Lessons Learned about Field Presence Arrangements in Development Cooperation

Supplement to the Main Report
Contains Annexes 4 – 9

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6.4 Annex 4: Matrix of Action Aid International

AA(I)	Action Aid (International)
ALPS	Accountability, Learning and Planning System
ARO	Africa Regional Office
AU	African Union
CP	Country Programme
CSP	Country Strategy Programme
DA	Development Area
DI	Development Initiatives
ECOWAS	Economic Community of West African States
FP	Field Presence
FPT	Fighting Poverty Together
HQ	Headquarters
HRD	Human Resource Development
IA	Impact Assessment
IFI	International Financial Institutions
IMF	International Monetary Fund
PRRP	Participatory Review and Reflection Process
PRSP	Poverty Reduction Strategy Paper
RBA	Rights Based Approach
SADC	Southern African Development Community
SUCAM	Sugar Campaign for Change (Kenya)
UNDAF	United Nations Development Assistance Framework
WB	World Bank

AA is an NGO which was formed in 1972 and whose aim it is to fight poverty worldwide. It currently has a staff of 1'787 people (89% thereof from developing countries, around 50 are working in HQ) and in 2004 expenditure was 114.525 mio €. Its present structure of AAI was set up in 2003 with the head office in Johannesburg and regional offices in Nairobi, Bangkok, Rio de Janeiro and Brussels. The restructuring expresses the conviction that only a global movement led by poor and marginalised people can change the pattern of poverty.

Note: Spelling of certain words and phrases is not consistent due to the use of quotes from various documents with differing preferences.

Institutional issues	
Objectives and guiding principles for the design of the FP and the HQ – field relationship	- AAI is a coalition which was launched in 2003. Moving the Head Office to Johannesburg in 2004 was a political decision which was taken after "a process of internal debate and radical analysis (...) It represents a fundamental shift in the way the organisation is run (…) It is a move from control to genuine partnership. The move is nothing less than a political statement. (AAI a, p. 1 – 2) Other locations in Africa were also considered and evaluated under a number of criteria such as security, available human resources, stability. Costs were one factor, but not the essential one. (Oral communication Thomas Joseph) - The foundation of AAI's work is a rights based approach.
Is there a multiplicity of approaches, if yes how do they relate to performance and costs?	- Yes, the key institutions in the organisational set up are: o *Full affiliates*: Organisations which own AAI and agree to take part in the governance (currently 6). o *Associates*: Organisations which join AAI with the intention and in the process of becoming affiliates. This includes former Country Programmes in the transition of becoming affiliates (at the moment 7). Affiliates and associates are legally registered organisations with their own governance and manage-

	ment structures. o *International Office*: The multi-locational management structure with its International Directorate in Johannesburg, *Regional Offices* in various (sub)continents and *Country Programme* as national level branches. Both structures represent, manage, coordinate and deliver AAI's work in their respective regions and countries. In addition there are other international offices. (AAI b, p. 8; AAI website) - Affiliates, associates etc. raise their own money (from donors, foundations, the UN system and other sources) and pay contributions to the International Secretariat. They can also receive money for specific operations, but the flow of money does not depend on the structures, rather derives from the historic background: individual organisations, which all had their own finances, came together to form AAI (rather than one organisation which wanted to expand its reach). Affiliates are always more expensive to run than country programmes. AAI is committed to having more affiliates. (oral communication Thomas Joseph; AAI 2004b, p. 19) - Furthermore AAI works with over 2'000 local partner organisations worldwide and is a member of over 100 alliances and networks. (AAI website) - Decentralisation is seen to have no blueprint, therefore there is a gap and wide differentiation in the conceptualisation and implementation of partnerships and community empowerment from one country programme to another. (AAI 2004b, p. 17)
What is the working relationship (communications, guidance, support, delegated authority, incl. supervision, monitoring and reporting) between FP and HQ?	- The International Board (comprised of representatives of the affiliates and other individuals, at the moment 11 members) governs the organization, i.e. holds governance responsibility. This includes determining and approving overall core vision, values, mission, strategies, policies, positions, standards and systems as well as plans and budgets of AAI. AAI is supported by the International Secretariat which can nominate a member of AAI to be a member of each Affiliate and Associate Board. The International Secretariat also provides management support to the national Boards with respect to governance functions, e.g. advising on values or the mission; training of the Board or responding to requests. (AAI b, p. 11 – 12) - Management, i.e. the implementation of the translation of the governance policy is done by the Chief Executive who delegates specific responsibilities to senior managers (and those reporting to them such as international, regional and national staff) in the International Secretariat. (ibid., p. 13) - See also line above and for more details the Governance Manual and the Memorandum of Understanding. - Internal reporting is still seen to be hierarchical (AAI 2004b, p.30)
Resourcing of FP (budget, staff (intern. and local); identity and capacity building of field personnel	- 89% of staff of 1'787 are from developing countries (AAI website). Currently around 50 staff work in Johannesburg. The largest country programme is India, with several hundred staff, spread across a number of offices at state level, smaller country programmes have 3 – 4 staff, e.g. Zambia or Cameroon. (Personal communication Patrick Watt) National staff at country programme level is one of the characteristics of AAI's multi-dimensional identity. (AAI 2004b, p. 4) - Capacity building with partners is central. (AAI 2004a, p. 3) - AAI's identity is a combination of its name and visual identity, organisational culture and behaviour, reputation and relationships. (Memorandum of Understanding, p. 4) The rights based approach is one of

<table>
<tr><td></td><td>the major features of AAI's identity. (AAI 2004b, p. 5)
- There seems to be a lack of capacity building among staff for all the changes related to the organisational changes: "A notable gap (…) is the absence of an HRD strategy for reskilling staff and management at CP level to cope with the organizational changes taking place at all levels. Such changes as the shift to RBA, internationalization, partnership development and gender mainstreaming, among others, would require significant reskilling among even the senior staff of AA." (ibid., p. 24; see also p. 25 – 26)</td></tr>
<tr><td>Physical and legal arrangements of field offices, and relationship with possible host institutions</td><td>- Affiliates and associates are organisations with their own legal structures. Country programmes are more tied to the international bodies. The following table provides an overview and also indicates the key steps planned for the transition from country programme to associate to affiliate (additionally there are common values, standards etc):
<table>
<tr><th></th><th>Country Programme</th><th>Associate
(if former Country Programme)</th><th>Affiliate</th></tr>
<tr><td>Governance</td><td>International Board</td><td>National Board in conjunction with International Board</td><td>National Board</td></tr>
<tr><td>International Board attendance</td><td>By invitation</td><td>One non-voting observer</td><td>One member</td></tr>
<tr><td>Management</td><td>Country Director reporting to Regional Director</td><td>Director with dual accountability to International Secretariat and National Board with gradual handing over from International Secretariat to National Board</td><td>Director reporting to National Board</td></tr>
<tr><td>Selection of Director</td><td>International Secretariat</td><td>National Board jointly with International Secretariat</td><td>National Board in consultation with International Board</td></tr>
</table>
(AAI b, p. 10)</td></tr>
<tr><td>Observation of unintended effects</td><td>- Indirect grading of country programmes: Some of them are already understood to have (almost) met the affiliation criteria and have been put on the fast track to affiliation while others have not yet (ibid., p. 19)
- Emerging sub-regional structures have not been foreseen or anticipated in the organisational design. And while sub-regionalisation is not an issue of internationalisation, the process presents an opportunity to voice issues around sub-regions. There are unclarities and questions about them such as their feasibility, effectiveness, integration into structures etc.. (ibid., p. 10, 11, 20, 21, 30)
- The challenge to raise own funds (which is one requirement to become an affiliate) has triggered a rush or accelerated the pace to diversify the funding bases of the country programmes. (ibid., p. 22)
- Expenditure in 2004 was 10% short on plan, among other reasons for this under-spending the following was given: „Changes in mode of working from direct management to working through partners." (AAI 2005, p. 34)
- Shifting from service delivery to a rights based approach has meant working indirectly through partners, which meant a reduction in staff requirements. In some cases staff has been let go, but the change in approach is lagging behind, which resulted in a work overload for staff. (AAI 2004b, p. 25)
- Shortening of hierarchy does not necessarily mean a de-concentration of power. Furthermore, hierarchy still persist as a formal reporting and approval mechanism. (ibid., p. 29)</td></tr>
<tr><td>Other issues</td><td>- Various processes which affect the overall structure of HQ – field relationships run parallel: internation-</td></tr>
</table>

	alisation, adoption of a rights based approach and decentralisation. Internationalisation represents a fundamental change in the governance of the organisation; decentralisation has been on-going as management process (devolving decision making to the frontline). At country level it is no uniform understanding of internationalisation. (ibid., p. 16 – 17). - For perceived risks of internationalisation see p. 21 – 22 of AAI 2004b. - Decentralisation was universally appreciated. All the benefits, being less remote, closer to the location, culturally more in tune etc. – there is nothing bad to be said about decentralisation. (Oral communication Thomas Joseph)
Implementation support	
How relevant is implementation support for the organisation and in the FP design? What specific activities were undertaken and resources were allocated for supporting project implementation?	- AAI is a very decentralised organisation. In each country there is a management team, usually headed by a country director. This team leads the work in the country. Various documents, such as the ALPS, guide the team's work in the country and provide devices for a sustainable management. Country planning is made up of various steps, but in the end the International Board formally approves each country CSP, which is the key document for each country's work. All AA organisations can comment each other's programme (plan and budget are uploaded on the net and usually around 15 – 20 comments are received which are then responded to; some of these are also accessible to the public). (ibid.) - In addition to the international comments and guidance there are also responses from regional staff. The regions receive quarterly reports and someone is responsible for looking at them in the framework of ALPS. Furthermore a finance and human resource person are at the disposition for each country programme. (ibid.) - While the people from the regions provide ongoing support, there is also support from the six thematic teams whenever that is needed. (ibid.)
What is the role of field staff in implementation support? In which ways have FP arrangements contributed to improving project implementation performance?	- Local presence and leadership always helps. If there is someone there, listening to the people, talking with them, and being responsive. You can not compare the depth and quality of such a cooperation. (ibid.)
What are the main differences between the performance of projects benefiting and not benefiting from FP?	- AAI has almost on projects in countries where they do not have a presence. It can occur occasionally, but then it is usually in the context of a multi-country activity. But even in this case there usually is a temporary staff for support and contact. So if there is no permanent country representation than there is a temporary arrangement. (ibid.)
What authority is delegated to FP staff to take decisions on project implementation matters?	- There are a number of documents which provide guidelines for everybody's work: ALPS (which also describes the behaviour and attitudes that are expected in AAI's work), the financial manual (which specifies the authority levels) and then the organisational framework for human resources. These are the guiding instruments for everybody and flexibility in exceptional cases is always guided by these documents as well. (ibid.)
Policy dialogue	
How relevant is policy dialogue for the organisation and in the FP de-	- It's very relevant as AAI moves from a straightforward service delivery approach to an approach that integrates our project and influencing work – a "rights-based approach". Most of the resources for policy

sign? What specific activities were undertaken and resources were allocated for supporting policy dialogue?	work at an international level lie with the six thematic teams, which have central budgets of several hundred thousand dollars (these vary) and the international policy function. The UK and Brussels offices are very outward looking in terms of their policy work; other offices are generally more concerned with domestic policy issues, but to varying and increasing degrees work on some collective international policy work. (Personal communication Patrick Watt)
How effectively has FP contributed to policy dialogue with national governments and international donors at country level?	- Specific examples: o AAI's work on the MDGs around the UN World Summit, where it carried out extensive participatory surveys in 14 countries to inform a progress report on the goals. o AAI's work at the 2005 G8, where the "Get On Board" bus brought messages from across East and Southern Africa to the G8 leaders in Scotland. Of course, AAI's FP gives a degree of legitimacy and credibility to our policy work with national governments and donors.
Has your organisation's participation in donor co-ordination and harmonisation improved?	- "I'm not sure that the donor agenda on harmonisation forged by the OECD-DAC applies very straightforwardly to NGOs, but we have done some thinking about this (…). What harmonisation/alignment takes place tends to occur at the national level, where some governments direct NGOs to working in a particular part of the country, for example." (ibid.)
Other issues	- Balancing resources between different levels: There is a risk that international rights based advocacy campaigns may pre-occupy AAI at the expense of national and sub-regional level efforts. Conscious effort to balance national and sub-regional and international advocacy would need to be sustained. (AAI 2004b, p. 5) Similar concerns have been voiced for the sub-regional level: The ARO has had the challenge to make AA visible in those pan-African and sub-regional fora where gains in the fight against poverty could be obtained. There is evidence that while efforts have been made to make the ARO visible, most of its effort has been absorbed at interventions and direct support to national offices with so many of them that there was hardly any time left to position AA at the pan African stage and make it a visible player at AU, ECOWAS, SADC etc. (AAI 2004b, p. 10)
Partnership building	
How relevant is partnership building (policy partnerships, and/ or project related cooperation) for the FP design, and why? What specific activities were undertaken and resources were allocated for supporting partnership building?	- Partnerships are a core element of AAI, which is present at four key levels: grassroots, national, sub-regional and global. (AAI 2004b, p. 4) Visibility at the different levels is variable, depending on the country programme – in some countries AA is perceived as the leading organisation on some issues, e.g. if it has led campaigns (as it has been done in India with the anti violence and exclusion campaign, or in Kenya the water and sugar cane campaign). Generally, AA is well profiled at the national level; visibility at the grassroots level depends on the nature of the activities it is implementing. (ibid., p. 10) - In some country programmes (e.g. Kenya) new positions have been allocated to manage the partnership programme. (ibid., p.31) - Competence building processes at partner level focus on accountability and resource mobilisation as they are seen as important element of the self management of community organisations. (ibid., p. 27) Improving partners' skills, if capacity limitations are perceived among them, is also found to be happen-

	ing consistently in the context of ALPS. (Guijt 2004, p. 24) - Four different categories of partnerships were identified in AAI's country programmes[1]: (i) short term, activity based; (ii) institutionalised project based; (iii) with government departments or specialised agencies; and (iv) institutional relationships with CBOs which were created by or through the work of AA country programmes. Each kind of partnership has different needs and risks and entails different power-relationships. (AAI 2004b, p. 31 – 32)
How effectively has FP contributed to partnership building with national governments, other local partners, and international donors at country level?	- Very effectively, as "the partnership approach has been embraced virtually in all CPs visited and beyond." However it has been pointed out that this also implies institutional relationships which involve not only operational level staff, but also management and governance structures. (ibid., p. 18)
To what extent were promoted policies and development approaches discussed and adopted by key partners, including within the PRSP and UNDAF processes?	- AAI sees two aspects to partnerships, they always include a giving and a taking aspect. In this sense AAI sometimes brings its views and is happy when they are endorsed, other times it endorses another organisation's view. But it does not see it appropriate to "push its views down people's throat". Partnerships are also based on goodwill and others accepting different views and so far this approach has worked well. (Oral communication Thomas Joseph) - When working in alliances and partnerships it is often also very difficult to say who contributed what in the end. Finally, attribution is not so important. (ibid.)
Has FP allowed strengthening existing and developing new partnerships?	- Related to the issue of shifting to a rights based approach, the following points were mentioned in the Stock Taking II Review: "AA has branded its own strategy to fighting poverty as 'FPT' but the 'Together' seems to exclude alliance building with those other global players who have preceded it in rights based advocacy work. There was no evidence of AA actively trying to learn from, engage and build synergies with other global players on poverty such as the Oxfam Alliance, (…) Thus the strategic positioning of AAI in the poverty sector is neither one of leadership nor follower or collaborator at the global stage." (AAI 2004b, p. 7 – 8) - With respect to funding, different approaches are taken by the individual country programmes: In Asia, a position has been taken not to have funding or other relationships with the IFIs including IMF and WB whose work is seen as creating and/or perpetuating poverty which AAI is fighting to eradicate. In Africa, there appears to be no pronounced position on this. As this is an incoherent approach, it has been decided at an International Directors' meeting to define relationships with such global players more clearly. (ibid., p. 7)
Has co-financing and domestic financing been enhanced as a result of FP?	- Each country programme does its own fundraising, so this question is not really applicable to AAI.
Other issues	- The choice of instruments for partnership building: In this respect the discussion is about AAI's shift to-

[1] Guijt 2004 identifies five types of partnerships: (i) local partnerships with CBOs; (ii) Networks or coalitions of CBOs and NGOs; (iii) National level 'partnerships' with AA as donor ;(iv) National level partnerships - with AA as a recipient of funding ;and (v) Coalitions at national level in which AA is one of many others. (AAI Taking Stock 2 B, p. 24)

	wards a rights based approach and how this relates to service deliver activities, which are particularly evident in post conflict situations: “The debate on what RBA means and whether or not it is mutually exclusive with doing service delivery activities is about articulation of the empowerment thrust of whatever AA seeks to do. In meeting the practical needs of the poor through provision of water, shelter, food and other basic needs AA is not excluding the need to address rights issues. Rather, the challenge is in how far the CSPs show that these activities seeking to meet the basic needs of the poor can and are being used to address rights issues and advocate for policy change to secure these rights.” (AAI 2004b, p. 12) - “The donor mode is apparent in relationships with communities and project groups. (…) Evidence on the ground reveals a nearly mechanistic approach to partnership development which is bordering on donor/recipient mode of engagement.”(ibid., p.31) - “No organization wide approach to partnership has been developed.” (ibid., p.31) While the review does not recommend a partnership manual due to the variety of partnerships within AAI, it does recommend a more harmonised approach. (ibid., p. 37)
Knowledge management	
How relevant is knowledge management for the FP design? What specific activities were undertaken and resources allocated for knowledge management?	- The Taking Stock II Review attested AA to be “generally a learning organisation” and it stated that “there is evidence that much effort has gone into promoting organisational learning”. (ibid., p. 27) - Different opportunities and mechanisms have been set up, among them: external and internal reviews, staff development processes, horizontal working groups and a space on the intranet. (ibid., p. 27) They are described in ALPS, the Accountability, Learning, and Planning System of ActionAid International. It was introduced in 2000 and 2001, and has changed considerably in the past years. (Guijt 2004, p. iv) ALPS describes principles, attitudes and behaviours and organisational policies and processes. Interesting processes for knowledge management are the participatory review and reflection processes. They facilitate learning and sharing of the learning and are an integral part of developing annual reports and plans. Some see this ‘tool’ to encapsulate “the inclusiveness and critical reflection that ALPS was supposed to drive in the organisation.” (ibid., p. 5) Or in other words: “Alps (should) help to move the organisation to a critical and innovative catalyst.” (ibid.) - In spite of mechanisms in place, it has been found that knowledge management and learning could be improved: “Nor is what is being learned consistently captured for forms of organized and organizational appreciative inquiry and critical thinking within country programs or across Action Aid borders. (…) Action Aid meets the test of a learning and open organization – I know there is plenty of room for improving specific practices” (Cohen 2004, p. 12)
How has the FP facilitated the flow of knowledge/ information from the field to HQ, vice versa, and South-South? Has the HQ knowledge base improved due to FP?	- “The purpose of learning and processes for ensuring learning with respect to the global strategy is not clear. Countries use their CSPs to structure their reflections. At the moment, global reflections appear to occur mainly through annual PRRPs with the International Directors and the writing of the Global Progress Report.” (Guijt 2004, p. 32) - Learning is also seen to be helpful with monitoring: A gap between expected outcomes, as they are articulated in the country programmes and indicator to track the outcomes has been identified, with the exception of AA India which has articulated such indicators. AA Kenya also has some defined and some implicit indicators in its strategy. It is expected that learning across country programmes will close this

	gap. (AAI 2004b, p. 13)
Has lessons/ knowledge/ information sharing among the projects in the same country/ sub-regional improved?	- It seems that this was not the case: "ActionAid International has a lot of stories to tell, stories of what it is doing, the changes it is bringing to the lives of many poor and marginalised people and communities and lessons learnt but it has not been able to do so in the relevant space or on the scale required." (AAI 2004c, p. 9) A similar assessment was made about working together more generally, not only with respect to information sharing: "ActionAid International is strongly vertically organised organisation with little incentive, system or practice for joint work across the boundaries between countries, or between themes, or between support functions and programme functions. This is the case not only between international and national entities but also within the countries." (ibid., p. 11) It is therefore not surprising that the management response to the findings in the Stock Taking Review II includes promises to address this issue: "In addition to strengthening the communication function, staff and capacity, we will explore the mechanism for capturing, processing and promoting our experience, knowledge and ideas towards influence and change and ensure that voices of poor and marginalised people are conveyed and amplified." (ibid., p. 9)
Were specific efforts made to document innovative approaches?	- While some efforts described in ALPS (e.g. the PRRPs), it seems they are not applied systematically: "ActionAid International currently lacks a systematic approach and mechanism for continually capturing, assessing, processing, packaging, promoting and scaling up of innovations, knowledge and ideas." (ibid., p. 10)
Other issues	- "Opportunities for learning are being lost due to the lack of time to organize learning experiences by staff and CPs. (…) Opportunities for regional learning are also not taken up as programming and staffing issues are not regionalized except for the Africa Regional Office." (AAI 2004b, p. 28) - Difficulty with a precise definition of learning: "It appears that learning is defined as 'change'. Yet so much change happens through non-learning routes, but by accident, crisis, imposition, etc." (Guijt 2004, p. 28)
Cross-cutting concerns: Cost-effectiveness of HQ – field approach	
Does strengthening of FP reduce costs at HQ?	- Not necessarily, even the contrary might be the case. If you have one central HQ where you concentrate e.g. administrative tasks that might even be cheaper than setting up administrative staff everywhere. But costs in AAI work differently, they are allocated to functions, not locations. And as there is a multi-locational HQ, HQ functions cost the same, whether they are carried out in Johannesburg or Nairobi. But the relevant aspect is to be as close to the location as possible. (Oral communication Thomas Joseph) - As a general principle, there are no duplications, high level staff is certainly not duplicated, but some administrative functions are. (ibid.)
Did FP/ decentralisation have any unintended repercussions on the headquarter – field relationship or with the partners?	- The move to Johannesburg was merely a geographic move. Decentralisation itself happened 14 years ago. But what was underestimated in this context was the cost of doing business in South Africa. The Rand has been very strong. Another starting difficulty was the issue of qualified local staff. Finding skills at a higher level is difficult. (ibid.)
In what way is FP design related to the country portfolio size?	- Regionalisation in Africa was done in recognition of the size of the portfolio. (AAI 2004b, p. 29)

Other issues	- “ActionAid International resource allocation and planning method and process is not transparent and is not integrated in any way with the strategic priorities of the organisation.” (AAI 2004c, p. 11) - Internally the allocation of funds requires more negotiation and discussion than a central decision making would. But that is not necessarily a bad aspect, it also means that there is more accountability within the organisation. (Oral communication Thomas Joseph)
Cross-cutting concerns: Capacity development	
Is there a systematic and targeted effort to enhance the capacity of the partners, and/or the own staff? What instruments are used?	- Community mobilization, building community organizations and campaigns are emerging as key elements of the approach to implementation of the Rights Based agenda. This allows engagement of communities and building their capacity for ownership and control of initiatives to secure their rights. (AAI 2004b, p. 5)
What specific activities were undertaken and resources allocated for building up local capacity (internally, with partners, or general)?	- Capacity building is an ongoing process, e.g. when ALPS was introduced, there was a roll-out in introducing the people to the instruments. So there was no specific course or so for decentralisation, it would just have been integrated into the budget allocation that is made annually for capacity building. (Oral communication Thomas Joseph)
Other issues	- There is a leadership development programme which has been going on for around 6 years now. Each year there are funds allocated to it and it is to train local people to become more acquainted with administrative aspects of the AAI system as well as be better informed on certain subject matters. (ibid.)
Cross-cutting concerns: Innovation, replication and up-scaling	
Is innovation, replication and up-scaling a key concern for the institution?	- Yes, one goal of ALPS is to “ensure that all our processes create the space for innovation, learning and critical reflection, and reduce unnecessary bureaucracy.” (AAI 2006, p. 5) However, in spite of a positive general impression (“ActionAid has been a nursery for methodological innovations for many years.”) in the context of Taking Stock II, innovations were found to be “sporadic rather than systemic and there is no systematic implementation of these innovations as yet. It appears that these innovations are not being widely shared within the AA system, or even within countries.” (Guijt 2004, p. 22)
Has FP design facilitated innovation in the four dimensions mentioned above, and beyond? Any evidence?	- With respect to knowledge management and learning it only seems to work partially: “Innovation has taken place in various CPs. While such innovations have been shared vertically, they are not shared horizontally among CPs to allow further experimentation and application.” (AAI 2004b, p. 28)
Good practices	
What doesn’t work?	- Instances of clashes between planning and budgeting processes at country level: Bottom-up programming at country level made the frameworks responsive to local felt needs. However, in some cases, budget constraints have not been relayed to the country programmes before the planning. This resulted in the need to cut plans (up to 50% in some cases), which results in the risk of loosing credibility in the constituencies due to failure to meet their expectations. (ibid., p. 11) - Internationalisation is driven from above the country level and a lot of information has not been passed on to/accessed by staff lower than senior management level in country programmes. (ibid., p. 19) This results in some uninformed understanding of present structures. - Sometimes there can be some confusion as to who is in charge, someone in a regional office or in the HQ. But this can usually be solved. Negotiations involved in such clarification processes are also valuable and useful. Also when you introduce a new position, it is important to clarify where it links to and

	with whom. (Oral communication Thomas Joseph) - Decentralisation is about giving up control. Problems which arise are therefore often problems with leadership. If the leadership does not work, it creates problems for all. In this sense, decentralised operations are even reduced risks, as with bad leadership only one organisation suffers and not the entire, as it would be the case in a centralised system. In a decentralised system the number of countries which can suffer from bad leadership is reduced. (ibid.) - Genuinely, he sees no negative aspects to decentralisation. (ibid.)
Illustrative stories	
Positive (success)	- South-South learning at country level: AA India is addressing the link between providing services and the policy level in its country strategy (called “Taking Sides”). It “illustrates how addressing basic needs can be used to reach a higher level of empowerment through community organization and engagement at policy level. This approach is appreciated in the other CSPs and it is being articulated on the ground in Kenya and elsewhere but it is not clearly stated as a key performance area” in other country strategy papers. (AAI 2004b, p. 13) - Box 7 of Guijt 2004: “SUCAM – the Sugar Campaign for Change in ActionAid Kenya (…): The Sugar Campaign has moved from using coalitions to confront to using them to work on alternatives. It has implemented many innovations that embody ALPS. In 2002, after one year, a social audit was conducted. This aimed to assess how SUCAM had performed in its first year, evaluate ‘value-for-money’ and relevancy of actions, check if the campaign had lived up to its own values, assess how well campaign risks were understood and acted on, and identify lessons learned. Other innovations included its zero consultancy policy (no expenditure on hiring expensive consultants to do research so campaign members do it all), based on the idea that information should and would not be paid for, ensuring an open accounting systems on the Web, placing billboards in the DIs that are regularly updated, and using a range of different conduits for information dissemination.”
Negative (failure)	- Developing the Shared Learning Strategy in 2002: “While it aimed to develop systems to facilitate this, it set up a false split from ‘ALPS’ by not being connected to the core IA unit. It invested its efforts in establishing the intranet as the medium for sharing and learning. In none of the country visits, however, did the intranet play a significant role, if at all, in either process. Inter/intranet is not a common access platform, certainly not for the programme DA/DI staff who would be the source of many of the experiences. Furthermore it assumes writing skills and time plus the assumption of an automatic match between supply and demand.” (Guijt 2004, p. 23)
Sources of information	
Written	All AAI documents as listed in the bibliography, namely: AAI 2004a – 2004c, 2005 and 2006, AAI a and b; AAI’s website as well as Cohen 2004 and Guijt 2004. Taking Stock II 2004 is made up of many individual reports (i.e. AAI 2004b, 2004c,Cohen 2004 and Guijt 2004 as well as others not quoted here) It can also be accessed as one integrated document under: www.actionaid.org/wps/content_document.asp?doc_id=257 (last accessed on October 9, 2006)
Oral	Interview with Thomas Joseph, e-mail exchange with Patrick Watt

6.5 Annex 5: Matrix of the Asian Development Bank

A(s)DB	Asian Development Bank	ETSW	Economic, Thematic, and Sector Work	PPP	Public-Private Partnerships
ADTA	Advisory Technical Assistance	FP	Field Presence	PPR	Project Performance Report
DMC	Developing Member Country	HQ	Headquarters	RD	Regional Department
EA	Executing Agency	IADB	Inter-American Development Bank	RM	Resident Mission
EBRD	European Bank for Reconstruction and Development	NBP	New Business Processes	SPRM	South Pacific Regional Mission
		NGO	Non-governmental Organisation	TA	Technical Assistance
				WB	World Bank

The AsDB is a multilateral financial development institution owned by its 66 members. Its mission is to help the DMCs reduce poverty and improve the quality of life of their citizens. The AsDB employs more than 2'000 staff from over 50 countries (total staff: 2'364, thereof 451 in the field). ADB's annual lending volume is about US$ 6 billion, with technical assistance usually totalling about US$ 180 million a year. HQ are in Manila, with 26 representations in the rest of the world, thereof 19 resident missions in Asia and three sub-regional offices in the Pacific.

Note: Spelling of certain words and phrases is not consistent due to the use of quotes from various documents with differing preferences. Furthermore the titles for the references have been shortened in some instances to facilitate the reading; shortened titles always consist of the first words of the full title in order to ensure the corresponding reference in the bibliography.

