The second implies that leadership will fall to the major contributor unless other donors challenge it purposefully, perhaps by forming a coalition. The third can result in *ad hoc* partnerships (perhaps of a patron-client form) between specific donors and specific stakeholders, where objectives coincide.

A clear example of a joint activity in which Sida would be unlikely to assert a strong role is macroeconomic policy based lending. The first two components listed above combine to leave Sida (and usually all bilateral donors) in a weak structural position. Macroeconomic policy is the declared terrain of the IMF and the World Bank. For the multilaterals to concede this terrain to any degree could be interpreted as a loss of prestige. More important, the governing bodies of the IMF and the World Bank formally approve conditionalities, after which they are subject to interpretation, but not to change through negotiation. This means that the two organisations will have greater institutional self-interest in the determination of conditionalities than will bilateral donors. Since these institutions are also, almost without exception, the major contributors to macroeconomic programs, the scope for influence by other donors is limited. This characterisation of the multilaterals should not be interpreted as a criticism, but as a description of reality. Each donor organisation has a particular constellation of interests and interest groups that constrain its policies and would not exist without these constraints.

Thus, Sida will be most likely to exert influence when an activity has:

1) a high institutional priority and the priority is relatively low for the major donors;
2) Sida funding provides a substantial part of the total resources;
3) Sida's relationship with the more articulate and politically influential stakeholders is well established on the basis of shared values relevant to that particular activity.

Under these circumstances, unlikely to prevail for so-called economic reform programs, Sida has the possibility of moving other donors towards its concept of national ownership. It is our impression that there is greater scope for utilising coalitions with other donors than has occurred, especially in Uganda and Tanzania.[28]

[28] The term 'like-minded donors' is frequently used within Sida. From our discussions in East Africa and experience elsewhere, we conclude that this term suffers from misinterpretation and may be counter-productive to coalition building. First, it can be interpreted as creating factions among the donors, rather than coalitions. Second, and more important, Sida may find that one collection of donors is 'like-minded' on one issue, but 'unlike-minded' on another. In Viet Nam, a formal group self-identified as the 'Like-minded Donors', of which Sweden is a member, seems to have evoked a mixed reaction from other donors. This assessment is based on a recent evaluation of the PRSP process in Viet Nam by John Weeks.

Box 5.1: Donorship or Ownership? Multilateral assistance to the National Civic Education Program in Kenya

Sida support for the multilateral program for civic education in Kenya presents a good example of the difficulties of sustaining strong ownership within a donor group environment where not all parties may share the same priorities. Following the 1997 elections, donors in Kenya encouraged the various CBOs and NGOs engaged in civic education to seek ways of coordinating and consolidating their activities. This resulted in a number of consortia being formed, and eventually the donor group agreed to coordinate its support for these consortia through a single program which would operate on the basis of basket funding. To facilitate this, individual participating donors, numbering eleven in all, withdrew bilateral support for civic education to pool their resources. To ensure transparency and to evaluate quality in delivery, consultants were engaged to manage the financial system and to oversee technical assistance. In practice, the consultants ran the program, reporting to a donor committee. CBOs and NGOs were then invited to tender for monies from the 'basket', and the donor group, through its chosen consultants, selected more than 70 such frontline agencies for funding. Those selected included agencies with which Sida had previously established bilateral partnership, but the majority were agencies that had no prior link with Sida.

Ownership was absent at all stages of this process. In design and implementation ownership was undermined for many frontline agencies, who were asked to give up their own training and educational documentation in order to adopt that designed by the consultancy team. Those agencies with strong advocacy roles, such as those in the field of promoting gender rights or targeting under-privileged groups were especially badly hit by this. Participating CBOs and NGOs had no role to play in decision-making. The consultants impeded and weakened previously existing bilateral relationships. Financial controls and monitoring mechanisms were effective and transparent, but the real costs of this were very high and in practice the processes were overbearing and sometimes intimidating. This was donorship, not ownership.

In Uganda there are cases in which donor coordination blurs ownership and in some cases created multiple owners. For example, while there is a high degree of ownership of the Financial Sector Development (FSD) program by the Bank of Uganda, the German development agency GTZ has greater influence in the implementation. As Sida came later to the project it has led to a divergence of opinion, which necessitated extensive negotiations over the project. Another example is DfID's influence over the Ugandan Participatory Poverty Assessment Project (UPPAP). Particularly DfID's insistence on using foreign consultants while Sida and UPPAP staff members clearly objected to the proposal and supported recruitment of local consultants.

In this context, we should comment on the strategy by some bilateral donors of linking their funding closely to that of the multilateral agencies. Under this strategy, a donor with a program relatively small compared to that of, say, the World Bank, contributes its assistance to a 'trust fund' or 'basket' in support of the program of the multilateral. The stated intent of this strategy is for the bilateral to achieve influence or 'leverage' on a multilateral policy greater than it could achieve by implementing its own program. For a donor that seeks to play an independent role in a country, this is a risky strategy. If the desired influence on the policies of the multilateral is not established *ex ante*, then the bilateral donor gives up one vehicle of independent influence with no assurance of equivalent policy impact through its participation in the multilateral program. Therefore, if we assume that Sida does not wish to become a passive contributor to the programs of other agencies, we recommend that it devise a clear *ex ante* agreement. The likelihood of achieving such an agreement would be determined by the factors discussed above. Specifically, if Sida wants to commit to particular baskets and maximise the impact of its contribution when it is a minority donor, it should allocate specialised staff to the activity.

In all three East African countries there are sector-specific formal or informal groups of donors that meet regularly. These sectoral groups primarily act to coordinate donor activities and monitor government policies and implementation, consistent with each donor's institutional priorities. In some cases they can be used to promote Sida's emphasis on ownership with other donors. For example, the donor group on education in Tanzania serves as a mechanism for advancing ownership.

However, the type and depth of ownership that Sida seeks to foster exceeds the tolerance level of some of the donors to the East African countries. In this context, Sida is not the major donor in any of the three countries. Pursuing its own ownership agenda and leaving other donors to pursue theirs is not an option for the leadership of the country programs, given that Sida is, and will be, involved in many jointly funded activities. In practice, the approach to ownership by the most powerful donor will prevail unless contested. This was evident in Sida's experience in the multi-donor National Civic Education Program in Kenya during 2002.

Our review suggests that attempting to adjust the views of other donors on an activity-by-activity basis has limited effect, and what gains are made in one activity may have little effect on the ownership outcome in other activities. Moreover, involvement in multi-donor programs can serve to weaken Sida's relationship with existing partners through the dilution of contact and the undermining of trust and therefore ownership. There was again evidence of this in Kenya's NCEP. On the other hand, where donors support a common partner on an independent basis, as in the case of donor support for FIDA, partnerships can be sustained on a bilateral basis and ownership strengthened. Sida will therefore have influence if it continues to mix programs and projects to match its view of ownership. This is to some extent happening in Uganda, where Sida's assistance to the Human Rights Network (HURINET), in which other agencies are also involved, shows strong ownership.

Sida's operations within a multi-donor activity can also be undermined if other donors impose upon the implementing national agency inflexible and complex reporting mechanisms. This was seen in the Education Program in Kenya, where consultants were engaged to manage the Program. In addition to being onerous in themselves, such mechanisms have a detrimental impact on the capacity of the recipient to implement activities, by occupying the time of trained personnel whose skills are need in implementation as such. Central to Sida's task of fostering ownership within multiple donor activities is lobbying other donors to simplify their procedures (as well as Sida simplifying its own to the extent consistent with risk management). For example, in Tanzania Sida and others have lobbied within the Development Assistance Committee (DAC) member representatives' group to impose principles of harmonisation among the donors with a view to simplifying procedures and facilitating ownership. In the different political circumstances of Kenya, Sida has withdrawn to a defensive emphasis upon mechanisms and instruments in an effort to increase transparency and reduce corruption. This has made partnership with government difficult to achieve, and led Sida to ask its NGO partners to meet standards of probity that are higher than those currently prevailing in Europe.

Chapter 6
Practice and Implications for the Future

A. Sida's Operations in East Africa: Practice and Change

1. Projects to Programs

Sida's decision to shift to programs and reduce its emphasis on projects is a key part of the institution's ownership strategy.[29] This shift can result in the fulfilment of Sida's objective of transferring ownership, or it can take the organisation into the framework of donorship, depending on how it is managed. However, Sida does not anticipate that program assistance will become the sole mode of delivery. Sida seeks a mix of programs and projects appropriate to each country. At the same time, Sida endorses the growing consensus that project assistance does not adequately address ownership issues; that it tends to create duplicates of donor activities; that it creates undesirable wage differentials within the national market for skilled labour; and that too often it is uncoordinated

In principle, program assistance should facilitate ownership because funds are paid directly to the government. Whether this facilitates ownership depends on the commitment of the recipient, the conditionality associated with the program assistance, and the predictability of donor behaviour. Program assistance is more immediately fungible than project aid. If Sida seeks to reduce fungibility through conditionalities beyond financial risk management, the effect can be to render program assistance a vehicle for donorship. If ownership is the objective, fungibility should not be considered a problem; on the contrary, it is the unavoidable consequence of program assistance. Support for this point can be found in the Tanzania country report, in the discussion of budget support and the education SWAp.

A related but separate issue is that program assistance is more easily suspended or cancelled than project aid. Thus, program assistance is a more

[29] Sida has effectively promoted ownership in projects. An excellent example in the country report is the Femina magazine health information project in Tanzania.

powerful lever of political and economic pressure than are project funds. Sida country staff are well aware of this, and, as a result, view the shift to program assistance with some concern for its ownership implications.

In order that the shift from projects to programs results in greater recipient ownership, Sida needs to:

1) clarify its position on the conditionalities that will accompany the program;

2) establish transparent guidelines within the partnership dialogue as to the circumstances under which assistance would be suspended or cancelled.

The broad guidelines for a partnership (program country) are that the recipient government:

1) share a set of common values with Sweden;

2) have a clear development strategy that gives priority to poverty reduction;

3) has shown the capability of implementing that strategy.

If these guidelines are applied through a co-operative partnership dialogue, programs can facilitate ownership. If they are treated as the basis for imposing conditions, donorship will follow.

