

Evaluation of the Implementation of the Paris Declaration

Donor Study

IRELAND

Executive Summary

Background

- i. This is a joint evaluation that assesses Ireland's ability to implement its international aid effectiveness commitments, as set out in the 2005 Paris Declaration and the 2008 Accra Agenda for Action. It is one of several similar exercises that contribute to a wider evaluation into aid effectiveness. The team comprised an independent evaluator (who led the work) and two senior staff from the Department of Foreign Affairs. Findings are those of the team alone.
- ii. This exercise primarily considered three institutional dimensions; a) commitment b) capacity and c) incentives within Irish Aid (and across government) to further aid effectiveness. Like the other donor HQ evaluations, the focus was institutional capacity, not conclusions on how well Ireland was implementing its commitments, although the team were asked to comment on some specific achievements. A set of partner country evaluations is being undertaken which will provide firmer conclusions on whether aid delivery has improved.

Irish Aid

- iii. Irish Aid is the Development Co-operation Division of the Irish Department for Foreign Affairs (DFA). It transferred nearly € 4.5 billion between 2005 and 2010 to governments, multilaterals and NGOs, 80% being spent in Africa. It provides over € 1 million annually in a total of 48 countries, prioritising work in Ethiopia, Lesotho, Ma-

lawi, Mozambique, South Africa, Sierra Leone, Tanzania, Timor Leste, Uganda, Vietnam and Zambia.

- iv. Ireland had progressively increased its Overseas Development Assistance allocation up to 2008 and retains the aim of meeting the 0.7% UN target of Gross National Income (GNI). However, as a result of the global recession, aid allocations were reduced in 2009 by 29% from the previous year's budget, resulting in a 2009 spend of € 464.6 million. ODA as a percentage of GNI remains at 0.54%, down from a peak of 0.59%.
- v. Irish Aid is a comparatively small organisation, with less than 300 staff in total across all its locations. In Ireland it is based in Limerick, away from the main Department of Foreign Affairs HQ in Dublin (though it also retains a presence there). This relatively small number of personnel enables a collaborative, positive and open culture to be maintained. However, there are concerns about a recent rapid turnover of staff and associated retention of skills. Additionally, having a split location appears to be making it more difficult to recruit diplomatic staff into Irish Aid from the rest of the Department of Foreign Affairs.

Key Findings

Commitment

- vi. Commitment to aid effectiveness in general and to Paris and Accra principles in particular is high in Irish Aid. Staff understand and own not just the letter but the spirit

of these principles. As a recent OECD/DAC Peer Review noted, Ireland is leading efforts to develop common approaches to aid effectiveness, particularly in Europe. While commitment is strong, respondents acknowledge more can be done. The rest of the Department of Foreign Affairs has not fully absorbed the agenda. Some elements were prioritised (partnership, alignment, harmonisation) with others (notably managing for development results) taking longer to be fully adopted. However, against an already high level of commitment by politicians, managers and staff, it was notable that respondents were self critical and anxious to improve.

Capacities

- vii. There are no policy constraints to achieving Ireland's aid effectiveness undertakings. Irish Aid explicitly ensures consistency of policies and plans with Paris and Accra obligations. A Policy Planning and Effectiveness section owns and drives this process, reviewing and commenting on new plans. A dedicated action plan was put in place to ensure implementation of the Accra Agenda for Action. However, while policy and planning are excellent, more could be done to report on how these plans are implemented. Reporting on performance is not yet fully developed, and there is no effective performance-related management information system on aid effectiveness. This is a key deficit.
- viii. Irish Aid emphasises financial accountability, with a strong role for auditors at HQ and in the field. While important, these skills need to be complemented with Public Financial Management expertise. The focus on accountability to Irish taxpayers has not inhibited support for country-led approaches. Indeed there is a recognition that partners are clear about the need for mutual accountability, including in relation to financial probity. Ireland supports strengthening of country system capacity in these areas.
- ix. Irish Aid has been forced to constrain its planned increase in aid spending due to the global recession. It sought to act responsibly as it reduced budgets, favouring bilateral obligations over other parts of the programme and activities that sought to drive improved harmonisation (such as the UN Delivering as One reform pilots). It also acted to communicate rapidly to partners once decisions were made. Clearly, however, this had an impact on Ireland's ability to deliver predictably.
- x. Staffing policies support efforts to improve how aid is delivered. There is a high level of operational delegation and innovation is enabled on the whole. In recent years, largely as a result of the aid effectiveness agenda, there has been a rebalancing of skills away from reliance on technical expertise to ensuring personnel can also provide leadership and advocacy among peers and with partners; what might be termed the more diplomatic competencies.