Institutional issues	
Objectives and guiding principles for the design of the FP and the HQ – field relationship	- The basis for the HQ – field design is AsDB's Resident Mission Policy which was published in 2000 and whose objective is "to provide a framework for the ADB's RMs to more effectively support the implementation of ADB's strategic agenda, strengthen in-country activity and knowledge, and ensure greater responsiveness to the client." (AsDB 2002, p. ii) - "The RM provides the primary operational interface between ADB and the host DMC and strives to maximize the efficiency, effectiveness, and impact of ADB operations in the DMC." (AsDB 2000, p. 21) - This objective was divided up in strategic and partnership objectives. More specifically, they include the following tasks for the RMs: promotion of AsDB's overarching goal of poverty reduction; enhancement of policy dialogue; being sources of knowledge; enhancement of AsDB's visibility and responsiveness; creation of strong partnerships; taking on leadership in aid coordination; and promotion of subregional cooperation. (ibid., p. 22) These tasks relate to the standard and specific functions as outlined below. - "In their new role, RMs should be an extension of the full ADB persona. In the DMC, the RM should be seen as ADB." (ibid.)
Is there a multiplicity of approaches, if yes how do they relate to perform-	- There are different representations in the field: o *RM*: is the primary operational interface between ADB and the host DMC;

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<td>ance and costs?</td>
<td>o Subregional office: unique representation for the Pacific operations, covers 12 mostly small DMCs, where AsDB often is the lead development agency and is therefore heavily involved in all aspects of development; due to their size, operations are small and portfolio management differs;
o Representative office: are located in Frankfurt, Tokyo and Washington DC;
o Special liaison office: located in East Timor. (AsDB website)
Most relevant for the context of this study are the RMs. In addition flexibility is ensured by different types of missions and use of local consultants to overcome short-time work overload.
- It seems that the different phases in AsDB’s decentralisation also had different impacts on costs: “A review of RM expenses over the last 18 years (…) shows that ADB expanded its local presence without significantly increasing the RM share (in percentage terms) of the internal administrative expenditure budget. While total RM expenses have increased annually in absolute terms, they appear to have stabilized at around 6 percent of ADB's overall internal administrative expenditure budget.” (AsDB 2000, p. 7)</td>
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<td>What is the working relationship (communications, guidance, support, delegated authority, incl. supervision, monitoring and reporting) between FP and HQ?</td>
<td>- Tasks are assigned to either RMs or HQ “supported and/or facilitated by the RM.” For RMs this includes “delegated authority to sign loan and project and technical assistance (TA) agreements, project implementation functions, and internal administrative functions.” For HQ it “comprises support tasks for economic and sector work, country programming, project processing, aid coordination, and cofinancing. (…) Their roles expanded as projects were delegated to them for administration, but this was only recently formalized.” (ibid., p. 5)
- Functions of the RMs are specified according to standard functions and specific functions (outlined below). The former must be performed of all RMs, the latter will be performed depending on the situation. When starting to implement the Resident Mission Policy it has been decided that a full transfer of specific functions to RMs was to be tested on a pilot base. Key concepts in determining specific responsibilities and functions are country focus, priorities and flexibility. (ibid., p. 23)
<table>
<tr><th>Standard functions</th><th>Specific functions</th></tr>
<tr><td>(i) government, civil society, and private sector relations;
(ii) policy dialogue and support;
(iii) country reporting;
(iv) aid coordination; and
(v) external relations and information dissemination.</td><td>(i) country programming,
(ii) project and TA processing,
(iii) portfolio management and project administration, and
(iv) economic and sector work and analytical work.</td></tr>
</table>
Standard and special functions of RMs (tables based on: AsDB 2000, p. 22 – 23)
- “The formulation and approval of ADB policies will clearly remain a function of headquarters. RMs are an agency of ADB, and their policy functions are to provide inputs for policy formulation and to implement policies effectively.” (ibid., p. 33)
- “All country activities are now conducted through a single department, reporting to one director general and managed by a single regional management team. The RM country directors are members of this team. This structure eliminates multiple lines of reporting. (…) Directors general of regional departments (RDs) have been given wide discretion under the reorganized structure to decide on such issues in the country and institutional context.” (AsDB 2002, p. 2)
- “In summary, both the very positive outcome in terms of products, value-added, and stakeholders’ reactions to pilot testing, as well as the experience of other RMs that have taken a proactive role in this func-</td>
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	tion, demonstrate that, in principle, the country programming function can be very effectively undertaken by RMs that have the proper resources and skills. In this background, regional departments should consider how to more actively delegate this function to RMs." (ibid., p. 12) - "The survey shows that most RMs feel the current delegation of authority is adequate for them to function effectively." (ibid., p. 22) - Delegated authority has also been an issue of discussion at a recent regional forum on development effectiveness. One potential negative aspect are difficulties related to corruption at the local level etc. In the end it comes down to a trade off between different (dis)advantages which can be a difficult decision to make. (Oral communication Keith Leonard)
Resourcing of FP (budget, staff (intern. and local); identity and capacity building of field personnel	- Cohesion of the AsDB's functioning was an initial concern, however it has been found that the strong emphasis on teamwork reduced isolation and fragmentation considerably. (AsDB 2002, p. 22) - Personal impressions are that sometimes national staff is much more committed to the AsDB than international staff. They have a stronger identification with it, this is especially the case with the Philippino staff. RMs have a strong identification with the organisation, even though they sometimes feel isolated. They are recruited locally and work locally. But all of them come to HQ for inception training, further education etc. that also helps to get to know the institution. They have a steep learning curve with respect to the way that projects are administered and other specific processes, but identity has never been a problematic issue. In addition there are daily news-emails and other modern communication tools such as video conferencing help to keep close contact. (Oral communication Keith Leonard)
Physical and legal arrangements of field offices, and relationship with possible host institutions	- Offices of the RMs are either purchased, built or leased, depending "on the specific circumstances in each country, and no uniform recommendation is therefore being made." (AsDB 2000, p. 38)
Observation of unintended effects	- "There is some concern regarding possible isolation of RMs from headquarters, and the consequent fragmentation of policy implementation. One of the major tasks of headquarters departments will be to ensure that the integrity and consistency of ADB policies is maintained across DMCs." (ibid., p. 33) - "In view of ADB's strong commitment to good governance and anticorruption, the benefits of RM expansion must be matched by the need to maintain integrity and transparency in all ADB activities. Delegation will not mean dilution of transparency, control, and oversight procedures." (ibid., p. 35) - One aspect which can be problematic with the local staff is their background. Many of them have previously worked for the governments and AsDB is sometimes at odds with governments. They are AsDB's clients but that does not mean that there is always agreement between the two (sensitive issues are corruption, environmental standards, etc.). In such instances the staff sometimes can forget whom they are working for. (Oral communication Keith Leonard) - Another critical issue is that of posting international staff to RMs. Sometimes they do the same work as local staff, but have very different working conditions, payment etc. (ibid.) - One last point is that the AsDB so far has not made best use of the potential efficiency in RMs. Their staffing has increased substantially, but HQ staff has not decreased proportionally. Some new posts were created for the coordination with RMs, so there is room for increased efficiency in this respect. (Oral communication Keith Leonard)

Other issues	- AsDB's first RM was opened in 1982 on an experimental basis. Afterwards formal criteria were defined for the establishement of RMs, however they were hardly ever met and a flexible approach in this respect was advocated for from the beginning. A majority of RMs was opened on the basis of "special needs and country circumstances." (AsDB 2000, p. 3 – 4) - Previously to the implementation of the RM Policy (published 2000) the following constraints were identified for the RM and lead to the design of the policy: o Emphasis on project administration in the RMs was perceived to be an inadequate response to the changing development agenda; o Limited resources in the RMs to participate in aid coordination; o RMs were viewed to be extensions of HQ's program departments rather than an integral part of AsDB. (ibid., p. 10) - Two issues were identified with respect to the structure of AsDB: (1) "Transfer of a major responsibility for any function to an RM will entail a corresponding reduction of the responsibility at headquarters." And (2) reporting and accountability relationships, which will be maintained for the present: "RMs will continue to report to directors of programs departments." (ibid., p. 34) - The implementation process is seen to still be ongoing and also interacting with the changes from the NBP. Furthermore the AsDB also undertook a major reorganisation while implementing the RM policy. This "carried forward some of the key ideas of the RM policy: a strong country focus and greater decentralization." (AsDB 2002, p. 2)
Implementation support	
How relevant is implementation support for the organisation and in the FP design? What specific activities were undertaken and resources were allocated for supporting project implementation?	- "Historically RMs were established in the context of project administration, and the functions formally assigned to them reflect this. (…) After gaining operating experience, an RM also assumes responsibility for administering a limited number of delegated projects." (AsDB 2000, p. 4 –5) In the first Review of Progress it has been found that "RMs are more actively participating in processing activities." (AsDB 2002, p. iii) However it has also been found, that there is still room for improvement in this respect: "The proportion of projects administered by RMs could be increased significantly." (AsDB 2004, p. vii) - "Overall, while it is possible for some of the larger and better staffed RMs to undertake loan processing for some simple projects, HQ units will need to keep the lead in most cases. However, greater advantage can be taken of RM support. Under the project team approach, several specific activities can be delegated to RMs that have the necessary qualified staff. (…) As delegation of project administration increases, it will also enable them to provide more direct feedback on a given design. It should also be possible to undertake more activities in country, such as loan negotiations. It is not possible or desirable to be prescriptive in this matter, and it is best left for each RD to determine the degree of support to be provided by an RM. Experience with TA processing has been much more positive, and can be further expanded on a selective basis." (AsDB 2002, p. 13) - Similarly, if full delegation is not possible, HQ could still profit more from RMs and their better local know-how and contacts (which e.g. enable quicker responses): "all project officers of headquarters-administered projects should seek to involve RM staff to a greater extent." (AsDB 2004, p. 54) - "Logically, if the responsibility for administration of a project is delegated from headquarters to an RM,

	the resources required should also be transferred." (ibid., p. 54)
What is the role of field staff in implementation support? In which ways have FP arrangements contributed to improving project implementation performance?	- The greater supervision intensity for RM administered projects is assumed to be good for performance. Therefore, "projects should be delegated to RMs earlier than is generally the case so that the benefits of closer supervision can more readily be translated into better performance. It is obviously preferable to prevent problems emerging than to rely on more effective problem resolution by RMs after the event." (ibid., p. 54) - "Many governments and EAs strongly pressed for increased delegation of projects to RMs, citing the clear benefits of more rapid decision making, processing of procurement matters, and claims for disbursement." (AsDB 2002, p. 15) - Overall, it has been found that o "RMs can be given a primary role" in programming; o Loan processing is complex and should "remain a primarily HQ-based function"; o "Project administration and portfolio management are the areas where RMs are expected to have the greatest advantage in functioning. It was expected that, under the RM policy, there would be a significant increase in delegation of projects to RMs. However, the ADB-wide figures show that this is not happening." (ibid., p. 23)
Has FP ensured a better implementation support and/ or better follow-up to supervision recommendations and ongoing monitoring of project activities?	- It is deemed to be difficult to assess the impact of the RMs: o "There are considerable difficulties in isolating the impact of RMs on key country performance indicators such as contract awards, disbursements, and disbursement ratios. Many variables affect country performance (…) Despite these difficulties, an attempt has been made to analyze the historical performance of key indicators for each of the five countries where RMs were established prior to 1993. (…) Even allowing for the impact of other factors, this is still a significant RM contribution." (AsDB 2000, p. 7) o "The evidence of whether RM-administered projects perform better than those administered by headquarters is not clear-cut. Part of the problem is that the two groups of projects differ along important dimensions such as age and sector mix. Nonetheless, the aggregate analysis does show that RMs have a higher success in bringing projects out of the at risk category. Other results are mixed and, in 2003, generally in favor of headquarters administered projects." (AsDB 2004, p. vii) - "Differences in performance do not only reflect differences in management. Also, to varying degrees, RM staff support headquarters-administered projects and, to a lesser extent, vice versa." (ibid., p. 51)
What are the main differences between the performance of projects benefiting and not benefiting from FP?	- "Data for 2003 show conclusively that projects administered by RMs receive more formal administration missions per project reviewed (19% more) and more mission days per project reviewed (47% more) than those administered by headquarters." (ibid., p. 52) - Differences also depend on the projects administered: o "RMs score better than headquarters on implementation progress but are marginally worse on development objectives. There is less than one percentage point difference between RMs and headquarters in terms of the proportion of projects at risk (in favor of RMs). (...) there is insufficient evidence from PPR rations to say that RM administration improves implementation performance." (ibid., p. 51) o "Performance on contract awards and disbursement was also mixed (...). RM-administered projects

	had a significantly better contract award ratio (31% versus 24%), but in 2002 the figures were much closer and the order reversed (headquarters-administered projects had a slightly higher figure). For contract awards against projections, headquarters administered projects performed better (91% to 73%). Headquarters-administered projects performed much better in terms of disbursements against projections, while the disbursement ratio was slightly in favor of headquarters-administered projects." (ibid.) - "Based on 2003 data, RMs have greater success in bringing the projects they administer out of the at risk category. (...) For headquarters-administered projects, it was 61% while for RM administered projects it was 67%. However, the real difference may be greater, as 43% of projects under headquarters administration that were returned to a not-at-risk status involved loan closures. The corresponding figure for RM-administered projects was 31%." (ibid., p. 52) - In the case of AsDB it is problematic to asses this difference. Most projects are delegated to RMs only half-way or even later in their process. Differences in performance are therefore difficult to isolate and a clear comparison of projects administered by HQ and RMs is not possible. AsDB has started to delegate a few projects right after approval, but none of them are finished yet, so it is not possible to say anything about that. (Oral communication Keith Leonard)
What authority is delegated to FP staff to take decisions on project implementation matters?	- "Resident representatives already have the authority to exercise the powers of the projects director for delegated projects. It may be necessary to provide such formal delegation in other areas as well." And: "it is important to define clearly what is meant by delegation. At one level, the increased responsibility for functions such as programming, project processing, and project administration (and, as applicable, complete transfer) is itself an increase in delegation. At the next level, delegation means providing RMs with the authority to exercise specific powers currently exercised by headquarters officers." (AsDB 2000, p. 34) - FP has resulted in much more frequent communication between AsDB and the executing agency. But this is only effective if authority is delegated as well. Problems usually arise in the area of procurement and those always have to be referred back to HQ. (Oral communication Keith Leonard)
Other issues	- Three broad areas in which RM contributions are particularly relevant have been identified: (1) project administration; (2) facilitation of the preparation of AsDB's country operational strategies and assistance plans; and (3) country interface. (AsDB 2000, p. 8 – 9) - The aggregated figures in the report hide some marked differences between regions. In terms of delegated loans, the RM with the highest percentage administers 38%, the RM with the lowest percentage only 7%. (AsDB 2004, p. 50) No explanations were given for these differences, but they might include factors such as size of the country, experience of RM staff. - Generally, the number of projects administered by field staff could be increased significantly. (AsDB 2004, p. 54)
Policy dialogue	
How relevant is policy dialogue for the organisation and in the FP design? What specific activities were	- From the beginning, enhancement of policy dialogue was a criteria for establishing an RM, even if the formal points of criteria were not met. (AsDB 2000) - "In policy dialogue the review shows that RMs now have much greater involvement in both lead and

undertaken and resources were allocated for supporting policy dialogue?	supportive roles.” (AsDB 2002, p. ii)
How effectively has FPcontributed to policy dialogue with national governments and international donors at country level?	- “The role of RMs in policy dialogue depends largely on the extent to which they are responsible for other functions such as programming and project processing. Those RMs that lead country programming activities are most involved in policy dialogue in a number of key areas, particularly governance, macroeconomic policy, and portfolio management. Much policy dialogue takes place in the context of sectors and projects, and here RMs play a more supportive role to HQ-led efforts.” (ibid., p. 5) - “Overall, RM activity in this area has created much better operational conditions in the field. Regular interaction builds knowledge of other aid agencies’ activities, and helps to avoid conflicts of turf, and of overlap. There is scope for ADB to play an “honest broker” role between the aid community and governments.” (ibid., p. 7)
To what extent were policies and development approaches (promoted by the institution in question) discussed and adopted by key partners, including within the PRSP and UNDAF processes?	- “ADB must be a trusted partner to its DMCs in order to engage in constructive development policy dialogue and to target its assistance programs effectively. In particular, ADB must strongly support its DMCs in preparing sound long-term national poverty reduction strategies. To achieve the country leadership principle, ADB will forge much closer relationships with its DMCs by signing a partnership agreement for poverty reduction with each one. It will clearly signal the strategic areas where it can be a primary source of expert advice to the DMCs in their development process and fight against poverty.” (AsDB 2001, p. 32)
Has your organisation’s participation in donor co-ordination and harmonisation improved?	- The overall assessment of the Progress Review in this respect is positive: “RMs have become very active in this function (aid coordination), and are heavily involved in all areas of donor coordination. Joint work with other aid agencies has increased. Surveys of other aid agencies indicate appreciation of the ADB’s involvement in donor coordination. Responses from government agencies indicated general satisfaction with the ADB’s role. Importantly, many perceived ADB as having a balanced and pragmatic approach on many issues with the aid community, and as a useful interlocutor with other aid agencies. However, there are constraints, arising largely from lack of staff: aid coordination at the sector levels is quite staff-intensive.” (AsDB 2002, p. ii) - AsDB’s involvement is also seen positively by other aid agencies. Some of them mentioned that this was not only a question of structures, but also of the staff: “The approach of individual staff, particularly the country director, was cited as important.” (ibid., p. 7) - Most countries have donor coordination groups and there are many activities going on in this respect to which AsDB is contributing. (Oral communication Keith Leonard)
Partnership building	
How relevant is partnership building (policy partnerships, and/ or project related cooperation) for the FP design, and why? What specific activities were undertaken and resources were allocated for supporting part-	- Country relations are one of the RM’s key tasks and they are also about building relationships with key institutions. It has been found that there has been significant progress in this respect and it has become “the most visible part of the new RM policy in the field.” Particularly noteworthy is the fact that the diversity of partners has increased and NGOs are now an important partner (all RMs now have one staff member who is the NGO coordinator) as is the private sector, though less than the NGOs. (AsDB 2002, p. 3)

nership building?	- Coordination of aid, particularly participation in consultative meetings, is one of the points which can be used for the argumentation in opening an RM if formal criteria are not met. The same applies for "the need to help ensure counterpart funding." (AsDB 2000, p. 2)
How effectively has FP contributed to partnership building with national governments, other local partners, and international donors at country level?	- Local presence is very efficient in building up partnerships. So there is much more coordination, but empirical evidence is lacking. (Oral communication Keith Leonard) - A growing emphasis on aid coordination has been a reason for increased FP for the AsDB: "Because resources are scarce, duplication of work must be avoided, hence the growing emphasis on aid coordination and a clear division of labor among aid agencies. (…) there is a consensus that such coordination should be led by the DMC and include all stakeholders, and that much more should be done in the country. To participate effectively in this exercise, ADB must have a strong local presence." (AsDB 2000, p. 15) - "Government agencies are particularly appreciative of RMs' expanded role, and have asked for more delegation of activities to RMs. In fact, some governments have expressed satisfaction with the responsiveness of RMs, but indicated that when the matter is beyond their authority and referred to HQ, response time slows down." (AsDB 2002, p. 4) - It has also been found that in the case of delegated leadership in the country programming it "provides a more sustained process of local participation and aid agency coordination, thus building more ownership than is possible through an exclusively HQ-based approach." (ibid., p. 10) - "RMs are heavily involved in all the major regional initiatives: Greater Mekong Subregion (GMS), Central Asia, and South Asia Subregional Economic Cooperation (SASEC). Their contribution is through dialogue, workshops and seminars, and studies." (ibid., p. 17)
Has FP allowed strengthening existing and developing new partnerships?	- Yes, very much so: "RM involvement has brought greater depth, intensity, frequency, quality, and interactivity to ADB's country relations, and is perhaps the most visible outcome of the RM policy." (ibid., p. 5)
Knowledge management	
How relevant is knowledge management for the FP design? What specific activities were undertaken and resources allocated for knowledge management?	- AsDB is committed to knowledge management, as it is layed out in its Strategy: " (…) ADB must become a learning institution maximizing the use of its vast knowledge and drawing upon resources, skills, and expertise both inside and outside the organization. It must develop the capacity to learn quickly from its own operational experiences and those of its development partners, and to disseminate such experience in the form best practices among DMCs, ADB staff, and the development partners." (AsDB 2001, p. 39) - "During the last 3 years, ADB invested on average about US$ 120 million each year for around 220 ADTA projects, including regional TA projects. These support analytical work and capacity-building activities, sometimes in combination." (AsDB 2003, p. 6) - Recently the AsDB as undertaken a number of steps to enhance its knowledge management capacity: Structural and procedural innovations; improved access to information; expanded external networks and partnerships; and Center for Learning, Information, Communication, and Knowledge (CLICK). (ibid., p. 7 – 8)
How has the FP facilitated the flow	- One aspect to judge the flow of information from the field to HQ is the input that RMs make in country

of knowledge/ information from the field to headquarters, vice versa, and South-South? Has the head-quarters knowledge base improved due to FP?	programming. This has been assessed positively in the Review of Progress: "The RM policy provided for much greater RM involvement in programming, while recognizing that basic responsibility could rest with the HQ divisions. The expectations of the RM policy have been over-fulfilled. All RMs have expanded their role and participation in key aspects of country programming well beyond what was expected in the RM policy." (AsDB 2002, p. iii) - "In contrast to the financial and human resources spent on generating knowledge, ADB's efforts to capture and disseminate knowledge – internally and externally – remain inadequate." (AsDB 2003, p. 10) - "Individual operations departments (including resident missions and representative offices) are developing their own IT solutions for knowledge sharing. As a result, information is stored at various repositories without synchronization, which makes access to repositories and retrieval of knowledge burdensome. To improve operational efficiency, ADB must urgently adopt a more coherent and streamlined system of processing knowledge." (ibid. p. 11)
Has lessons/ knowledge/ information sharing among the projects in the same country/ sub-regional improved?	- "The principal objectives of ADB's nonlending services in the form of economic, sector, and thematic work have been to create new insights and make these widely known. Knowledge transfer is also an important component of ADB's lending operations. Embodied in investment projects that ADB finances are the best available knowledge and practices. These are complemented by extensive support for capacity development to enhance DMCs' ability to develop, capture, and apply knowledge." (AsDB 2003, p. 4) - "ADB provides a variety of knowledge services to DMCs and other stakeholders: (i) formal knowledge products and services (KPS), which are programmed as such and targeted at specific clientele and stakeholders in the DMCs, subregions within Asia and the Pacific, and the region as a whole; and (ii) knowledge by-products derived from delivering loans or other activities." (ibid., 5) - Media relations have been delegated to the RMs. (Oral communication Keith Leonard)
Has the dissemination of information influenced the work of partners at the country level?	- First of all the dissemination of information has improved, most RMs have increased media contacts, established or expanded their own website etc. However it has been found that often the specific skills for information dissemination were lacking and "a well-defined, proactive communications strategy (should be) developed for the local context." In addition to the lack of skills with respect to media, it was found that local languages became an important factor. (AsDB 2002, p. 8) - The amount of ETSW studies done by RMs shows some increase. While some RMs have undertaken independent ETSW studies, other RMs have provided inputs to facilitate studies undertaken by HQ staff, discussed the results of these studies with country stakeholders, and disseminated them in country workshops or through networks." (ibid., p. 16)
Other issues	- "As an agent of change and knowledge institution, ADB must be open and sensitive to changes in the global development environment. Its strength should be to translate these changes into models and solutions that are most appropriate for the region and each DMC. ADB must also represent regional concerns, views, and interests at global forums. ADB must accelerate its efforts to build greater regional and subregional cooperation. As a regional institution, ADB has earned the trust and confidence of its DMCs. This is a major asset and positions ADB to effectively promote regional cooperation." (AsDB 2000, p. 14)

	- "Advanced information technology and telecommunication facilities are essential strategic tools to make the RM a real extension of ADB. This will enable rapid response times, fully integrate RM and headquarters functioning, and provide RMs with the same access to information and data as headquarters staff." (ibid., p. 35) - There seem to be some duplications with regard to different tasks of the RMs in providing information: regular economic and political reports to HQs, administrative reports, special reports, external relations etc. There might be potential for reducing the number of reports and combine some of them (e.g. administrative and country reports to HQ). (AsDB 2002, p. 6)
Cross-cutting concerns: Cost-effectiveness of HQ – field approach	
Does strengthening of FP reduce costs at headquarters?	- "Because of the pilot approach and the process nature of this policy, it is difficult to provide precise estimates of the additional costs that will be incurred in implementation. (...) The World Bank's experience indicates that increasing the number of RMs and fieldbased staff is likely to increase capital expenditure and administrative expense. (...) The cost of a new RM with two headquarters staff is likely to be about US$ 300'000 one-time capital expenditure, and about US$ 800'000 in annual recurring costs." (AsDB 2000, p. 38; Appendix four provide more numbers on the estimated costs for the implementation of the policy) - It seems plausible that local project management should be lower in costs, there are no airfares etc. It is definitely less expensive to conduct review missions from the RMs instead of HQs. (Oral communication Keith Leonard)
In what way does FP design influence transaction costs (1) for the institution, (2) for the partners?	- The percentage of RM's administrative expenses to total internal administrative expenses grew from 0.73 in 1982 (with 25 total RM staff) to 6.00 in 1999 (with 175 total RM staff). (AsDB 2000, p. 46 – 47) For the years of 200 until 2002 the development of the same numbers was as follows: total RM staff grew from 161 to 314, the percentage to internal administrative expenses from 8.4% to 11.7%. (AsDB 2002, p. 19) - It seems that though there is increased coordination of aid in which the AsDB is also participating, this has not yet lead to the reduction of transaction costs: "The important challenge in this area is not just to have coordination meetings, but to coordinate work effectively to reduce overlap and recipient transaction costs." (ibid., p. 6)
Is it cost-effective to create regional hubs instead of country representations?	- In AsDB there is basically no difference between the regional mission and the RMs. There is also one staff with regional responsibilities in Bangkok. The only difference is that in a regional function people travel outside their country more. In the case of the SPRM the individual countries are too small to have their own RMs. It is therefore also a question of costs – it is more efficient to run a regional unit than several small RMs. Another aspect of this cost-effectiveness is placing specialised experts in regional offices. (Oral communication Keith Leonard)
In what way is FP design related to the country portfolio size?	- The number of staff is adapted to the development of an RM and its functions. It started with one resident representative and two locally recruited national officers. As more projects are transferred to the RM, staff increases and is influenced by a number of factors, among others country considerations and availability of the required quantity and quality of local staff. (AsDB 2000, p. 6) - "Costwise, it was envisaged that, under the three scenarios approach, the ratio of RM resources against

	the total ADB budget would be 27%, 21% and 9% for the high, medium, and low case scenarios, respectively. The actual ratio of RM resources in the 2002 budget is 11.7%, or slightly higher than the estimated low case scenario (…). This clearly demonstrates that ADB has remained cost conscious in implementing the RM policy." (AsDB 2002, p. 18)
Cross-cutting concerns: Capacity development	
Is there a systematic and targeted effort to enhance the capacity of the partners, and/ or the own staff? What instruments are used?	- "Capacity building will be a key focus of ADB's general country assistance strategies, and will be built into specific ADB initiatives in all DMCs. This emphasis will include ADB's support for the involvement of nongovernment organizations (NGOs) and community-based organizations in the design and implementation of projects and programs and the delivery of social services." (AsDB 2001, p. 22) - "Expanding RM activities will require a broader staff skills mix. However, it may not be possible to match all functions with the skill profile of headquarters staff. Accordingly, headquarters staff assigned to RMs will be provided training in areas where their skills may be deficient (…) To date, training has been primarily ad hoc. In future, staff assigned to an RM will be trained and/or provided with short secondments to relevant headquarters departments to acquire the required knowledge and skills." (AsDB 2000, p. 37) - The lack of capacities was identified to be a limiting factor in achieving the objective: "The advantages of local presence will be considerably diluted without the local capacity to respond quickly and decisively." (ibid., p. 34)
What specific activities were undertaken and resources allocated for building up local capacity (internally, with partners, or general)?	- Capacity building is an ongoing effort and while some of it takes place at HQ, it can also happen at the regional level or it is done in the RMs. (Oral communication Keith Leonard)
To what extent does the institution rely on (1) local staff, and (2) international staff?	- A little over 50% of AsDB's staff are Filipino, in total 53 nationalities are represented in the institution. (AsDB website) - Personal statistics as of September 30, 2006: Total number of professional staff: 825 (thereof 736 in HQ, 89 in the field) Total number of national officers: 411 (thereof 263 in HQ, 148 in the field) Total number of administrative staff: 1'128 (thereof 914 in HQ) (Communication Keith Leonard) - 1999 there were 175 staff in 11 RMs, thereof 95 support staff. (AsDB 2000, p. 45) From 2000 until 2002 the total number of staff in RMs rose from 161 to 341, thereof 120 support staff. (AsDB 2002, p. 52) - Between 2000 and 2002 the number of national officers in RMs has more than doubled (53 to 123). However the effectivity was found to vary between RMs, due to domestic human resource capacities. Still, further increases, also in professional staff, was found to be beneficial. (ibid., p. 19) - "ADB has a relatively low proportion of its staff in RMs: 9 percent of total staff and 5 percent of professional staff. In comparison, other multilateral development banks have a considerably higher proportion of field staff." (AsDB 2000, p. 6; it provides numbers for 1998 for the EBRD, IADB and WB) - "The composition of staff will be driven by two broad criteria: (i) functional requirement, and (ii) portfolio size based upon an agreed number of projects per staff. (…) Notwithstanding this general approach, to carry out the expanded range of functions, every RM must have sufficient minimum staff. RMs with only

	one headquarters staff have not proven credible or effective. All RMs will therefore have at least two headquarters staff plus" three national officers. "A resident representative must be able to function effectively at the highest levels in the host DMC, and manage the expanded work proposed for the RM: thus, only senior and experienced staff will be posted as resident representatives." (ibid., p. 36) - It has been found that "a minimum threshold of more than two professional HQ staff are needed: two-person resident missions can undertake only a limited range of functions at any serious level of intensity. (…) Training of local staff, both in ADB's official language, as well as its policies and procedures, needs intensification in some RMs." (AsDB 2002, p. 24)
Other issues	- Previously to the implementation of the RM policy, inadequate staff resources have been seen to be a source for the constraints faced in the RMs (problems were identified with the number of staff as well as with their skill mix). (AsDB 2000, p. 11) - In the Annual Report, a number of special investigations were undertaken. One of them focused on the delegation of project administration to RMs. In this context the following recommendations were made which also relate to the issue of capacity building: o It has been found that there is greater potential for teamwork, an approach that also requires specific skills. "Create more of a team approach of shared responsibility to project administration between headquarters and RMs." o HQ project analysts should be assigned to RMs for extended missions and local administrative staff should be trained, specifically also with respect to analytical abilities. o HQ staff in RMs should be increased and local recruitment needs to consider skills and experience in project administration. o Local language capabilities would improve the effectiveness. o Increase the amount of training for staff in RMs. (AsDB 2004, p. 54) - "Private sector operations entail different approaches and risks than do public sector activities. RM management of private sector operations will require providing a different set of staff skills and the resolution of issues regarding operational control and reporting of private sector operations." (AsDB 2000, p. 35) - Attracting staff with adequate capacities is closely linked with questions of career development and progression in AsDB. RMs are seen to offer limited career opportunities, but they are seen as incentive to attract best-qualified staff. (ibid., p. 36 – 37) - IT equipment has improved markedly, yet the average communication cost has been contained. An important facilty at RMs is videoconferencing as it allows their participation in operational meetings. (AsDB 2002, p. 20) However, some RMs still face constraints which limit their capacities, e.g. access to HQ data.
Cross-cutting concerns: Innovation, replication and up-scaling	
Is innovation, replication and up-scaling a key concern for the institution?	- Yes, it certainly is important. There are also resources available for it: different funds which can specifically be used for the implementation of pilot projects etc. However, innovations also entail certain risks and one needs to be considerate of those. Generally speaking, however, AsDB is more open for innovations than its clients (i.e. the governments) are. They are not too enthusiastic in this respect, e.g. with

	respect to PPPs the public sector can be quite reluctant. (Oral communication Keith Leonard)
Good practices	
What works?	RMs' input for country programming is very good.
What doesn't work?	Number of delegated loans are not where they could/should be.
Illustrative stories	
Positive (success)	Both the Resident Mission Policy and especially the progress review thereof have a number of boxes with specific examples for all different categories: Review of Progress: Box 1: Selected Examples of Increasing Interaction with Stakeholders; Box 2: Major Areas of Policy Dialogue; Box 4: Selected Examples of Aid Coordination; Box 5: Benefits from In-Country Programming: IRM Pilot Test; Box 7: Selected Examples of Economic, Thematic, and Sector Work and Knowledge Dissemination; Box 8: Selected Examples of Assistance in Subregional Cooperation See also Appendix 3 (Survey of RMs) for selected highlights.
Negative (failure)	Like anything, decentralisation has two sides. It solves some problems and it creates others. Communication between different parts of the organisation can be difficult at times, but that can be the case even within HQ. Another difficulty can be increased risks in the management of funds. (Oral communication Keith Leonard)
Sources of information	
Written	All AsDB documents as listed in the bibliography, namely: AsDB 2000, 2001, 2002, 2003 and 2004 as well as the AsDB website.
Oral	Phone interview with Keith Leonard

6.6 Annex 6: Matrix of the Food and Agriculture Organisation

ADG	Assistant Director General
DG	Director General
EC	European Commission
FAO	Food and Agricultural Organisation of the United Nations
FAOR(ep)	FAO representative
FP	Field Presence
HIO	Head of Independent Office
HQ	Headquarters
IFAD	International Fund for Agricultural Development
IICA	Inter-American Institute for Cooperation on Agriculture
NEPAD	New Partnership for Africa's Development
NGO	Non-governmental organisation
NMTPF	National Medium-term Priority Framework
OCD	Office for Coordination of Normative, Operational and Decentralized Activities
OTO	Outposted technical officer
RO	Regional Office
RR	Regional representatives
SAFR	Sub-regional Office for North Africa
SCO	Civil Society Organisation
SRC	Sub-regional coordinator
SRO	Sub-regional Office
TCA	FAO Policy Assistance Division
TCI	FAO Investment Centre Division
TCP	FAO Technical Cooperation Programme
UN	United Nations
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organisation
WFP	World Food Programme

The FAO was founded in 1945 as a specialised agency of the UN and today it has 190 members. Its mandate is to raise levels of nutrition, improve agricultural productivity, better the lives of rural populations and contribute to the growth of the world economy. It employs around 4'000 staff of whom a little over 50% are working at HQ in Rome. Its worldwide offices are based in more than 100 countries. The budget for 2006 – 2007 is US$ 765.7 mio.

