

Evaluation of the Implementation of the Paris Declaration

Country Evaluation

SAMOA

Executive Summary

Purpose and background

The 2005 Paris Declaration on Aid Effectiveness aims to strengthen partnerships between donors and countries receiving aid in order to make aid more effective with the aim of maximising development results. It provides guidance for improvements in the delivery of aid through five principles – ownership, alignment, harmonisation, managing for results and mutual accountability.

The requirement for an independent evaluation was built into the original Paris Declaration evaluation framework. The first phase of the evaluation focused on inputs and early outputs. Its findings contributed to discussion at the 3rd High Level Forum on Aid Effectiveness held in Accra, Ghana in September 2008. The first phase evaluation found that while some progress had been made there was still much to be done to improve the effectiveness of aid. The Forum affirmed the Declaration and produced the Accra Agenda for Action priorities, designed to enhance and support the PD principles – country ownership is key, building more effective and inclusive partnerships and achieving development results.

The second phase of the evaluation focuses on outcomes and results. Its findings will feed into discussion at the 4th High Level Forum in Korea in 2011. Samoa has volunteered to be one of the approximately 22 countries who are conducting country specific evaluations. The country studies will feed into the global evaluation along with a series of donor and other studies. This report details the findings of the study carried out in Samoa during the period May to December 2010.

Overall conclusions

While Samoa did not formally endorse the Paris Declaration until 2008, it has helped legitimise, and provide an impetus for the government's own reform agenda that was commenced in the early 1990s. The implementation in Samoa has been relatively low key. A few donors (primarily Australia, New Zealand, the European Union and the United Nations Development Program) began to use the language of the Paris Declaration in discussions with the government and encouraged the implementation of the Paris Declaration principles in 2005/2006. Each of these agencies had introduced the Paris Declaration to their staff, encouraging its application in the field. Some showed a strong commitment to the changes needed in skills, culture, structure, systems and processes within their own agencies to implement the principles. Others appear to have been less committed.

Outside of Government of Samoa, agencies and institutions directly involved with management of development assistance in the government, awareness of the Paris Declaration and Accra Agenda for Action is developing.

Parliamentarians are becoming more aware of the Declaration and its impact on aid coordination and how the principles could lead to improved aid effectiveness. Further work is required to improve awareness in the public sector, particularly with Ministers and senior officials.

Similarly, awareness is still developing within civil society and the private sector. The Samoa Umbrella Organisation of Non-

Government Organisations is now using the principles in discussions with government and beginning to raise awareness at the community level, but it will be some time before the principles are well understood. This is not unexpected given that the major focus so far has been primarily on the relationship between donors and the government.

The Paris Declaration has provided a useful tool to the government and its donor partners to shape aid effectiveness discussions particularly around managing for results and mutual accountability. In past years discussions have tended to focus primarily on process issues such as country ownership, alignment and harmonisation with inadequate attention paid to effective aid delivery to support the achievement of clearly articulated development outcomes or impacts.

Some donors, who are signatories, have neither advocated its implementation nor sought to change their aid delivery modalities. The Government of Samoa has responded pragmatically, dealing with each donor based on each donor's preferred way of operating but without compromising on key issues of national ownership and alignment with government development strategies.

Another significant contribution is the development of a common vision and common language for change. While there remains a variety of interpretations of meaning around some of the terms (in the main), donors and the Government of Samoa share a clear picture of the future direction of aid.

This common language is also important to the regional aid agenda. The Paris Declaration has been used as a tool to develop regional responses to aid effectiveness (e.g. Pacific Principles and the Cairns Compact). This meant that the regional discussions started from a common and consistent basis. It is most likely that this resulted in far better outcomes than would have been the case if the regional discussions had started from a zero base.

Ownership

Ownership of its own development strategies and outcomes is a paramount principle for the Government of Samoa. Samoa has always aimed to lead and manage the use of development assistance to achieve its own national plans. The Paris Declaration provided Samoa with a tool to enhance and strengthen its ownership agenda; it also provided the more innovative donors with the opportunity to encourage (and push further) progress on ownership in Samoa with the government and with other development partners. Consequently, the degree of acceptance by donors of Samoa's ownership of its development agenda has improved considerably under the influence of the Declaration.

There is a national development strategy. There is a Medium-Term Expenditure Framework and there are sectoral plans and associated programs in nine of the fifteen sectors. There is an Aid Coordination Policy that clearly articulates the govern-

ment's role in aid coordination and also provides the basis for mutual accountability and management for results. In the main, that role is accepted by donors. However, government ownership is not always fully embraced by some global and regional agencies that choose to implement their programs outside of the government's coordination mechanisms. Government processes for the design; implementation and monitoring of development programs are increasingly targeting participation and consultations with civil society.

Alignment

Some progress has been made against the principle of alignment. Aid is, in the main, aligned with Samoa's Strategy for the Development of Samoa which is supported by a Medium-Term Expenditure Framework and an annual budgeting process that links the strategy to sector programs. While Samoa's stated long term aim is that all development funds are provided as budget support, there have been some trade-offs in relation to the use of government systems. A 2006 Public Expenditure Framework Assessment resulted in a program of capacity building and improvements to the finance system and the 2010 follow-up assessment found good progress had been made. However, there is still a need to make improvements. This is being addressed under Phase 2 of the Public Finance Management Reform plan.

The government's procurement processes were redeveloped in 2005 with support from the World Bank, but the degree of confidence of some donors, particularly the multilateral banks, in the government process is still low. To progress the alignment principle, the government has invited the banks to conduct a joint review of the government's systems. The invitation has been outstanding for some time.