- xi. The key immediate risk that might undermine Irish Aid's future achievement of aid effectiveness commitments relate to staff skill levels, retention and turnover. A result of both the move to Limerick and government-wide embargoes on recruitment and promotion, the institutional competencies and experience within Irish Aid will have to be carefully monitored.

Incentives

- xii. Paris Declaration and Accra Agenda for Action priorities are seen as a means to advancing Irish foreign policy. Ministers take an active interest in the agenda, as do other parliamentarians. This is a key driver. However, and notably, there is little external pressure placed on Irish Aid to improve its aid delivery from wider civil society. Engagement in the agenda by academics, and indeed NGOs (even those funded by Irish Aid) should be stronger. Staff are given incentives and guidance on aid effectiveness implementation, and there are no constraints on, for instance, the choice of modalities. An interesting reflection from respondents was that they sometimes felt inhibited by partners or peers commitment to aid effectiveness, with Irish Aid staff being the primary advocates for the agenda.

Other issues

- xiii. Irish Aid's practice is to work in a highly collaborative way, both operationally and in the development of policy. However, its assistance can be fragmented; while a small donor it supports many NGOs and around 30 UN agencies, with little knowledge of the results achieved in each. In some cases, funds are transferred to NGOs in country without the Irish Aid country office being informed.
- xiv. The predictability of funding has been hampered by the constraints placed on ODA as a result of the reduction in the government-wide budget. Ireland has always sought to minimise conditionality.
- xv. While it appears transaction costs have reduced, there is no definitive data on the costs of implementing the aid effectiveness agenda.
- xvi. There is recognition of the need to improve policy coherence across government in interventions concerning trade, agriculture, climate change, food security, environment and defence.

Key Recommendations

Senior Management – Irish Aid

1. Maintain the leadership role that Ireland has assumed in furthering aid effectiveness at country and multilateral levels.
 - Deepen understanding and commitment across the Department of Foreign Affairs.

- Maintain the current policy commitment and allocated resources.
 - Strengthen policy coherence across government departments.
 - Extend the length of each overseas posting to four years.
 - Build staff skills for aid coordination and negotiation, particularly pre-posting.
2. Develop more systematic dialogue within the Department of Foreign Affairs and across Irish Aid on the implementation of the Paris Declaration and Accra Agenda for Action principles.
 - Policy Planning and Effectiveness (PPE) section to comment on how annual reports reflect effectiveness and system-wide coherence.
 - PPE to provide concise annual report on performance on aid effectiveness.
 3. Continue to make results management, impact assessment and monitoring, and evaluation and audit more robust.
 - Ensure there is sufficient management information to make judgements on the comparative effectiveness of aid across the programme.
 - Use management information on performance and effectiveness more systematically to make decisions on allocations.
 - Consider how to use performance criteria to inform allocations between programme countries and the different CSOs and multilateral agencies.
 - Avoid the danger that results frameworks become too complicated to be useful.
 - Ensure that all elements of the programme are subject to equal scrutiny.
 - Ensure that Audit Committee deepens its practical experience and expert knowledge of Public Financial Management in a developing country context.

Senior and Middle Management – Irish Aid and Embassies

4. Continue to strengthen management practices in accordance with Paris Declaration and Accra Agenda for Action principles.
 - The role of local staff could be enhanced by delegating more responsibility and increasing skills.
 - Managers in Irish Aid should ensure that aid effectiveness behaviours are included in staff role profiles and assessments.
 - Induction programmes for staff new to Irish Aid should continue to include a module on aid effectiveness.
 - A mentoring system for new staff should be established that explicitly seeks to transfer knowledge of how to operate according to best practice.
 - Strengthen staff skills on Public Financial Management in a developing country context.

Senior Management – Department of Foreign Affairs

5. The strategy for engagement of the Department of Foreign Affairs with the public on international development should continue to evolve.
 - Enable the public, civil society organisations, academics and politicians to understand better how Ireland is delivering aid according to best practice.
 - Deliver different messages to different audiences, using different channels.
 - Integrate Irish Aid objectives fully into the DFA's public diplomacy strategy.
6. The Department of Foreign Affairs needs to ensure that Irish Aid remains attractive to all staff employed in the Department (diplomats, general service staff and development specialists).
 - Carefully manage the challenges posed by the move of the main Department to Limerick.