Note: Spelling of certain words and phrases is not consistent due to the use of quotes from various documents with differing preferences. Furthermore the titles for the references have been shortened in some instances to facilitate the reading; shortened titles always consist of the first words of the full title in order to ensure the corresponding reference in the bibliography.

Institutional issues	
Objectives and guiding principles for the design of the FP and the HQ – field relationship	- While the FAO always has been a decentralised organisation, a significant step towards more decentralisation took place in the last years. The process started in1994 and is considered to be the most significant restructuring process in the organisation. (FAO website) The objective was to strengthen the organisation, namely to enhance the relevance of its work for countries; to be closer and more visible to its member countries; to be faster in responding; to increase the economies in programme implementation and to make better use of the capacities at the different levels. (FAO 2004, p. 11) - Reforms of the FAO redefine its three major thrusts of its work, two of which are: (1) Knowledge exchange, policy and advocacy and (2) Decentralization, UN cooperation and programme delivery. With respect to the latter, its considerations are the following: "Locating action at the level at which it can be carried out most effectively, and cooperating fully with partners, concentrating especially at country level

<table>
<tr><td></td><td>on the achievement of the MDGs and emergency/post-crisis management; strengthening relationships with UN organizations at all levels and enhancing cooperation with regional and subregional bodies.” (FAO 2006b, p. vii)</td></tr>
<tr><td>Is there a multiplicity of approaches, if yes how do they relate to performance and costs?</td><td>

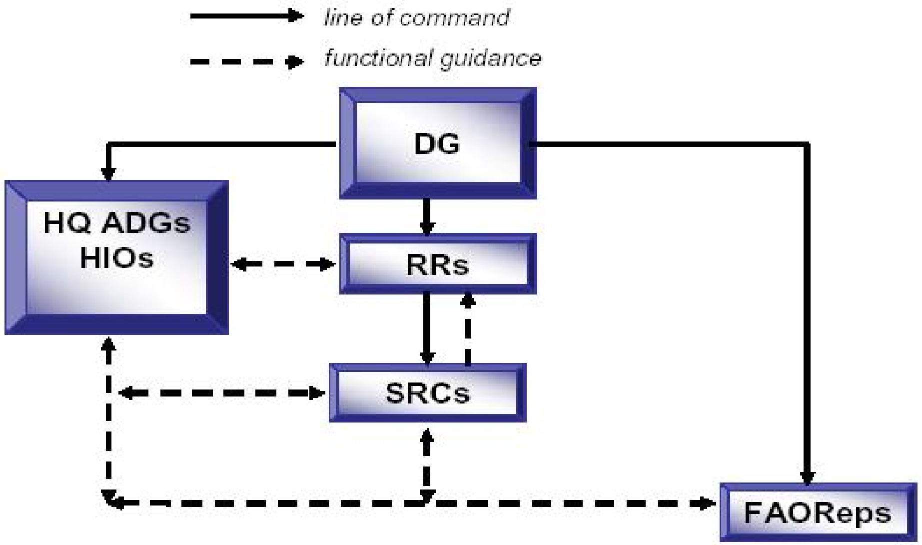
- There is a wide variety of representations (due to the formal limitation of FAORs at 78) with different tasks: Fully fledged country representations; multiple accreditation with an NPO presence (i.e. the NPO is FAO staff under supervision of another country); multiple accreditation with a national correspondent presence (i.e. the correspondent is not FAO staff, but a civil servant from a ministry) and OTOs. In the case of multiple accreditation one FAOR is covering two neighbouring countries. In addition to representation at the country level, (whose “main aim (…) is to assist governments to develop policies, programmes and projects to remove the root causes of hunger and malnutrition; to help them to develop their agricultural, fisheries and forestry sectors and to use their environmental and natural resources in a sustainable way”; FAO website) there are sub-regional and regional offices:
  - “The principal function of the *Regional Offices* is the overall identification, planning and implementation of FAO's priority activities in the Region. They ensure a multi disciplinary approach to programmes; identify priority areas of action for the Organization in the Region and, in collaboration with departments and divisions at headquarters, advise on the incorporation of such priorities into the Organization's Programme of Work and Budget; implement approved programmes in the Region; and monitor the level of programme implementation and draw attention to any deficiencies.” (ibid.)
  - “The *Sub-regional Offices* work closely with the respective Regional Offices. The Sub-regional Offices are primarily responsible for the overall planning of FAO activities in the Sub-region. With the guidance and support of the Regional Offices, they ensure a multi disciplinary approach to programmes; identify priority areas of action for the Sub-region; implement approved programmes in the Sub-region; and monitor the level of programme implementation and draw attention to any deficiencies.” (ibid.)
- Furthermore there are five *liaison offices* which maintain relations with members and external development partners in their locations; monitor developments affecting nutrition, food and agriculture; and represent FAO at relevant meetings. (ibid.)

à Further information on relationships and responsibilities of HQ ad decentralised offices can be found in Annex 3 of the Implementation of Conference Decisions and Proposals from the Director General (FAO 2006c).

<table>
<tr><th>FAO’s country coverage (April 2004)</th><th>Number</th><th>Numbers in 2006</th></tr>
<tr><td>Countries covered by a fully-fledged FAO Representation (outside a Regional/Sub-regional Office)</td><td>74</td><td>74</td></tr>
<tr><td>Countries in which a Regional or Sub-regional Office is located and provides FAOR representation</td><td>9</td><td>13</td></tr>
<tr><td>Countries covered under multiple accreditation</td><td>32</td><td>36</td></tr>
<tr><td>Countries covered only by a national correspondent</td><td>8</td><td>6</td></tr>
<tr><td>Countries covered by OTO/FAOR</td><td>9</td><td>11</td></tr>
<tr><td>Total</td><td>132</td><td>140</td></tr>
</table>

“FAO’s country presence is increasingly thinly and unevenly spread with over-stretched resources.”
</td></tr>
</table>

	(FAO 2004, p. 15, 32) - Initial experience with the OTO approach have been discouraging. (ibid., p. 37)
What is the working relationship (communications, guidance, support, delegated authority, incl. supervision, monitoring and reporting) between FP and HQ?	- “Greater empowerment of Country Offices, in particular, is being considered.” (FAO 2005, p. 4) And: “The collective views of the SRC and FAOReps in the subregion will carry more weight in corporate decision-making than that of isolated FAOReps did in the past.” (FAO 2006d, p. 3) - Programming of normative work is undertaken by technical departments in Rome and “generally the regional officer’s role in this is very limited”, even though the process has improved in the past 10 years. (FAO 2004, p. 29 – 30) - “The Regional Representatives, Subregional Representatives and FAORs all report independently to the Director-General, with OCD facilitating this reporting relationship, (…) Within the Regional and Subregional Offices, technical and policy staff are appointed by, provided budgets by, and report to their respective headquarters technical units. The administrative staff and any information officers report to the Regional/Subregional representative. (…) few Regional Representatives are satisfied with the arrangement“. (ibid., p. 40) - The design of the relationships is an issue of discussion and “the current status of internal consultations” describes two kind of relationships: vertical and functional ones. The vertical one describes the “line of authority” between HQ and decentralised offices and refers to the delegated authority of the Director-General to regional representatives and FAORs and their further delegation to sub-regional coordinators. The functional guidance, or accountability relationship, exists with respect to the application of a policy precept, procedure or rule that is part of another department’s mandate. These two relationships complement each other. (FAO 2006d, p. 2 – 3) - “Headquarters technical departments are responsible for assessing the quality and impact of the Organization’s technical work at all locations and for proposing/implementing measures and mechanisms for maintaining appropriate standards and achieving impact. (…) It is the responsibility of the department to provide regular information to the officers in decentralized offices on relevant developments in their technical area and on FAO’s corporate position on technical issues and to ensure consistency between regions.” (ibid., p. 7) - “Modifications to the headquarters structure were made as of 1 January 2006.” These mainly address the move of some departments. (FAO 2006c, p. 2) The new offices which are opened in the approved first phase of decentralisation (two subregional offices in Africa, one in Ankara for Central Asia) are expected to be functional at the end of 2006. (ibid.) - Delegation of authority is a key factor of success. Any decentralisation policy needs to be accompanied by proper measures and one of them is adequate decentralisation of authority. If this is not done, then decentralisation is a failure. (Oral communication Laurent Thomas) - “Responsibilities and relationships in a geographically dispersed organization start with delegation through classical hierarchical lines”, as is illustrated in the figure below:

	 - Main relationships in FOA's decentralised structure (Figure 1 in: FAO 2006c, p. 88)
Resourcing of FP (budget, staff (intern. and local); identity and capacity building of field personnel	- FAO employs more than 3'700 staff members – 1'500 professional and 2'200 general service staff. (FAO website) Percentage of staff working at HQ varies, depending on how it is counted: around 70% if only professional staff is included, less than 50% if all administrative staff, consultants etc. are included. With respect to international staff in the field: there is at least one long-term international staff in each representation and then some on projects, precise number is hard to say. (Oral communication John Markie) - Between 1994 and 1997, the decentralized offices registered an increase in professional posts by 81%. (FAO 2005, p. 1) - Identity is a serious concern and there has been a slight movement since the evaluation. The key point is that FAO has had a huge financial crunch and it has become worse since the evaluation. Therefore the issue has not received much attention and the situation has remained more or less the same. It is a complex issues with many elements involved, among others the authority and power given to local staff and the management involved in the field. (Oral communication John Markie) - With respect to rotation, the Director General has started to act on it and there is a bit more rotation in Africa, however there has not been a move for a more structural approach. One of the problems is also, that at HQ there are many highly specialised tasks but in the regions many positions are less specialised and in the country offices they are not specialised at all, so the possibility for rotations are also somewhat limited. Of course it would be beneficial, also for the issue of identity. (ibid.)
Physical and legal arrangements of field offices, and relationship with possible host institutions	- Due to the variety of approaches in country representations, there is also a number of arrangements with respect to their offices: stand-alone premises, offices in ministries of agriculture and offices in shared UN premises – the latter are often more costly than individual offices. Furthermore access for government and the public are often reduced. Housing in a specific ministry can lead to insufficient at-

	tention to other sector ministries. (FAO 2004, p. 38) - With respect to the OTOs, the respective governments are contributing a share: “The evaluation also noted the willingness of countries to cover office space and other facilities for FAORs in several countries and under the new FAOR/OTO scheme. Many countries are also providing national staff and in some countries this provides the opportunity to reduce FAO’s own provision of national staff, freeing-up resources for use elsewhere. Apparently, government cash counterpart contributions currently cover eight percent of FAOR office costs.” (ibid., p. 34)
Observation of unintended effects	- Resistance at HQ towards the reforms. - Competencies were not delegated sufficiently: “With a few very significant exceptions, their competencies and performance were not generally judged as being better than other specialised agency representatives, and in a significant number of cases were considered worse. It was (…) also often noted in mitigation that the FAORs were limited in developing their roles by the lack of decentralization of authority.” (ibid., p. 61) - There are always unintended or unforeseen effects in the course of such huge processes as decentralisation is. In FAO there is a strong debate going on about the effects that decentralisation has on its provision of global services. There are worries that decentralisation might have a negative impact on these services, that they might be weakened. It would need increased resources to address this issue. FAO’s work at the global level is as important as its work in the field. (Oral communication Laurent Thomas)
Other issues	- The FAO has always been a decentralised organisation, the first five regional offices were established between 1946 and 1959. The establishment of FAO representations was initiated in 1976. The most recent changes took place in three phases: o 1994 – 1995: Establishment of additional sub-regional and liaison offices, increased decentralisation of staff; o 1996 – 1998: Project operations were transferred to the regional offices; o 2001: First FAOR/OTO were appointed. (FAO 2004, p. 15) - Country coverage has increased by about 23% since 1994. (ibid., p. 31) - There is an interactive map with location of all regional, subregional and liaison offices as well as country representations on FAO’s website. - FAO is composed of eight departments: Administration and Finance; Agriculture, Biosecurity, Nutrition and Consumer Protection; Economics and Statistics; Fisheries; Forestry; General Affairs and Information; Sustainable Development and Technical Cooperation. (FAO website) - FAO offices have a maximum of 22 national staff and a minimum of 5. (FAO 2004) - *Changes since the evaluation*: National medium-term priority frameworks (NMTPFs) are being introduced as starting point for the country-focused approach. “They will be developed under the leadership of the FAO Representatives in consultation with government officials, development partners and the donor community (…) The methodology for preparing the NMTPFs has been developed following several pilot initiatives, and the process of formulating them, initially in a number of selected countries, is well in progress.” By July 2005 two documents were available (Yemen and Democratic Republic of Congo) (FAO 2005, p. 2, 6)

Implementation support	
How relevant is implementation support for the organisation and in the FP design? What specific activities were undertaken and resources were allocated for supporting project implementation?	- Improving responsiveness to countries' requests was one of the motivations for the reorganisation. However this has only been achieved with a limited extent, as the Independent Evaluation makes further recommendations in this respect: "The evaluation team has concluded that the shift proposed in Recommendation 8 is one of several changes necessary for the FAO decentralization to deliver the expected technical response to country and regional needs, rather than being primarily driven by the equally important global normative agenda. It would strengthen the unity of purpose in the Regional Offices and build up team spirit and inter-disciplinary work." And: "Support to countries by regional technical staff should be largely demand driven." (FAO 2004, p. 49, 51) - "The evaluation concluded that although delays have been a problem, TCP is important in providing a prompt response to governments. Other specialised UN agencies do not generally have a comparable facility on the scale and flexibility of TCP to respond to individual requests. It could, however, be used much more strategically and effectively by FAORs in the context of decentralization to: a) partner and leverage funds from donors (…) " (ibid., p. 67) - "To fully implement the Conference decision as it relates to the SSC, the Organization proposes moving high volume, routine administrative processing functions in the areas of human resources, travel, finance and procurement to lower cost locations. The preferred approach entails the redistribution of the functions to three SSC "hubs" in regional offices (Bangkok, Budapest and Santiago), primarily from headquarters. The hubs are within time zones similar to those of the majority of the staff generating transactions and are to be managed by a coordination centre based in Rome. Particularly favourable conditions are being considered by the host country of one of the three "hubs" (Budapest), which in this case has to be built from scratch. The phased implementation of the SSC between 2007 and 2009 will yield net savings of US$ 8 million per biennium (compared with a target of US$ 7 million anticipated to the 2005 Conference) due to efficiency savings and favourable staff cost differentials between headquarters and other locations." (FAO 2006c, p. 2)
What is the role of field staff in implementation support? In which ways have FP arrangements contributed to improving project implementation performance?	- "Regional officers complain that the headquarters lead technical units shut them out from project support work. This begins with project design, when lead units naturally influence projects towards their own areas of expertise and interest. As projects move more upstream, support by single technical units becomes less appropriate and the multi-disciplinary expertise and broad perspective advocated by this report for the Regional Offices would often mean that the lead would most appropriately be assigned in the Regional Office at the level of the regional representative, in order to coordinate the work, calling in headquarters expertise as necessary." (FAO 2004, p. 51)
Has FP ensured a better implementation support and/ or better follow-up to supervision recommendations and ongoing monitoring of project activities?	- "It is concluded that attempts to maximise the number of countries with an FAOR have resulted in a heavy price in effectiveness. It was noted that there were examples of UN specialised agencies, in particular, UNESCO, which had closed a number of country offices in order to obtain greater effectiveness within available resources." Among the UN funds and programmes, UNDP and WFP had also closed country offices." (ibid., p. 32) - Of course FP leads to better implementation. Being in the field makes management of projects easier than being away and doing it from the distance. The issue is whether an organisation can afford to im-

	plement all its projects in the field. This is very cost intensive. (Oral communication Laurent Thomas)
What are the main differences between the performance of projects benefiting and not benefiting from FP?	- In the case of multiple accreditation, those countries which do not have an office are usually the smaller countries and they have small, technical cooperation programmes. In countries with direct representations there tends to be more activities and as resource mobilisation is increasingly happening in country it is easier with a representative directly in the field. Local authorities in this respect has increased compared to the evaluation (up to 50'000 or 100'000 US$ agreements can be made on the spot).
What authority is delegated to FP staff to take decisions on project implementation matters?	- Delegation of authorities seems to be a problem, but improvement in this respect seems to be under way: "Additionally, the work of technical officers in ROs and SROs is facilitated by increasing the non-staff resources, that they can control, to perform their duties. In this regard, significant progress has already been achieved in increasing the allocation of non-staff resources per decentralized technical officer in the PWB." (FAO 2006d, p. 5)
Other issues	- "In general, neither senior government officials nor donors viewed FAO as being a major mobiliser of funds or implementer of assistance." (FAO 2004, p. 23)
Policy dialogue	
How relevant is policy dialogue for the organisation and in the FP design? What specific activities were undertaken and resources were allocated for supporting policy dialogue?	- FAO is in the process of developing NMTPFs (see also first section under "Other issues"), which "will allow greater alignment of FAO's field work with national priorities, as expressed in the poverty reduction strategies, and ensure more coherent involvement and support to the United Nations Development Assistance Frameworks (UNDAFs)". (FAO 2006d, p. 4)
How effectively has FP contributed to policy dialogue with national governments and international donors at country level?	- "(…) overall strategy and policy capability which was commented upon as the greatest weakness (…)" (FAO 2004, p. 61)
To what extent were policies and development approaches (promoted by the institution in question) discussed and adopted by key partners, including within the PRSP and UNDAF processes?	- UNDAF's are now a specific reference in the tasks of the FAORs: "FAOReps lead FAO's response to countries' needs. (…) they set priorities for government/FAO collaboration through the NMTPF and UNDAF processes." (FAO 2006d, p. 5) - When discussing FAO's role within the reforms of the UN system, it was concluded "It should also contribute to coordinating processes at the national level, especially Common Country Assessments (CCAs) and UN Development Assistance Frameworks (UNDAFs)". (FAO 2006b, p. 5) CCAs are seen to be the precursors to the UNDAF and are as such unique to the UN system. They are done by the country team and are seen to be the first step of country programming. They are not akin to evaluation. (Oral communication John Markie)
Has your organisation's participation in donor co-ordination and harmonisation improved?	- The FAO supports the analysis to enable countries to arrive at their own policy decisions. Emphasis on policy dialogue his increasing gradually. On the one hand because of developments within the UN system, but also because the Director General has heard from various places that the FO needs to play a greater role in this respect. But until directives are translated into regulations, job descriptions etc. and are seen to have an influence in the field it takes time. (Oral communication John Markie)
Partnership building	

How relevant is partnership building (policy partnerships, and/ or project related cooperation) for the FP design, and why? What specific activities were undertaken and resources were allocated for supporting partnership building?	- Partnerships have become increasingly relevant and adopted in development cooperation, the FAO is no exception. In its strategies it outlines three axes, each referring to one category of partners: (1) the UN system and other intergovernmental organisations; (2) CSOs andNGOs; and (3) the private sector. (FAO 1999) - The Evaluation gives the impression, that partnership building is not a key concern for a majority of FAO's decentralised representations.[2] Relationships with other donors seem to be the focus of the liaison offices in the North.[3] It is also them (i.e. UN partners, national governments, NGOs and the EC) who appreciated these offices and they have "critical donor liaison roles". (FAO 2004, p. 7, 58, 60) FAORs seem to have inadequate authorities "to discuss with donors, finalise projects with donors and to approve TCP." (ibid., p. 66) - The FAO seems reluctant to enter partnerships where it is not the lead agency: "there is scope in many countries for expansion in FAO inputs if the Organization demonstrates its willingness for flexible partnerships, playing a supporting and not exclusively leading role"; and: "although there is no policy against this, great caution by FAO in cooperating in projects as a junior partner." (ibid., p. 25 – 27) And in respect to FAO's collaboration with other UN entities: "However, there is an undesirable tendency for FAO to overshadow partners when taking the lead, in particular when it hosts the secretariat." (FAO 2006a, p. 8) - Lack of capacities at local levels also seems to be an issue: "rather than empowering the FAORs to engage in the continuing national dialogue required to develop the Field Programme and investment opportunities in the context of the PRSPs, NEPAD, etc., FAO was often relying heavily on short-term inputs from the policy assistance branches, and TCA and TCI in Rome." (FAO 2004, p. 26) - A need for more flexible structures which can serve the specific needs of different groups of countries and which can also be adapted over time has been identified. Different degrees of changes are proposed for the different regions, most of them for Africa, as the basic structures of decentralisation were found to function well in Asia. (ibid., p. 55)
How effectively has FP contributed to partnership building with national governments, other local partners, and international donors at country level?	- Especially the international development partners see the FAO to have a strong role in "in providing focus and coordination for harmonization of work by the international community in all areas of FAO's mandate" and: "Significant examples were found by the evaluation team of FAO playing a coordinating role for food security and rural development (…) a number of factors were noted that reduced FAO's possibilities for leveraging resources through partnership: the most important was (…) overall lack of authority vested in the FAO Representative which meant that FAO tended to be sidelined." (ibid., p. 23, 27) A similar judgment can be found in the evaluation of FAO's partnerships and alliances: "There is a general sense of satisfaction with FAO as a partner. However, the lack of flexibility in the use and availability of resources has sometimes undermined the effectiveness of partnerships, and conveyed the impres-

[2] This might also be a reason for a perceived weakness with respect to policy dialogue. It seems that partnerships are a precondition to lead successful policy dialogue.
[3] This impression is somewhat confirmed in FAO's Evaluation on Partnerships: "FAO works intensively in collaboration with other organizations, (…) but more often at headquarters than at country level. Partners are mostly inter-governmental organizations and research institutions, but the Organization works increasingly with less traditional non-state actors. (Evaluation of Partnerships and Alliances, p. 7 – 8)

	sion that the Organization is insufficiently prepared for active management and contribution to partnerships. (FAO 2006a, p. 8) - Collaboration with WFP and IFAD has improved. (FAO 2004, p. 28) - “The Investment Centre Division (TCI) has had staff members working as liaison officers with the World Bank in Washington and the Asian Development Bank, as well as one staff member located in SAFR (east and southern Africa). The evaluation team reviewed (…) the value of these liaison officers, which was found to have been limited partly by the competencies of the individuals and their lack of knowledge of FAO as a whole and what it had to offer. With regard to the further decentralization of TCI personnel to country or regional level, the IFIs felt that this would be a negative move. They found it easier to interact with central teams and did not feel that individual TCI staff would have the same value if limited to one country or region, or if associated with the office of one or another IFI at country level.” (ibid., p. 43) - Similarly, the cooperation of FAO with other UN entities at country level has been assessed to be difficult. Again this is seen to be due to “the country offices’ limited financial and human resources” as well as weaknesses of the UN coordination and collaboration systems. “In addition, progress found in collaboration among the Rome-based agencies at global level has not yet been fully translated at the working level. (FAO 2006a, p. 9)
Has FP allowed strengthening existing and developing new partnerships?	- Partners feel that “FAO is one of the least decentralized agencies in terms of decision-making on country activities. They believe this limits the capacity of FAORs, to contribute in the UN country team and work flexibly with government and development partners.” They see this to influence FAO’s field programme in a negative manner. (FAO 2004, p. 66)
Has co-financing and domestic financing been enhanced as a result of FP?	- It is assumed not to be the case, as it has been said repeatedly that one inadequacy of competences for local representations was “the lack of authority vested (...) to accept funds on behalf of the Organization, even for very small projects.” (ibid., p. 27, 68) - With respect to a very specific source of financing, the following has been found: “The mobilization of resources from the private sector for FAO’s work has also been very limited.” (FAO 2006a, p. 8)
Other issues	- Within FAO there seems to be a lack of a shared understanding on what partnership means as well as a consolidated source of information on partnerships. “Unless there is agreement on the type of relationships being dealt with, and until a channel for sharing information and experiences is established, it will be difficult to anchor partnerships in areas of organizational priorities and comparative advantages. This could result in loss of coherence and efficiency and dispersal of effort.” (FAO 2006a, p. 7) - Practical example: International Alliance Against Hunger. The only concrete result is that the FAO and WFP now stand on the same platform to make some advocacy noises. But it seems to be more lip-service than a genuine belief. The positive aspect is that the alliance is getting more attention and all partners are continuously pushed to demonstrate their unity and commitment, both on a local and international level. (Oral communication John Markie) **à** see also Box 8 in the Evaluation on Partnerships and Alliances (FAO 2006a) - “Recommendation 2: It is recommended that FAO continue to strengthen partnerships at country level and in regions, importantly including with WFP and IICA. In particular, it is recommended that the Organization actively pursue possibilities for increased cooperation at country level with IFAD, including in

	country representation. This requires flexibility and a willingness by both FAO and IFAD to sometimes accept the other's leadership." (FAO 2004, p. 29) - *Changes since the evaluation*: "Excellent cooperation among FAO, IFAD and WFP has been established and cemented over recent years through regular contacts and consultations at different levels, and joint collaboration has been forged on substantive issues and major concerns common to all three organizations." (FAO 2005, p. 22) - The value of partnerships depends on the partner. Different partners all have their (dis)advantages. The advantage of the UN is that it brings neutrality. In this sense, the FAO can never be anything except the provider of certain expertise and of a neutral platform, but it never comes with resources as other big donors do. (Oral communication John Markie)
Knowledge management	
How relevant is knowledge management for the FP design? What specific activities were undertaken and resources allocated for knowledge management?	- "As a knowledge organization, FAO acquires, generates, processes and analyzes data and information and sustains it as a body of knowledge. (…) Each programme and every office in the organizational structure has a role to play in this cycle of information and knowledge." (FAO 2005, p. 2) FAO is a knowledge organisation its mandate is to make knowledge available to those who need it. That does not mean that the FAO has to do it all itself. (ibid.) - It is one aspect of the reforms to improve "the importance of field activities as FAO's key knowledge base." And: "The value of a specialized agency like FAO is in its ability to learn from around the world, and to draw upon best practice in different locations for adaptation and application to specific country needs. Therefore, all units and officers need to exchange and learn from each other's experiences." (FAO 2006d, p. 1, 3) - "As the Organization loses a critical mass of expertise at headquarters, due to budget reductions, it must optimize the global use of its networked decentralized expertise within available resources to service its normative programme, not only at a global level, but also at regional/subregional levels". (ibid., p. 5) - Supportive role of technology: "This is facilitated by the progressive adoption of modern information technology, that has made technical work in FAO gradually more location-independent." (ibid., p. 1) Webbased availability of knowledge has received increased attention. The FAO is not too bad at that and its website is the largest and most consulted in the UN system. (Oral communication John Markie) - Regular rotation of officers between regional and sub-regional offices and HQ is being promoted in order to enhance coherence and flow of information. (Note on responsibilities and relationships, p. 4) This reaction is also based on the finding that 56% of FAORs have never worked in HQ, "which diminished their immediate knowledge of the Organization." (FAO 2004, p. 61) - Knowledge Networks are virtual communities of professional staff and collaborating centres with common interests and objectives related to sustainable agriculture and food security built around twelve priority areas. (FAO website) They are not purely based on the Internet, but have a node in HQ. As of now there is no information on their usage etc. (Oral communication John Markie)
How has the FP facilitated the flow of knowledge/ information from the field to HQ, vice versa, and South-	- The evaluation concluded that more use could be made of regional and national expertise. At the present this was also hindered by cumbersome administrative arrangements (FAO 2004, p. 54) - Also with respect to normative work there is room for improvement: Even though strong links are seen to