Donors are also making trade-offs. While they, in the main, acknowledge the principle of alignment, they have varying expectations about the degree of rigour required of the Samoan systems and the level of risk they are prepared to carry. This is determined by their country or managing board policies and expectations. It is also determined by the judgments and values of individuals within donor agencies working with Samoa.

The Government of Samoa takes a pragmatic approach to the issue of use of its systems. It acknowledges that there is still work to be done to ensure that all donors (particularly the multilateral development banks) are prepared to place their trust in government systems, particularly procurement. It also acknowledges that donors do have the right and the responsibility to ensure that the funds they provide are used properly. The government sees the Paris Declaration's commitment to alignment as an opportunity to focus on its own development, acknowledging that its systems, while adequate, will continue to improve with ongoing scrutiny and capacity building support.

Harmonisation

Samoa has adopted the term "coordinating development partner". Each sector wide approach program has a coordinating

development partner. However, at this stage not all donors fall under sector programs. Consequently, the coordination role for the total sector falls to the government and several strategies are used to ensure that donor support is harmonised. In those cases where government procurement systems are not yet acceptable to the donors, and where there is a pooled financing arrangement involving several donors including a multilateral financing institution, one donor system, usually that of the multilateral agency, is used for all procurement. These processes need to be reviewed carefully as there have been considerable problems with the use of the multilateral agency's procurement systems.

The Government of Samoa aims to ensure joint missions through a mission calendar. Donors also discuss possibilities with each other, particularly in sectors. It is noted, however, that some donors, even those involved in pooled financing arrangements of sector programs still persist in conducting their own missions.

Within donors there is also some evidence of lack of internal harmonisation. Australia, for example, often fields missions from government agencies who play a role in Samoa through its 'whole of government' approach to development. These missions in the past have often been conducted without an awareness of the Australian Agency for International Development; however, moves are underway to better coordination. Similarly, the United Nations agencies do not always coordinate even when synergies are evident. Work is underway to create a more cohesive framework for engagement with the government.

Regional programs, rarely link with bilateral or multilateral agencies when carrying out analytical work, missions or monitoring and evaluation. This is an area that requires far greater attention.

Managing for results

While initial attention was primarily paid to the first three principles, donors and the Government of Samoa have turned their attention to managing for results (and mutual accountability). While the government is working towards a national results framework with clearly defined and achievable performance indicators, there is still work to be done to ensure the framework is in place and implemented. Barriers include the need to establish baselines and data collection methods that can be carried out with the limited resources of the government.

At the sectoral level the European Union is leading the way with its budget support to the water sector. The support is contingent on a strong and demonstrated commitment to managing for results.

Mutual accountability

While some work has been underway to build mechanisms for mutual accountability into partnership agreements and

program plans, this is a principle that requires further attention. The level of oversight provided by Parliament is reasonable but still developing. This understanding has been enhanced through a recent workshop on the Paris Declaration as well as the Aid Policy which sets out government's views on the way that development aid funding should preferably be managed and proposes institutional mechanisms for a dialogue on strengthening aid effectiveness. In addition, the common policy matrix and implementation schedule is also being used by donors to trigger release of funds through budget support.

Government is encouraging the participation of a broader range of stakeholders, including the private sector and civil society, in national and sectoral planning and monitoring processes but there is still some way to go before these groups have an impact on development decisions. Capacity building, improved communications and management processes are therefore key focus areas to support the various non-governmental stakeholders in their dialogue with donors and the government on specific programs to meet their needs.

Conflicts and trade-offs

While there are no overt conflicts in the implementation of the Paris Declaration principles (there is possibly some passive resistance), the rate and degree of change is being impacted by the pace at which the public financial management reforms are taking place and the degree of commitment of donors, to the implementation of the principles.

There does appear to be trade-offs in the way some donors are approaching the principles, with a few opting to use government systems, particularly procurement systems, where these do not require major changes to their own processes. The Government of Samoa also compromises, taking a pragmatic approach to each donor's requirements, while seeking to move donors towards the full implementation of the Paris Declaration and Accra Agenda for Action.

Key lessons

Key lessons that emerge from this evaluation are as follows:

1. Common principles and a common language support change. For Samoa the Paris Declaration and Accra Agenda for Action provided the support and the impetus to continue changing the way its development was being managed and delivered. While donors were the first to use the language of the Paris Declaration, and in some cases used the Paris Declaration to push for a fast pace of change as in the health and water sectors, the government has continued to respond to the process and taken the initiative to introduce the changes within its systems. The Paris Declaration has given all of the development stakeholders a common understanding of the direction of the change – it effectively provided the common vision needed for success.

2. Not everyone will adopt change even when it is being undertaken on a global basis. Some donors and agencies who are signatories to the Paris Declaration have not yet implemented the changes needed to genuinely support its implementation. Time and continuing encouragement is needed to drive the major policy and organisational changes that are needed.
3. If there is commitment, change can occur, driven by innovative and flexible individual personnel even when the policies and procedures of a donor agency appears inflexible. Conversely, inflexible individuals can create unnecessary barriers. For the Paris Declaration to be effective, donor agencies must ensure that their own staff are well educated in the changes required, and empower their staff to implement the change. Similarly, governments need to ensure that all stakeholders (Parliament, the public and private sector and civil society) are well informed and empowered to participate in the change agenda.
4. It is not only country partners that need to change their systems and processes to respond to the changing aid delivery environment. Donors also need to review their administration systems, particularly their financial management systems, as several of these are now beginning to impede the progress of funding arrangements.
5. There is a need to further embed the application of the principles at sector level. This will facilitate the linking up of country processes to those at sector and corporate levels, as well as supporting the connection between policies and financing to processes.