We conclude from our country studies that all other things being equal, program assistance is more conducive to recipient ownership than project support. An important reason for this is that the former eliminates the ownership-reducing effect of an excessive 'hands-on' project officer. None-the-less, the points made above point to the need for Sida to be vigilant in its application of conditions so that the ownership-enhancing potential of program assistance will be realised in practice.

A final and extremely important issue with regard to program assistance is its relationship to two of Sida's core objectives, fostering gender equality and sustainable development. Projects can be designed to foster directly these objectives, and this may be the case for some program support (e.g., special purpose SWAps). However, if funding shifts from development projects to general budget support, debt relief, and macroeconomic policy programs, it may not be possible in practice to assure that these programs foster gender equality or sustainable development. With regard to projects, Sida has a mixed record of involving beneficiaries in the cycle of selection, design, implementation and monitoring outcomes. With the shift towards program assistance, this experience requires reinterpretation. The lessons from facilitating ownership, or not doing so, in projects have limited application to programs. This is because with projects stakeholder opinion can be sought on specific, concrete outcomes that affect the communities in which the stakeholders live or work. In general, this is not the case with programs. In many cases, people will be consulted on policy and program issues that will benefit other communities also, or, perhaps, instead of their own. This will require a consultation process which involves debate over national and regional priorities. It will be a much more sophisticated discussion that ones dealing with individual and community self-interest. Consultations over the PRSP process, as in Uganda, provide a guide to such discussions and debate. Though likely to be contentious, the consultations over programs have the potential to contribute to a sense of national purpose transcending parochial perspectives.

Because program assistance is fungible, either within a SWAp or within the government budget as a whole, popular participation becomes part of the general process of democratic participation. In this context, one must make a clear distinction between a partner dialogue that seeks to establish whether there are shared values, and the process of actively fostering democratic change. The problem with fostering political change is that it is implicitly, or explicitly, based upon a model of what civil society, and its relationship to government, should be. It is our impression that Sida does not have such a model. Rather, its support for political projects arises from basic principles that have been established by international consensus (e.g., the Universal Declaration of Human Rights). The distinction can be summarised by saying, while it is part of Sida's mission to foster democracy in the countries it assists, its broader mission can be interpreted as facilitating the development strategy of countries which have governments that share common values with Sweden. As part of this facilitating, Sida supports civil society activities that foster consensus human rights.

As the partner dialogue broadens to a discussion and debate over national purpose, the distinction between activities to protect human rights and activities that foster political change will be increasingly difficult to make in practice. To put the matter bluntly, Sida activities to strengthen civil society groups in the partner dialogue could result in 'political meddling'. Besides being inconsistent with Sweden's long-standing tradition of political and military neutrality, in pursuing political involvement, Sida could find itself an unwilling party to more controversial agendas by other donors, such as regime change. While this is a serious problem of principle and practice, politically sensitive civil society activities comprise a very small portion of Sida's assistance. In many cases they can achieve their desired outcome with the blessing or acquiescence of the government. Popular participation is an area in which Sida must act carefully; but the overall approach to dialogue should not be dominated and fundamentally constrained by principles specific to the avoidance of political interference.

In circumstances in which Sida judges the recipient government not to have a commitment to popular participation and to be non-transparent in the use of assistance funds, Sida faces a stark choice. Either it drops the recipient from its list of program countries, reducing its assistance in an orderly manner, or reverts to donorship practices to achieve its institutional objectives in the country. After considerable reflection, we recommend that the former be considered carefully. If it is the case that ownership is blocked by the lack of shared values, but the appropriate decision is to continue the country program, Sida should be explicit that under prevailing circumstances government ownership cannot be implemented. The worst approach would be to deny government ownership without admitting that this is the prevailing policy, for it would breed cynicism and undermine Sida' ownership agenda in general.

To deal with this problem, the objectives must be discussed in the partner dialogue, and commitments received from the government that the objectives will be 'mainstreamed' into the programs. Thus, a burden is placed upon the dialogue to achieve social outcomes with the country program that previously would have pursued concretely within projects. Closely related to this, it is through the dialogue that Sida can prevent distancing itself from its target groups, most obviously the poor, through its program assistance.

It will be clear from this synthesis report, and the country report, that the shift towards program assistance places increased burdens on the partner dialogue. Several Sida staff warned us that we should not treat the partner dialogue as the solution to all problems; to put it another way, the partner dialogue should not be the *ex machina* vehicle we invoke to resolve problems whose solutions elude us. This warning is well taken, but with the move towards program assistance there is no alternative to the partner dialogue assuming a greater role. Only in practice will it be determined whether it is realistic to hope that a range of key issues, human rights (including gender equality), the environment, etc. can be dealt with to the satisfaction of Sida and its national constituency.

The problem of resolving these issues within the partner dialogue is made both more difficult and more probable when the dialogue includes civil society. It becomes more difficult because broadening of the dialogue makes consensus building more difficult. It makes resolving shared values issues more probable, because inclusion of women's organisations, environmental groups, and human rights groups ensures that the recipient government cannot ignore these issues. The partner dialogue is not the panacea for all unresolved problems; but it is the forum in which these issues must be discussed as program assistance increases in importance.

2. Relationships among Donors

It is our impression that in Sida's relations with other donors in East Africa ownership is a consideration, but not the motivating force. As a result, discussions of ownership tend to have a low priority within the Consultative Groups, with the possible exception of Tanzania. Practical ownership issues arise in the sectoral working groups of donors in the three countries, but take second place to issues of coordination.

The low priority given ownership in discussions among donors arises from the nature of the Consultative Groups and the persistence of donorship approaches by major donors. To alter this donor environment Sida could take the lead in reforming the Consultative Groups, to include the recipient government, representatives of civil society, and opening donor discussions to public scrutiny (facilitated in Uganda by moving the meetings of the Consultative Group to Kampala).

3. Country Strategy Process

At one level, the country strategy process is particular to each country, derivative from each country's development needs. A strength of Sida's historical approach has been to treat each country and government on a case-by-case basis, rather than fostering a common strategy across all. These particularities are discussed in the country reports.

At the general level, the country strategy process should be based on the partnership dialogue. To a great extent this has been the case in East Africa. With the shift away from projects, the country strategy process will by necessity become less of a technical exercise and more of an assessment of meeting criteria of shared values, a clear development strategy, and the capacity to implement that strategy. A project-based country program can be characterised as tending to be built from the 'bottom up', with a country's total assistance the sum of its projects.[30] Under program assistance, a country's total funding is set at the aggregate level, and allocated among SWAps and budget support (and in some cases debt relief or balance of payments support). A challenge facing Sida is to adapt its country program process to the change in the way it will deliver its assistance.

4. Popular Ownership

Sida's policy on popular ownership is that it 'is a goal in itself' (Sida, forthcoming, p. 22). The implications for realising this goal were discussed

[30] This is an oversimplification, since even under a pure project approach, countries would be assigned limits to their total programs. The characterisation is useful for purposes of analytical contrast.

above in the section on projects and programs. To that discussion a few further points can be made. With regard to projects, Sida has a mixed record of involving beneficiaries in the cycle of selection, design, implementation and monitoring outcomes. With the shift towards program assistance, this experience requires reinterpretation. The lessons from facilitating ownership, or not doing so, in projects have limited application to programs. This is because with projects, stakeholder opinion can be sought on specific, concrete outcomes that affect the communities in which the stakeholders live or work. In general, this is not the case with programs. In many cases, people will be consulted on policy and program issues that will benefit other communities also, or, perhaps, instead of their own. This will require a consultation process that involves debate over national and regional priorities. It will be a much more sophisticated discussion that ones dealing with individual and community self-interest. Consultations over the PRSP process, as in Uganda, provide a guide to such discussions and debate. Although likely to be contentious, the consultations over programs have the potential to contribute to a sense of national purpose transcending parochial perspectives.

5. The Activity Cycle and Assistance Modalities[31]

The cycle of conceptualisation, formulation, implementation, and evaluation is common to all assistance activities, not only projects. Even budget support involves these phases, though their form is different from that in projects. Each activity has specific characteristics that largely govern the manner and possibility of recipient ownership. These are discussed in the country reports. We found a few generalisations that apply to all.

In the phase of conceptualisation, recipient ownership requires Sida to practice two virtues, patience and tolerance, and provide capacity building support. Pressure to initiate an activity, arising from deadlines and funding cycles within Sida, can result in the concept stage being donor-driven. This has been evident in the health sector program in Kenya, and was also identified in the initiation of the debt management project in the mid-1980s. To avoid such a situation emerging, in this first phase Sida should allow the recipient to set the time schedule. When recipient and stakeholder ideas do not coincide with those of Sida, tolerance for differences is essential. Sida showed such tolerance with respect to the National Bureau of Statistics in Tanzania: having decided unilaterally to pull the plug on support for the NBS, Sida nonetheless respected the NBS request for phasing of the withdrawal and gave what was acknowledged by the bureau as significant moral support in the organisation's bid for greater autonomy vis-à-vis the government. The same virtues apply to the formulation phase, and in this phase recipient capacity becomes a possible constraint. The temptation to move ahead in the formulation of an activity by reliance on external expertise typically results in donorship rather than ownership, frequently irreversible.[32] The negative aspects of this are to be seen in Sida's recent support for the health sector in Kenya. In Tanzania the development of education sector reform in the 1990s was characterised by donor impatience, leading at one stage to an excessive number of external consultants. A positive example of Sida patience was the formulation of trade policy in Tanzania, which the ministry of industry and trade planned and developed. These examples suggest that particular care should be given to generating national capacity for the formulation of institutional change and macroeconomic policy programs. Without national expertise, donor conditionality of the type of the IMF and the World Bank become policy directives, rather than mutually-formulated objectives.

The implementation phase involves complex challenges for fostering ownership. Some Sida projects in East Africa have been implemented through NGOs, private firms, and specialised UN agencies. For example, in Uganda, Oxfam was the implementing agency for the participatory poverty project and UNICEF for the Water, Environment and Sanitation project. We conclude that assigning one stage of the project cycle to an NGO or specialised UN agency need not create basic problems for overall ownership. However, to achieve ownership in the longer term there must be a clear exit strategy for the external implementing agency. This exit strategy should include phasing out the implementing agency's role and preparing local partners to replace it. This process requires identification of the initial constraints to ownership and planning for exit strategy from the outset of the activity. In summary, while it can be cost-justified for both Sida and the recipient government to contract out implementation, this can result in non-sustainability. Conditions should be placed upon contracted organisations to transfer expertise to government and stakeholders, so that such projects can be duplicated without external assistance.