South? Has the HQ knowledge base improved due to FP?	be important, “however, the present arrangements are not fully achieving this, due to an inadequately interactive system for consolidated analysis of regional needs for the normative work, and a need for stronger links between the decentralized offices and headquarters in the planning and execution of normative activities.” (ibid., p. 30) However this problem has been taken up and RR and SRCs should now be encouraged to feed information back to HQ. “They will be in a good position to ensure that lessons learned from operational work at country level feed back into regional and global normative work and that corporate know-how feeds into the support that FAO provides at the country level. (…) Thus decentralized staff will be able to draw upon the best practices available from around the world.” (FAO 206d, p. 4) - “The provision of technical services from the regional structures has not been fully satisfactory but member countries look to FAO for transfer of global and regional experience.” (FAO 2004, p. 35) - Exchange between the field and HQ depends on the interchange between the two and also on the resources available. Soft-end knowledge management on technical cooperation has rather decreased because of the available resources. On the other hand, it has increased in the context of immediate emergency responses and rehabilitation – this does not mean food aid, but helping countries as a knowledge broker in working with NGOs, the Red Cross and others for the provision of seeds or so and also for their long-term planning with respect to agricultural policies etc. (Oral communication John Markie)
Has lessons/ knowledge/ information sharing among the projects in the same country/ sub-regional improved?	- “FAORs varied greatly in the extent to which they felt support was available from the Regional and Subregional Offices. Overall, 53 percent reported that there had been no major change in the speed of response since the decentralization, while 34 percent felt that there had been an improvement. Sixty-five percent felt that there had been no significant change in quality. (…) 23 percent of FAORs found that obtaining adequate technical support was a major problem and a further 46 percent found it to be a significant problem.” (FAO 2004, p. 43) - “In parallel with the review of FAO’s contribution to the MDGs, a thorough survey was conducted on the nature of FAO as an organization that collects, generates, processes, standardizes, disseminates, transfers and applies knowledge in a continuous cycle. The conclusion that 80 percent of the knowledge was in the heads of individuals, within and outside the Organization, had far-reaching consequences, leading to the concept of knowledge networks.” (FAO 2006b, p. 5) This survey was done by a working group, results are possibly available.
Has the dissemination of information influenced the work of partners at the country level?	- “The evaluation concluded that FAORs need to give more attention to assisting the targeted distribution of FAO technical information in country and publicising the availability electronically of materials from FAO.” (FAO 2004, p. 29) However, every decentralised FAO office has its own website, where it displays information on its activities in the respective region. (FAO website) - “The evaluation concluded that the importance of the information function in communicating FAO’s messages and ensuring the visibility, and thus support for the Organization’s objectives, has been underestimated in some regions. (…) There is, therefore, a need for differentiated lines of reporting which are well-coordinated, but office-specific.” (FAO 2004, p. 58) - “The present planning and programming arrangements would benefit from stronger links between FAO’s global work on the one hand, and the requirements of individual countries, groups of countries and re-

	gions on the other.” (FAO 2006d, p. 8)
Other issues	- The international community sees a role for the FAO in “making countries aware of comparable experience elsewhere.” Also middle-income countries feel the FAO “should be a channel” for their acquired knowledge and experience. The phrasing indicates however, that this role is only partially met by the FAO. (FAO 2004, p. 23) - In its reform plans, the FAO says the following about its second focus of work: “Knowledge exchange, policy and advocacy. Focusing strongly on these functions in which FAO has a comparative advantage owing to its universality, its convening capacity, mandate and advisory role in agricultural information, policy and trade, and its ability to mobilize and interact with various constituencies - governmental and non-governmental – to promote economic and social development.” (FAO 2006b, p. vii)
Cross-cutting concerns: Cost-effectiveness of HQ – field approach	
Does strengthening of FP reduce costs at HQ?	- “The evaluation team has made an in-depth analysis and identified significant problems. These substantially reduce the cost-effectiveness of FAO’s regional and country staffing in terms of benefits to members. They also detract from the unity of the Organization.” (FAO 2004, p. 76) - Overstretched resources of the FAO are also reflected in the gaps in the decentralised structure. FAOR posts are often vacant for a long time, which had a number of negative effects on programme development, policy dialogue and partnerships. In 2003, 37% of FAOR posts were vacant for some time of the year, the average duration of a vacancy was 5.3 mths. (ibid., p. 32) - With respect to administrative issues, further improvement which would also cut costs, could be envisaged: capacities of regional MSUs could be used better; or: “if all its (Procurement Service’s) current functions in purchasing and contracting were to be moved to Bangkok with no change in structure or functions, the saving would be US$ 2.9 million per biennium due largely to lower General Service costs.” (ibid., p. 71, 73) - “One-time costs of implementing the reforms already approved by the Conference are clearly a necessary investment for achieving savings and for improving the organization’s effectiveness. The estimated one-time costs total US$ 15 million …” (FAO 2006c, p. 3)
In what way does FP design influence transaction costs (1) for the institution, (2) for the partners?	- The calculated transaction costs that FAO has for operating projects is at 13% (official figure), thereof less than half is in the field offices. It is more effective if things are handled in the country offices and as a general rule staff costs less there. (Oral communication John Markie)
Is it cost-effective to create regional hubs instead of country representations?	- “The evaluation was not able to examine in depth the scope for cost-savings by moving headquarters administrative support functions to another location where costs are less (particularly of General Service staff).” (FAO 2004, p. 72)
In what way is FP design related to the country portfolio size?	- It seems that this is not always directly related: “The international community and governments in a number of countries expressed the view that FAO needs more proportionality in its use of decentralized resources vis-à-vis the needs and potentials of countries”. (ibid., p. 21) On the other hand there are indications that at least financial planning does relate to the differing needs of different countries: “low-income countries as a group receive more resources per country from FAO than the average for all countries. It also found that the needs of Africa are recognised in the level of resources made available, and indeed that the most important share of resources goes to Africa.” (ibid., p. 24) The evaluation uses

<table>
<tr><td></td><td>the same argumentation to advocate for an increase of resources for India and China. (ibid.)
- “The evaluation found that the smaller the field programme in a country, the lower was FAO’s visibility and ability to respond as a partner with government and the international community.” (ibid., p. 25)
- The ideal form would be to have at least multiple accreditation with an NPO as FAO staff in all countries. But the size of the representations also depends on the size of the country. Obviously a small island state has less need for a fully fledged FAO presence, whereas in a country such as Algeria it is absolutely necessary. (Oral communication Laurent Thomas)</td></tr>
<tr><td>Other issues</td><td>- Costs were an important element of the Independent Evaluation and concrete numbers were given frequently throughout the report. Recommendations were given under the perspective of no additional funds, even though many measures would require such funds. Some aspects of the restructuring process were not implemented due to the lack of funds. (FAO 2004, p. 12, 19)
- Comment about ensured efficiency as one of the goals of the reorganisation: “there was however, questioning of the realism of this objective as many partners noted that supporting measures, infrastructure investments, etc. were required”. (ibid., p. 20)
- The following proposals for changes within an unchanged budget provide some insights into cost issues:
<table>
<tr><th colspan="2">Figure 3: Balancing the Costs and Areas of Saving
to Undertake Proposed Changes within an Unchanged Budget</th></tr>
<tr><th>Areas of increased cost</th><th>Areas of Saving</th></tr>
<tr><td>Strengthening selected FAORs especially for multiple accreditation and reduction in vacancies

Improved technical services to countries especially: establishment and operation of technical groups on hubs, regional specialists on call, increased country travel

Strengthening integration and staff competencies and performance especially: meetings and face-to-face interaction, staff training, and staff rotation

Strengthening administrative support including: improvement of communication infrastructure, improvements in the field accounting system, and production of internal information materials</td><td>Increased multiple accreditation with strengthened national arrangements (elimination of five international FAOR posts US$ 1.6 million)

Eliminating the majority (10) of the 16 FAOR international administrative officer posts and replacement with senior nationals (US$ 1.4 million)

Decrease in the total number of technical staff in the regions by 15-20% (US$ 6.4 million – based on a 15% cut)

Cost sharing on extra-budgetary for the 4-6 posts of FAOR/emergency coordinator (US$ 0.8 million)

Transfer of FAOR administrative support to the regional MSUs and other efficiency savings in the administrative servicing costs and servicing of TCP approval from headquarters; (savings of US$ 4-5 million per biennium)

Other minor savings from actions such as the saving of at least one D post in the European Regional Office

Total in the order of US$ 15 million per biennium.</td></tr>
</table>
(ibid., p. 73, slightly different presentation)
- “One-time costs of implementing the reforms already approved by the Conference are clearly a necessary investment for achieving savings and for improving the organization’s effectiveness.” The estimated</td></tr>
</table>

	sum is US$ 15 mio. (FAO 2006c, p. 3) - Overall decentralisation should save costs, but it does not necessarily. In the case of FAO this is among other factors due to the size of some offices (they are too small and have too few transactions and therefore only ad to costs). Furthermore people who lack connectivity or people who do not know what they are doing increase costs as well. If the knowledge is not there it is not cheaper to manage it from there but cheaper to manage the knowledge where it is. In short: a greater degree of decentralised authority and a greater concentration of offices would – in the case of FAO – lead to more cost-effectiveness and efficiency. (Oral communication John Markie)
Cross-cutting concerns: Capacity development	
Is there a systematic and targeted effort to enhance the capacity of the partners, and/ or the own staff? What instruments are used?	- Capacities of staff are judged differently by various stakeholders and internally. However it has been found that the capacities of national staff need to be raised, particularly professional and programme staff. One key issue which needs to be addressed is the recruitment, as recruitment levels for FAO seem to be lower than in other agencies. (FAO 2004, p. 61 – 62) - “Capacity at country level is closely linked to issues of staff competencies, technical and administrative support and to the delegation of authority“. (ibid., p. 31) - “The evaluation was informed that, at the time of the decentralization that in order to place them, staff were moved into posts in the regions, when there was not always an exact fit. Headquarters divisions freely admit that in 1994-95, and in some cases also today, they chose to transfer weaker staff to the regions.” (ibid., p. 62) - “The evaluation found that emphasis on improving communications and IT needs to continue, and a major problem has been the lack of adequate accompanying training for staff.” (ibid., p. 72) - “Many of the proposals in this note will require considerable organizational learning.” And: Organizational learning must be between top and bottom but also from peer to peer.” (FAO 2006d, p. 2, 3)
What specific activities were undertaken and resources allocated for building up local capacity (internally, with partners, or general)?	- “Provisions for training are limited in decentralised offices.” (FAO 2004, p. 65)
To what extent does the institution rely on (1) local staff, and (2) international staff?	- “The evaluation could not see why, in a situation where the multinationals are able to staff their offices to very senior levels in most countries with nationals, as do the IFIs, FAO is unable to do the same. (…) The evaluation concluded that this is an area for savings, and for replacement of internationals by nationals, except in complex emergencies and some other special situations.” (ibid., p. 33)
Other issues	- Staff selection and training seem to have been a problem, some places where taken by people who were “not always well suited for their posts.” In other places success depends on capable individuals and recommendations are made on how to extend the excellent work of such individuals to all aspects of FAO’s decentralised work, as 30% of FAORs were assessed as not meeting the desired level of performance. Lack of individual capacities was seen to have far greater consequences in countries where the FAOR is the only international professional officer in a country. In addition to the question of competencies and performance, inter-related issues of selection, performance monitoring and assessment, training etc. need to be addressed. (ibid., p. 33, 59, 60, 61, 63)

	- Regional and sub-regional representatives do not seem to travel widely, which results in "limited knowledge of the countries in their regions and their opportunity to discuss policy issues with ministers." (ibid., p. 48) - *Changes since the evaluation:* With respect to the capacity of staff: "the entire process of recruiting FAORs has been reviewed and improved (…). In addition, the briefing and training of FAORs are being strengthened." (FAO 2005, p. 3)
Cross-cutting concerns: Innovation, replication and up-scaling	
Is innovation, replication and up-scaling a key concern for the institution?	- This is a key issue for the FAO as a knowledge organisation. The entire discussion around knowledge management is all about innovation. (Oral communication Laurent Thomas)
Sources of information	
Written	All FAO documents as listed in the bibliography, namely: FAO 1999, 2004, 2005 and 2006a – 2006d as well as the FAO website.
Oral	Phone interviews with John Markie and Laurent Thomas

6.7 Annex 7: Matrix of the International Food Policy Research Institute

CGIAR	Consultative Group on International Agricultural Research
DD	Division Director
DG	Director General
DGO	Director General's Office
DGS(D)	Development Strategy and Governance (Division)
EPMR	External Program and Management Review
EPTD	Environment and Production Technology Division
FCND	Food Consumption and Nutrition Division
FP	Field Presence
GOFU	Global Open Food and Agriculture University
HQ	Headquarters
IFPRI	International Food Policy Research Institute
ISNAR	International Service for National Agricultural Research
MTID	Markets, Trade and Institutions Division
NAR	National Agricultural Research Systems
NEPAD	New Partnership for Africa's Development
NGO	Non-governmental Organisation
ODA	Official Development Assistance
PRSP	Poverty Reduction Strategy Paper
SAKSS	Strategic Analysis and Knowledge Support System
SMT	Senior Management Team
UNDAF	United Nations Development Assistance Framework

IFPRI was established in 1975. It is one of 15 agricultural research centres that receives its funding from a variety of sources (governments, private foundations, and international and regional organisations) and is also a member of CGIAR. IFPRI's vision is "a world free of hunger and malnutrition." Its mission is to "provide policy solutions that cut hunger and malnutrition". IFPRI has three priorities in achieving its mission: research, food policy communication and capacity strengthening. (IFPRI 2005d, p. 46)Its HQ are in Washington with 5 offices in several developing countries. IFPRI employs some 250 staff, thereof 32 are outposted to IFPRI offices and other organisations. IFPRI undertakes increasingly decentralized collaborative research in some 50 developing countries. In 2005 IFPRI's turnover was US$ 39 mio.

Note: Spelling of certain words and phrases is not consistent due to the use of quotes from various documents with differing preferences.

Institutional issues	
Objectives and guiding principles for the design of the field presence and the HQ – field relationship	- Decentralisation is seen as a response to research demands. It is a way to achieve more impact. (Oral communication Stacy Roberts) It is therefore a response to the changing environment (external as well as more specifically CGIAR whose "budget began to slump badly in the 1990s"; Paarlberg 2005 p. 5). It is ongoing since 2003. (IFPRI 2005c, p. xxxi) - The aim was to have an organisation which was as lean and unbureaucratic as possible, yet centrally enough for the management. Other approaches were studied, but there is no "one size fits" all approach to decentralisation. (Oral communication David Governey) - One has the impression, that IFPRI is "testing" different types of FP (supporting networks, outposting staff), to respond to the local situation. It is responding to different needs and to changing demands in what it deems to be the most suitable methods. - "IFPRI is thus deeply into a process of decentralization, often in a regional mode. (…) Remaining cen-

	tralized at headquarters has seemed unattractive (…), given IFPRI's enlarged role as a capacity-building and policy communications institute. These are activities that seem best undertaken in close contact with local research communities, partnering institutions, and national governments." (Paarlberg 2005, p. 12)
Is there a multiplicity of approaches, if yes how do they relate to performance and costs?	- Yes – setting up networks, bilateral contacts with individual countries, local presence with offices, country strategy support programme: o Networks differ according to subject, e.g. there is also an HIV/Aids network; o Country strategy support programmes can also address the regional level; they are knowledge systems which provide data and information for policy makers to make better decisions; o Offices can be regional or also project specific; regional offices are for longer term activities (New Delhi and Adis Abeba), the others work on short term and are closed down again after the project is finished (e.g. Nigeria, Uganda, Ghana). (Oral communication Stacy Roberts) - However, IFPRI has deliberately chosen not to call its offices regional offices, rather they are IFPRI offices in country XYZ. This reflects the fact that a person in New Delhi can also work on issues relating to Adis Abeba and the other way round. - When the IFPRI offices in the regions were set up, they were adapted to the environment they are in. E.g. in New Delhi the office is smaller than the one in Ethiopia, because there is a stimulating environment with a large community of local researchers and institutions with whom IFPRI can work. In Adis Abeba the environment is not so enabling. (Oral communication David Governey) - "To advance its long-term commitment to the region (South Asia), IFPRI has opened a new office in New Delhi to significantly scale up its research, policy analysis, and capacity-strengthening activities." (IFPRI 2005d, p. 39) - "To be successful, IFPRI must not only reduce its costs but also find the right niches in which to operate. The situation varies geographically (e.g., in East Asia versus Africa), and IFPRI's decentralization strategy addresses this." (ibid., p. 42) - "A final decentralization initiative by DSGD in Africa has been the creation of Country Strategy Support Programs in individual focus countries in the region. The first and best developed program so far is in Ethiopia, a second program has been launched in Uganda, and candidate focus countries are being identified in West Africa as well. Donor interest in country-level support programs has been high, facilitating a rapid expansion of this bilateral in-country work." (Paarlberg 2005, p. 37) - The network activities which IFPRI is operating in Africa and Asia are only elements of the ongoing decentralisation. "Decentralization is an imperative for IFPRI, and networking is imperative as well, yet it is not always appropriate to decentralize through the creation of ambitious regional networks." (ibid., p. 5, 7) - "In Africa today, IFPRI is depending more heavily on bilateral relationships with key focus countries." And: "IFPRI is also decentralizing some of its work on a bilateral basis within individual countries without reliance on regional networks." (Paarlberg 2005, p. 6) Such relationships can be managed from HQ or local offices, it is usually a contribution from both levels. (Oral communication Stacy Roberts) - The record with networks has been mixed. (Paarlberg 2005, p. 38) "The strongest forward steps taken

	by IFPRI toward decentralization into Africa have not been through regional networks at all. Instead, IFPRI has outposted senior staff to form productive relationships with individual African-country governments, and also with an all-African partnership initiative between donors and governments, NEPAD. (…) IFPRI's greatest institutional challenge has always been to bridge the research-to-policy gap, and the probability of bridging this gap goes up when IFPRI staff are outposted closer and closer to policymakers at the national level." (ibid., p. 39) - "In low capacity regions, policy research networks (both formal and informal) operate best within countries: among government officials, universities, think tanks, donor representatives, and NGOs. To engage these important *intra*national networks IFPRI should not be afraid to conduct more of its research efforts through country strategy offices. Decentralization is important for IFPRI, and networking is important, but neither objective should be attempted exclusively through regional networks." (ibid., p. 39 – 40)
What is the working relationship (communications, guidance, support, delegated authority, incl. supervision, monitoring and reporting) between FP and HQ?	- It seems that operations are very much HQ driven. IFPRI's organisational structure is constituted along functional lines and has had its current form since 2004. "Management is decentralized to the extent that the DG has delegated the management of each Division, including program, finances and staffing, to DDs. They in turn delegate individual project management responsibility and authority to their unit heads and project leaders. Each Division has a conventional hierarchical structure of units and sub-units. Management of the institute as a whole is exercised through a Senior Management Team (SMT) comprised of the DG and seven DDs, who deal with subjects of a collective nature common to the institute as a whole. (… There is) a hierarchy of five discrete levels for decision-making. These decision categories have been documented and are clear on roles, responsibilities and the type of decisions where the DG and the DDs have veto powers respectively. (…) The SMT meets formally monthly, and weekly for information-sharing." (CGIAR 2006, p. 50) - 2 of the 8 members of the SMT are located outside of Washington. In the monthly meetings they usually participate via telephone conferencing. There are also 3 – 4 meetings per year for which they come to Washington. Overall they are very involved in the discussions and the management tasks. Managerially IFPRI has always been very decentralised, e.g. the different divisions ultimately make the decisions for projects. The unrestricted funding is also distributed to the different divisions and they can decide what they want to do with it. (Oral communication David Governey)
Resourcing of FP (budget, staff (intern. and local); identity and capacity building of field personnel	- "IFPRI's successive Medium-Term Plans have emphasized the need for greater regional decentralization. Indeed, the IFPRI strategy document recognizes the benefits of regional decentralization for its work and plans to have a larger proportion of IFPRI staff in Africa and Asia in particular. IFPRI's commitment to decentralization is evident from the recent increase in numbers of outposted staff since 1998, from 11 to 20 currently. In addition, IFPRI is increasingly engaged with regional policy and research networks in Sub-Saharan Africa and South Asia, the main focal regions of its work." (CGIAR 2006, p. 73) - Most of the staff are still located at HQ and people travel about a third of their working time. Some of the staff in the field have worked in Washington before, but not all of them. Some were recruited in the countries and work there. But all the staff comes to Washington once a year for the annual internal programme review. This is a very good opportunity to connect with each other. (Oral communication Stacy

	Roberts) - Of IFPRI's total turnover in 2005 (US$ 39 mio), US$ 15 mio were unrestricted ant US$ 24 mio were restricted funds. The large increase (from US$ 23 mio in 2002) is partly also due to the integration of ISNAR in IFPRI's structure, this brings about US$ 4.5 – 5 mio annually. (Oral communication David Governey) - When staff is recruited to work overseas IFPRI tries to have them come and work in Washington for some weeks in order for them to get to know the organisation and operations in HQ. There are also efforts undertaken to make local staff feel part of the institution, e.g frequent visits from staff at HQ. There is also only one policy manual for all staff, not one for international and one for local, as it is the case for other organisations. Overall these efforts are reasonably successful. (ibid.)
Physical and legal arrangements of field offices, and relationship with possible host institutions	- The arrangements differ, usually the offices are housed in some other organisation's location, e.g. in Senegal it is in the UN-premises. Usually they are not in government locations, as IFPRI wants to be independent and keep a certain distance. The research is seen to be a public good and not merely for specific groups. (Oral communication Stacy Roberts) - It was IFPRI's aim not to have stand alone offices ("not to go into real estate business"), as coming into a new country as an organisation usually implies huge administrative and bureaucratic hurdles. It can mean that a researcher spends up to 50% of his time with administrative work which should be avoided. Therefore IFPRI is usually working from partner organisations (CGIAR institutions, in Ethiopia it is the International Livestock Research Institute) with whom it has a service agreement (covers office space, computer etc.). It also means that the immunities and privileges that these organisations enjoy can be used by IFPRI. Staff is usually also employed by these organisations and seconded to IFPRI. CGIAR has a centralised internal audit function, that means that this aspect is also covered. (Oral communication David Governey)
Observation of unintended effects	- In the case of the East African Network, the initiative transformed into a capacity building (instead of identifying issues of research), due to a lack of capacity for research. (Paarlberg 2005, p. 23) - In the case of the South Asian Network, a disproportionate interest from the donors providing funding prevented some countries in participating fully in the initiative. (ibid., p. 28) - One aspect where everybody had to learn was the realisation that with decentralisation IFPRI can not keep operating the way it has been. E.g. communication is different and deliberate efforts need to be made in order to make field staff feel fully included.
Other issues	- "*Collaborations, Capacity Strengthening, and Decentralization*: (…) A challenge faced by IFPRI is that collaboration and decentralization of research are hard to manage while simultaneously focusing on cutting edge research. IFPRI will have to continue to make some of its most difficult top-level decisions in the area of resource allocation between headquarters and regional center research. The Panel commends the steps that have been taken and the care with which they have been managed so far." (CGIAR 2006, p. viii) - "*Organization and Management*: A major challenge for IFPRI is how to manage its growth. (…) Similar organizational issues arise with respect to decentralization. Do the gains from spreading people out exceed the losses? One could argue that the real purpose of decentralization is to get as much as possible

	of IFPRI into a developing country without damaging the political equilibrium that put IFPRI in Washington in the first place." (ibid., p. viii)
Implementation support	
How relevant is implementation support for the organisation and in the FP design? What specific activities were undertaken and resources were allocated for supporting project implementation?	- "To improve the effectiveness of national agricultural research, IFPRI, through a new division based in Addis Ababa, is pursuing research on and capacity strengthening for enhancing institutional change in agricultural innovation systems, improving the organization and management of research, and understanding the underlying social, political, and economic factors that inhibit or enhance progress in agricultural science and technology." (IFPRI 2005b, p. 3) - A very specific example of support for implementation is IFPRI's experience with the networks in Asia and Africa: support was different for each step of the described in the nine step policy research cycle which is described. In Africa less implementation support was provided than in Asia and more responsibility was allocated to the local teams and researchers. Backstopping from IFPRI was particularly important for the publication of the research results. (Paarlberg 2005)
What is the role of field staff in implementation support? In which ways have FP arrangements contributed to improving project implementation performance?	- This question does not really apply to IFPRI, as there are no projects without any support in their implementation. There is always someone in the country. IFPRI tries to be welcomed by a host ministry so that they are aware of what is going on and relationships with other research institutions are very important. So IFPRI is very integrated. (Oral communication David Governey)
Has FP ensured a better implementation support and/ or better follow-up to supervision recommendations and ongoing monitoring of project activities?	See line above.
What authority is delegated to FP staff to take decisions on project implementation matters?	- Authorities of partners in projects also depend on the design of the FP. In the case of the regional networks in Africa and Asia the allocation of tasks and the corresponding authorities differed significantly. (Paarlberg 2005, p. 22, 27)
Policy dialogue	
How relevant is policy dialogue for the organisation and in the FP design? What specific activities were undertaken and resources were allocated for supporting policy dialogue?	- "The Institute's goal is to generate results that will have international benefits for policymaking in diverse socioeconomic, political, and geographical contexts." (IFPRI 2005b, p. 3) - "IFPRI is also committed to providing international food policy knowledge as a global public good; that is, it provides knowledge relevant to decisionmakers both inside and outside the countries where research is undertaken." (IFPRI website) - "Decentralization of operations offers IFPRI important new opportunities to reach policymakers and other stakeholders in developing countries and to engage in two-way communication. The establishment of links between policy and research communities, the undertaking of collaboration between IFPRI and other organizations, and the opening of offices in developing countries allow IFPRI to gain better insight into the political context of each country, to get even closer to important national stakeholders and events, and to identify when and where research findings are the most likely to be adopted or to change behaviors and thinking." (IFPRI 2005d, p. 33)

How effectively has FP contributed to policy dialogue with national governments and international donors at country level?	- "IFPRI does not conduct its research in a vacuum. Two-way communication through vehicles such as multistakeholder dialogues and closer interaction with policymakers and stakeholders in developing countries through IFPRI offices in Addis Ababa, Beijing, New Delhi, and Costa Rica keeps IFPRI research relevant and facilitates buy-in of IFPRI research outcomes by policymakers and stakeholders." (ibid., p. 33) - "Regional or local decentralization also makes increasing sense for IFPRI because so many other partner and donor organizations are themselves outposting staff to regions and to focus countries. As more policy research partnerships and funding sources move out to the field, IFPRI's research staff can less-well afford to remain desk-bound at headquarters. Outposting is a way to remain close to donors and partners, not just clients and customers." (Paarlberg 2005, p. 13) - "IFPRI's work with Viet Nam in 1995–97 led to rice policy changes that proved within four years to be worth more than $60 million dollars to Viet Nam's economy." (Ryan in: Paarlberg 2005, p. 39)
To what extent were policies and development approaches (promoted by the institution in question) discussed and adopted by key partners, including within the PRSP and UNDAF processes?	- Possible example of effect in a wider community: IFPRI's 2020 Vision for Food, Agriculture, and the Environment initiative, which emerged also from its work in Africa: "the initiative has contributed significantly to raising public awareness of food security issues, enhancing dialogue and debate, and influencing policies and programs of international development agencies and national governments." (IFPRI 2005d, p. 5) A similarly positive assessment of the initiative was made in IFPRI's Fourth EPMR (CGIAR 2006): "(it) must be credited as one of the major initiatives that have buttressed the case for agriculture-led economic development of poor countries, and contributed to putting agriculture back in the portfolio of donors and policy makers, especially in Africa." (CGIAR 2006, p. vi) - "In South Asia, as in Africa, there is a strong focus in IFPRI's research and capacity strengthening activities on trans-national issues, thus providing international public goods knowledge." (IFPRI 2005c, p. xiv)
Other issues	- "A major goal of IFPRI's communications work is to gain a thorough understanding of the various policy processes in major regions in order to better understand when and where (in which fora or at which national/international level) IFPRI wants to communicate." (IFPRI 2005d, p. 33) This is mainly achieved through the program leaders active in the region or dealing with a specific regional global issue. The understanding of the political agenda and the timing is necessary to ensure that IFPRI research can feed into the policy processes and achieve maximum impact. The task of our research is to improve the quality of policies. It is therefore vital that our research is available for policy analysts and advisers at a point when the debate is still open and the policy drafts are discussed. Once the policy decisions are made, even the best research is useless, as it comes too late. (Written communication Klaus von Grebmer)
Partnership building	
How relevant is partnership building (policy partnerships, and/ or project related cooperation) for the FP design, and why? What specific activities were undertaken and resources were allocated for supporting partnership building?	- A decentralised set up, together with partnerships and networks, is seen as a key element and feature of IFPRI to fulfil its role. (IFPRI 2005d, p. x) - Stakeholders and partners are one of its four criteria which determine its priorities: They "should be consulted to identify food policy research that all parties believe will help develop policies to reduce hunger and malnutrition." (IFPRI 2005d, p. viii) "IFPRI consults them through its day-to-day collaborative research and outreach activities and through formal processes initiated to garner stakeholder input." (ibid. p, 12)

	- It is a member of CGIAR, which works very much in partnerships. (IFPRI website) - Partnerships are also a core element in the setting-up of networks, which are an important part of IFPRI's work, e.g. its regional policy networks. Such regional networks will play an increasingly important role in IFPRI's partnerships. "IFPRI will nurture and extend its existing network of stakeholders, composed primarily of developing-country government agencies and academic research institutions, advanced research institutions in industrialized countries, and other CGIAR centers." (IFPRI 2005d, p. 37) - At the same time, IFPRI will expand collaboration with new partners. These include parliaments (particularly committees and members responsible for food, nutrition, agriculture, and rural development), developing-country and international NGOs, operational development organizations, private-sector institutions, and small-farmer and community-based organizations in developing countries." (ibid.) - There are no indications, that this approach will change in the future, as IFPRI plans to enhance its role as "a valued strategic partner within the CGIAR system and within an enlarged community of partners and stakeholders". Furthermore it wants to have "a strong presence in developing countries through partnerships, networks, and decentralized operation". (ibid., p. 40) - "IFPRI views public organizations and the private sector in food systems both as objects of study and as partners." (IFPRI website)
How effectively has FP contributed to partnership building with national governments, other local partners, and international donors at country level?	- "Where IFPRI is likely to make further contributions in this area in the future is through its regional centers. These centers are keystones to enhancement of capacity strengthening as well as means to improve the relevance of research and acceptance of research findings." (CGIAR 2006, p. 73, 74)
To what extent were promoted policies and development approaches discussed and adopted by key partners, including within the PRSP and UNDAF processes?	- "Since its inception in 1975, IFPRI has been an innovator in the field as well as an adapter and promoter of the insights of other leading thinkers in food and development policy. Partly as a result of the cumulative research experience of the past 30 years, a number of significant paradigm shifts have taken place in food policy: …" (IFPRI 2005d, p. 4)
Has FP allowed strengthening existing and developing new partnerships?	- Example of a new relationship is IFPRI's outpost in Pretoria who is collaborating with NEPAD: "IFPRI has begun carrying out joint missions with the Secretariat to discuss financial support from the G8 governments and from multilateral development organizations, and is providing regular support to the Secretariat's semi-annual African Partnership Forum meetings with the G8 partners to review implementation." (Paarlberg 2005, p. 36) - Yes, networking has improved. Also because donors are more decentralised more things are happening in the field and it is good to be there and have a presence when projects arise in the field. (Oral communication David Governey)
Has co-financing and domestic financing been enhanced as a result of FP?	- The primary source of IFPRI's funds is ODA, but efforts to diversify revenue resources will be intensified. "The institute will continue to seek adequate unrestricted funds from a diverse set of donors to maintain its freedom to operate in a flexible manner and address food security issues that would otherwise not be addressed." (IFPRI 2005d, p. 38) - "Operationally, fundraising is a decentralized process supported and coordinated through the DGO. (…)

	Procedures and internal processes have also been streamlined to conduct this time-consuming activity efficiently." (CGIAR 2006, p. 43) The fundraising strategy is an internal document. - "The Panel finds the donor relations activity well managed. (…) IFPRI has produced an impressive record in fund raising in the period under the review."(CGIAR 2006, p. vi) This positive assessment is also due to decentralisation.
Other issues	- Partnerships are also seen as a way to increase effectiveness. (IFPRI 2005d, p. 4) - "The scope and quantity of IFPRI's involvement with other Centers and leadership of important multi-center programs is impressive. Other Centers have given an overwhelmingly positive assessment of their collaborations with IFPRI." (CGIAR 2006, p. viii) - "The transformation of the CGIAR can result in new intra-CGIAR partnership patterns." (IFPRI 2005d, p. 42) The development is going into the direction of more formalised exchanges and the formation of all executives. The goal is to enhance collaborative relationships and bring in new thematic communities, e.g. the issue of health is closely linked to questions of nutrition, so there is now a CGIAR platform on agriculture and health which brought in new partners. Similarly the HarvestPlus platform reached out to new partners, involved the health community with a strong nutritional aspect. (Oral communication Stacy Roberts)
Knowledge management	
How relevant is knowledge management for the FP design? What specific activities were undertaken and resources allocated for knowledge management?	- "State-of-the-art research needs state-of-the-art communications to achieve maximum impact." (IFPRI 2005d, p. 31) - The information in IFPRI's Strategy about communication efforts indicates a strategic and well thought out knowledge management. Stakeholder groups are defined, language issues addressed etc. Communication channels include newsletters, conferences, workshops, formal receptions, list serve announcements, research reports, the website, regional seminars, and high-level discussions. (ibid., p. 32 – 33) - Knowledge and Information Sharing is one of five units in the Communications Division. It describes its tasks as follows: "Information and knowledge management (The Library) supplies external information to research staff and contributes to preserving institutional memory through the development of and access to demandbased information products and services, and to reducing unnecessary duplication of information around the institute. It seeks to improve the way that current and historical knowledge is supplied and used, extracting maximum value from knowledge developed within and outside the institute. The Knowledge and Information sharing unit provides leadership in scientific information management at institutional, regional, and international levels." (IFPRI 2005a, p. 12 – 13) - "Given the large body of national and international food policy research, IFPRI's added value derives from its own cutting-edge research linked with academic excellence in other institutions, such as other CGIAR centers, universities, and other research institutes in the South and North, and from its application of this knowledge to national and international food policy problems." (IFPRI website) - IFPRI has a website which it considers "as a major knowledge asset". This includes a portal for media, space for conferences and workshops and other useful information. "The website is monitored daily. There were 150,000 to 300,000 downloads of IFPRI publications per month in 2004, an increase from the numbers in 2003 of 28% for PDF and 20% for HTML downloads." (CGIAR 2006, p. 36)

	- There are also so-called library services, which include the production of thematic CD-ROMs, collection, organisation and maintenance of databases, facilitating access for other databases, and other services. (CGIAR 2006, p. 36)
How has the FP facilitated the flow of knowledge/ information from the field to headquarters, vice versa, and South-South? Has the head-quarters knowledge base improved due to FP?	- IFPRI sees knowledge management as cone of its comparative advantage, specifically "its ability to (…) be able to take lessons and ideas from one part of the world and apply them elsewhere". (IFPRI 2005d, p. 43) - "Communications can have impact only if it is pursued as a continuous activity between key stakeholder groups and researchers. This ongoing dialogue provides a reality check, ensuring that IFPRI's research and outreach programs focus on the needs of poor and hungry people in developing countries so that research findings advance the institute's mission." (ibid., p. 33) - "The Communications Division supports researchers in the development of project-specific communica-tions platforms, helps them define audiences for their various research products, and assists them in disseminating their findings worldwide by creating appropriate communications tools." (ibid., p. 31) More specifically, this process looks as follows: "If we have a specific RESEARCH results forthcoming, we sit down with the researcher and discuss the (1) What do we want to communicate? (2) With whom do we want to communicate the results? (3) How do we best reach these stakeholders that are important? (4) What are our resources at hand? Based on these discussions we develop an action plan (the platform) that includes the messages, the stakeholders, how we best convey them (book, issue brief, brochure, media event, slide show etc.) when we do the steps and who pays for it. (Written communication Klaus von Grebmer) - "Through its communications work, IFPRI seeks to increase the impact of its research by using appro-priate means to engage key stakeholders in a continuous dialogue. The Division succeeded in publiciz-ing the activities of the Center in high profile electronic and print media. The Panel commends the IFPRI for its effective communications program." (CGIAR 2006, p. vi)
Have lessons/ knowledge/ informa-tion sharing among the projects in the same country/ sub-regional im-proved?	- "IFPRI has launched a numberof country strategy research programs that facilitate international learning in regional food policy research networks, and provides Africawide support for food policy reform." (I-FPRI 2005c, p. xiii)
Has the dissemination of information influenced the work of partners at the country level?	- "SAKSS is expected to serve the information needs relevant to designing both regional and country-specific development strategies. (…) SAKSS is expected to serve the information needs relevant to de-signing both regional and country-specific development strategies." (IFPRI website)
Other issues	- Policy communications is one of IFPRI's corner stones and as such is closely related to knowledge management as it is reflected in Theme 14 of its strategy: "A two-way communication with key stake-holder groups in developing and developed countries and the provision of factual, timely, and competent information on all questions related to food and nutrition security and natural resource management." (I-FPRI 2005d, p. x) - The assessment in the Fourth EPMR (CGIAR 2006) is very positive about IFPRI's Communication Divi-sion: "The Panel believes that the acclaim received by the Communications program of IFPRI for its pro-fessionalism and effectiveness is justified. The Media portal has enabled the media to have easy access

	to its materials and output – an uncommon feature among CG institutes. It has worked very well with the 2020 Vision initiative to organize the high level policy dialogue and effectively use the opportunity for publicity provided by such events as the 2020 Bonn and Africa Conferences. IFPRI staff are apparently satisfied with the Communications services. The website seems to be very popular with stakeholders, and receives almost twice as many visitors as the websites of other CGIAR Centers and the CG Secretariat. The Panel commends the Center for its effective Communications program.” (CGIAR 2006, p. 36) This positive assessment is not related to the decentralised offices. It was done before the decentralised offices. But we work hard to ensure that the IFPRI offices contribute to further improve our communications with regard to regions and programs. (Written communication Klaus von Grebmer) - IFPRI is impressively successful in publishing in peer-reviewed journals: “The average for the 7 years, 1998-2004, is 81 per year, as compared to 36 per year during for the preceding 4 years. The number of senior research staff averaged 58 during the latter period and 51 during the former, so annual publication of refereed articles per senior staff researcher increased from 0.7 in 1994-97 to 1.4 in 1998-2004, an impressive rate of progress. However, in the Panel’s view there is still ample room for further improvement.” And: “A study of citations of IFPRI authors (covering only journal articles however) indicates that IFPRI’s work is cited as much as or more than that of comparable research institutions.” (CGIAR 2006, p. 68, 69) - “Overall, the high reputation of IFPRI as the world’s premier source of applied research relevant to the whole range of food policy issues is widespread and longstanding. (…) It is notable, in referring to negative perceptions, how scarce they are with respect to IFPRI. The worst things peers had to say about IFPRI involved lack of presence at the research frontiers or too little focus on a particular area (e.g., trade policy). No one called attention to IFPRI output that they thought was wrong, misleading or harmful.” (ibid. p. 70, 71) - “Other indicators of influence include reprint requests, web downloads, invitations to deliver papers, citation indexes, and quotes in the media.” (IFPRI 2005d, p. 38) In the East, we see increasing requests from China and India. In Africa, Nigeria is on a very high level and still increasing. Over the past years we put some special focus on Latin America. We had IFPRI research translated into Spanish and have also contacted Latin American networks and university libraries; this is now bearing fruits with significantly higher demands from that region. In the media area we put a focus on developing countries and also tried to improve the monitoring of reporting in developing country media. (Written Communication Klaus von Grebmer) - The Strategic Analysis for Knowledge Support-(SAKSS) is a laudable activity for IFPRI but it should be well-grounded in IFPRI research (CGIAR 2006, p. iv) SAKSS “compiles, analyzes, and disseminates data, information, and tools in order to help inform the design, implementation, and monitoring and evaluation of rural development strategies in order to make them more effective. Envisioned as an international public good, the intended users of SAKSS include not only African governments and donors but also local and international research institutes and universities, the private sector, and non-governmental organizations. As such, SAKSS is being established as a network among these key partners.” (IFPRI website)

Cross-cutting concerns: Cost-effectiveness of HQ – field approach	
Does strengthening of FP reduce costs at headquarters?	- “Increasing connectivity around the world should help IFPRI to cut its costs through decentralization and to be closer to its clients.” (IFPRI 2005d, p. 42) - The main objective of IFPRI’s decentralisation was not to cut costs! There are two indirect cost centres, one are the HQ costs and the other are all overseas costs. While it is overall too early for a detailed cost analysis, there are some costs which are straight forward, e.g. it is cheaper to employ an administrative person in Adis Abeba than in Washington. Other aspects are much more difficult to measure, e.g. the question of efficiency or access to IT. However the local offices are conscious of costs and are tracking costs. In Adis Abeba there a very experienced finance staff was hired who can also travel to places in West Africa to see if there are issues related to the administrative side of human resources or finances. (Oral communication David Governey)
Does FP enhance development effectiveness of the institution and its partners? Any evidence?	- Being on the ground has helped, it means that as an institution you are there and available. (ibid.)
Did FP/ decentralisation have any unintended repercussions on the headquarter– field relationship or with the partners?	- One aspect is the change in communication. When IFPRI was only on three floors in Washington it was easy to just walk to another person, this has now changed and one needs to take different time zones and varying infrastructure into account when communicating with other offices. But the researchers travel very much and are aware of these potential problems, e.g. that downloading a large file takes longer in Nigeria than somewhere in the USA. (ibid.)
In what way is FP design related to the country portfolio size?	- IFPRI focuses its activities in two ways: geographic emphasis and core competencies. With respect to the former, it invests approx. 50% of its regionally focused programmatic budget in work on the Sub-Saharan Africa, 32% on Asia, 12% on Latin America and the Carribbean and 6% on West Asia and North Africa. The main focus will remain in Sub-Saharan Africa, because this is the area where food insecurity and undernutrition are broadest and deepest. (IFPRI 2005d, p. 35) - “IFPRI views itself as a global research organization, and therefore its staff members should be located where they are most needed and most effective. IFPRI recognizes the benefits of regional decentralization for its work and plans to have a larger proportion of IFPRI staff in Africa and Asia in particular. (…) The strategy calls for further regional decentralization of IFPRI in a network context. IFPRI will only establish field offices based on programmatic needs. The resources required to carry out decentralization would follow from program-driven decisions. IFPRI will carefully consider the relative merits of a strong set of research teams at headquarters versus increased distribution in developing-country regions.” (ibid., p. 38) - “Programmatic priorities will determine IFPRI’s size and budget. Form will follow function: decisions about “what” will drive those about “how, where, and how much.” (ibid., p. 38)
Other issues	- Decentralisation does not cut travel costs. Now it is just other people who travel, e.g. local researchers who come to Washington as visiting scholars. (Oral communication David Governey) - When implemented, decentralisation was treated as initial investment. Costs were not allocated to divisions, but they got spread out. Decentralised management should not be an impediment to decentralised operations. (ibid.)

Cross-cutting concerns: Capacity development	
Is there a systematic and targeted effort to enhance the capacity of the partners, and/ or the own staff? What instruments are used?	- As one of its three priorities, "IFPRI is committed to strengthening the capacity for food policy research and analysis in developing countries." (IFPRI 2005d, p. 30) And: "IFPRI (…) can play a key role in strengthening capacity for policy research and analysis through the development of a broad strategy for capacity strengthening." Activities under this topic have been consolidated under the ISNAR Division. (ibid., p. 33) While these activities are carried out as an integral part of all the institute's policy research programmes, an additional focus project (Learning and Capacitiy Strengthening) has been established. (IFPRI 2005c, p. xxviii, xxx) - "IFPRI implements its activities through networks at the international, regional, and national levels. One of the goals of the capacity-strengthening strategy is to deliver most learning programs and material through partner organizations. IFPRI researchers' primary role is to guide or conduct train-the-trainer programs, develop distance-learning modules, and facilitate relationships among relevant capacity-strengthening institutions. With the other CGIAR centers, IFPRI will also disseminate material through the Global Open Food and Agriculture University. This supportive institution, which is in the process of being created, will use Internet and other distance-education technologies to strengthen the academic programs of other international, regional, and national traditional and open universities, and distance-education institutions in the developing world." (IFPRI 2005d, p. 34) - There is a programme which focuses on capacity strengthening (located in ISNAR). It "pools all IFPRI capacity strengthening activities. Through this program, IFPRI shares its research findings and strengthens the capacity of individuals and institutions in the agricultural innovation system. The program brings together IFPRI researchers and other collaborators to carry out learning events and distance education programs, to design and produce publicly accessible learning modules, and to develop informational networks that support higher education institutions and other actors in the agricultural innovation system." (CGIAR 2006, p. 32 – 33) - In general, IFPRI's actions should not only strengthen the capacity of its local partners, but also strengthen IFPRI's capacity to meet the needs of its partners. (ibid.)
What specific activities were undertaken and resources allocated for building up local capacity (internally, with partners, or general)?	- The capacity building programme is aimed at developing the capacities of numerous groups (e.g. researchers, policymakers, trainers, practitioners, administrators, extension workers, students, community leaders,). It is made up of the following components: o capacity strengthening of NARSs in developing countries, with special emphasis on Africa; o cooperation with all IFPRI research and outreach divisions and the 2020 Vision Initiative to provide an institutional focal point for learning, training, and capacity-strengthening activities; o capacity-strengthening research as part of the ISNAR Division's mandate; o linkages to other CGIAR centers' capacity-strengthening activities; and o support for university cooperation in capacity strengthening. (IFPRI 2005d, p. 34) - The Development Strategy and Governance Division is also doing capacity building. Otherwise capacity building is integrated into the strategic plan of all divisions, there is no special fund allocated for it at the beginning of a budgeting process. (Oral communication David Governey)
To what extent does the institution	- "Increasingly, top-notch researchers from developing and middle-level countries can be inducted into the

rely on (1) local staff, and (2) international staff?	IFPRI stream to manage regional operations in a much more cost-effective manner than the current structure permits." (IFPRI 2005d, p. 42) - "Total staff numbers in IFPRI have risen from 107 in 1998 to 193 in 2004. (…) the Senior Research staff component has roughly doubled (from 39 to 75), as have the Support staff component (from 56 to 105). Senior Administration staff numbers have remained nearly constant. (…) 20 senior staff now have research assignment in nine countries" (CGIAR 2006, p. 59) 2006: 32 international staff are outposted (4 in New Delhi, 3 in Costa Rica, 15 in Adis Abeba, rest to other organisations), total staff is 250, incl. locally recruited. There is roughly a proportion of 2:1 of support to senior research staff. (Oral communication David Governey) - Most staff (9) is ouposted from the ISNAR division. The other division with significant outposted staff is DGS (8) – three remaining divisions have one person each outposted (FCND, MTID, EPTG). "The vast majority of this increase (in outposted staff) is attributable to the new ISNAR program and to DSGD, also a relatively new program. Indeed, the presence in the field of the other Divisional staff has declined significantly." (CGIAR 2006, p. 73, 73) However, no location is division specific. It has been recognised that there is an increased need to wok interdivisonally, therefore the aim is to have staff from different divisions in the various offices. (Oral communication David Governey)
Other issues	- Capacity development also serves as an important element of partnership building: "IFPRI will base its capacity-strengthening activities on long-standing partnerships, as IFPRI carries out virtually all of its research in cooperation and collaboration with partners in developing countries. (…) Over time these collaborations – which because of their two-way nature also influence IFPRI's thinking – have integrated IFPRI into a large formal and informal web of global relationships." (IFPRI 2005d, p. 5) - Strengthening capacities of partners, can also be viewed to have a potentially negative effect: "IFPRI actively seeks to strengthen the capacity for policy research in developing countries. In the process, it often strengthens its own competition." However, this does not have to be perceived in a negative manner: "In some cases, competitors should rightly grow to fill some of IFPRI's old niches, but for many broader international public goods there will continue to be plenty of room for IFPRI and its competitors to grow and collaborate, given past underinvestment in food policy research." (ibid., p. 43) - Capacities influence the type of decentralisation that can be institutionalised successfully: "IFPRI's experience so far also tends to confirm the hypothesis that regional network creation will be especially difficult in low capacity regions." (Paarlberg 2005, p. 39) - Specific examples of capacity building activities: o IFPRI's engagement in GOFAU, as this institution "not conceptualized as a degree-giving institution, but a capacity strengthening network of CGIAR and partner organizations." (IFPRI 2005c, p. xxiii) o IFPRI's contribution to the Collaborative M.Sc. Programme East Africa, where it initiated and managed the programme for the past four years and now transferred it as planned to a permanent institutional home with fundraising secured for a long time. (ibid.)
Cross-cutting concerns: Innovation, replication and up-scaling	
Is innovation, replication and up-scaling a key concern for the institu-	- Innovation is addressed in IFPRI's ISNAR division, which was established as a result of the closing a centre with the same name in the CGIAR network. "This will continue the earlier ISNAR work in the ar-

tion?	eas of institutional innovation, organization and management of agricultural research, and agricultural science policy research." (IFPRI 2005d, p. 37) While this is not exclusive to IFPRI as institution, it can be assumed that results from this work will also have an impact on IFPRI's functioning.
Has FP design facilitated innovation in the four dimensions mentioned above, and beyond? Any evidence?	- ISNAR is set up in a decentralised manner, it has staff in Ethiopia, Costa Rica and at HQ in the USA. (IFPRI website)
Good practices	
What works?	IFPRI got closer to its clients.
What doesn't work?	Nothing.
Illustrative stories	
Positive	Vision 2020 as successful example of partnership building or influencing policy dialogue: "The contributions of the 2020 Vision Initiative have been formally recognized in various fora. The initiative won third place in the Critique and Awards Program (the award is given for a promotional or marketing campaign for an institution) from the Agricultural Communicators in Education in 1997. The environmental community lauded the contribution of 2020 research (…) in the journal Environmental Conservation. The Council for Agricultural Science and Technology (CAST) awarded the 1998 Charles A. Black award to Per Pinstrup-Andersen, in part due to his contributions through the 2020 Vision Initiative. In 2001, Per Pinstrup-Andersen received the prestigious World Food Prize, in part for his leadership of the 2020 Vision Initiative, which was recognized as 'the most comprehensive and ambitious research and dissemination program ever undertaken on global food security'. On July 31, 2002, the American Agricultural Economics Association (AAEA) awarded IFPRI's Per Pinstrup-Andersen, Rajul Pandya-Lorch, and Mark W. Rosegrant, Senior Research Fellow and IMPACT leader in the Environment and Production Technology Division, the award for Distinguished Policy Contribution, for their contributions to improving policies and programs, enhancing dialogue and debate, and raising public awareness through the 2020 Vision Initiative." (IFPRI website)
Sources of information	
Written	All IFPRI documents as listed in the bibliography, namely: IFPRI 2005a – 2005; IFPRI's website as well as Paarlberg 2005 and CGIAR 2006.
Oral	Interviews with Stacy Roberts and David Governey, e-mail from Klaus von Grebmer

6.8 Annex 8: Matrix of the Swiss Agency for Development and Cooperation

CD	Country Director
CDF	Comprehensive Development Framework
CIS	Commonwealth of Independent States
Coof	Cooperation Office
DFID	Department for International Development
FP	Field Presence¨
GKP	Global Knowledge Partnership
HA	Humanitarian Aid
HQ	Headquarters
IT	Information Technology
NPO	National Programme Officer
PRSP	Poverty Reduction Strategy Paper
SDC	Swiss Agency for Development and Co-operation
SECO	State Secretariat for Economic Affairs
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
WB	World Bank

SDC is one of Switzerland's government agencies which is mandated to carry out international cooperation activities (the other being SECO, which is the competence centre for Swiss economic policy). SDC is located in the Swiss Ministry of Foreign Affairs and it ensures overall coordination of development cooperation and HA with other responsible federal offices. SDC has a total staff of about 1'700 in Switzerland and abroad (thereof about 1'100 local staff and 545 international; around 175 of the international staff are in Coofs) and its budget for 2006 is CHF 1.306 billion. Activities in the field are organised through 52 Coofs.

Note: The original version of SDC's "Independent Evaluation of the Division of Tasks between Headquarters and Cooperation Offices", which was a key document for collecting information for this table, is in German. Many of the quotes have been translated for this table. The original quotes have been provided in the footnotes. Furthermore, spelling of certain words and phrases is not consistent due to the use of quotes from various documents with differing preferences.

Institutional issues	
Objectives and guiding principles for the design of the FP and the HQ – field relationship	- Decentralisation of SDC has been ongoing since the 1990s. In 1994 preliminary work for institutional decentralisation started (internally the process is known as "Kobü 2000"). (Alioth, Frei and Obser 2004b, Anhang 1 p. 1) Overarching goals of the reorganisation were: "Positive effects in the field of SDC's work (i.e. for tasks in the third world); resource-saving handling; good conditions for the organisational process; good consideration of the collaborators' needs."[4] (Alioth, Frei and Obser 2004a, p. 9) - "The guiding principles for the reorganisation were the following: (i) to delegate as many tasks as possible from HQ to the Coof, (ii) assign responsibility clearly to one point and (iii) work jointly on key tasks."[5] (Alioth et. al. 2004b, Anhang 1 p. 2)

[4] „Positive Wirkung im Aufgabenfeld der DEZA (d.h. für Aufgaben in der Dritten Welt); die ressourcensparende Bearbeitung; gute Bedingungen für den Organisationsprozess; gute Berücksichtigung der Bedürfnisse der Mitarbeiter/innen"

[5] „Handlungsleitend für die Reorganisation waren die Grundsätze, (i) so viele Aufgaben wie möglich von der Zentrale an das Koordinationsbüro zu delegieren, (ii) Verantwortung klar einer Stelle zuzuweisen und (iii) zentrale Aufgaben gemeinsam zu bearbeiten."

Is there a multiplicity of approaches, if yes how do they relate to performance and costs?	- There are some differences in the Coofs which relate to the organisational structure of SDC, namely the areas of development cooperation, cooperation with Eastern Europe and CIS and HA. The latter's organisation and management is oriented towards emergencies which means that everything is decided at a central location. This can be a cause for conflict if a CD has to serve two "masters". Still there are Coofs for HA which deal also with permanent tasks (e.g. prevention). But also in these cases the management tools and financial competences differ from the two other areas. The former two, cooperation with the South and East, have a different history, however it has been found that today their division of tasks is comparable. Overall while different "area-specific organisational cultures" are perceived, it seems to be a differentiation which makes sense and differences between the three have decreased due to decentralisation. (Alioth et al. 2004a, p. 10, 11, 21) - Apart from such differences related to the function and history of different areas of SDC, there are also differences in the implementation of "Kobü 2000". In older Coofs or Coofs with a more experienced CD the reorganisation has been fully implemented – in other Coofs operational activities are also assumed by HQ and/or the desk. (ibid., p. 13) However, this is a factual difference, not a formal/structural one. - SDC also operates regional programmes. These programmes have both national and regional components, whereby the regional one has to lead to a clear added value, as if compared to solely implementing separate country programmes. The regional programmes must also have strong national pillars in all participating countries. In such instances, SDC establishes a coordinating office in the country most in need of the region considered: e.g. for Central America it is Nicaragua, for the Great Lakes Region it is Rwanda. In other countries of the region there is often a liaison office in order to have a presence in the location (e.g. Tegucigalpa/Honduras in the case of Central America). Usually the CD is in the Coof and his/her deputy in the liaison office. Decentralisation is therefore to the regions and then as an additional level also within the regions. This aspect also applies to some large countries, where it makes sense to have a small liaison office in the regions where many activities take place (e.g. in Mocambique there is one in the North of the country). (Oral communication Holger Tausch)
What is the working relationship (communications, guidance, support, delegated authority, incl. supervision, monitoring and reporting) between FP and HQ?	- Basically tasks are either allocated to HQ, the Coofs or designated to be shared tasks. Coofs are in charge of implementation tasks, HQ holds the compentencies for the "how" and "what" of development cooperation and strategic and conceptual tasks are shared. The following are the most important principles in the division of work between HQ and Coofs: o "The Coof is in charge of implementation tasks of the operational programme as well as of the identification of new projects (…); o *HQ* is concentrating on the overall planning and management, the monitoring of the annual programme, the elaboration of and contribution to concepts, support and consulting with respect to the programme cycle management, participation in 'moments forts' (…) as well as development political aspects. Furthermore it fulfils service functions towards the Coofs (consultants etc.); o Strategies and concepts, including sectoral policies on the level of the country programme are *shared tasks*, (…); o Generally the Coof is taking on these tasks for which it is better suited (closeness to the field, contacts etc.);

	o The role of HQ is increasingly moving towards consulting, support, general guidelines and management."[6] Shared tasks imply that responsibilities need to be negotiated and solutions are only possible in team work. (Alioth et al. 2004a, p. 9) - Delegation of implementation tasks seems to have created some elaborate control mechanisms. There also seems to be some overlapping between two key management tools, the annual programme and credit proposal. A credit proposal is used to decide about finances and content of a project which was already proposed in the annual programme – even if not in all the details. (ibid., p. 6)
Resourcing of FP (budget, staff (intern. and local); identity and capacity building of field personnel	- Staff increased by 198 people between 1998 und 2002, around 90 (45%) thereof are local staff. It has been found that staff at HQ has not increased unproportionally, as it is perceived by many. (ibid., p. 12) - "Since 2000, Switzerland has allocated an average of CHF 1.7 billion a year to fight poverty in developing and transition countries. (…) In 2005 SDC was running about 1'000 projects with 545 people working in Switzerland and abroad, and about 1'100 local-hired staff. The Swiss Humanitarian Aid Unit depends on 700 people who are ready to be deployed at short notice. Thanks to this expert pool, Switzerland was able to carry out 389 missions abroad in 2005." These missions took place in 58 countries. (SDC and SECO 2006, p. 4, 10) - Corporate identity is an issue in SDC. Among the instruments used in this context are regional exchanges, i.e. in regions with the same language. This also supports South-South exchange. There is limited exchange of local staff with HQ, but occasionally it happens. Another important aspect is training. Staff in the Coofs and HQ has similar rights and duties in this context, i.e. about 10 days per year for further education. There are annual appraisal interviews on which the individual further education is based. Implementation in the Coofs depends to a large extent on the CD, and a period of adaptation has taken place during several years: therefore responsibilities were assumed at different rythms. (Oral communication Holger Tausch) - Overall the staffing with respect to local staff in the Coofs is very stable, which can also be seen as a confirmation of human resource management. (ibid.) - For more information see also the different annual reports (Switzerland's International Cooperation: Annual Report 2005/2004/2003/2002 – before there were separate reports for each area, i.e. Development Cooperation, Cooperation with Eastern Europe and HA).

[6] „Das *Koordinationsbüro* ist zuständig für die Durchführungsaufgaben des operationellen Programm sowie für die Identifikation von neuen Projekten (im Rahmen der Prioritäten und in Schwerpunktbereichen des Landes-Programms):
Die *Zentrale* konzentriert sich auf die Gesamtplanung und -steuerung, auf das Jahres-Programm-Monitoring, die Ausarbeitung von und die Mitarbeit an Konzepten, auf PEMU-Unterstützung und Beratung, auf die Teilnahme an den 'Moment forts' (insbesondere Phasenplanungen, Projektplattformen etc) sowie auf entwicklungspolitische Aspekte. Im weiteren hat sie Dienstleistungsfunktionen gegenüber dem Koordinationsbüro (Konsulenten etc.).
Strategien und Konzepte inkl. Sektorpolitiken auf Ebene des Landesprogramms sind eine *gemeinsame Aufgabe* von Koordinationsbüro und Zentrale, wobei die Leitung und Absprache im Einzelfall jeweils bei der dafür festgelegten Stelle liegt; normalerweise bei der Zentrale.
Allgemein übernimmt das *Koordinationsbüro* all diejenigen Aufgaben, für die es besser geeignet ist (Feldnähe, Kontakte etc.). Die Rolle der Zentrale verschiebt sich vermehrt in Richtung *Beratung, Unterstützung, allgemeine Vorgaben, Gesamtsteuerung*.
Zentrale und Koordinationsbüro sind verantwortlich für die Steuerung ihres Bereichs."