More attention should be given to placing the evaluation phase of activities into the ownership agenda. It is not uncommon for donors to commission evaluations to national experts, and to give the government effective input into the choice of consultants. These are important steps by Sida, but a more fundamental issue arises. Fostering ownership of projects and programmes involves re-thinking the entire activity cycle, including evaluation. To provide full ownership of this phase, Sida might consider treating evaluations as a joint activity commissioned by

[31] Recommendations complementary to ours are found in Ostrom et al. (2001 pp. 43-44, Summary Report)

[32] This problem is treated in Khan and Sharma (2001) and Ministry of Foreign Affairs (1999).

stakeholders in partnership with Sida. As a step in this direction, evaluation teams could be directed to confirm with representatives of stakeholders while developing their methodology, as well as with Sida's Evaluations Department.

Overall, our evaluation of projects and programs indicates that Sida has made progress in fostering ownership in all phases, but there are few activities in which there is sufficient attention to ownership in all phases. A further important conclusion from our activity evaluations is that ownership can be successfully fostered within each of the major modalities of assistance, projects, SWAps and budget support. And even in the least promising of political contexts, that of Kenya, ownership is found within government programs (e.g., the NALEP) and in assistance to NGOs (e.g., FIDA). Ownership as an objective does not in itself result in a preference of one type of modality over another. In other words, the shift from project to program assistance is a policy choice by Sida that is separate from the objective of ownership. As discussed above, program assistance creates its own problems and opportunities for ownership, but these must be realised through concrete actions by Sida staff in the field.

B. Avoiding Basic Mistakes

As part of the discussion of development assistance, within Sida and with the public, there are basic mistakes, or pitfalls, that must be considered. Perhaps the most fundamental mistake is to presume that recipient ownership can arise from a process that is initially donor-driven. It might be argued that some Sida program countries require projects or programs that they lack the capacity to design and implement. In such circumstances, Sida would be justified in being the 'driver' of the program in its initial stages, with the intent to generate ownership in the process.

Such an outcome cannot be ruled out, and one should not dogmatically require recipient ownership to hold for every aspect of an activity. However, consciously to select and design a program that cannot be recipient owned during the initial stages is a perilous approach. First, it creates the possibility that once recipients have the capability of owning the activity, they may choose not to do so. This could arise for many reasons. The most obvious motivation would be that the recipients would judge that having initiated the project, Sida can be left to carry it, and the recipients can devote their scarce human resources elsewhere. Second, and closely associated with this rejection by the recipients is the difficulty of Sida judging at the start of an activity whether ownership could be achieved in a later phase. Third, this tactic ignores the possibility that implementation improves with ownership.

One aspect of the 'ownership later' approach is excessive optimism by Sida staff about the capabilities of recipients to take ownership. This optimism tends to be inherent in the donor-recipient relationship. Few governments or communities decline development assistance; nor would it be rational for them to do so in Sida's case, with the funding coming as grants. This is especially the case for program assistance, which is highly fungible. Few governments, if any, would decline budget support on the basis of the capacity to absorb it effectively. Although less in Sida than in some other agencies, there is pressure to 'move money'. If anything, the shift towards programs increases the tendency to 'assistance optimism', since as long as there are poor people without education, health care, and water, more funding would appear justified. This argument may be especially appealing to Sida staff, since the agency is not the dominant donor in any of the three East African countries.

From our in-country evaluations we conclude that there are circumstances in which more development assistance, especially more in the absence of implementation capacity, can make matters worse. Uganda has probably reached that point. Development assistance can make matters worse in several ways:

1) if it is not recipient-owned, the funds are likely to be used ineffectively, while consuming scarce national resources for administration;

2) fungibility can result in reducing the government's incentive to raise domestic resources for development, or provide an incentive to divert national resources to unproductive uses (e.g., the military);

3) by fostering aid dependency, in which macroeconomic stability becomes derivative from large aid flows (this is the current situation in Uganda, and is relevant for Tanzania).

These two common mistakes, 'ownership later' and 'assistance optimism' can combine to render an otherwise sound country program into an aid dependent relationship in which the recipient country's development program is donor-driven, and the government of the country becomes the implementing agency for the donors. A situation close to this characterised Tanzania in the past. Avoiding these mistakes can present Sida with a cruel choice: lack of capacity to implement or absorb further aid may be the result of the excessive size of the programs of other donors. In the interest of the Sida aid program and its viability with the public in the long run, ownership and effectiveness should take precedence over distribution. This choice is relevant to Uganda.

Another mistake that can undermine partnership and, therefore, ownership, is to treat the partner government as if it were a coherent unity with a commonality of interests. In East Africa, as in Sweden, governments, even governments of a single party, are in practice shifting coalitions of political, social and economic interests. Not to recognise this can result in inappropriate cynicism about 'government commitment'. For example, it may be that the ministry of health in a country is firmly committed to owning a sector SWAp, but this commitment is undermined by lack of influence within the cabinet. While failure of the ministry to act according to agreement with Sida would have the same immediate effect whatever the cause, an understanding of the political context in which it acts or does not act will inform Sida's response.

Once it is recognised that governments are shifting coalitions, Sida's strategy and tactics for fostering ownership become more effective. Commitment is required not only from implementing ministries or local governments, but also from players who affect the capacity to implement that commitment. Thus, a sophisticated and detailed understanding of the internal politics of a country is required for effective partnership and ownership. This knowledge will suffer if Sida in-country staff turnover is high.

The term commitment has a further problem, that of lack of clear conceptualisation. From reading Sida documents and talking with staff, we have the impression that it is used in one of two senses:

1) as a binary category, in which a government or stakeholder has or does not have commitment;

2) as a category characterised by degrees (e.g., low, medium, high).

Neither incorporates the basic principle that all social phenomena are constrained. The productive way to consider commitment is not to ask, is there or is there not commitment in general, or how much is there, but what are the constraints on the actor in question to implement her/his commitment with regard to specific activities. Commitment to an assistance activity implies that the stakeholder will devote resources to it. Since resources are scarce, it is rational for stakeholders to ration commitment; in other words, to maximise their commitment with respect to the resource constraints that impinge on them.

This way of viewing commitment should not be viewed as a facile application of maximising behaviour to a qualitative process. The approach avoids the typical moralistic subtext in discussions of commitment, and makes commitment an issue that policy can address. If Sida anticipates a problem of stakeholder commitment, this can be addressed by first identifying the constraints to increasing commitment. If these are concrete resource constraints, then it may be possible to address them within the assistance activity, for example, through capacity building. Using this approach, commitment is no longer an *ex post* excuse for lack of project or program success, but an element to include in the design of an activity.

Our suggested approach to commitment is influenced by the UTV definition of ownership, which stresses behaviour rather than attitude. Just as the extent of recipient ownership can be partly explained by available resources, capacity, institutional constrains, and specific circumstances, so can commitment. In our view, ownership and commitment, while not the same thing, are co-determined by concrete factors. Our discussion should not be interpreted as dismissing commitment as a relevant consideration in Sida's assessment of partner behaviour. On the contrary, a judgement by Sida as to whether government and other stakeholders are committed to an activity is essential at all phases of a programme or project. If basic commitment is absent, ownership cannot be fostered. However, commitment can be deepened and facilitated by Sida's own actions.

As noted at the outset of this report, our terms of reference exclude consideration of the impact of ownership on the success of projects. However, in the discussion of commitment we should point out that it is the fundamental determinant of the sustainability of a project; and sustainability is the necessary, though not sufficient, condition for a successful outcome.

Box 6.1: Government does not provide a monolithic partner

One source of over-optimism in Sida and other donors is when it is assumed that the government is a united entity. The CDPR teams found evidence of this assumption in the country studies and certainly found evidence of conflicting interests within government hampering development activities.

In Uganda, ministry of health (MoH) interviewees felt that the ministry's plan is constrained by macroeconomic conditions set by the ministry of finance, planning and economic development (MFPED), as well as by the Bank of Uganda. Since donors channel funds as sectoral budget support, there is always conflict between the interest of the MoH and the monetary authorities. It is up to the government to integrate these interests more closely. The MoH complained to government that it was not allocated enough to implement the HSSP fully and on time. For example, the World Health Organisation advocates an increase in health spending to $32 per capita annually, while Uganda currently spends $9 per capita. Donors would support the increase, but the MFPED argues that the money cannot be absorbed into the economy without disturbing macroeconomic balances.

Another Ugandan example involves decentralisation. Government reforms transferring powers to local government have enabled local communities to hold the service-delivering agencies in health and education accountable. There is an increasing involvement of districts in service provision, although funding to the districts is based on earmarking and conditionalities to prevent misuse of money. However, the decentralisation process is far from smooth. Many district officials complain that the Conditional District Grants are too strict. Civil servants at central or ministry level find it difficult to release power and funds, while those at lower levels find it hard to assume responsibility.

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Similar problems afflict the Education Sector Development Program (ESDP) in Tanzania. There are tensions between the ministry of education and culture (MOEC) and the ministry of finance on the one hand, and tensions between MOEC and the president's office for regional administration and local government PORALG) on the other hand. Thus, decentralisation might be seen as quite a widespread source of intra-governmental tension. It is also fair to say that there are conflicting interests within MOEC that might affect the pace and efficiency of reform implementation and might frustrate effective ownership. For some Sida staff there was, however, an explicit assumption that government is a united, homogeneous body not characterised by complex coalitions of interests and conflicts of interest. On the basis of this kind of assumption, organisational reform is simply a reallocation of responsibilities carrying no political implications at all. Such an assumption, we argue, is likely to lead to excessive optimism on the part of a donor with respect to the pace of reform and the quality of ownership.