Physical and legal arrangements of field offices, and relationship with possible host institutions	- The standard situation is that a Coof is housed in a stand-alone solution, or shares its location with the Swiss Embassies. Sometimes it actually becomes the Swiss Embassy, including Consular duties. Other hosting situations are not known. (Oral communication Holger Tausch) - Coofs are sometimes in the same buildings as Swiss embassies, which sometimes holds a potential for conflict. They differ with respect to their cultural background (Coofs try to integrate themselves in local networks, while embassies tend to remain “foreign bodies”), furthermore some administrative discrepancies (e.g. different salary structures) can be cause for irritation. (Alioth et al. 2004a, p. 18, 22)
Observation of unintended effects	- One effect, which has not really been addressed until today, is the somewhat modified role of staff at the desk in HQ. Their “new” role has not been sufficiently addressed, after decentralisation measures were introduced. (Oral communication Holger Tausch)
Other issues	- Switzerland has been active in development cooperation and HA in the countries of the South and East for the past 40 years. (SDC website) The number of local representations has grown considerably in the last years: from 21 Coofs in Southern Countries in 1994 to 52 Coofs today (thereof 24 for bilateral cooperation in the South, 13 in the East and 15 in HA). (Alioth et. al. 2004b, Anhang 1, p. 2) This seemingly enormous increase in numbers needs to be seen in the context of the changes which took place in SDC over that time period: cooperation with Eastern Europe was integrated into SDC structures and HA offices were not included in previous statistics. Furthermore a large number of the Coofs are very small. (Oral communication Holger Tausch) - Coofs not only represent SDC in the respective countries, but also SECO (in countries of Eastern Europe and the CIS, Coofs are financed by both SDC and SECO with 50% each) and other parts of the Swiss government such as the Political Affairs Division IV or the Federal Office for Migration. This cooperation generally works well. (Alioth et al. 2004a, p. 22, 23) - In addition to the decentralisation process other internal projects (e.g. BucOptim, study about collaborators’ satisfaction) were ongoing. Decentralisation and reorganisation was also influenced by an increased use of IT instruments and administrative requirements with respect to finances. (Alioth et. al. 2004b, Anhang 1, p. 3) - It has been found that there is room for increased efficiency, on the one hand in the field, especially also with regard to increased international cooperation, on the other hand also with respect to simplified planning and management systems. “Overall, homemade complexity absorbs too much energy.”[7] (Alioth et al. 2004a, p. 4, 36, 37)
Implementation support	
How relevant is implementation support for the organisation and in the FP design? What specific activities were undertaken and resources were allocated for supporting project implementation?	- Support for implementation was *the* main motivation for decentralisation. - Promotion of teamwork was viewed to be an essential accompanying measure. (ibid., p. 10) This was implemented in the form of trainings and workshops as well as personal reflections. People also learned on the job from working with people with more experiences. (Oral communication Holger Tausch) - At the same time enormous developments took place in the IT sector, which facilitated decentralised operations. In this respect SDC also took care to make use of the possibilities: all staff in Coofs, includ-

[7] „Insgesamt absorbiert die hausgemachte (inhaltliche, konzeptionelle und steuerungsmässige) Komplexität zu viel Energie.“

	ing administrative, have a personal e-mail address and information on the Intranet is freely available – even though for some local staff language can be a barrier in accessing it. (ibid.) - In some countries (e.g. Ecuador) all projects are delegated to partner organisations which are then in charge of the daily operations. Through the establishment of steering committees and through regular visits, the Coof ensures the guiding of the developments. (ibid.)
What is the role of field staff in implementation support? In which ways have FP arrangements contributed to improving project implementation performance?	- It is one of their core tasks. - It seems to be obvious that improved implementation is the case, but evidence is hard to give. More closeness leads to better cooperation conditions and relationships. This also means a better understanding of local agents, which is a precondition for successful cooperation. FP also increases SDC's credibility in the policy dialogue and contributes to potentially higher impacts. (ibid.)
Has FP ensured a better implementation support and/ or better follow-up to supervision recommendations and ongoing monitoring of project activities?	See line above.
What are the main differences between the performance of projects benefiting and not benefiting from FP?	- If SDC does not have direct contact with projects, there is contact through the implementing partner organisations. And also in this case, there are regular visits to the projects by SDC staff. FP is essential, because of the know-how gathered. That is needed to ensure that local needs are considered at the policy level. (ibid.)
What authority is delegated to FP staff to take decisions on project implementation matters?	- Basically all operational, i.e. implementation decisions are delegated to field staff. In practice it also depends on the situation and the know-how of the involved staff also at HQ.
Other issues	- Decentralisation of mere implementation tasks has lead to elaborate management and control mechanisms. This leads to limited decentralisation without empowerment for conceptional issues in the field. Or in other words: "Decentralisation in operational matters is countered by recentralising tendencies in administrative matters." [8](Alioth et al. 2004a, p. 18, 24, 26) However, such "negotiations" between different aspects of power are seen to be normal and are to be expected. They are inherent risks in such processes. Process such as IT or the introduction of the corporate design have a centralistic effect. This can also be seen in a positive light. (Oral communication Holger Tausch)
Policy dialogue	
How relevant is policy dialogue for the organisation and in the FP design? What specific activities were undertaken and resources were allocated for supporting policy dialogue?	- International dialogue is one of SDC's four core strategies. One of its objectives in this context is to advocate for the coordination of the programmes and activities of international institutions. At the country level, the coordination of external aid is a key concern. (SDC 2000) - Policy dialogue is becoming increasingly important in the field and is a motivation for further decentralisation. This is especially noticeable with respect to the needed competencies in the field, new skills and know-how are needed. (Alioth et al. 2004a, p. 18)
How effectively has FP contributed	- Exemplary evidence: "Bolivia – donor harmonisation: SDC is part of the informal bilateral cooperation

[8] „ (...) die Dezentralisierung im Operationellen steht rezentralisierenden Tendenzen im Administrativen gegenüber, (...)"

to policy dialogue with national governments and international donors at country level?	network and is participating in various thematic donor groups. It undertook initiatives on harmonisation and locally contributed to the harmonization of basket funding established under the CDF. SDC supported also the participation of Bolivia in the DAC working group on donor harmonization. (Gerster, Randal, German and Zimmermann, p. 15)
To what extent were policies and development approaches (promoted by the institution in question) discussed and adopted by key partners, including within the PRSP and UNDAF processes?	- "Swiss involvement in the PRSP process has been very active. (…) Switzerland was one of the driving forces for donor cooperation. (…) In addition to the donor-donor, and donor-government dialogue there is regular channel to feed comments into the Swiss-led chair in the IMF and World Bank Boards." (SDC 2003, p. 44) - "In the field, Switzerland supports measures leading to the harmonization of aid. In certain countries, such as Tanzania, it assumes the role of an intermediary between the donors on the one hand, and between the donors and the government on the other. Harmonization is especially important when state structures are unstable, as the Senior Level Forum on Development Effectiveness in Fragile States recalled in London on January 13-14, 2005. The SDC's contribution to this forum was based in particular on its experiences in Afghanistan and Nepal." (SDC and SECO, p. 6) - Other examples of evidence on a national level: o Viet Nam: The issue of urban poverty was taken up in the PRSP because of Swiss engagement: "It is widely acknowledged that Swiss work on urban issues led to the inclusion and full integration of urban poverty into the final draft of the PRSP." (SDC 2003, p. 67) o "In Tanzania several harmonization mechanisms have improved the efficiency of aid in the health sector. Under Switzerland's presidency, 25 financial donors coordinate their efforts in order to finance the extensive public health reform program launched by the government in 1999. Eight members of the group, including Switzerland, even go one step further by allocating sectorial budget aid to the Health Ministry, which is responsible for using the funds and ensuring transparent management. Over the past six years, the sectorial approach has achieved significant results. For example, infant mortality has decreased by 30%, and the proportion of properly treated malaria cases rose from 11 to 27%." (SDC and SECO, p. 7)
Has your organisations' participation in donor co-ordination and harmonisation improved?	- Just looking at participation, yes it has improved (e.g. in Viet Nam or Nicaragua). Even though there is no quantitative assessment in this respect, but only anecdotal evidence, e.g. a slowly increasing number of joint evaluations (though SDC's resources are limited in this respect). However there is also an intensive debate about the benefits of harmonisation going on. Initially there are certainly increased costs and as of now there is still uncertainty about the size and timeliness of benefits. In this context it is necessary to look at harmonisation not only at the country level, where its implementation is likely to be more visible, but also in a more general manner. (Oral communication Holger Tausch)
Other issues	- The operational units of SDC should be stronger linked to the department for Development Policy and Multilateral Cooperation with respect to strategic and content matters. (Alioth et al. 2004a, p. 4)
Partnership building	
How relevant is partnership building (policy partnerships, and/ or project related cooperation) for the FP de-	- Working in partnership is one if SDC's guiding principles for cooperation. "Partnerships are entered into with governmental, nongovernmental and multilateral organisations. (…) Agreements are made with partners based on agreed common values." This approach is also reflected in FP design: "The organisa-

sign, and why? What specific activities were undertaken and resources were allocated for supporting partnership building?	tional structure is partner-oriented, allowing targeted contacts for external strategic partners. SDC Coordination Offices represent all organisational units in the countries of operation". (SDC 2000) - "Training and the institutional development of partner organizations are the keys to creating a stronger partner. (…) Partner organizations are supported financially and with know-how as well as by an appropriate combination of instruments." (SDC website) - Increased cooperation with partners and donors in the field as well as international efforts towards harmonisation call for more competencies in the field. Partnerships and increased efficiency in their management are again a reason to further decentralisation. (Alioth et al. 2004a, p. 18) - Continuity is an important element for partnership building. SDC is seen to have a strength in this respect, in the field it is considered a reliable partner operating in a consistent manner. Decentralisation is therefore a crucial aspect for partnerships, as it allows this presence on site and necessary decision making. (Oral Communication Holger Tausch)
How effectively has FP contributed to partnership building with national governments, other local partners, and international donors at country level?	- Examples of evidence: o "Switzerland is perceived to have created a climate of confidence in urban issues leading to investment by other larger donors. It has done this by its commitment and promotion of the concept of urban poverty reduction to other donors along with the provision of management tools, approaches, pilot projects – intelligent use of its limited finance." (SDC 2003, p. 67) o "Benin – making the PRSP an issue: After initial conflict between UNDP and WB, SDC's COOF succeeded in putting the PRSP regularly on the agenda of the Donor Group on Participatory Development & Good Governance (PDGG) led by SDC." (Gerster et al., p. 19) o Participation in various thematic groups (Nicaragua) and budget groups (Mozambique) (Gerster et al., p. 34) o In Mozambique the chair of the budget support group is assigned according to a rotation principle for a year. When Switzerland held the chair it was possible to use this for additional influence. (Oral Communication Holger Tausch)
Has FP allowed strengthening existing and developing new partnerships?	- When asked about their competences, a minority of CDs reported that they were not delegated enough and that also with respect to partnerships too much was influenced by HQ. One element of a possible solution to increase competences in the field beyond mere implementation decisions is suggested to be a direct influence on the choice of partners. (Alioth et al. 2004a, p. 16, 17)
Other issues	- SDC works with a variety of partners. "For cooperation with partner organizations inside and outside Switzerland the following criteria apply: effectiveness, credibility and plurality. Partnerships are entered into with governmental, non-governmental and multilateral organizations." (SDC website)
Knowledge management	
How relevant is knowledge management for the FP design? What specific activities were undertaken and resources allocated for knowledge management?	- A key position in knowledge management is held by people at HQ, as it is their responsibility to distribute information from the field to other areas of SDC, the Swiss administration and international institutions. - Increased international cooperation in the field demands different know-how in the Coofs, especially deeper know-how with respect to political issues (on the other hand technical know-how is loosing its relevance). Lack of financial resources limits the decentralisation of SDC's department for thematic and

	technical resources. (Alioth et al. 2004a, p. 20) - Staff rotation presents particular challenges to knowledge management. It demands increased attention to know- how at the middle level in Coofs, as NPOs very often are the institutional memory. (Oral Communication Holger Tausch)
How has the FP facilitated the flow of knowledge/ information from the field to HQ, vice versa, and South-South? Has the HQ knowledge base improved due to FP?	- Local experience, especially in countries where SDC has a long history, is an important characteristic of SDC and its FP. Being on the ground and in close contact with many stakeholders, Coofs have the opportunity and responsibility to feed relevant information back to HQ. By doing so they have the opportunity to influence and shape strategic matters. This not only influences SDC's bilateral work but is also fed into multilateral institutions: "Because of its long experience in many countries it has made concrete suggestions and offered advice in the relevant bodies to ensure that the concepts developed are in keeping with the realities in the poor countries. Therefore, Switzerland played an important role at the 'High Level Forum 2' in Paris in discussion how to improve the effectiveness of development cooperation with the aim of reducing poverty more quickly and effectively." (SDC website) - The flow of knowledge among institutions is also promoted by SDC's working principles in human resource management: "Promotion of staff rotation within and outside SDC as well as intersectoral secondments. Temporary placement in external institutions both increases internal knowledge and transfers SDC's institutional experience to the outside world". (SDC 2000) - SDC's department for thematic and technical resources is viewed to be unclear, sometime even unknown in the COOFs. It is rarely an important partner, but if it is used, it is seen to be a useful resource with a capacity building effect for NPOs. (Alioth et al. 2004a, p. 20)
Has lessons/ knowledge/ information sharing among the projects in the same country/ sub-regional improved?	- At country level COOFs engage in a collaborative country-led framework and effort (JAS, GBS, SBS, etc.).
Other issues	- SDC's department for thematic and technical resources "is the center of excellence and networking for the Agency's five priority areas: Conflict Prevention and Transformation, Governance, Social Development, Employment and Income, and Natural Resources and Environment." (SDC website) - Internationally, SDC is perceived to have a high degree of personal know-how, but this seems to be scattered within the organisation and difficult to bundle. SDC can contribute to the international discourse, however there are few opportunities to set themes and acquire the needed knowledge independently. (Alioth et al. 2004a, p. 19, 20) - Experiences from DFID and the WB show, that there are some long-term risks with respect to very decentralised handling of knowledge (e.g. erosion and loss of institutional memory) and both of these institutions are in the process of carefully taking countermeasures. (ibid., p. 20) - With respect to evaluations: "Evaluations are resource-intensive. Systematic knowledge-sharing and institutional appropriation must be enhanced." (SDC 2005b, p. 3)
Cross-cutting concerns: Cost-effectiveness of HQ – field approach	
Does FP enhance development effectiveness of the institution and its	- Ideally – it is one of the justifications, but unsure how much it was intended. - The direct comparison cannot really be made, as you would need a counterfactual situation, i.e. the

partners? Any evidence?	given result in the same country without FP. Yet, without FP, evidence on effectiveness would be even scarcer, not allowing straightforward conclusions. (Oral Communication Holger Tausch)
In what way is FP design related to the country portfolio size?	- Larger Coofs are in India and Nepal, the smaller ones are for special programmes with usually 1 international staff and up to 4 – 5 local staff. In HA there are even some smaller ones with only one person. However, the number of staff does not always relate to efficiency. (ibid.)
Other issues	- "In view of the organisation's growth the question of an efficient allocation of resources, considering especially future budget cuts in the federal administration, is another reason for this evaluation to take place."[9] (Alitoh et al. 2004a, p. 6) Very few reliable statements can be made about the question of costs. Quantitative analysis is mostly not done in evaluations. Internal Audit should be in charge. (Oral Communication Holger Tausch) - Cost-effectiveness is also influenced by the behaviour of partners. In this respect an ongoing monitoring of the use of financing is relevant to ensure the proper utilisation of tax-payers' money received by partners. (ibid.) - In making long-term strategic decisions (e.g. termination of a country programme), cost-effectiveness questions are rarely put at the forefront. Other issues, such as adequate resources in the country or level of corruption are ultimately more relevant.
Cross-cutting concerns: Capacity development	
Is there a systematic and targeted effort to enhance the capacity of the partners, and/ or the own staff? What instruments are used?	- With respect to human resources, SDC is committed to a number of principles, one of them is: "Staff education and training to strengthen process, methodological and social competencies (…) Experienced staff to act as mentors to the next generation". (SDC 2000) - Placing competencies in the Coofs was one of the reasons for increased decentralisation. (Alioth et al. 2004a, p. 4)
To what extent does the institution rely on (1) local staff, and (2) international staff?	- In Coofs there is both, local and international staff. In 2005 approx. 65% or all SDC staff was local staff (Switzerland's International Cooperation 2005, p. 2, 4) In addition to the 175 international staff in Coofs, 10 people detached to international organisations. 140 local staff work in NPO capacity, the percentage of "higher local cadre" (i.e. including NPOs) in Coofs is around 15%, the rest is administrative support. The ratio at HQ is almost inverse. (Oral communication Holger Tausch) - Local staff is considered to be very important, as they hold key functions with respect to the institutional memory. Since CDs and other international staff rotate every 3 – 5 years it is important, that NPOs and other staff can keep the local know-how. (ibid.) - Employment of local staff and recruitment of external personnel are two principles of SDC to ensure adequate human resources: "Employment of local staff to benefit from country-specific and specialist competencies and capacities in SDC's priority countries and regions; Recruitment of external personnel to create or maintain necessary specialist competencies." (SDC 2000)
Other issues	- Decentralisation leads to programme and management competencies in the field. (Alioth et al. 2004a, p. 18)

[9] „Angesichts des Wachstums der Organisation ist die Frage der Effizienz der Ressourcenallokation vor allem auch im Hinblick auf die Sparrunden in der Bundesverwaltung weiterer Anlass für die Evaluation."

	- First independent evaluation mandated to a team exclusively from the South. (SDC 2006, p. 1) - It is essential to know the development field from the bottom, i.e. to know activities in the project and the field, in order to relate to the work of other people. (Oral communication Holger Tausch) - Regular events such as (regional) coordinators' seminars; NPO Courses, workshops, internal trainings, participation in conferences are used as opportunities for capacity building. Participation of NPOs in regional seminars is often happening every second year – it depends on location and the CD or sometimes the Division. - ""SDC's education and training measures should be of high quality, address current issues and be aligned to the overarching strategic goals and values of the organisation. Investment in training is not only seen as investment into staff but also as investment into the institution, as highly qualified people are the basis for SDC's mastery of tasks. It is intended to use training measures in a targeted manner for the staff's promotion and career management. The aspired balance between the needs and goals of the organisation as well as the individual needs of the collaborators is of special relevance. Education is right and duty of SDC staff."[10] (Zurbruegg 2003, p. 55)
Cross-cutting concerns: Innovation, replication and up-scaling	
Is innovation, replication and up-scaling a key concern for the institution?	- Innovation and scaling up is a key issue for SDC. As it is a small donor, it could not do without. - Identification of innovative approaches is one aspect of working in the field, as being close to the ground and in direct contact with many stakeholders provides the possibility for that. - "In Southern Africa, some local initiatives have been successfully adopted by the regional program established in early 2005, including a project initially launched in South Africa and directed at supporting - orphans and vulnerable children in schools." (Switzerland's International Cooperation, p. 7) - Example: "Cash for XYZ", e.g. "Cash for herders" Box 13 in the DAC memo; "Cash for host families" SDC website (http://preview.deza.ch/index.php?navID=23543&langID=1&userhash=ed12d430012c7eb36d55a8b1dc2687e9)
Good practices	
What works?	- Diversity – as it provides flexibility to adjust to local context; know-how and experiences of involved staff and history in a partner country are key elements to make best use of the possibilities in a certain country. - Leeways for acting are not unnecessarily constrained. Nothing, which realistically can not be measured with the same yard stick has been regulated. (Alioth et al. 2004a, p. 10)
What doesn't work?	- Especially in the case of conflict it is difficult to distinguish what is operational and what is strategic/conceptual work, (anything can be made into either) i.e. it is difficult to say in whose realm of compe-

[10] "Die Aus- und Weiterbildungsmassnahmen der DEZA sollen qualitativ hochstehend sein, aktuelle Prioritäten aufgreifen und sich an den übergeordneten strategischen Zielen und Werten der Institution ausrichten. Da hoch qualifizierte Menschen die Grundlage für die Aufgabenbewältigung der DEZA sind, wird Bildung nicht nur als Investition in das Personal, sondern auch in die Institution aufgefasst. Es besteht die Absicht, Bildungsmassnahmen gezielt zur Förderung und zur Laufbahnentwicklung des Personals einzusetzen. Besonderen Wert wird auf die anzustrebende Balance zwischen Organisationsbedarf und Organisationszielen sowie individuellen Bedürfnissen der Mitarbeitenden gelegt. Bildung ist Recht und Pflicht von DEZA-Angehörigen."

	tence something falls. (ibid., p. 10) - Decentralisation is also used as excuse to justify a certain division of labour. (ibid., p. 13)
Illustrative stories	
Positive (success)	- "In Niger, the SDC anticipated the food crisis of 2005 thanks to its knowledge of the local environment. Its humanitarian intervention was able to rely on existing development programs." (Switzerland's International Cooperation, p. 7) - See also examples in the paragraphs about partnership building and policy dialogue or older annual reports.
Negative (failure)	- There are certainly negative examples, but harder to find, for obvious reasons.
Sources of information	
Written	All SDC documents as listed in the bibliography, namely: SDC 2000, 2003, 2005b and 2006; SDC's website and the following documents: SDC and SECO; Alioth, Frei and Obser 2004a and 2004b; Gerster, Randel, German, and Zimmermann 2003; as well as Zurbruegg 2003.
Oral	Interview with Holger Tausch

6.9 Annex 9: Information compiled from OECD/DAC Peer Reviews

The following excerpts from the various OECD/DAC Peer Reviews were put together by Sonja Beeli, Gerster Consulting, based on the compilation of documents by Francesco Guzzetti which is hereby gratefully acknowledged.

UK 2001

"After being reduced for several years, staff levels in DFID have increased significantly. DFID has adopted a thoughtful and strategic approach to employing local staff. This is important for successfully implementing the current decentralisation process, and for achieving a more effective policy dialogue with partner countries and other donors in country." (p. I-13)

"Further decentralisation to individual country offices with a high level of devolved responsibility improves DFID's capacity to form partnerships with developing countries and enhances its capacity to tailor strategic priorities to local contexts." (p. I-31)

"Increased decentralisation to country offices has occurred, coupled with more United Kingdom-based staff being posted to the field or seconded to international organisations. More staff have been hired locally in developing countries, including in more senior positions. The skill requirements for staff have changed with a greater emphasis on negotiating and influencing capacities." (p. I-49)

"Most staff now have access to the DFID Intranet, although in some overseas offices this can be adversely affected by the availability and speed of the local Internet service provider. Ensuring offices abroad have access to DFID's documents and systems is a challenge accentuated by decentralisation and DFID is addressing this in its current programme to upgrade its information and communications technology." (p. I-55)

"Implementing DFID's influencing objective has led DFID to revise its representation in the field by decentralising its development divisions to individual country offices with staff stationed in the country to which they are assigned, rather than commuting frequently from a neighbouring country and relying on telephone calls, faxes and e-mails to communicate at other times. Since 1997, DFID has established several country offices with delegated financial authority (…). A number of state offices have also been established in India while the regional office in the Pacific is due to close in 2002. Other country offices may be opened in the near future.
With greater decentralisation, the role for the former development divisions is evolving. For the moment, their role as regards country offices is not clearly defined. For example, in Nepal, the Head of the DFID office reports to the Director for Asia and the Pacific in London via the Head of the DFID Bangladesh office. However, for most practical purposes, the Bangladesh office has few responsibilities and the Head of DFID Nepal works directly to the Director for Asia and the Pacific. DFID also promotes linkages between offices in each region, for example, to encourage the sharing of experiences and lessons learnt. At the same time, the span of control of DFID's geographic Directors in London has in effect expanded, as has their role in promoting complementary approaches across their programmes. To respond to these additional demands, the offices of DFID's geographic Directors in London have been reinforced by strengthening the Regional Policy Units which act as the offices of Regional Directors. A flattening of DFID's field structure would consequently appear possible and could be investigated.
A second issue regarding further decentralisation relates to the choice of staff to be stationed in each country office, particularly where DFID has comparatively small programmes. When the DFID office opened in Nepal in April 1999 there were 13 United Kingdom-based staff - a

Head, a Deputy Head, seven advisors and four administrators – as well as 30 local administrative staff. Establishing a large office had a positive impact in the Nepalese context as it prompted the local donor community to reassess some practices that had been unquestioned for many years. However, in hindsight, this structure may not have been appropriate, a conclusion confirmed by the Head of DFID Nepal asking for a review of the office's management and staffing structure after only seven months of operations. As DFID moves to a larger number of country offices, a model for stationing a more limited number of advisors needs to be found based on an analysis of sectoral expertise already available in the country. For example, DFID advisors in the field might cover more than one specialist area or they might also be available to operate in surrounding countries. Alternatively DFID might hire more advisors locally or rely on other donors' in-country expertise." (p. I-67)

"DFID offices in developing countries recruit directly a large number of staff including some professionals who are required to meet the same standards as professionals recruited in the United Kingdom. DFID has adopted a thoughtful and strategic approach to its locally employed staff. DFID's policy on "staff appointed in country" stresses the importance of locally employed staff being given opportunities to progress within the department and potentially play a more substantial role in the management of DFID. As well as training programmes, DFID's career development opportunities for locally employed staff include being able to be posted to a DFID office in another country or to headquarters." (p. I-67 – 68)

"Under the responsibility of DFID's Director for Asia and the Pacific located in London, management of the DFID country programme in Nepal is decentralised to the field. There is no country desk at DFID headquarters backing up the Nepal programme. Such an arrangement is made possible through extensive use of information technology, regular travel by DFID staff and the stationing of a critical mass of qualified and experienced development professionals in the field operating collegially. The quality, utility and accessibility of DFID's information technology systems are consequently vital for DFID to function well. The Head of DFID's office in Nepal is able to approve projects with a value of up to GBP 3 million (approximately USD 4.5 million)." (p. I-85 – 86)

Specific information on establishing the Nepal country office on p. I-86f.

"Decentralisation. DFID has one of the more decentralised structures among DAC Members and a high degree of delegated responsibility. Decentralising from regional to country offices is conducive to improving the effectiveness of development assistance, particularly in a poor policy implementation environment, and so the United Kingdom could have improved the quality of its country programme by opening an office in Nepal several years earlier. An increased number of decentralised offices also creates extra challenges for DFID as a learning organisation, which DFID is continuing to address through substantial investments in information and communications technology." (p. I-89)

UK 2006

"At the level of operational procedures, DFID issued in 2005 a 100-page Blue Book which sets out the core rules, procedures and systems of the department. Compact and user friendly, the Blue Book is one of the best examples of this kind of one-stop, primary reference guide seen in the Development Assistance Committee (DAC) to date." (p. 16)

"The comprehensive and logically constructed programming hierarchy found in the Corporate Performance Framework is administratively efficient, simple and transparent. However, a potential disadvantage of this top-down and organised approach is the tension between the strong, centralised directives coming from London and DFID's objectives of country ownership and operational decentralisation." (p. 16)

“As with other DAC member systems, there will be a need to continue simplifying and integrating reporting systems, all of which impose upon the time of field managers. Similarly, the renewed interest in “telling the story” to the British public (rather than simply reporting data) may require rethinking these systems. Increasingly, DFID will want to reflect with its partners on how to support field based, common results systems.” (p. 16)

“Based on limited Peer Review exposure to actual field practice, DFID is encouraged to examine the current rate of staff turnover which in some cases may undermine effective programme implementation. Other personnel issues that attracted Peer Review attention was the role of the advisor as a “thinker” vs. that of a “doer”, and the ever-present need to use integrated country strategic teams to both shape programmes and implement them. The review team would also encourage staff currently working in headquarters to spend more time visiting the field and country office staff to spend more time out of capital cities. Greater effort should be made in getting key staff closer to the development realities they support. Also DFID should continually assess the optimum balance and size of staff between headquarters and the field and between well-performing and fragile countries.” (p. 17)

“In parallel with top end programming processes, the structured DFID approach to development has led the Department to produce a very wide range of policies, practice papers and other directive materials, some of which are not necessarily linked to field needs or realities. Particularly as DFID becomes more field based and moves closer to an operational approach that involves multiple partners, it will want to review the utility of this type of documentation to ensure that it is not over-investing intellectual resources into an area that is either redundant with other partner efforts or of little relevance to the field. Also, thematic and cross-cutting policy needs to be further mainstreamed in the DFID programme. In an effort to improve the relevance of its policy, DFID already requires that new policy documents contain implementation plans which state their intended value-added and impact. Given the well structured, top down aid programming guidance reflected in policy documents, DFID will want to encourage and assure that their application furthers country ownership and aid effectiveness.” (p. 17)

“Building on decentralisation, DFID should make full use of available flexibility in applying the programming guidelines and identifying the better mix of aid modalities, particularly in the fragile states.” (p. 18)

“DFID staff work through a fairly complex web of teams; meetings are set up according to need (intra-department, cross-department, cross-headquarters, headquarters– field) and include links to outside specialists as well. Links among London, East Kilbride and overseas offices are facilitated by a sophisticated videoconferencing system. The deliberate structuring of operational relationships in this manner serves the purpose of breaking down bureaucratic boundaries and refocusing staff time on resolution of the issues at hand.” (p. 54)

“Based on its business principle of ‘closeness to the client’, DFID has continued its emphasis on operational decentralisation to the field since the last Peer Review and now locates one half of its staff resources in the 67 overseas offices located there. Country offices benefit from substantial delegated authority and are responsible for delivering the DFID PSA in that country. Delegated responsibilities include production of the CAP (which requires London review), full authority to implement the CAP, planning monitoring and reporting, ensuring cohesion with national strategies and systems, promoting coherent UK policy and taking appropriate actions if programme objectives require attention. The Head of Office is delegated financial authority up to GBP 7.5 million per action. Increasingly, the role of headquarters staff is defined in support of its field offices and so as to maintain appropriate levels of field-headquarters dialogue.” (p. 55)

“An organisational particularity of UK development co-operation of interest to the DAC is the DFID “two headquarters” concept which allows for the sharing of system management between offices in London and East Kilbride, Scotland - two locations over 1 000 kilometres apart. In 1981 most programme service functions (contracting, recruitment, accounting, statistics) were moved to East Kilbride as part of a broader government policy of reducing costs

and delocalising civil service jobs out of London. Currently, DFID estimates that the cost of an employee in East Kilbride is one fifth of that in London and almost 40% of overall DFID headquarter jobs now are located there. Evaluations of this policy over the last 25 years have pointed out the merits (cost savings; quality of life) and drawbacks (lessened ability to communicate in a team setting; difficulty in attracting professionals out of London; tendency to create a “dual culture”) of the approach.
DFID leadership is satisfied with the current policy and intends to continue its efforts to build up organisational structures in East Kilbride and to locate more senior officials there. This decision is driven in part by cost saving considerations, but also relates to a deliberate policy of offering staff a choice of work locations. (…) Virtually all headquarters jobs now can be undertaken from either location. Although it has taken several difficult years to reach this point, it now can be reasonably asserted that a two headquarters approach works to the satisfaction of most DFID managers and staff. Because the concept of relocation is of interest to other DAC members, it is useful for DFID to share the results of this organisational experiment.” (p. 56)

“DFID is among the donor leaders in testing more effective field-based delivery approaches, including what seems to be an immediately operational concept of delegated partnerships. Based on discussions with members of parliament, however, it would appear that the UK is politically limited in its ability to carry these operationally appealing partnerships very far.” (p. 59)

Top–down: The programme management side of the Framework vs. Bottom-up: The performance feedback side of the Framework (details for these two aspects p. 58ff).