In Kenya, Sida has sometimes been too optimistic in support of community-based organisations as partners. A recent example of this is to be seen in the redevelopment of the municipal park in Kisumu under the Lake Victoria Initiative. A high level of community participation at the inception stage displayed strong ownership, but was in part galvanised by Sida's interest in the project. Whilst this should be viewed as positive, and while it offers the potential for enhancing ownership at later stages of the project, it remains to be seen whether the same community partners will continue to share a perspective on the uses of the park once it becomes a tangible resource to be utilised and once it begins to generate revenues. At no point has the evolving nature of ownership – that is to say, changes in the rights and responsibilities of the partners – been made evident in the project. It cannot therefore be assumed that the ownership seen in the design stage of the project will be sustained in later stages. Community and non-governmental partners are, if anything, even less monolithic than government partners.

C. Recommendations for Good Practice

1. Intra-Sida Consistency on Ownership

Perhaps the single most important step Sida can take to implement effectively its ownership objective would be to establish clarity and consistency within the organisation about the operational meaning and implications of the objective. To achieve this, the following measures are recommended:

- All projects and programs should include a discussion of their ownership implications when they are proposed, just as they must be justified on the basis of their poverty impact and gender implications; and
- Sida staff, in Stockholm and in the field, should participate in discussions of Sida's policy on ownership, and from these discussions should

come a deeper understanding of the practical implications of fostering ownership.

To its credit, Sida is not an organisation that operates through directives passed down a hierarchy. Rather, it seeks to operate on the basis of consensus, within its institutional guidelines. Consensus is consistent with leadership. Successful implementation of the ownership objective requires strong leadership, to create clarity, to set examples for staff, and to encourage those who adapt quickly to the new context of ownership and program assistance. In the absence of strong leadership, there is the danger that the objective of ownership will be served in words but not in practice.

2. Sida Staff Training

The objective of ownership is integrally connected to the shift from projects to programs. A substantial proportion of Sida staff, in Stockholm and in the field, are project professionals. Therefore, effective implementation of the ownership objective requires many staff to acquire new skills and, more importantly, a new perspective on the delivery of development assistance.

While not explicitly in our terms of reference to do so, we made enquiries in two other donor agencies that are in the process of shifting from projects to programs. The experience in both is that the shift, combined with an emphasis on ownership, results in considerable anxiety, especially among project-focused professionals. To avoid this in Sida, both changes, to programs and fostering ownership, should be discussed with all staff. This has been done, but further, on-going discussions will be required as the changes begin to impact on the everyday operations of staff.

The discussions should be accompanied by a training program to make staff familiar with the information and skills required of the change in Sida operations. A major retraining of staff would not be required. We have encountered the view that the shift to programs implies that specialised knowledge of economics and social policy will become the dominant skills required and others rendered secondary (if not redundant). This anxiety reflects a serious misunderstanding of the shift from projects to programs, which could be corrected through discussion and training.

To facilitate the work of Sida staff in fostering ownership, we suggest the institution of periodic seminars on 'problems of fostering ownership' at Sida headquarters, in which country officers and field professionals would present their concrete experiences and difficulties in implementing the ownership objective. Such seminars would familiarise Sida Stockholm staff with the problems faced by field staff, and bring to the latter impressions by colleagues working in other countries. Some expense is implied, to bring field staff to Stockholm, but the benefits would be substantial. On the basis of discussions in Sida and with other donors, we conclude that implementation of the ownership agenda suffers from a knowledge and perception gap between central offices and work 'on the ground'.

When we discussed the issue of knowledge and perception gaps between headquarters and the field, several Sida staff commented that these gaps were inevitable, due to the different work carried out and pressures faced by those in each place. While this is a valid point, institutionalised mechanisms for the exchange of ideas and experiences, in addition to the normal rotation of staff, could greatly reduce tensions and frustrations over fostering ownership.

3. Public Debate in Sweden

In the past, foreign assistance has been presented to the Swedish public as the obligation of a rich country to support the development of poor countries, as part of a commitment to reduce world poverty. The effectiveness of such assistance could be demonstrated by the creation of productive assets, health and education services, and other concrete contributions to the welfare of specific groups. The combination of ownership and program assistance has two important implications:

1) assistance cannot be justified in terms of outcomes directly linked to the Sida aid program;

2) Sida cannot measure the effectiveness of aid by project-specific outcomes.

In order to avoid public disillusionment with Sida's operations, the public must be educated in the new agenda of ownership. Specifically, the point must be made that Sida contributes to a general outcome of national development and poverty reduction, which is directed, planned, and implemented by the recipient government. Unlike in some donor countries, development assistance enjoys public support in Sweden, and there has been considerable public discussion of aid policy. This discussion, in parliament, and in the wider community, should now explicitly address the benefits and dangers of recipient ownership and program assistance.

4. Specifying the Partner Dialogue

If ownership is the question, dialogue is central to the answer. Thus, it is appropriate that this report finish with the partner dialogue. This central aspect of Sida practice has played an important role throughout our discussion, and here we synthesise the most important aspects. Sida uses the term dialogue in different senses, depending on circumstances. In some cases it may refer to the government of a recipient country, civil society groups, and communities. Specifying the exact meaning is important, all the more so with the shift from project to program assistance.

In order to facilitate the institutionalisation of ownership in Sida assistance activities, we recommend that the agency produce a short framework paper that clarifies practice. This paper would be based on the discussion of the partner dialogue in *Perspectives on Poverty* (Sida, forthcoming). The major issues it would elaborate would be:

1) when the partner dialogue should be broadened beyond the government;
2) the implications for practice of broadening the partnership dialogue beyond governments;
3) the concrete manner in which a broader dialogue would be organised;
4) changes in the content of dialogue in the context of projects and programs;
5) programs, dialogue, and Sida target groups;
6) dialogue when relations with the government are strained.

We recognise that it will not be possible to provide a single specification to apply to all countries. However, establishing a framework within which these issues would be treated could promote consistency in Sida's work across program countries.

Annex 1: Sida on Ownership

Sida has been an active participant in debates over the meaning of partnership in development assistance and the significance of country ownership. (Molund 2000, MFA 1998 and 1999, PCSPGD 2001) In common with other donors, and in line with the international institutions, Sida policy assumes an explicit link between poverty reduction strategies, aid effectiveness, and high levels of country ownership of the development agenda. Ownership is thus recognised as a key issue in the strategy for development assistance. In seeking to build towards strong country ownership, five primary goals have been identified (Molund 2000) as a means of assessing the degree to which the objectives of ownership might be realised. These goals will be briefly reviewed here to provide a wider policy context for our discussion of Sida development assistance and ownership of projects and programs in Kenya.

– ownership should be evident in the country strategy process.

The country strategy process should include ownership issues. Sida believes ownership is at its strongest when the development assistance is compatible with the country's priorities and capacities. This compatibility is the outcome of explicit discussion, consultation and assessment of the capacity and willingness to own on the part of the recipient country. Activities that are not given priority by the partner country are unlikely to be owned by the partner country, and should not be incorporated within the country strategy document. As the country report shows, this presents particular problems with Sida assistance to Kenya.

– ownership should be a consideration in project identification, selection, implementation and follow-up.

Sida believes that the likelihood of partner ownership is strongly related to the extent of local involvement in the project cycle, and that this should be reflected at all stages of that project cycle. Ownership is strong when the development activity is initiated and planned by the partner country. But this is mediated by the capacity of the partner country to implement and monitor the desired development activity. As ownership is closely related to sustainability, independence in executing activities over a project cycle is likely to be a crucial determinant of ultimate success. The partner country's commitment and readiness to contribute resources to the activity will be a key indicator of ownership. Ownership must be evident in the implementation of an agreed policy. This is a challenging goal, in that it implies the active engagement of actors at many levels in the process of implementation, and in Kenya, as elsewhere, this has not always been achieved with consistency.

– projects and programs should be designed to foster partner country ownership.

In the design of projects and programs Sida hopes to foster activities that will, in themselves, contribute toward the strengthening of partner country ownership. This again brings the question of capacity to the fore, but it also relates to transparency, accountability and participation. The aim is to build capacity for assuming responsibility through support to the partner country's administrative and operational functions, thus enhancing the potential for meaningful ownership of the development process. In practice this has often resulted in a focus on securing transparent fiscal probity and establishing appropriate legal mechanisms.

– development assistance should aim to enhance popular ownership

The inclusion of stakeholders through consultation and participation in the development process is one of the crucial indicators of strong ownership. This can be evaluated through existing institutions (democratic structures, open membership, fair and transparent processes etc.), or through engagement with non-governmental and community-based groups where institutional structures are inadequately developed. The assumption underlying this emphasis is that broad ownership in desirable, and this has been achieved to some degree in Uganda. In Kenya it has sometimes proved easier to enhance popular ownership than to foster it at the national level.

– ownership should be addressed in cooperation and coordination with other donors (i.e. built into multilateral support).

Sida's development assistance is necessarily, and in the present international policy climate increasingly, interrelated with the activities of other donors. Typically, more than one donor may be involved in the same project or program. This is especially true with the shift from project to program aid that is currently Sida policy. For practical reasons, the collective activity of the 'donor-group' in both Kenya and Tanzania has been of unusual importance in the past few years. The issue of ownership, therefore, must be addressed through cooperation and coordination among donors. It needs to be addressed as to whether donor partners share Sida's understanding of the ownership agenda and how it would best be implemented.

Annex 2: Analytical Treatments of Ownership

Introduction

Confusion over what is meant by ownership arises from the attempt to define it in the abstract, in a manner consistent with donor control. This confusion appears in an IMF working paper, where Khan and Sharma assert,

'the case for ownership has a strong theoretical foundation' and, on the same page assert that assessing ownership of IMF programs is an elusive task. (Khan and Sharma 2001 p. 13) Other donors, IFIs and NGOs convey a similar ambivalence, arguing on the one hand that ownership is key to the success of development assistance, and, on the other, that there are potentially conflicting interpretations of the term. EURODAD judges ownership to be a 'slippery' term or a 'broad concept'. (EURODAD 2001 p. 3) Johnson and Wasty argue that 'the notion remains conceptually elusive…' and that 'it is seldom made clear as to what constitutes adequate ownership'.[1] (Johnson and Wasty 1993 p. 2)

Typically ownership is defined through association with other abstract concepts, which prompted EURODAD to describe it as a 'label'. The most common abstractions associated with this label are 'taking the initiative', 'being responsible for', 'being accountable', and 'showing commitment'. Three possible analytical routes to treat the concept in the abstract are property rights, relationships made through gifts, and principal-agent theory.