“DFID will need to continue to reflect on the issue of how all this feedback is translated into “knowledge management” that can be helpful to UK development co-operation and the efforts of its partners.” (p. 61)

“DFID world wide staff totals 2 853 (…), of which two-thirds are in the category of “Home Civil Servants” and the remaining one-third in the category of “Staff Appointed in Country” (local staff recruited in the field). (…) 7% of DFID Home Civil Servants are on secondment.” (p. 62)

“Current staff turnover in the field appeared to the Peer Review team to be too rapid to sustain the DFID model of engaged leadership based on profound field understanding. Home civil servants should aim to serve minimum 3-4 year cycles while in the field. A rapid turnover was also observed in headquarters and may suggest that this is a structural issue, perhaps due to DFID incentives for personal advancement. Finally, having local staff in the field already is recognised as a tremendous asset and the number of professional SAIC employees is expected to increase. However, the current local personnel policy (as is true for many international donors) also fails to offer them incentives to remain within the DFID system.” (p. 63)

“DFID offices in Nepal and Zambia both benefit from committed and talented staff. (…) It notes that its increased use of GBS so far has not lessened its staffing responsibilities but has led to adjustments in its skills mix. (…) In both countries, it was felt that DFID staff (both UK and local) need more contact with districts and local communities and that they should interact more with NGO partners and civil society to verify poverty reduction impact and understand local perceptions.” (p. 67)

“Decentralisation in practice
DFID country offices benefit from substantial delegated authority, each head of office being responsible for delivering DFID’s PSA in its country (Chapter 5). However in a sensitive political situation, such as in Nepal following the February 2005 takeover of government by the King, decisions are taken in close consultation with DFID headquarters and ministers. In this case, the ministers decided in March 2005 that there should be comprehensive review of the Nepal portfolio by July 2005. The review was undertaken by the DFID Nepal office in close consultation with DFID senior management and other interested UK government depart-

ments. Review recommendations were submitted to DFID ministers. Ministers have been consulted on a case-by-case basis on all financial aid payments." (p. 67)

"DFID is anxious to translate international commitments on aid effectiveness into its country programmes. In Nepal and Zambia DFID is seen as a leader in implementing the aid effectiveness agenda in its different dimensions. Its degree of decentralisation, when added to its strong field staff, is an asset in this respect." (p. 68)

"DFID notably recognises that while technical assistance as part of a GBS package has positive effects, it will need to work at decentralised levels to match service needs." (p. 73)

"DFID is invited to continue the trend towards more focused country offices. Building on its high level of decentralisation, DFID is encouraged to continue to be flexible in allowing each country to identify the better mix of aid modalities, taking into account each specific context. (p. 74)

Sweden 2005

"Its decentralised operations in the field help to maintain a strong presence among local partners and allow it to actively pursue issues of development collaboration at that level." (p. 11)

"(…) a tendency noted in the 2000 Peer Review to disperse ODA geographically still persists; consequently this reduces funds and administrative resources for the more strategically selected, long-term recipients." (p. 12)

"Since the 2000 Peer Review, Sida has made a significant effort to decentralise operational decision making to the embassies. Building on its three pilot experiences in 2000, Sida now has thirteen "fully delegated" missions and six partially delegated ones, with expectations for further delegations over the next few years. This is consistent with Sweden's interest in recipient ownership of its programmes and more harmonised partnerships with other partners. One consequence of this rapid shift of responsibility from Stockholm to the field is the need for regular high-level re-examination of relationships between headquarters and the field, which increasingly needs to become one seamless team.
An important, long-term consideration that is critical to Sweden's effectiveness in the field is the presence of adequate staff (skills mix, headquarters– field proportions and delegation of personnel management to the field) to meet the future needs of the Swedish system. Personnel policy objectives in a decentralised environment can include staff planning well in advance of field needs, a special status for local professional staff and better delegation of personnel contracting authorities to the field." (p. 15)

"The MFA and Sida should pursue discussions on operational relationships which permit greater system efficiency and promote more of a team environment. Decentralisation is an important new direction and Sweden is encouraged to review regularly and collaboratively its field operations, how they can be made better and the organisational trade-offs between headquarters and the field that may be necessary to its efficiency. Additionally, a clearly integrated, regional strategic vision for operations at the embassy level could improve operational efficiency." (p. 16)

"Humanitarian aid is not delegated to the field, but Sida uses regional humanitarian coordinators to improve assessments, monitoring and follow-up. "(p. 16 – 17)

"*Box 11. Sida's strengthened field orientation*
At the time of the previous 2000 Peer Review, Sweden had just launched three pilot efforts to decentralise authority to the field in Tanzania, Vietnam and Nicaragua. Building on this and other experiences in this area, Sida launched a much broader decentralisation effort in its

2004 Vision for a strengthened field orientation, (Sida, 2004b). It pursued the ideal of finding a balance between an empowered and strengthened field organisation and a supportive organisation at headquarters – so as to create 'the best possible prerequisites for fulfilling the poverty reduction goal'. The 2004 document was also an action plan. It contained a first phase of structured planning which by June 2004 had led to 13 'fully delegated' missions, 6 partially delegated missions and 24 embassies or Sida offices with little or no delegation. Current thinking projects an increase in this number over the next few years. Full delegation accords decision-making responsibility to the head of the individual field office for activities up to USD 6 million (SEK 50 million) and for all programmes and projects included in the Country Plan." (p. 47)

"An important feature of the MFA is its responsibility for 102 embassies, delegations and consulates around the world, many of which house development co-operation programmes." (p. 48)

"With the new emphasis on decentralisation of authority to its 40 field locations, the departments are primarily responsible for supporting work in the embassies." (p. 48)

"Sida works with NGOs on the basis of 14 framework agreements, which together fund the work of some 750 Swedish and 1500 developing country NGOs. (…) Issues raised by NGOs during this Review included (…) concern that new Sida decentralisation directives that channel aid through the embassies may marginalise Swedish NGOs in relation to partner country ones." (p. 50)

"Importantly, in 2004, Sida established a new department for Policy and Methodology (POM), with a focus on the new poverty goal for Swedish development co-operation and with the dual assignment to: (…) provide support and advice on methodological issues to field organisations and Sida departments." (p. 51)

"Country or regional strategies (usually for five years) (…) are commissioned and approved by the government, and most preparatory work is carried out by the embassy, particularly by Sida field staff." (p. 51)

"In sum, Sida has developed a well structured, transparent and fairly complex approach to the strategic programming of Swedish bilateral assistance. Particularly as Sweden seeks to play a stronger role in the harmonisation and alignment of its aid, it would seem possible to further simplify its own system so as to make it even more complementary to recipient country and other partner contributions to development (…). The existence of the Policy for Global Development opens new possibilities in this respect. First, both the MFA and Sida (and other Swedish implementers of its ODA) can use PGD to review jointly the entire spectrum of their policies and guidelines, both to simplify and to prioritise. Second, as emphasis is increasingly placed on programme decision-making in the field, both the various procedural steps and the shape of organisation and staff in Stockholm and the field can be regularly reviewed and adjusted, as appropriate. Because of PGD, it would now seem plausible for Swedish government leadership to authorise even further simplification of the decision-making layers, while reshaping resources in a manner even more supportive of the field. Because of the "system" mandate given to the Sida Department of Policy and Methodology, it would appear to be well placed to review and advocate improvements in these areas." (p. 52)

"*Box 13. Delegated partnerships – how do they do it?*
Sida has demonstrated an ability to implement its country development portfolios with a very small investment in staff, including the examples in Mali and Malawi noted below. This type of delegated partnership has been limited to date, but, because of Sweden's procedural flexibility, could easily lead to much more ambitious efforts in the near term.
In Mali, Sida decided in late 2000 to open a bilateral office in Bamako with only one professional for a growing programme, which began with a USD 5.5 million portfolio and now has attained USD 18 million per year. In the beginning, three initiatives were used: i) USD 5-7 million per year were invested in budget support for economic reform and poverty reduction,

with the help of local colleagues from the IMF, the Netherlands and France. ii) USD 4-5 million per year was provided to the education sector programme through a delegated partnership with the Netherlands. Sida's Chief Controller made a special visit to The Hague to review Dutch reporting system standards and to agree upon their acceptability to handle Swedish funded programmes. An assessment of the Dutch embassy's programme was done by Stockholm. Reporting was semi-annual and the two sides met formally on an annual basis. iii) USD 1 million per year funded a UNICEF effort in child rights and the trafficking of children. Administrative details were handled by Stockholm, while the local Sida professional maintained dialogue at the level of Bamako. Reporting was handled directly by UNICEF.
In Malawi, the Ministry of Foreign Affairs and Sida agreed to increase support to Malawi following democratic elections in 1994. At that point, Sida's involvement was limited to support via Swedish nongovernmental programmes. In 2000, Sida sent a special mission to elaborate a strategic approach for future Swedish development co-operation with Malawi, ultimately deciding to use a silent partner approach for the entire portfolio, which was delegated to the existing local mission of Norway. Similar to the Mali experience, the Sida Chief Controller was dispatched to Oslo before agreeing to use of the NORAD policies, procedures and reporting systems. Sweden and Norway then agreed upon a jointly funded country programme for Malawi as well as a Sweden-Norway legal agreement concerning common operational modalities. Sweden now invests USD 12-13 million per year in the programme run by the local Norwegian embassy. It has been estimated that this approach saves Sweden USD 1.5-2 million in annual operating costs. Norway now has reciprocated with a similar partnership with Sweden in Mali." (p. 53)

"Chapter 6 examines the country level perspective of Swedish monitoring and evaluation and concludes that it could usefully be enhanced beyond current levels, both given the international trend in this direction and because it would permit greater clarity in promoting more efficient aid management." (p. 53)

"Sida development staff totals 863 employees (733 permanent posts), of which 171 (about 20%) are stationed at embassies. Elsewhere, the development functions of the MFA (Department of Global Development and part of Department for Global Security) contains 66 professional staff (only 7% of total Stockholm staff) to which could be added a small number of embassy officials who consider development co-operation to be their primary occupation. Finally, the Division for International Financial Institutions of the MOF contains a complement of seven development-oriented desk officers in Stockholm." (p. 54)

"The field, where emphasis now is shifting, should be highest priority for maintaining adequate staffing levels, the exact configuration of which can only be determined through feedback and dialogue between headquarters and the field. The balance of personnel between headquarters and field is also regularly under review and it may already be appropriate to further reduce Stockholm staff positions (and responsibilities) in favour of the embassies. Sida has identified the need to create incentives to encourage qualified staff from headquarters to move to the field, where the family environment may be less favourable. In any case, Sida will need to continue to seek out new, more cost effective and flexible approaches to the staffing of the field. The use of a regional base, such as that visited in Kenya, to cover a subset of countries and activities is one option. The improved use of local professional staff (National Programme Officers - NPOs) and the expanded use of local contractors are two options which are further discussed in Chapter 6. It would appear reasonable for Sweden to now consider delegation of authority for staff planning and personnel contracting to the field. Finally, the increasingly integrated nature of today's embassy suggests that all Swedish staff involved in development will increasingly need specialized development skills and experience which, for MFA employees, could imply supplemental training before taking up assignment. It also will be important to select ambassadors in the major recipient countries who have requisite levels of exposure to the issues of development." (p. 54)

"The core development co-operation collaboration between the MFA and Sida is sufficiently well anchored to invite discussion on newer forms of operational relationships that could permit even greater system efficiency and create more of a "team" environment. This is par-

ticularly true as Sida operations are increasingly delegated to the field in the context of integrated embassies.
Decentralisation has been a major new direction in Swedish development co-operation and is of interest to the other members of the DAC. As Sweden continues to implement the new directives of PGD and to strengthen its approach to field leadership it will need to continue to reflect on the size, type, skill base and location of its professional development staff. It is encouraged to continue its innovative work with harmonisation and alignment and other new programme approaches which permit quality implementation with minimal staff." (p. 54)

"Sweden sees Kenya as a base of political stability and a motor for economic development in the broader region. (…) The embassy in Nairobi is Sweden's largest embassy in Africa and the fifth largest in the world. (…) The embassy currently is responsible for political reporting on Kenya, Burundi, Rwanda, Somalia, as well as different levels of oversight for the bilateral development activities in these countries, except in Rwanda, where a small office of the embassy, managed through Sida works Stockholm. (…) As a medium-size donor with only modest direct national interests in the area, it not surprising that Sweden has chosen to assign its embassy in Kenya multiple tasks, many of which require integrated and cross-referenced behaviour on the part of its officials on the ground. This is a potential model for broader Swedish political and developmental presence elsewhere in Africa. The complexity of its mandate and the need for flexible and sometimes rapid decision-making on the ground confirm the wisdom of the recent agreement to fully delegate authority to the field." (p. 56)

"The Embassy in Nairobi is tasked to cover political developments in Burundi and reports to the MFA. Sida is responsible for the Humanitarian aid and development co-operation programme which is managed by two different departments at Sida (SEKA and DESA) under the supervision of the regional Africa department. Sida has managed its support through three models of field representation: In 1996–2000 Sida operated a small office in Bujumbura (one sent out staff from Sida and two locally employed). In 2002-04 monitoring was conducted by a regional humanitarian co-ordinator based at the Embassy in Nairobi, paid and managed by Sida. Since November 2004 Sweden operates through an arrangement with a Norwegian NGO where a part-time Liaison Officer is responsible for monitoring and follow-up of humanitarian action programmes. The arrangements raise serious questions as to Sweden's ability to deliver on its commitment as a donor to the transition in Burundi and, in relation to functions, it remains unclear how the Liaison officer may officially represent Sweden on a formal basis. While Sweden's contribution is well recognised the present arrangements are not satisfactory and send unclear signals to partners and other donors. Furthermore the NGO is also tasked with conducting other services for Sweden such as conducting interviews with asylum seekers and screening local candidates for Sida projects. This arrangement can not be viewed as optimal and appears to be an ad-hoc solution to a broader organisational issue of field representation in complex emergencies and transition situations." (p. 58)

"Kenya field visit. The following development co-operation "system" messages were retained from this visit by the Peer Review team: (…)
5. DECENTRALISATION: i) Full delegation of authority to Nairobi has permitted Swedish aid to be more flexible and effective. Further improvements that would help operational efficiency include the consolidation of the 17 different budget lines which can be flexibly managed from the field and delegation of all personnel matters to the field. ii) Headquarters (Sida and MFA) could use its Quality Assessment system to regularly review the strengths and weaknesses of the decentralised approach. iii) The embassy has introduced a number of local aid management innovations (e.g. Management Development Group, RAPP and MANIAC, etc.) which are yet to be institutionalised. These innovations merit the regular attention of MFA and Sida, and would be of interest to other field posts, as well. iv) Urgent attention should be given to modernising outdated management tools (e.g. the labour intensive "PLUS" financial management system; computer hardware and software). (p. 61)

"Kenya makes use of five NPOs, all of whom are mandated to function professionally in the same manner as their Swedish counterparts, with the exception that they cannot authorise use of Swedish funds. NPOs feel that they are well integrated into embassy operations and appreciate the fact that most internal communications are now in English, including Sida procedures and regulations. NPOs initially are competitively hired based on their technical competence (e.g. civil engineer for a roads activity) but once they have proved themselves, they are given responsibilities in other areas, as need arises. (…) NPOs are not hired with Sida career objectives in mind and tend to move elsewhere after a few years of service. More attention to providing career opportunities (…), including a system of performance-based incentives, could help motivate these valued employees over the longer term." (p. 63)

"Seen as a testing ground for innovation in management, the Kenya experience holds the potential to provide multiple insights into Sida operational approaches, especially in a context of full delegation of authority. Curiously, the Kenya mission has not been designated even as a pilot or experimental field mission. Neither is Stockholm actively monitoring the multiple innovations taking place in Kenya, nor are these innovations regularly shared with sister missions elsewhere who may take an interest in similar types of programme reform." (p. 65 – 66)

"Decentralisation of authority to the field permits Sweden to play a role in development co-operation far beyond the ODA volumes that it can provide. Stockholm could usefully re-examine, on a regular basis, the status of its field operations, how it could be made better and the organisational trade-offs between headquarters and the field that may be necessary to create an optimal Swedish "team" environment." (p. 68)

"Staffing, especially in the current context of greater decentralisation of authority to the field, should be an ongoing preoccupation of Sweden. Examples include staff planning, well in advance of field needs, consideration for some form of special status for local professional staff and better delegation of personnel and technical consultant contracting authorities to the field." (p. 68)

New Zealand 2005

"The political momentum that has been generated with the establishment of NZAID will need to continue as the agency confronts the challenges involved in carrying its programme forward. These challenges (…) include (…): Strengthening further its field presence so as to engage fully in policy dialogue and concrete collaborative efforts with developing country partners and other donors." (p. 11 – 12)

"*Need for a greater field presence*
The establishment of NZAID has enabled the building up of a competent and dedicated team with extensive development expertise and experience. The agency's recruitment process has been intensive with 70% of its staff (90 persons at the end of 2004) having been recruited over the past two years. At this stage, apart from five NZAID staff members serving overseas, personnel from New Zealand embassies and high commissions in developing countries are responsible for the implementation of development co-operation programmes. With a few exceptions, overall management of NZAID's programmes rests with Wellington-based staff. The establishment of "virtual" country teams involving staff from headquarters and the field has proven effective for managing NZAID's programmes and enabled field posts to access expertise in headquarters. Strengthening field presence remains critical in enhancing the agency's ability to ensure an active participation in policy dialogue with local partners and co-ordination with other donors. Providing sufficient field exposure for staff would also be essential for helping the agency to understand and adjust to local circumstances on an ongoing basis." (p. 19)

"NZAID will need to ensure that staffing levels and skill mixes, especially at the field level, are continuously adjusted as the agency progressively shifts towards sector-wide approaches and gets more engaged in policy dialogue and co-ordination processes in partner countries. This implies more field postings of NZAID staff." (p. 20)

“Jobs have been designed so as to maximize learning and development opportunities in order to support career development and staff motivation. A relatively small agency like NZAID may have limited opportunities to offer career development in a traditional hierarchical sense. This is why special emphasis has been placed on developing policy through broad participation across the agency (…). NZAID’s size and structure also enable staff to be more directly engaged at the strategic level than it would be the case in other larger organisations. A key test whether this approach has been a successful strategic choice will be the staff retention rate in the coming years.” (p. 59)

“As part of the Shared Services Agreement between NZAID and MFAT, personnel from New Zealand embassies and high commissions in developing countries are involved in the implementation of development co-operation programmes. There are 58.8 full time equivalent staff carrying out ODA work in diplomatic missions involving 262 individual staff in various percentages (from 5% to 100%) (…). The establishment of NZAID has made it possible to second professional development staff to overseas postings. There are currently five NZAID staff members serving overseas (in Fiji, Indonesia, Samoa, Solomon Islands and Thailand). NZAID is considering five additional overseas postings in the near future (in Fiji - to cover regional multilateral activities, Papua New Guinea, Tonga, Vanuatu and Vietnam). Overall management of NZAID’s programmes rests in principle with Wellington-based staff. NZAID is now, however, planning to devolve programme management responsibility to the field in South Africa and in some of its partner countries in Asia. This shift in responsibility concretely means that the programme managers for these countries will be based in the embassies or high commissions with supervision and back up on policy and strategy to be provided by team leaders and a smaller number of staff in Wellington.” (p. 59)

“NZAID continues to face challenges in ensuring adequate field capacity and providing sufficient staff development opportunities. Overall, the number of professional staff working full time on development in the field appears to be small. Even with additional secondment of NZAID staff to overseas postings, NZAID will not have managers in each major partner country. Although the number of locally-recruited professional staff has increased in recent years, they remain spread quite thinly: on average, each of them works about 60% of their time on development. The shift away from project implementation to programme-based approaches means for NZAID, as for other DAC members, a more regular and direct engagement in the on-going policy dialogue taking place at the field level between partner governments and other bilateral and multilateral donors. In addition, providing sufficient field exposure to its staff, in particular newly recruited staff that may not have extensive field exposure, is important to enhance expertise and provide professional growth opportunities.
Considering the relatively small size of New Zealand’s aid programme, full decentralisation of its organisation to the field may not be an appropriate option. It may indeed prove costly for the agency to devolve specialist expertise to each field representation in every sector while benefiting at the same time from efficient communication and decision-making lines. In the coming years, NZAID will have to continue to look strategically at the number and type of skills needed in each of its major partner countries from both a development effectiveness point of view and growth career development perspectives. Ultimately, insufficient staff numbers and an inappropriate skills mix combined with centralisation of authority in headquarters could undermine the effectiveness of New Zealand’s ODA. This highlights even more the need to further focus both geographically and sectorally while considering the most effective allocation of human resources and the level of delegated authority between headquarters and field representations.” (p. 60)

“NZAID is addressing the constraint of limited field presence through an interesting team approach (see Box 9) that has the potential to be effective as the DAC review team could see it at work in Solomon Islands. For example, within a couple of hours, NZAID was able to agree to a request from the Solomon Islands’ government to roll-over approximately NZD 1 million to help close a budget gap.
Box 9. An interesting “virtual” team approach
A programme management team has been established to oversee the management of the programme in Solomon Islands with written guidelines setting out the duties and responsibili-

ties of the diverse range of NZAID and MFAT staff in Wellington and Honiara. The team is chaired by the Wellington-based NZAID programme manager and comprises: the staff in the post (including the high commissioner, the NZAID manager and the locally-recruited programme co-ordinator); selected staff from NZAID (the team leader in charge, sectoral advisers as well as staff from management services); and a MFAT representative. Regular meetings are organised through structured conference calls with prior agenda setting and sharing of notes to ensure follow-up. This approach has proven mostly effective in moving forward with the sector approach in the education sector in Solomon Islands by fostering cross fertilisation of knowledge and good practice available within the organisation, notably on aspects related to risk management." (p. 60)

"Partnership in evaluation is being given due consideration by NZAID. Participatory evaluation is regarded as key by NZAID to ensure better ownership of results by partners and as a way to contribute to capacity development in evaluation." (p. 62)

"In recruiting the necessary staff for its new organisation, NZAID has been looking specifically for people with previous experience in relevant processes such as SWAps and Poverty Reduction Strategies (PRS) or with profiles and experience that would support the in-house implementation of the harmonisation agenda. The agency's capability has been strengthened through judiciously selected staff secondments. (…) NZAID has invested heavily in staff training, including on harmonisation. Over the past two years, there have been various workshops involving field staff as well. A session on harmonisation has been included in the orientation training programme for new staff." (p. 66)

"At the partner country level, systematic discussions increasingly take place between AusAID, NZAID and the governments on how the two donors can work together more effectively to enable better co-ordination, and to lessen the burden of dual systems. (…) AusAID and NZAID operate from a single office in Tuvalu enabling stronger links between their two programmes. Progress has been made in Samoa and Kiribati for developing joint country strategies. Discussions are also under way towards a tripartite agreement between AusAID, NZAID and the government of Samoa to cover a public sector improvement programme. Such common efforts have culminated in the establishment of the first joint programme in the Cook Islands. The increased size and flexibility of a joint programme of this type combining the expertise and experience of two donor agencies has the potential to produce promising results and could pave the way for similar initiatives elsewhere." (p. 66 – 67)

"NZAID's presence in the field remains limited. The establishment of horizontal teams has proven effective for managing SWAps and enabling field posts to access sectoral expertise in headquarters (…). Strengthening field presence will nevertheless remain critical in enhancing the agency's ability to make further progress on harmonisation and alignment by promoting stronger dialogue and interaction with local partners and other donors, enhancing NZAID's analytical capacity and improving its responsiveness to changing local circumstances." (p. 67)

Germany 2005

"In a context of development co-operation based on the principles of partnership and ownership the German model of development co-operation may no longer be appropriate from a partner country perspective. The institutional distinction between financial and technical co-operation and within technical co-operation itself has major implications throughout the entire development co-operation process. First, the German system – which relies on a wide range of organisations, instruments and approaches – runs the risk of being donor-driven in designing strategies and programmes. Second, the internal co-ordination needs absorb German staff time and energy away from more important strategic tasks. Finally, developing country partners are required to deal with multiple organisations and procedures, an unnecessary burden on their often limited capacity. (…) Structural changes will be needed for Germany to respond effectively to current development challenges. The modernisation of the traditionally compartmentalised German development co-operation system is not a new topic and has been frequently discussed over the years both inside and outside German development co-operation." (p. 12)

"To date it has undertaken a number of pilot efforts to modernise its aid system, including renewed attention to field-based German co-ordination (e.g. additional BMZ staff in embassies; use of country and sector teams, including team leaders; use of one country strategy for all agencies), or more flexible use of delivery modalities that go beyond a project-based system, including programme-based approaches and budget support. (…) Additional suggestions contained in the main Secretariat report include the further strengthening of the role of the Development Co-operation Officer under the substantive leadership of BMZ and the secondment of additional BMZ staff to embassies, the further integration of German implementation agency operations and programmes in the field, and the review of current use of country sector strategies that could be merged into one document better aligned with partner country-led strategies.
Much of the change process described above relates to the more efficient internal functioning of the German aid system. With a more efficient and better co-ordinated local national presence, Germany will want to continue its efforts to match its system requirements with those of other partners in country. This will vary from country to country and the local country team should have leadership responsibility to determine the optimally appropriate approaches required by local realities." (p. 16)

"*Field perspectives and their impact on headquarters*
The shift to a more organisationally decentralised and locally efficient aid approach also invites consequential re-examination of organisational relationships at the level of headquarters and the field (e.g. between BMZ and the implementing agencies; among implementation agencies; between BMZ and the Federal Foreign Office), as well as the whole gamut of domestic procedures from aid strategic planning to annual budgeting. BMZ is now promoting a network approach at all levels to encourage pragmatic team building among relevant actors around topics of operational specificity. These are interim steps toward a rethinking of the entire aid system. In the longer term, active team building across bureaucratic boundaries can permit a gradually improved understanding of key relationships that should help to simplify procedures and mechanisms of collaboration. At the level of headquarters, as well as in the field, it would seem desirable to shape these organisational relationships against a backdrop of results." (p. 16)

"Critical to both internal reform and the improvement of relationships to external partners is the role of German development staff. (…) Human resource planning could be both more proactive and better co-ordinated to work toward optimal resource allocation, especially in the new context of decentralisation and international donor effectiveness." (p. 17)

"The current push for operational decentralisation should gain speed and, to the extent feasible, go beyond only co-ordinating German aid to actively managing it under the authority of the Development Co-operation Officer. This will require a new understanding between BMZ and the Federal Foreign Office on their relationships in the field." (p. 17)

"Any forward thinking on new approaches to German development co-operation in the field must include parallel human resources planning (number, seniority, skill mix, location, support from headquarters or other sources)." (p. 18)

"For example, a recent evaluation of Germany's organisational ability to contribute to the PRS process as well as its effectiveness in the field (BMZ, 2003a – *document not found on the web*) suggested, inter alia, the need for a better definition of organisational roles and more co-ordinated structures; a more flexible and decentralised organisational approach to decision making; a review of the division of labour between the embassy and BMZ and other agency staff in country; and the possible utility of a merger of agencies in the field." (p. 52)

“Of the total 589 staff in BMZ headquarters, approximately 80% are located in Bonn and 20% in Berlin. Some BMZ professional staff consulted by the DAC Peer Review team find this geographic split of location of the ministry to be a costly inconvenience. However, most seem to find that communications and collaboration are adequately dealt with through frequent movement of staff between the two locations and the use of modern communication technology, such as email and teleconferencing.
At the level of field operations, German embassies in developing countries are expected to have at least one “development co-operation officer” who handles local development co-operation. This person is either a Foreign Office official or a BMZ employee temporarily seconded to the Foreign Office and can be part time or full time, depending on the nature of the workload. Chiefly due to budget constraints, only about half of these posts are currently occupied by BMZ full-time development specialists, with emphasis on embassies in “priority partner” countries. A total of 38 BMZ staff had been assigned to embassies or other permanent missions to international organisations at the end of 2005.” (p. 53)

“Although GTZ actually implements only 9% of total German ODA, it makes up the vast majority of front line German development expertise. GTZ places continuing emphasis on operational decentralisation to the field, both of delegation of authority and of resources. Some 900 full time staff is located in Eschborn headquarters, a small office in Berlin, or elsewhere in Germany and another 8 000 field staff (7 000 of which is local professional and support personnel) is located in 131 countries and 66 offices overseas.” (p. 54)

“KfW manages the largest share (18%) of German ODA, while doing so with a relatively modest 370 staff, located mainly in Frankfurt headquarters. In keeping with current emphasis on increasingly decentralised decision-making and the large number of countries (113) in which it works, KfW has increased the number of its staff in the field, currently numbering 24, who collaborate with 80 local experts and operate 46 field offices. Half of these offices are staffed exclusively by local professionals. KfW increasingly attempts to collaborate more closely with other German agencies, particularly GTZ, and its offices are located in joint “German Houses” with GTZ and - as far as possible - other German agencies.” (p. 55)

“For the last decade, DAC members have witnessed a trend toward greater empowerment of their field missions around local strategic leadership. (…) With Germany’s aid system of centralised official BMZ oversight and increasingly decentralised implementing agencies, a major organisational challenge for the future will be to better match German competence with decision making in the field (Chapter 6). Given that the priority area co-ordinators (normally recruited from GTZ and KfW) can now represent Germany, there should be greater clarity as to who they represent under these circumstances – the recipient, the local country team or their own institution. Also, because the Foreign Office is currently responsible for all embassy initiatives, any moves towards the decentralisation of aid operations will inevitably need to examine administrative approaches that can most effectively strengthen development operations in the field under the authority of BMZ.” (p. 55)

“German development co-operation is making efforts to improve its presence on the ground. As is noted more fully in the following section, Germany is attempting to better join up the efforts of its many agencies overseas through a “country team” concept, with one country strategy for all agencies. Some additional staff is being allocated in support of these field-based approaches and, in an increasing number of cases, agencies may be co-located in one “German House” to facilitate internal collaboration at all levels. BMZ will soon evaluate its three pilot countries (Ghana, India and Morocco) to determine the speed and content of future policy decisions on operational decentralisation.” (p. 55 – 56)

“These initial steps are testimony to Germany’s political desire to work with its partners abroad to decentralise and harmonise German organisation where it might contribute to greater aid efficiency. Nevertheless, as more specifically noted in Chapter 6, considerable additional work has yet to be done. To date, only 6 pilot posts out of Germany’s 84 “priority partner” and “partner” countries have some form of country team (another 20 are being formed in 2005). Formal guidelines for country teams are in place and associated training is

expected at some point this year. Still, BMZ developmental leadership is represented in only slightly more than half of the co-operation countries while being represented by Foreign Office staff in other countries. The role played is that of field co-ordination, rather than the more active concept of field management (including strategy development, planning, programming and programme management).
Possible suggestions for further system improvement in operational decentralisation based on current practice of other members of the DAC include:
• A strengthened, active management role for the Development Co-operation Officer in German embassies (new terms of reference, greater delegation of authority, a new understanding between BMZ and the Foreign Office on their relationships in the field with a direct reporting line also to BMZ, additional staff), accompanied by support mechanisms locally and from headquarters.
• Attention to further improve the integration of KfW and GTZ (and other agency) operations and programmes in the field. Promotion of an approach which flexibly crosses the administrative boundaries of financial and technical co-operation, and which seeks a form of German field presence which is focussed on results achievement, with common local strategic leadership and objectives. Relations among the various German agencies could be more active and local professional skills better shared. BMZ is already working along these lines and promotes implementation, co-ordination and reporting at the sector level. In the long term, a more challenging issue would be harmonisation and ultimately merging the different procedures of the various implementing agencies, one framework for which could be the "German House"." (p. 56)

"Encouraging more decentralised and locally efficient operations calls for a re-evaluation of potential alternative organisational relationships at the level of headquarters (e.g. BMZ-implementing agencies, GTZ-KfW; "narrow" technical co-operation in relation to "broader" technical co-operation; BMZ in relation to the Foreign Office), as well as the whole gamut of procedures from strategic planning to annual budgeting." (p. 56)

"A country strategy is an overarching statement of BMZ policy, generally valid for three to five years, which is binding for financial and technical co-operation agencies but serves as guidance for other agencies. (…) Drafting is carried out by BMZ with the relevant agencies, both in headquarters and the field." (p. 58)

"Based on comments made during the DAC Peer Review field visits, some local observers perceived the potential for conflict of interest in cases where any of the implementing agencies is allowed to take an initial role in designing its own activities with minimal BMZ or host country oversight in the early stages of design. A more effective decentralisation of BMZ leadership and oversight to the field level would be one important way of avoiding the potential for such a situation. (…) It is unfortunate however that so many steps are needed to co-ordinate the German side alone, while many donors now attempt to engage in joint initiatives. Were it possible to create a more unified structure of action for German assistance in the field and, if Germany were able to fulfil its own objective of using partner country vision rather than its own, at least a portion of this programming complexity could be eliminated." (p. 59)

"Given that key decision making of many bilateral and multilateral donors today takes place in partner countries, BMZ has begun to enhance its capacities abroad by establishing additional expert posts. Moreover, in order to increase efficiency and concentrate personnel capacities on policy dialogue, BMZ has taken steps for increased planning within country teams and job-sharing between the ministry and the implementing agencies." (p. 60)

"For all agencies within the broader system, information is gathered at the activity level, then is sent vertically to their respective headquarters. Embassies are generally copied on this information, but do not have the local resources to make use of it or offer explicit commentary. At the level of Germany, information which rises upward from the field may be used by the agency at the level of headquarters." (p. 61)

“GTZ has developed an active system of knowledge management. In 2005, GTZ received an award as “Knowledge Manager of the Year”, from a private German association promoting the topic. GTZ received the award for its “holistic, project-oriented knowledge management model”. This model harnesses competence in some 100 product areas, each under the responsibility of a product manager who acts as a knowledge broker, pooling expertise throughout the organisation. Technical and project information are accessible world wide.” (p. 61)

“The current programming and allocation process is labour intensive (targets, country and sector papers, etc.) and should be simplified and streamlined, ideally around field-based leadership. (…) The current push for operational decentralisation of German assistance should gain speed and, to the extent feasible, go beyond only co-ordinating German aid to actively managing it, including leadership for country strategy definition. A more fully delegated and stronger mechanism for country co-ordination, if not simple integration, of German actors at all levels is needed. The country team concept is a good step in that direction, but will require further clarification and a stronger role for embassy development staff and BMZ support mechanisms. This will require a strengthened role for the development co-operation officer under the substantive leadership of BMZ, the secondment of additional BMZ staff to embassies and a new understanding between BMZ and the Foreign Office on their relationship in the field.” (p. 62)

“Messages from Nicaragua: (…) Organisation: Need for stronger country team and empowerment of the Development Co-operation Officer. Despite closer integration among implementing agencies at the field level through the country team, planning and programming still carried out vertically. Complex structure for technical co-operation no longer justified, given closer integration among agencies.” (p. 64)

“Messages from Ethiopia: (…) Organisation: Country team and priority area groups merit strengthening. Greater efficiency possible through continued unification of multiple German agencies, possibly under one agency leadership and official agreement. More unification can permit sharing of numerous German-sponsored field staff.” (p. 64)

On country strategies: “It would seem most appropriate to situate leadership for the design of such documents with the embassy’s development co-operation officer, who should be well placed to co-ordinate the effort in his/her role of head of the local country team.” (p. 65)

“In the countries visited, responsibility for the co-ordination and implementation of the sector strategies is formally delegated by the embassy to the respective Priority Area Co-ordinator (two GTZ and one KfW employees in Nicaragua, three GTZ employees in Ethiopia). In consultation with the embassy, priority area co-ordinators participate in the sectoral policy dialogue and “speak in the name of Germany” in matters related to their sector of responsibility.” (p. 66)

“As Germany increasingly decentralises its development work load to the field, the size and skills of the staff of all of its organisations there will become increasingly important. (…) In the current German development co-operation system, most local development expertise is contained in the implementing agencies. The large number of professionals located in all of these organisations and the current interest in better harmonising among them, suggest the utility of better sharing skills among the agencies and with the development co-operation officer, to the extent that it is feasible.” (p. 66 – 67)

“Several of Germany’s partners in these two countries commented positively on the way it now is using teams at the local level to bring together the different parts of the German system and they now better understand how to identify and join forces with their German partners. Both Nicaragua and Ethiopia have set up country teams, composed of all local representatives from German agencies and under the leadership of the embassy’s development co-operation officer.” (p. 67)

"Nevertheless, the existence of multiple agency actors is still perceived locally as complicated and time consuming (different administrative procedures, need to maintain multiple contacts, need for multiple official agreements). The role and authority of the embassy's development co-operation officer and the country team should be reinforced. This would seem to be immediately feasible by calling upon greater support from the implementing agencies. Based on the DAC Peer Review field observations, it would seem highly desirable for Germany to progressively shift the role of this field leadership from information sharing and minimal co-ordination to one of pro-active and strategic management of German aid locally. In the longer term, it could be useful for the embassy's development co-operation officer to have responsibilities for shaping and commenting on the annual performance evaluations of the members of their respective teams, many of whom belong to agencies other than their own. For its part, BMZ should review the level of seniority required for these officers to adequately perform their role as "country team manager"." (p. 67)

"It is worth noting that in the course of these visits, several field staff mentioned that they believe the Paris Declaration targets may be too ambitious to be attainable. Based on the DAC Peer Review team's field observations, it can be anticipated that real progress in this area will ultimately require even more profound changes in the structure of German development co-operation in the field, particularly due to the fragmented nature of German agency administration." p. 71)

Key issues	Recommendations in 2001	Progress achieved by 2005
(…)		
Organisational decentralisation	Give urgent consideration to the reinforcement of German field capabilities in order to shift the locus of German aid co-ordination and decision making towards the field.	Despite an increase, BMZ's field presence remains weak. Country teams have been established to better join up the efforts of German agencies. A more fully delegated and stronger mechanism for country co-ordination of German actors remains necessary.