Ownership of development, or of development strategy, arose in reaction to criticisms of donor imposition of conditionality, and in response to donors' perceptions of failure of reform programs. The IMF's external evaluation of its enhanced structural adjustment facility (EASAF) noted that 'a common theme that runs through perceptions of EASAF at the country level is a feeling of loss of control over the policy content and the pace of implementation of reform programs' (IMF 1998 p. 36 cited in Tsikata 2001).

In the context of aid effectiveness, ownership can be viewed as the allocation of property rights between relevant parties. Since property rights typically involve

[1] They do not actually develop a precise definition themselves, but identify four indicators or characteristics of borrower ownership: the locus of initiative, the level of intellectual conviction, the expression of political will, and efforts towards consensus building, all of which imply certain assumptions about ownership rather than directly building a theoretical concept.

boundaries, if ownership is not 'full' these boundaries must be defined. Given that ownership is relational, it may involve conflict. Much of the analytical discussion presumes that effective ownership involves consensus within a country and internationally,[2] and that this harmony reflects the convergence of interests and objectives. Even were this to be the case, there is an underlying possibility or threat of unilateral action by the stronger party. In practice, interests differ and potentially conflict. This raises the questions of what institutional mechanisms exist to monitor ownership relations and property rights and to moderate conflicts over these.

The possibility of conflict tends to be overlooked because ownership serves the interest of all the parties to agreements on development assistance, as well as the critics of these. Ownership emerged conceptually as a response to the attempt to find common ground between institutions providing development assistance and recipients. Ownership appeases critics who argue that donors seek to force policies on developing country governments. At the same time, ownership, or lack there of, has served donors as an explanation of the failure of conditional aid. It also fits the need of governments to reinforce their own legitimacy by insisting on sovereignty in economic, social and political decisions.

Analytical Approaches to Ownership

One finds in the literature the argument that ownership imposes obligations upon the aid recipient. This argument demonstrates that the property rights approach to the donor-recipient aid relationship is at best an imperfect analogy. To take the example of buying an automobile, the impersonal market mechanism in which purchase is made conveys no obligation on the seller other than delivery in good condition. While the buyer may incur an obligation to maintain the car in order that its operation not be a public danger, the buyer has no obligation specific to the seller. Nonetheless, some writers treat ownership in development assistance using theories originating in market transactions. To the extent that there is an 'after sales' relationship in market exchanges, they typically involve a contractual obligation on the part of the seller to provide future maintenance or product guarantee, but there is no obligation by the buyer to the seller.

In contrast, in the donor-recipient relationship ownership by the aid receiver typically implies an obligation not to neglect the product (i.e., the development program or project). Therefore, in the case of concessional and grant aid, ownership is viewed by some from a gift rather than a purchase. This approach, that taking ownership of an activity incurs an obligation, is somewhat analogous to what have been called gift economies. In gift relationships there can be an asymmetry between the donor and recipient, and the gift reinforces that asymmetry

[2] An exception is the UNDP, which explicitly considers the national discussion over ownership to be a debate which can prove contentious (interview with Mark Malloch Brown, Administrator of UNDP, 30 August 2002, New York).

by creating an obligation. Conditionality on development assistance might be compared to the obligations associated with a gift economy.

The argument that ownership implies obligation creates complications for the practice of passing ownership to aid recipients. In effect, it says that recipient ownership is conditional on good behaviour, and the donor is the judge of performance. The implicit contradiction, the recipient takes ownership if the donor assesses the recipient to be worthy, is relevant to project aid more than program aid. In the later, the equivalent of 'responsibility' is compliance by the recipient with conditionalities, an issue discussed in detail in the text of this report. Since Sida plans to expand program aid, responsibility in the maintenance of projects will become of less importance.

It should be obvious that the greater the ownership of a set of activities by the recipient, the less the control the donor can exert over managing these activities. This may involve what is called a 'positional good,' defined as something that is a 'good' for one party, and a 'bad' for the other. For example, one person acquiring power over another implies that the other person assumes a subordinate position. (Pagano 1999) Helleiner implicitly took this view when he wrote, 'ownership cannot be given – it has to be taken, it has to be seized…' (Helleiner 2000 p. 2)

We conclude that ownership of development assistance is not analogous to its meaning in exchanges involving property rights. However, principal-agent theory influences the approach of some donors to ownership. In this analysis, which assumes clearly defined property rights, the owner or principal has an incentive to monitor the behaviour of agents hired to manage and conduct business for an enterprise.[3] The introduction of control mechanisms over the agent has the purpose of minimising wastage and maximising efficiency in enterprise performance. A fundamental problem with the application of principal-agent theory to development assistance is that in donor-recipient relationships property rights are not clear. The point of the ownership discussion is that the partner dialogue must resolve who owns a project or program. This issue is avoided, not illuminated, by assuming that ownership is clear at the outset of the dialogue.

Conclusion

The formal theory that underpins the concept of ownership in development assistance is quite weak and of questionable relevance. Thus, theoretical discussions lead one to the conclusion that the concept lacks rigour. The lesson that the CDPR evaluation team takes is that current theory provides little insight, although new contributions may. On the other hand, what Sida seeks to achieve is quite clear: to pass control over development activities to the recipient. This clarity is made confusing by a basic contradiction in the theoretical discussions:

[3] For a detailed discussion of the application of principal-agent theory to conditionality, see Weeks (2002) and Cramer (2002).

attempting to develop an analysis of ownership that justifies varying degrees of control by donors (the 'principals', as it were) over the recipient's use of aid. As argued in the report, the confusion is eliminated if donors are explicit that conditionalities arise from political and technical considerations, not abstract theory. Then, ownership can develop within the partner dialogue, subject to the practical constraints confining the choices of the partners.

Annex 3: Evaluation Methodology

Introduction

The purpose of this annex is to present the analytical method and fieldwork procedure that were the basis of the country evaluations. At an early stage in the work on the evaluation, the CDPR team reached the decision that quantitative measures of ownership would not be of help. In place of this, the evaluation focussed on clarity in definition of key concepts and verification of information.

Quantitative indicators were not adopted for several reasons. First, any such indicators would be arbitrary. The indicators would at best provide a ranking of projects and programs; that is, they would be ordinal. This ordering would be arbitrary, because any composite index would require a weighting of the various component indices of ownership. The terms of reference call for the evaluation to consider ownership over the project or program cycle. There is no theoretical framework for producing a non-arbitrary set of weights to move from the component indices to the composite index. Second, projects and programs invariably involve many potential owners. The problem of assigning numbers to various stakeholders is compounded by the complication that different stakeholders have different levels of involvement and assume varying degrees of risk. Third, and perhaps most important, the degree of ownership at different stages of the project and program cycle are not independent of each other.

The evaluation of ownership is considerably more subtle and interesting than the issue of measurement. It involved an analytical investigation of the following:

1) the definition of ownership;
2) consideration of who are the owners;
3) the motivation and incentives to own or shed ownership by the donor, the recipient government, and stakeholders;
4) policy judgements by the donor and the recipient government when there are irreconcilable conflicts among stakeholders over values, goals, process and outcome.

While the evaluation involved collection of quantitative data on projects and programs, much more important was obtaining the views of Sida staff and national stakeholders. It is the view of this report that whether or not any particular group or institution holds ownership is an objective question. However, obtaining the answer requires assessing the subjective opinions of the actors involved in each project and program, as well as reviewing the documentary evidence. Given the importance of information obtained through interviews, it was essential to the credibility and professionalism of the report that this information be gathered in a systematic manner that allowed for independent verification. Our method of ensuring verification is explained below.

The Basic Ownership Matrix

The complex issues discussed above were rendered manageable by use of a matrix approach. The matrices have three dimensions:

- The range of owners
- The various stages of the project cycle for the instrument
- The type of aid instrument or modality

Since the printed page does not lend itself to three-dimensional presentations, we created a two dimensional matrix, owners and activity stages, for each aid modality. The purpose of the matrix was to generate the information that allows identification of owners, outcomes and commitment over the activity cycle. The team members entered into the cells of the matrix the information drawn from interviews, and used the matrix as a summary vehicle once the in-country investigation of the activity was completed.

The matrix does not call for conversion of qualitative into ordinal-quantitative entries. For example, the interviewers did not put a number in the cell, 'partner government/identification'. The purpose of this matrix was to summarise and provide for the transparency and verifiability of the activity assessment, as discussed in the Introduction. These matrices, up-dated and refined on the basis of reflection after the country visits, will be documents that Sida and other researchers can inspect to verify the basis of our assessments, subject to considerations of confidentiality. To some degree, problems of confidentiality were avoided by not identifying the projects by name and by not identifying the sub-national owners (although keeping a separate record of these).

Basic Ownership Matrix

Project/Program Stages and Owners

"Owners"	Stages of the Project Cycle				
	Identification	Selection	Formulation	Implemen-tation	Evaluation
Partner Government					
NGOs					
Beneficiaries					
Etc					

We can elaborate the terms and concepts in the matrix. For ownership the contracting party is the formal owner and this is usually a government. The range of government owners includes the Head of State, elements of the ruling coalition, the Legislature, the Cabinet, ministry of finance (which typically is the initial recipient of funds), other ministries, and local government. For most projects and programs, ownership was broadened to cover non-government stakeholders. These would include: non-governmental organisations, unorganised direct beneficiaries, and other donors (in the case of multi-donor activities). Each project had a matrix, organised by mode of delivery. While each activity has its unique characteristics, and a superficially similar activity can vary within and across countries, the common reporting framework lays the basis for a common analytical framework.

National Policy Documents

External assistance activities should not be independent of each other, even if they appear to 'stand alone'. They should arise in the context of national and sectoral programs. This has received increasing emphasis from bilateral donors and the international financial institutions. In practice, the vehicles for the integration of activities have become the World Bank's Comprehensive Development Framework (CDF) and the Poverty Reduction Strategy Papers (PSRP). In as far as these documents incorporate general development strategy, the process of their creation is central to ownership.

Our investigation would have been considerably facilitated if it were the case that the CDF and the PRSP were conceptually clear, procedurally established in practice, and independently designed by each government in an open and consultative process. We did not assume that any of the three to be true. After a review of World Bank documents, we concluded that the relationship between CDFs and PRSPs is not clear, either in original concept or in subsequent practice.[4] Thus, in each country the team leader had to clarify the role of the CDF and the PRSP in practice. There were allegations that the CDFs and PRSPs were strongly influenced by external actors, treated as mere formal exercises by the government, or appropriately developed, then ignored in the process of design and implementation of external assistance activities. These possibilities were investigated.

Summary

Carrying out an effective and professional evaluation of ownership was a complex and formidable task, but one that was manageable. The first steps were to clarify our concepts, develop priorities in information gathering, and a standard format for information reporting. Our fundamental responsibility to Sida and to professional standards was to produce a report whose conclusions can be inspected, evaluated and judged on their intellectual merits. Above all, we wished to avoid a report about which people comment, 'interesting but I have no idea how the conclusions were reached'.

[4] During a discussion with two SOAS team members, a highly placed UN official was asked to explain the relationship. After reflection, he replied that a CDF seemed to be three PRSPs strung together.

Annex 4: Vehicles for Fostering Ownership: CDF, PRSP and SWAps

Introduction

This annex discusses three policy instruments[5] designed to foster recipient ownership: the Comprehensive Development Framework, Sector Wide Approaches, and the Poverty Reduction Strategy Papers. In order not to clutter the text of the report, which was written for those familiar with these instruments, the discussion is placed here. Since the first days of Structural Adjustment Programs (SAPs), in the early 1980s, the issue of ownership has been implicit in the discussion on external assistance. In retrospect, it is surprising that it took the donors so long to bring this issue explicitly to the fore. There now seems to be a consensus that the lack of government ownership has been a major reason for the failure of SAPs.

Comprehensive Development Framework (CDF)

The CDF is an instrument that states a country's long-term vision, whose aim is to achieve, through ownership and partnership, sustainable development. This long-term vision should incorporate country-determined development goals, their sequencing and priorities. It is anticipated that medium-term strategies would be derived from long-term vision and not driven solely by short-term concerns (CDF Secretariat 2001).[6] The CDF may or may not have been prompted by the concerns of governments of developing countries, but formally appeared from the World Bank in the late 1990s. The CDF had the objective of attaining balance in development effort by emphasising the interdependence of all elements: the social, structural, political, environmental, economic and financial (World Bank, 1999). The apparent intention that the CDF would be an instrument of ownership is shown in the principles upon which it based:

- Taking long-term, holistic vision built on national consultations (treating social and structural concerns equally with macroeconomic and financial issues)

[5] The term 'instruments' is typically used to refer to specific tools of policy, such as the exchange rate. We use it in this broader sense for want of an alternative word.

[6] It is for this reason that the Development Committee decided in 1999 that PRSPs should be based on the principles embodied in the CDF. This relates to specific costing and links to the budget and the macro-economic framework.

- Country ownership of the policy agenda;
- Country-led Partnership with all stakeholders; and
- Focus on development results.

On the presumption of an international consensus, or 'a common view', of the appropriate development strategy, the CDF works through what is called the CDF matrix. This seeks to include the strategic priorities of the countries, as well as the decision makers who will implement those priorities. Supported by appropriate analytical work, the CDF is designed to provide transparency in determining development strategy. The matrix can be prepared with relevant indicators that monitor performance, thus enhancing evaluation.(World Bank 1999)

Perhaps the central element of the CDF is country ownership. Recognising that country ownership requires mutual trust between the government and domestic stakeholders, and between the government and its development partners, the CDF emphasises the importance of consultation. This is also true for the PRSP, which is discussed below. The inclusion of the private sector and the civil society in policy issues broadens the concept of ownership in the context of CDF. Country ownership also depends on country capacity to design, implement and evaluate policies, (World Bank 1999, The CDF Secretariat 2001) and is a Sida condition for a program country.

The CDF requires strong partnerships between the government and donors. Donor partners may be multilateral institutions, e.g. the World Bank or members of the UN system. Experience in some of the pilot CDF countries suggests that partnership may also involve a division of labour among donors, in which each partner becomes the leading donor in a particular area, usually on a rotating basis (e.g. in Uganda, Denmark was leading partner in agriculture, and the UK in education). (World Bank 1999)

Of the four main principles of the CDF, it appears that accountability for development results is the area where least progress has been made. The major reasons for this are:

- Limited understanding of how the linkages between policy actions and development results are made operational;
- Lack of monitoring capacity due to insufficient baseline data;
- Weak government capacity to select appropriate goals;
- Lack of country ownership of monitoring systems, which are often seen as externally imposed.

Each of these is treated in the country evaluations.

A major concern from pilot studies and countries that attempted to adopt CDF is failure to link a country's long term strategy formulation process and its expenditure priorities, whether these are reflected in a PRSP, in a medium-term expenditure framework (MTEF), or other strategy documents. (CDF Secretariat 2001)

This arises from not only a lack of technical capacity and political will in implementing countries, but also from lack of clarity in the links between the CDF and PRSPs, the MTEF, and annual budgets.

Due to difficulties in the implementation of the CDFs, there is a growing consensus, among the Bretton Wood Institutions in particular, that the CDF goals should be implemented through the I-PRSP/PRSP process. However, because the PRSP process is *medium* term, reliance on it can undermine the attempt at a long-term vision. It is not clear whether country strategies clearly identify and link the social, structural and institutional factors essential for development. The issue is whether to abandon the CDF, or to attempt to create a credible link between the CDF and the budgeting process.

Sector Wide Approaches (SWAp)

So-called Sector Wide Approaches (SWAps) are another instrument designed to foster ownership. Defining SWAps is problematic. A working definition is the following: a program of sector-wide scope, with a coherent policy framework, involving local stakeholder participation, in which all donors align their sectoral policies to it, there are common implementation arrangements, involving minimal external guidance. Jones (forthcoming) has a similar definition, viewing SWAps as vehicles for donors support to a sector (however defined) with a common management and planning framework within a government expenditure framework.

Three main factors influenced the emergence of the SWAps from the World Bank. Most importantly, they were created in response to criticisms of the Bank's project lending policies and practices in structural adjustment programs. They also resulted from some success with projects at the sectoral level, in particular road construction (Jones, forthcoming). The sector wide approach involves formulating and costing the sector strategy, matching it to available finance through an iterative process, converting to a work plan, and establishing agreements between the implementing agency and the sources of finance. (Brown et al 2001)

The approach is seen as an improvement on poorly co-ordinated and separately managed donor projects, each with its own financing and management framework. Success of SWAps, in addition to a well-developed sectoral strategy, requires macroeconomic stability, including adequate revenue generation, so that the sectoral plans are consistent with budgetary constraints. As with all development activities, government leadership is crucial, manifest through adequate national capacity in project management. Ownership would be realized through ensuring a broad range of local stakeholders, and by minimising the role of external technical assistance (Jones forthcoming).

A review of country experience with SWAps carried out by Brown et al (2001) reached ambiguous conclusions as to whether they foster ownership. The authors attempted to identify ownership by examining the *ex ante* evidence on who initiated the process, who took the lead in securing agreements and finance for it, and who took responsibility for implementation. Their study suggests that as an organisational form, SWAps do not in themselves foster ownership. As for other assistance modalities, they require government leadership, policy stability, and a clear relationship to the public sector budget.

There are a number of cases (Ghana's education and Tanzania's education SWAps) in which donors attempted to take the lead, motivated by frustration at perceived weaknesses of government policy toward specific sectors. (Brown et al 2001) These attempts resulted in failure, or in drawn out policy debates between donors and recipient governments. To an extent, this problem reflects the time required for the policy dialogue to develop. Donor haste to have SWAps 'up and running' undermines local ownership, especially by civil society stakeholders. This may reflect a possible difference between the donors' desire to achieve targets quickly and the time required for recipient governments to construct the necessary political consensus.

Just as national ownership of SWAps requires government capacity and commitment, it also requires patience and behaviour modification by donors. If donors foster a dialogue in which they have cooperative influence on policy, and provide support through flexible budget support, ownership is facilitated. One important aspect of this flexibility is designing budget support so it facilitates program sustainability. On the other hand, activities by donors with strong commercial interests, who favour aid delivery through projects with inflexible disbursement procedure, are unlikely to enhance ownership.

In summary, SWAps have suffered from the problems encountered in the CDF. Almost by definition, the sector-specific character of SWAps has aggravated problems. The SWAps often fail to conform to the constraints imposed by macro consistency, national capacity and inter-governmental coordination. If sector plans are not rigorous, donor support to SWAps results in a high degree of fungibility, giving rise to donor dissatisfaction. And if SWAps are not in line with public sector expenditure plans, they can serve as a mechanism for implementing ministries to avoid spending constraints set by the budget.

Poverty Reduction Strategy Papers (PRSPs)

At the time of the evaluation, no single policy vehicle was more associated with transferring ownership to aid recipients than the Poverty Reduction Strategy Papers and, their preliminary form, the Interim Poverty Reduction Strategy papers (I-PRSP/PRSP). Initially a condition for qualification for debt relief (under the Highly Indebted Poor Countries scheme), the PRSP has become the key link between donors and governments of low-income countries.[7] As noted above, PRSPs are very similar to CDF, and in practice seem to have replaced the latter. Since their initiation by the World Bank and the IMF, relatively few PRSPs have

[7] See UNDP (2001) for a compilation of the PRSP process for fifty-one low-income countries, and nine countries in transition.

been completed at the time this report was written. (World Bank-IMF 2002, Booth 2001)

The PRSPs should have a comprehensive, long-term perspective, and focus on results that affect the poor. They are intended to build stronger partnerships between governments and donors. (World Bank and IMF 2002, Booth 2001) This rather heavy agenda is virtually the same as for the CDF. The only notable difference is that the PRSP has a relatively shorter time horizon and perhaps a sharper focus on poverty (although the CDF are also poverty-focused). A recent 'issue paper' from the World Bank and IMF asserted that the principle of country ownership and flexibility has impacted on the way the two institutions operate.[8] Rather than setting specific standards on the process and content of the PRSPs, the World Bank and Fund staffs claim to limit involvement to their Joint Staff Assessment (JSA), which accompanies the country document when it goes to the boards of the IFIs. To date, JSAs have highlighted many issues raised by other external stakeholders, such as data needs, costing of programs, and monitoring deficiencies. (World Bank-IMF 2002)

Despite the official position of the IFIs, the PRSPs in several African countries are very much World Bank and IMF led. In many African countries the PRSP is seen as a vehicle for Bank-Fund support and a seal of approval for obtaining support from other donors. Thus, the PRSPs play a role similar to that of Structural Adjustment Programs in the past, but without the associated funding. The challenge is to change this perception and practice. These problems do not exclude the possibility that some African governments have seriously addressed the issue of poverty. No doubt the PRSP has helped to bring the issue of poverty to the policy arena, but whether that can be converted in to a workable polices owned by countries themselves remains to see seen.

While in the PRSP approach the issue of ownership is crucial, it has been besieged by a number of problems in practice. In general, there is a lack of capacity for analytical work, which is necessary to achieve the necessary technical quality of a comprehensive strategy. If governments rely on technical assistance from donors and IFIs ownership is undermined. Further, country ownership requires intensive consultation among stakeholders, and this competes with the time and attention to strengthen partnership with donors, including the development of technical capacity. These problems are made worse by the need for donors to account to their home constituencies for the effective use of their assistance. This accountability to donor constituencies is especially problematic if there are divergent views between the donors and recipients about the policies and capacities for implementation.

Addressing these issues requires time, to nurture country ownership, comprehensiveness, result-orientation and partnerships. Thus, in the short to the medium term there will be a trade-off between the various objectives, most especially be-

[8] For two papers attempting to definite what these institutions mean by ownership, see Branson and Hanna (2000) and Khan and Sharma (2001).

tween ownership and the technical effectiveness of the PRSP. The recent practice in both I-PRSP and PRSP suggests major difficulties to integrate them into governmental decision-making process. The I-PRSP and PRSP timetables have derived primarily from the desire to qualify for the HIPC Initiative and, or, to secure funding from donors, rather than to formulate an effective poverty reduction program. As a result PRSPs often are not well aligned with the countries budget cycle. Implementation problems also arise because PRSPs are completed before the necessary prerequisites such as budget, civil service and expenditure framework reforms are taken. In some countries there has been uncertainty about how the PRSP exercise should be related to previously established government planning strategy exercise. Finally, some governments have expressed concern about excessive reporting requirements associated with lending operations intended to support the PRSP. This adversely affects ownership. In practice, recipient governments may view PRSPs as a 'super-conditionality' for all subsequent dialogue.

Concluding Remarks

External assistance has dominated the policy agenda of most developing counties since the initiation of World Bank and IMF adjustment programs in early 1980s. Various studies, especially those in Africa, show that SAPs failed to deliver on their promise. (Mosley and Weeks 1993, and Mosley, Subasat and Weeks 1995) One of the most important weaknesses of Structurally Adjusted Programs was their failure to create a sense of ownership on the part of the recipient governments. In many developing countries, SAPs, with their policy conditionality not only lacked national ownership, but were perceived by the population as externally imposed.

Three instruments have sought to overcome these failings: CDF, SWAps and the PRSP. We have examined each of these and their implications for ownership. Important lessons emerge from this discussion. In all three instruments there is the recognition that ownership is central to attain the objectives of growth and poverty reduction. However, over time one approach has seemed to replace another, rather than each building on the previous. While each successive approach retained some of the same principles, such as ownership, the shift from one to another suggests that each was not adequately conceptualised prior to its application.

Notwithstanding the attempt to ensure ownership in practice by these modalities, they have encountered major problems:

1) lack of enthusiasm on the part of recipients;
2) donor-inspired polices that did not adjust to the institutional and political context of the recipient;
3) failure on the part of the donors to develop ownership by recipients because the policy process was not inclusive and transparent;

4) lack of capacity on the part of the recipient government to do analytical work and implement policies.

Given the seriousness of these problems, it is hardly surprising that ownership in practice has been a daunting task.

Annex 5:

Terms of Reference for an Evaluation of Partner Country Ownership in Development Co-operation Through Sida

Background

According to a wide body of international opinion, increased partner country "ownership" is one of the main prerequisites of more effective development assistance. Increased ownership can also be regarded as a development goal in itself or as a measure of "development."

In Sweden the debate has focused on the connection between partner country ownership and aid effectiveness. The Swedish Ministry for Foreign Affairs and Sida have indicated that they will promote a new kind of development assistance relation, one where donors step back and partner country owners take the lead. The debate on development co-operation is in essential respects a debate about agency and responsibility. The established Swedish view is that donors should support the development efforts of their partners, not directly drive the process of change. The primary responsibility for improving living conditions in partner countries rests with the partner countries themselves. A division of labour corresponding to these principles is viewed as a *sine qua non* of successful development co-operation.

Responding to this concern with partner country ownership, Sida/UTV has decided to commission a thematic evaluation of ownership in programmes and projects supported through Sida. These terms of reference build on the attached background paper for the evaluation and discussions of this paper with Sida staff (annex 1).[9]

Purpose of the evaluation

The planned evaluation is intended as a study of how activities financed by Sida accord with Swedish and Sida policies regarding partner country ownership. Its

[9] Ownership in Focus? Discussion paper for a planned evaluation. Stefan Molund. Sida Studies in Evaluation 00/5.

operative purpose is the formative one of supporting ongoing efforts to improve practice. The evaluation will *describe* development co-operation in an ownership perspective, *explain* discrepancies between ownership in policy and ownership in practice, and *suggest* ways by which Sida, single-handed or in co-operation with partners, could achieve closer harmony between concept and action. Its point of departure is the established Swedish view that the partner countries have the main responsibility for their own development and that Sida's task is to assist in the creation of preconditions for development, not itself to bring about change. The study is to investigate what this has come to mean in practice.

The concept of partner country ownership

In the context of development co-operation the term ownership is used with a variety of meanings. For the purpose of this evaluation it refers to the exercise of control and command over development activities. A country or an organisation within a country can be said to 'own' its development programme when it is committed to it and able to translate its commitment into effective action. Where a country or organisation is not committed to its development activities or not able to take responsibility for them in practice, ownership is lacking.

In *Sida at Work*, a handbook authoritatively describing Sida's methods for development co-operation, the discussion about ownership is largely concerned with the relations between Sida and Sida's co-operation partner, the organisation in the partner country with which Sida signs the agreement for co-operation (annex 2). In the handbook, however, there is also a broader concept of ownership by which every partner country stakeholder whose co-operation is needed for the completion of an activity is to be regarded as one of the owners of that activity. In many development projects there is a hierarchy of owners with the partner country government at the one end and the intended end users of the project benefits at the other. In the context of this evaluation, ownership is to be understood in this inclusive sense.

For further clarifications regarding the meaning of the concept of partner country ownership in relation to this evaluation the reader is referred to the background paper annexed to these terms of reference.

Evaluation issues

The planned evaluation shall attempt to answer the question whether Sida's methods of ensuring and supporting ownership by partner countries are appropriate and effective. The evaluation will not deal with the more basic issue of whether there is in fact a positive causal connection between ownership and development results. For the purpose of the evaluation the existence of such a connection will be taken as sufficiently proved[10] It should be discussed only to the ex-

[10] The nature of this connection is discussed in the background paper (Annex 1).

tent required by the focal issue of the adequacy of Sida's methods of ensuring and supporting partner country ownership. As stated above, the purpose of the evaluation is to give support to ongoing efforts to improve practice. It shall cover the shortcomings of 'worst practice' as well as the achievements of 'best practice'. It shall look for the causes of identified problems and suggest remedies.

The following are the main issues to be considered:

- *Ownership in country strategy processes*. To what extent and in what ways is ownership an issue in Sida's country strategy processes? How does Sida make sure that country programmes are compatible with partner country priorities and capacities? To what extent are country strategy documents based on assessments of ownership? How are partner country stakeholders consulted in the process? How does ownership figure in the dialogue between Sida and partner country representatives? Is it explicitly discussed?
- *From project approaches to programme approaches*. To what extent has Sida learned to look beyond individual projects to development issues at the levels of countries, regions, and sectors, and what has been done to shift investments from projects to larger programmes? What are Sida's experience with SWAPs and other forms of programme support? Who are the effective owners of such programmes? Do results in this area conform to expectations? What are the obstacles and lessons learned?
- *Reforming project support*. What is done by Sida to assist partner countries to integrate Sida-supported programmes and projects with their regular systems of administration? How does Sida deal with the well-known problems of free-standing projects, separate project implementation units, etc? To what extent are such vehicles of project implementation still in use? What is done to simplify procedures for reporting, procurement and disbursement?
- *Ownership as a consideration in project identification and selection*. How much weight is given to ownership in the selection process? To what extent are projects independently initiated and planned by partner country actors? To what extent is long-term ownership an issue at the stage of project appraisal? How and by what indicators is ownership assessed? How often are project proposals turned down for ownership reasons? How should departures from established principles for project selection be explained?
- *Ownership in project implementation and follow-up*. What is done by Sida to sustain and nurture partner country ownership of ongoing projects? What are the limits of Sida's involvement in project implementation and follow-up (cost sharing, time limits, etc.)? How do ownership considerations affect decisions concerning procurement? What is the importance of ownership in relation to competing concerns such as disbursement pressures and the need for control?
- *Projects in support of partner country ownership*. Are there projects designed specifically for the purpose of strengthening partner country ownership? Is strengthening of partner country command over processes of development co-operation an independent project objective? What is done by Sida to enhance the ability of partner country actors to define development agendas, set priorities

and formulate policies? What is done to remove administrative impediments to ownership? What are the results of such projects?

- *Dealing with multiple owners*. In Sida's terminology ownership is largely a matter of the relations between Sida's co-operation partner and Sida itself. As noted above, however, there is also a broader concept by which every partner country stakeholder whose co-operation is needed for the completion of an activity is an owner or co-owner of that activity. In many cases there is a whole series of owners in this broad sense of the term, including the partner country government and administration, NGOs, and project beneficiaries. An important question is how Sida manages to uphold its principles with regard to ownership when different groups of owners have different interests, priorities and perspectives.
- *Enhancing "popular ownership."* How does Sida interpret its own guiding principle (stated in *Sida at Work*) that the ownership of target groups should be respected and strengthened? Are Sida's efforts to strengthen popular ownership generally effective? Do efforts to strengthen the ownership of intended end users and other affected citizens come into conflict with efforts to support the ownership of Sida's co-operation partners and vice versa? Are Sida's co-operation partners generally receptive to Sida's ambitions regarding popular ownership?
- *Co-operation and co-ordination with other donors.* To what extent are the activities of other donors taken into account when Sida-supported projects and programmes are prepared and implemented? How does Sida support the capacity of partner countries to co-ordinate and direct donor projects? What are the results and lessons learned of such activities?

In dealing with these issues the evaluators shall carefully keep track of the *indicators* of partner country ownership effectively used by Sida in different contexts and for different purposes. The evaluators shall assess the accuracy and usefulness of these indicators and, where necessary, recommend improvements.

As suggested by the background paper, an evaluation on the theme of ownership is bound to be a study of how Sida deals with *conflicting objectives*. To what extent is Sida's concern for partner country ownership compatible with other major concerns? What happens when other urgent matters come into the picture? What is done to prevent considerations of ownership being thrust aside or forgotten? What *can* be done to prevent this from happening?

Case studies

The evaluation shall be based on case studies of Swedish development co-operation with Kenya, Tanzania, and Uganda. To ensure comparability, the same types of issues should be addressed in all the country studies.

Within each of the country studies a sample of projects shall be selected for closer examination. Projects should be chosen with a view to their relevance to the evaluation issues. For purposes of learning, failures and disappointments are clearly as interesting as successes. Sample projects should be selected by the team in consultation with UTV and the reference group for the evaluation.

While focusing on the present, each country study shall attempt to explain how the issue of ownership has been handled in the past and how the country programme has developed over time into its present shape. The results of SIDA's so-called Role Inquiry at the end of the 1980's should be considered. Since ownership is a major determinant of sustainability, the consultant should consider the possibility of gathering information about the present status of projects supported by Sida in the past.

In 1997 Sweden and other Nordic countries entered into a development co-operation partnership with the Government of Tanzania. This partnership will be considered by the evaluation to the extent that it is relevant to the issues addressed by the evaluation. Yet, as it is described in these terms of reference the evaluation is not an evaluation of the partnership as such.

Partner country perspectives

Where relevant, the activities supported by Sida as well as Sida's support to these activities should be described and analysed from the point of view of Sida's co-operation partners and other important partner country stakeholders. Do actors in the partner countries share Sida's understanding of the problems of ownership or do they view them differently? What do they think about Sida's efforts to ensure and strengthen partner country ownership? The evaluation team should consult with individuals and organisations directly involved in Sida-supported programmes and projects as well as with knowledgeable persons looking at these activities from the outside. The views of local social scientists should not be neglected. The consultant's proposal should contain an account of the means and methods to be adopted by the evaluation in order to make sure that the views of concerned partner country actors are given due weight.

Evaluation output

The main products of the evaluation will be three reports summarising the results from the country studies and a synthesis report putting the results from these three studies together.

As stated, the reports from the evaluation shall *describe* Sida-supported development activities in the perspective of ownership, *explain* discrepancies between policies and practice and other problems and *suggest* how identified problems might be remedied. The synthesis report should contain a clear analysis of the relative importance of different kinds of impediments to partner country ownership in the evaluated country programmes.[11] The connection between the descriptions

[11] The background paper contains an inventory of the obstacles to partner country ownership most frequently mentioned in the literature (Annex 1).

and explanations, on the one hand, and, the practical recommendations, on the other hand, should be clearly articulated. As mentioned above, the reports should include a discussion of the *indicators* of ownership used by Sida for different purposes. Generalising from the case studies, the synthesis report should also attempt to draw useful lessons of a more general nature concerning the design and implementation of development co-operation in different countries and under different conditions.

The evaluation assignment includes the production of a newsletter summary consistent with the guidelines Sida Evaluations Newsletter – Guidelines for Evaluation Managers and Consultants (Annex 5) and also the completion of Sida Evaluations Data Work Sheet (Annex 6). The separate summary and a completed Data Work Sheet shall be submitted to Sida along with the final reports.

Implementation and time table

Throughout the study the evaluation team should keep in touch with the UTV evaluation manager and the evaluation reference group consisting of Sida staff. UTV will assist the evaluation team in finding documents in Sida files and archives. The team will be responsible for the collection of data from other stakeholders. Where required, the UTV evaluation manager will facilitate contacts between the evaluation team and other stakeholders.

Sida/UTV makes no special demands regarding study methods, except that they should be appropriate to the task and make optimal use of existing data. To make assessment possible, the proposal from the consultant must contain a reasonably detailed presentation of the proposed study design, including data collection methods. Methods to be used in eliciting partner country perspectives should be carefully described. The country strategies for the three countries have been attached to these terms of reference (Annex 3–5). Several major country-level evaluations of development co-operation between Sweden and Tanzania have been carried out in recent years.[12] There are no studies of comparable scope dealing with Swedish development co-operation with Kenya and Uganda.

An inception report elaborating and, if necessary, revising the proposed study design shall be presented to Sida/UTV no later than six weeks after the signing of the contract. The inception report shall include a preliminary assessment of the relevance of the evaluation issues sketched in these terms of reference to the country programmes selected for study. It shall also include a proposal regarding the projects and/or components of projects to be selected for case study.

[12] Catterson, Julie, and Claes Lindahl. The Sustainability Enigma: Aid Dependency and the Phasing Out of Projects: The Case of Swedish Aid to Tanzania. Stockholm. EGDI 1999:1. (www. egdi.gov.se/). Fighting Poverty Strategically? Lessons from the Swedish Tanzanian Development Co-operation, 1997–2000. Sida Evaluations 00/22. Stockholm, 2001. (www.sida.se). Bigsten, A. et. al. Evaluation of Swedish Development Co-operation with Tanzania. Ds. 1994: 113. SASDA. Ministry for Foreign Affairs.

Final versions of the country reports and the synthesis report, each one in three copies and on diskette, shall be submitted to Sida not later than October 15, 2002. Subject to decision by Sida, the reports will be published and distributed as publications within the Sida Evaluations series. The reports should be written in easily accessible language and in a way that enables publication without further editing. English shall be the language of reporting.

Each of the four reports – the three country studies and the synthesis report – shall be preceded by two or more draft reports. The first drafts of the country studies shall be presented in a series of seminars with Sida staff and others in Kenya, Tanzania, Uganda, and Stockholm. The first draft of the synthesis report shall be presented in seminars in Stockholm at a later point in time. Seminars based on the final reports will be dealt with in a separate agreement.

UTV will comment on the successive draft reports in writing and the Consultant will respond to each comment, also in writing. As a rule, Sida will need two to three weeks to respond to draft reports. Copies of draft reports that shall be presented in seminars shall be submitted at least two weeks in advance.

The Consultant's technical proposal shall contain a timetable for reporting that satisfies these requirements. It should be noted that June–August is not a suitable period for seminars. The timetable and other details regarding reporting will be discussed and agreed upon before the signing of the contract and/or when the inception report has been delivered.

Budget

It is estimated that 100 to 125 manweeks will be needed for the evaluation. The Consultant's technical proposal shall include a careful account of the resources that the Consultant considers necessary for the study.

Qualifications

The following are compulsory qualifications to be met by the tenderer:

1. Staff resources for performance of the services
    - The evaluation team should have necessary expertise in evaluation of development co-operation. A thorough understanding of relevant socio-cultural, economic and political conditions in the three countries under review is also required. The team leader shall have the managerial experience necessary for the task.
    - Local evaluators shall be included in the team.
    - The tenderer shall specify the qualifications of each team member and attach their individual *curricula vitae* (including name, address, education, professional experience, and publications). Reference persons (with telephone numbers and e-mail addresses) should be stated.

- The tenderer shall specify any previous engagements of the proposed team members with the programmes and projects under review.

2. Technical proposal

   - The tenderer shall present his/her understanding of the evaluation assignment in the manner suggested above.
   - The technical proposal shall include a reasonably detailed description of the proposed study design and data collection methods.
   - The tender must satisfy the requirements above regarding reporting.
   - The tenderer shall provide a time and work plan for the evaluation, including a) a manning schedule specifying the tasks to be performed and the time to be allocated to each of the team members, and b) estimates of the time required for the different tasks of the assignment.

3. Price and other commercial conditions

   - The tenderer shall present a budget, specified for the different components of the assignment as well as for the different staff categories. Fees shall be distinguished from reimbursable costs. All fees shall be stated hourly. All costs shall be stated in Swedish Crowns (SEK), exclusive of (Swedish) VAT, but including all other taxes and levies. Individuals, however, shall state their fee exclusive of (Swedish) social security charges.
   - The tenderer shall state any minor reservations on his her/own part against the draft contract and Sida's Standard Conditions, and propose alternative wordings, which may not imply significant changes, as well as complete the articles left open in the draft contract

The following are preferred qualifications:

- The team should include both male and female researchers.
- A representative of Sida/UTV should be included in the evaluation team as working member or as an observer.

Annexes

1 Ownership in focus? Stefan Molund. *Sida Studies in Evaluation* 00/05.

2 Sida a Work. Sida's methods for development. Stockholm 1998.

3. Kenya Country Strategy, 1999–2003

4. Tanzania Country Strategy, 2001–2005.

5. Uganda Country Strategy ….

6. Sida Evaluations Newsletter – Guidelines for evaluation managers and consultants.

7. Sida Evaluations Data Work Sheet

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Supporting Ownership – Swedish Development Cooperation with Kenya, Tanzania, and Uganda

Looking at Swedish development cooperation with three countries in East Africa, Kenya, Tanzania and Uganda, this study tries to find out how a longstanding Swedish policy of facilitating and promoting partner country ownership of development aid has been translated into practice. In each country, half a dozen projects and programs are examined in depth.

The conclusions of the study are relevant to development cooperation generally. With the shift from projects to programs and the increasing need for coordination between donors, the contextual parameters for implementing a pro-ownership policy are changing. While program support can facilitate ownership, the link is by no means automatic. Ownership can be undermined by policy conditionalities or by lack of administrative and technical capacity in the partner country.

The shift to program aid also affects the ability of donors to promote popular participation and broader stakeholder ownership of the activities that they support. In the context of program assistance, the government is responsible to program beneficiaries and other citizens through the general democratic processes rather than through representation by donors. Popular ownership can only be assessed through an evaluation of the functioning of democratic institutions.

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