(p. 75)

Portugal 2006

IPAD: Portuguese Institute for Development Support (Instituto Português de Apoio ao Desenvolvimento)

"IPAD manages Portugal's development co-operation programme with a staff of 169. The Institute is not represented at country level and few staff combines the field experience and technical development background necessary to deal with the complex challenges facing Portugal's development co-operation programme. To increase the effectiveness of co-ordination, management and oversight of aid interventions and to consolidate a more strategic view, IPAD needs to shift from an administrative approach towards a more strategic and development co-operation-oriented culture with appropriate technical development expertise. This requirement is evident at headquarters but also at country level, where the shortage of development co-operation personnel is an impediment to the effective monitoring of Portuguese interventions. A strong role for senior advisors in priority countries would help to resolve this as well as encourage synergies between the different strands of work carried out by the various actors of Portuguese co-operation. It would also contribute to institutionalising the dialogue with other donors, including in the context of the implementation of the aid effectiveness agenda." (p. 14)

"At partner country level, Portugal faces the challenge of developing a common vision and operational framework for collaborating with other donors. Portuguese embassies are not sufficiently empowered with resources and authority to make decisions closer to field realities and to collaborate more actively with other donors, including in the context of the aid effectiveness agenda. (…) Real progress in reorienting Portugal's development cooperation in line with the new strategy ultimately depends on its ability to decentralise some decision making authority and human resources to the country level … " (p. 17)

"The Portuguese authorities should delegate greater authority to the embassies and strengthen them with additional human resources." (p. 18)

"Neither humanitarian decisions nor funds are delegated to embassies in the field, however, these may have an advisory role." (p. 19)

"The term "decentralised co-operation", as it is used by Portugal, refers to direct relationships between local institutions such as municipalities in the partner country with their Portuguese counterparts. (…)The 2005 strategy for development co-operation makes decentralised co-operation a priority for strengthening the autonomy and sustainability of local institutions in partner countries." (p. 33)

"IPAD (…) is responsible for co-ordinating Portugal's highly decentralised aid programme spread over 15 different ministries plus universities, other public institutions and 308 municipal governments." (p. 52)

"For the last decade, DAC members have witnessed a trend towards greater empowerment of field missions, in particular to reshape individual efforts around harmonised donor operations. A major challenge for the future of Portuguese co-operation is to take on this approach and to ensure a good match between Portuguese competencies with decision making at field level. Any such shift to the country level would inevitably lead to an examination of the administrative and human resources needed to effectively strengthen development operations under the authority of the Ambassador. (…) IPAD is staffed with 169 people, out of which 17 are one-year trainees who could be posted to the field as co-operation agents and 23 are under renewable temporary contracts. A majority of staff are civil servants and approximately 25% are seconded from line ministries or other public institution with an obligation to return to their ministry of origin after a maximum period of three years. This does not concern staff in management positions. Most of the higher level positions are currently filled by women, including the President who has recently been nominated for an initial period of three years." (p. 56)

"One of IPAD's most time-consuming tasks consists in participating in the selection and recruitment of co-operation agents (cooperantes) for which the institute needs a yearly appropriation of the budget. For teachers (usually sent to partner countries on their first job), the Ministry of Education and IPAD advertise positions and jointly select candidates every year based on the needs expressed by each partner country. With respect to technical assistants and advisors, IPAD is also involved in the selection/recruitment process together with the appropriate line ministry, and technical co-operation contracts are renewed also on a yearly basis. IPAD's involvement in such processes is justified on the basis of its role in the planning and programming process (…) and its understanding of the partner country context. These are important considerations when recruiting and coaching younger people in particular. However, the process generates transaction costs for the institution and raises predictability and continuity issues for the partner countries." (p. 56)

"While IPAD is not represented at country level, few staff within the institution combine the field, technical and development co-operation competencies necessary to deal effectively with cross-cutting issues such as poverty, capacity development and gender (…). Technical expertise, however, is scattered in the departments of the line ministries specifically dealing with development co-operation." (p. 57)

"Field staff will now have greater responsibility for the self-evaluation of projects. This will require support to strengthen their skills in monitoring and evaluation." (p. 58)

“IPAD’s Department for Civil Society and Emergency Aid (…) is responsible for relations with NGOs. The department relies on embassies to provide feedback on NGO projects, although field staff does not have to include information on NGOs in their regular reporting.” (p. 58)

“Even though line ministries may not participate in the country programming process together with IPAD, they have direct access to their counterparts in partner countries throughout the year, with whom they can possibly select projects that will be entered into the annual co-operation plans. “(p. 65)

“IPAD relies on the embassy for reporting every four months on all aspects of the Portuguese aid programme, except for NGO projects. Feedback from the planning and programming as well as from the two bilateral departments is also taken into account. In principle line ministries report every six months to both IPAD and the embassies, and also following the missions which they conduct throughout the year in all priority countries.” (p. 65)

“As neither IPAD nor the Portuguese line ministries are represented at field level, the core of the official Portuguese presence in the six priority countries is the Portuguese Embassy which carries out Portuguese co-operation activities in addition to normal diplomatic and security-related tasks. (…) There is no locally employed professional staff in Portuguese embassies.
Despite the excellent spirit of co-operation and hard work demonstrated by the embassy staff in Dili, the latter are very much absorbed by reporting and administrative tasks, including handling technical co-operation projects. What seems to be wanting in Timor, as in other priority countries, is an efficient system for monitoring all projects and measuring results with some guidance and practical tools. Embassy staff finds it difficult to deal effectively not only with monitoring activities, but also with relations with other bilateral and multilateral donors. In Dili, a senior development co-operation advisor should be recruited without delay to help fill a number of gaps at the strategic level and to institutionalise the dialogue with other donors. Supported by the team’s excellent local knowledge and relations with the Timorese, the advisor could oversee the country programming process, encouraging synergies between the different streams of work as well and ensure the relevance of the programme to the country’s MDGs. He/she could also engage civil society organisations more. A strong role for the senior advisor, accompanied by support mechanisms, would do much to improve the coherence and effectiveness of Portuguese aid. It would also bring Portuguese co-operation more in line with the operational decentralisation currently practiced by a growing number of DAC members.” (p. 67)

“A strong role for the senior advisor, accompanied by support mechanisms, would do much to improve the coherence and effectiveness of Portuguese aid. It would also bring Portuguese co-operation more in line with the operational decentralisation currently practiced by a growing number of DAC members. The Portuguese authorities are strongly encouraged to carefully examine internal organisation and management with a view to addressing this in connection with the particular challenge of implementing the aid effectiveness agenda.” (p. 67)

“With strengthened staff resources at country level the Portuguese authorities might be able to play a prominent role, including to encourage the local authorities to buy into the aid effectiveness agenda.” (p. 69)

“Giving Portuguese embassies more authority and human resources would go a long way towards engaging Portugal more actively in harmonisation schemes at country level; as would budgeting over longer time frames.” (p. 69 – 70)

“The Portuguese authorities should reflect on the opportunity of delegating greater responsibility to the embassies and strengthen them with additional human resources. (…) Field offices should strengthen their monitoring and evaluation capacities and involve embassy staff more extensively in doing this.” (p. 70)

Switzerland 2005

"Overall Swiss development co-operation in all its diversity is considered to be technically sound, with highly committed and professional staff adhering to high standards of integrity. At field level project staff have satisfactory relations with government agencies and representatives at national and sub-national levels based on trust and mutual respect. (…) Its operations are highly decentralised in traditionally "soft" domains, i.e. conflict prevention and democratic transformation, governance, environment." (p. 15)

"Nevertheless the potential for synergies and increased joint SDC-seco work could be more fully exploited at field level." (p. 16)

"*Decentralising more comprehensively to the field level*
Country directors enjoy some flexibility to allocate funds according to priorities decided jointly with partner countries on an annual basis. Viewed from the field, they could benefit from larger financial envelopes, biennial planning and a higher level of delegated authority. General programme management tasks could be decentralized more comprehensively to the COOFs and some advisory resources might be transferred from headquarters to support the aid effectiveness agenda at country level. The COOFs could also take a stronger leadership role in key areas where their intellectual and operational competences and achievements are clearly recognized (e.g. governance and private sector), and more actively pursue joint arrangements with other donors, such as delegated/silent partnerships and sector work where feasible." (p. 16)

"From the limited perspective of the two field visits, it would appear that the agencies' ability to work together depends to a large extent on personal engagement and motivation." (p. 16)

"There may be scope for rethinking the overall structure and organisation of the Swiss development co-operation system, in particular to face the challenges of poverty reduction and aid effectiveness at field level. (…) Switzerland should ensure that all co-operation offices represent both SDC and seco and are granted the appropriate authority over financial and human resources to manage the Swiss programme effectively." (p. 18)

"The use of humanitarian specialists in embassies and SDC co-operation offices could be evaluated to further strengthen this function in field operations." (p. 20)

"Notwithstanding the value of the argument and the political incentive for maintaining two separate structures, following the two field visits the DAC mission concluded that the potential for synergies and joint SDC-seco work could be more fully exploited." (p. 57)

"Compared to seco, as well as a number of less complex development aid structures, SDC's organisational structure is centralised and complex with over forty divisions and/or small entities aligned with its six departments, (…) If the trend in SDC is to decentralise further to the field, increase collaboration with seco and reduce the overall administrative burden as a result of budget constraints, the structure would need to be streamlined. By simplifying the linkages between the policy/strategic and operational (i.e. field) arms, SDC could improve aid effectiveness overall, including the sharing of knowledge across the organisation." (p. 58)

"Responsibilities on allocation of humanitarian funds are not delegated to Swiss Embassies or co-ordination offices, while staff from Swiss Humanitarian Aid Unit (SHA) may be deployed to strengthen field posts and facilitate the provision of humanitarian assistance in crisis situations. In 2003, SDC's Humanitarian Aid Department was represented in 16 COOFs." (p. 59)

"*The Co-operation Offices*
In partner countries the rule is that there is only one Swiss representation on development co-operation issues, and, when applicable, humanitarian aid: the COOFs, which are responsible for the follow-up on both SDC and seco's programmes. However, when there is no COOF the embassy plays this role and when the embassy has been doing this for an ex-

tended period of time seco and SDC may agree to maintain the development co-operation function in the embassy. The COOFs depend officially on SDC and report directly to their respective geographic divisions in Bern. They are co-financed by seco in transition countries (East) where SDC and seco share the same framework credit. A written agreement between SDC and seco covers issues such as the nomination of country directors, their terms of reference, qualification procedures, and co-ordination and representation with respect to the COOFs in Eastern countries. The COOFs represent seco in 21 of the agency's 27 priority countries. In the other priority countries, arrangements (including posting of seco staff), are made with the embassies. In Vietnam and India seco staff are located within the Swiss embassies, working closely with them on economic issues. In the joint COOFs of Eastern Europe, seco contributes to 50% of the fixed costs but depends on SDC's headquarters for programmatic/strategic matters, administration and personnel management. In all cases Swiss ambassadors remain in charge of political matters. …" (p. 59)

"SDC is now a 44 year-old institution, with a substantial and mature staff (43 years old on average) human resource base. The total number of staff members (2004) is 643, with 467 based at headquarters, 176 in the COOFs. There is approximately 1150 locally recruited staff (770 in the COOFs and 380 in projects under SDC contracts). The ratio of staff employed at SDC's headquarters and in the field has slightly increased. Staff remains in SDC for seven years on average and about 203 work part-time. (…) Local recruits benefit from good salary, pension schemes and insurance comparable to other donors. Contracts with locally recruited staff are based on local law, with some compensation when local standards are too low." (p. 62)

"There are currently 57 staff in seco's Economic Development Co-operation Department and 4 vacant positions. Thirty five per cent of the staff work part-time. The average employment duration is four years, which is some improvement compared to the last peer review although it remains unsatisfactory from the point of view of building an institutional memory. Women constitute 51% of the staff. One seco staff acts as a gender focal point on a part-time basis (30 to 40% of her time). This is clearly insufficient to address the range of activities that fall within seco's portfolio." (p. 63)

"A common SDC-seco strategy at headquarters level for implementing poverty reduction at headquarters level would make it easier for the COOFs to take a strategic view of what Swiss co-operation can achieve in specific contexts. It would unleash the positive energy that already exists among field staff to move together with other donors in the direction of harmonised procedures, rules and regulations (…) Staff from the field should be brought together more regularly with colleagues from headquarters to exchange experiences and lessons learned." (p. 67)

"Overall, the Department (F) has played an important role in bringing a closer focus on MDGs within SDC and filling technical gaps at field level. (…) The challenge for the Department, and for SDC as a whole, is to ensure that the policies, strategies and management instruments that are produced are timely and relevant for the COOFs as well as binding for the organisation as a whole. Since a large component of the Department's knowledge management responsibilities involves capitalising on lessons learned at field level, increased exchanges of staff might be encouraged between it and the COOFs. The Department's contribution and effectiveness as a knowledge management unit will ultimately depend on the extent to which its services are solicited." (p. 68)

"In the current climate in Switzerland there may be scope for rethinking the overall structure and organisation of the development co-operation system, in particular to face the challenges of poverty reduction and harmonisation and alignment at field level. (…) A combined SDC-seco operational approach for dealing with national poverty reduction strategies would help the Swiss co-operation offices conduct activities where they can complement other donors' interventions and take leadership in areas where local knowledge and staff experiences can be best exploited. (…) Switzerland should consider the possibility of transferring human and budgetary resources to the Co-operation offices and determine an appropriate balance of competences at that level in support of its international engagements." (p. 70)

"The COOFs enjoy an important degree of decision-making authority, reporting directly to their headquarters in Bern. They conduct the policy dialogue with partner governments and bilateral and multilateral agencies represented at country level; assess local conditions; contribute to the formulation, implementation, monitoring and evaluation of the country or regional programme; administer the budget; manage local staff and serve as knowledge centres and operational focal points beyond SDC and seco. Their relatively high degree of programming independence contrasts with a relatively low level of financial autonomy, however, as their delegated authority is only CHF 20,000 per activity. Although they may obtain additional funds reasonably rapidly from headquarters when needed, this extra administrative step could be avoided if they were provided with larger budgetary envelopes within the framework of an approved biennial plan, as is the case for other decentralised bilateral agencies.
Country directors enjoy some flexibility to allocate the funds according to priorities decided jointly with partner countries on an annual basis. From a COOF's perspective, however, the planning could take place every two years and they could enjoy full financial responsibility to limit administrative costs." (p. 74)

"*Differences between COOFs reflect Switzerland's approaches to partner countries*" (p. 74)

On the situation of Switzerland in Viet Nam: "The DAC mission found that this arrangement was not very cost-effective from an administrative and management point of view, leaving some questions regarding the COOF's role in the management of seco's activities and the degree of collaboration between the two agencies on substance as well as operationally. Although exchanges, including with the Ambassador, do take place on a regular basis, the potential for creating synergies is also limited as each agency tends to its interests and activities separately. A joint COOF with adequate staff capacity and expertise to cover activities from both sides should be seriously envisaged, with the authority to manage the whole programme involving programme staff." (p. 74)

"In Vietnam and BiH Switzerland should scale up its efforts to build training capacities locally and make better use of expertise available at both regional and national levels. More generally, donors intervening with separate training programmes in the same sector should pool funds and ask the authorities to proceed with tendering." (p. 78)

"Swiss development co-operation in all its diversity is widely respected and considered to be technically sound. Switzerland values the local context above all else, using concrete, bottom-up approaches to conceptualize activities within a given country programme. The COOFs have satisfactory relations with government agencies and representatives at subnational level based on trust and mutual respect. Partners are consulted regularly and the relations with international, Swiss and local NGOs are very good. In both Vietnam and BiH, the COOFs play an active part in co-ordinating actors at field level, projects are well monitored and Swiss co-operation is considered to be performing well.
From the limited perspective of the two field visits, however, it would appear that there is room for SDC and seco to create more synergies at operational level, collaborating better in the context of poverty reduction strategies. A shared SDC-seco approach on conceptual and operational issues would make working relations between them more effective at field level. (…) The composition of COOF staff should also reflect the skills mix necessary to adequately address the content of those strategies." (p. 79)

"Although the COOFs have some responsibility for documenting good and bad practice, within SDC knowledge management is mostly the responsibility of the Thematic and Technical Department (see Chapter 5). The possibility for integrating the field experiences and using those where the operations actually take place are thus limited. As for other DAC donors, cases of lessons learned tend to be isolated and knowledge exchange does not translate easily into institutional learning." (p. 82)

“SDC’s Thematic and Technical Department should assist the co-operation offices in providing useful data as part of routine planning, budgeting and reporting for a more systematized accounting for results in reducing poverty.
Switzerland should encourage local ownership by providing more opportunities for national partners to manage development activities directly. It should scale up capacity building and use of local and regional technical expertise, involving the authorities in the selection and performance evaluation of long and short-term technical assistants.” (p. 83)

Belgium 2006

“Belgian co-operation enjoys a good reputation and has good relations with partner countries. This is attributable in particular to the continuity of these relations and the quality of the dialogue which is possible because of competent and committed teams.” (p. 15)

“*Towards increased decentralisation*
Since 2000, Belgium’s embassies have had increased responsibilities in the field of direct bilateral co-operation as a result of the creation of a new post of development co-operation attaché. That said, the degree of delegation of authority is limited from both the decision-making and the financial points of view. Multilateral co-operation and indirect co-operation are largely outside the control of DGDC authority. Greater decentralisation is desirable from the point of view of implementing the Paris Declaration on Aid Effectiveness. This means closer consultations between Brussels and those in the field where strategic decisions are concerned, delegation of decision-making in the case of smaller-scale projects, a reappraisal of financial procedures with the emphasis on a posteriori instead of a priori controls and increased delegation of responsibility for monitoring indirect and multilateral co-operation. Decentralisation along these lines will benefit from the culture of communication and consultation now being developed in the DGDC. It will need to be backed up by improved access to sectoral and thematic expertise based on the new, cross-cutting policy support service.” (p. 16)

“To do this, it must weigh up all the institutional and procedural adjustments needed to enhance aid effectiveness which include, in particular: taking decentralisation policy further, (…)” (p. 17)

“Belgium could give impetus to decentralisation by delegating more authority to embassies’ co-operation sections in the areas of government co-operation and monitoring indirect co-operation, while at the same time improving access to thematic and sectoral expertise.” (p. 18)

“The new policy support unit monitors the major development issues and supports senior management and operational directorates (…). However, given that the unit is not situated hierarchically in relation to the other directorates or country representations, its brief sometimes puts it in a difficult position, as when there is disagreement between the review committee sitting in Brussels and co-operation attachés in the field. The relationship with field staff is all the more difficult in that the experts, being relatively few in number (ten or so), rarely travel to partner countries. The policy support unit's missions and remit will have to be reviewed, taking account of the implications of greater decentralisation, making it all the more necessary for representations to have access to technical expertise.” (p. 52)

“*Necessary decentralisation*
The 2000 reform gave Belgian embassies greater responsibility for bilateral co-operation, with the new development co-operation attachés in partner countries being given an increasingly central role in drawing up and monitoring co-operation programmes. In financial and decision-taking terms, however, the decentralisation of authority is very limited. Financial autonomy is limited by the fact that Finance Inspectorate approval is needed for any expense in excess of EUR 67 000. Consequently, all dossiers have to be sent to Brussels for approval

by the finance inspector assigned to DGDC. As well as acting as a brake on decision-taking in the field, this also causes delays in implementing programmes. Ex post controls could dispel this restriction and give representations more financial autonomy (…). In addition, both strategic decisions and more modest decisions about projects are still taken centrally. For example, DGDC project review committees take decisions in Brussels about whether to take up projects identified by partner countries with the help of embassies and their co-operation attachés. It can sometimes take a considerable time before a project is reviewed, delaying implementation. In future, the very precise identification and formulation process should make central validation of certain projects less crucial and devolving the function for smaller projects could be envisaged. It is probably also necessary to introduce more extensive consultation with representations before strategic decisions are taken. The communication and evaluation culture currently being developed at DGDC, reflected in extensive consultations with field staff about aid mechanisms (microactions, study funds, etc.), is helping to give staff in the field more responsibility and should be encouraged.
Multilateral co-operation also mostly escapes the supervision of embassies and their co-operation attachés, projects being negotiated and monitored directly from the centre. In DRC, for example, the follow-up report on an FAO project financed by Belgium is transmitted by the FAO bureau in Kinshasa to FAO headquarters in Rome, which forwards it to Brussels, which may share it with its representation in Kinshasa. Embassies have no authority over indirect co-operation either, since programmes are chosen and monitored by Brussels and information is not systematically passed on to co-operation attachés in the countries concerned (especially given the system whereby projects are followed up NGO by NGO, not country by country). Thus, the co-operation bureau of the Belgian embassy in Kinshasa does not have accurate and comprehensive information about all the NGOs working in DRC, even though both DGDC and field staff have expressed the desire for closer monitoring of indirect co-operation, as illustrated by current efforts in Kinshasa (…). Even if co-operation attachés have the necessary competences to assume greater powers, decentralisation should be accompanied by greater access to sectoral or thematic expertise, and field staff should be given training with the aim of improving the capacity for political dialogue, analysis and programming. More consistent support from the centre would be helpful, in particular by sending in-house or outside experts on short-term assignments, especially when projects are being prepared.” (p. 54)

“It would also be helpful to develop regional consultation mechanisms among the representations in countries of a sub-region. At the moment a geographical round table is organised each year in Brussels, attended by attachés, diplomats and NGOs. It is an important occasion for sharing information and promoting coherence at regional level. Apart from this annual get-together, however, each embassy deals only with Brussels. Given that a regional approach is essential, especially in the Great Lakes region, horizontal consultation could be valuable. Devolved regional conferences, like those that have taken place in the recent past, should be envisaged in that respect.” (p. 55)

“As NGOs are not monitored on a geographical basis from Brussels, representations in the field do not at present know precisely how many Belgian NGOs are working in their country, or in which sectors and regions.” (p. 58)

“There are external staff, comprising 82 development co-operation attachés assigned after the 2000 reform, and about 190 internal staff. Whereas most of the attachés are assigned to diplomatic posts in developing countries or with international organisations (58 of the 82 posts are overseas), the home staff work in Brussels. There is little overlap between the two careers, since access to the external career track depends on passing an examination that has the reputation of being difficult. This has resulted in a situation where most co-operation staff, including at senior levels, have no opportunity of working overseas, with the attendant risk of causing a split within the personnel between those who have field experience and those who do not, and hence differences in their assessment of situations. (p. 58 – 59)

“(…) because of the conditions of the entrance exam (…) DGDC has trouble meeting changing needs for expert assistance in partner countries. (…) some qualified staff, possibly with many years' experience of Belgian co-operation, have been squeezed out after failing the external career examination, or have been put off by the precarious nature of the other types of status offered, leading to a loss of skills, especially technical skills, in the co-operation system as a whole. (…) High turnover and staff shortages are already undermining the smooth operation of DGDC and have been identified by several players in indirect co-operation as an obstacle to good working relationships. " (p. 59)

"Belgium is invited to review the policy support unit's missions and operating methods, to reevaluate its human resources requirements and to reassess link-ups with the expertise available at BTC from the standpoint of decentralisation and the development of new terms for delivering aid, especially sectoral and budgetary approaches. (…) Belgium could step up decentralisation by delegating more powers for governmental cooperation to embassies and BTC local representations in partner countries, by sharing information about indirect co-operation more widely and by reactivating regional consultation mechanisms. It should also take advantage of the BPR exercise to explore options for streamlining financial control procedures in order to facilitate the del

"The creation of BTC has increased effectiveness by reducing the lead-time for project implementation from over two years to 12-18 months. The new aid organisation has also reinforced partnership, through the establishment of a Partners Committee in all partner countries, translated at project level into a joint local consultation structure. These structures have helped to enhance dialogue with local partners and, as far as project follow-up is concerned, favour decision-taking at local level. They also permit greater flexibility, especially in terms of recruitment, and the introduction of streamlined purchasing procedures, at least when the sums involved are small. But project implementation could be further improved, partly by defining DGDC and BTC's respective roles more clearly, partly by simplifying procedures and financial controls." (p. 64)

"There are 14 stages between project formulation and project implementation, all highly time-consuming since approval is required from different authorities each time (…). As a result, it generally takes 18 months on average for a project to start." (p. 65)

"Onerous financial controls are one reason for long lead-times. Administrative agencies are required by law to have an internal control system. Controls are carried out by the Finance Inspectorate and the Court of Auditors before, during and after projects. These rules are particularly complex to apply in the case of development co-operation, where the players are working with foreign governments and incur a high level of risk. Approval from the Finance Inspectorate is required each time a programme is identified, before the specific agreement is signed, and again for the technical and financial proposal that results from the programme formulation phase. These successive controls compound the delay and their benefit should be assessed. In addition, a finance inspector must determine whether any expenditure in excess of EUR 67 000 is both lawful and appropriate. But it takes a long time to process the paperwork, since the Finance Inspectorate has assigned only one inspector to DGDC. Furthermore, a call for tenders must also be issued for any expenditure in excess of EUR 67 000. Belgium's public procurement legislation is not suited to LDCs and the procedures are long and cumbersome. Raising the threshold at which the approval and tender procedures apply could ensure greater flexibility and faster implementation on the ground. More generally, consideration should be given to the conditions and implications for development co-operation of ex post controls by the Finance Inspectorate and Court of Auditors, at least for certain categories of expenditure. That would mean tightening up accounting and management procedures to ensure that representations monitor expenditure more closely." (p. 65)

Netherlands 2001

"The Netherlands put in motion an ambitious sequence of internal reforms in 1995, then again in 1998. Many of them, such as the decentralisation and delegation of authority to the field, the promotion of host country ownership of the Dutch programmes, and the emphasis of sector approaches, have put Dutch field missions in a role that is applauded by many of their local foreign donor counterparts." (p. I-9)

"*Improved communications*: Perhaps one symptom of the somewhat unclear chain of authority and responsibility (although not the only reason) is an apparent problem with communication between headquarters and the field. It would seem important to initiate action to address evidence of a psychological separation of the field and headquarters, when convergence and communication are so critical to successful decentralised management. In a similar vein, recent strong statements from headquarters on new policies on sector approaches, budget support and technical assistance, seem to have generated misunderstanding which can best be mitigated by a strengthening of communication and a sharing of field experiences in these areas. (…) *Financial vs. management decentralisation*: Despite the principle of decentralisation of development co-operation to the field level, only a part of overall Dutch ODA in any given recipient country is actually managed by the local embassy. A more holistic re-examination of the various budget flows of Dutch ODA to any individual recipient could be undertaken so as to more strategically place the local Dutch representative in transacting the use of these funds. One specific intention expressed by the Minister for Development Co-operation in this respect is the delegation of more authority for macro support funds, all of which are currently controlled out of headquarters. A result of this will be the reinforcement of the authority of the Dutch field missions and the better use of local experience to focus these considerable funds more in line with local developmental policy and logic." (p. I-11 – 12)

"Initiate the actions necessary to effective communications between headquarters and the field, so as to redress any perceptions of separation and to ensure that perspectives from both ends are fully understood and utilised. (…) Ensure that policy-making is fully informed by the field perspective. Special note is made in this sense of the need for policy clarity relating sector assistance to budget support and on the appropriate uses of technical assistance in the field." (p. I-12)

"*Decentralisation*: The reforms introduced in 1996 led to major increases in delegation of management responsibility to the field. Embassies are now responsible for local policy, implementation, and financial management, within the limits of the so-called "delegated funds" mentioned previously. This includes policy dialogue with partner country governments and other donors, and formulation of local Dutch country and sector policy, as well as assessment, approval and monitoring of implementation activities. Embassies work rather autonomously and receive only general policy guidance from headquarters. In The Hague, the key organisational link with overall field operations is the "country team", composed of a small group of MFA staff, who meet periodically under the co-ordination of the country desk officer." (p. I-33)

"*The communications issue*: Perhaps one symptom of the somewhat unclear chain of authority and responsibility noted above is an apparent problem with communication between headquarters and the field. Statements such as "communications seem to be drying up" (senior field official), or "we seem to be drifting apart" (senior headquarters official), were felt indicative of an internal communication problem that merits the immediate attention of ministry leadership. Possible causes of this situation identified by the Peer Review included: a) The newness of the decentralised system, which is not yet fully operational, and now merits more comprehensive, senior-level review of the special needs of field personnel. b) The structural difficulties inherent in a system which delegates primary field - headquarters operational interface at the level of the regional desk (DGRB). Desks were felt to be too understaffed, too over-focused on non-developmental issues (foreign affairs priorities; Parliamentary enquiry), and too frequently lacking the depth and breadth of experience necessary, to be an effective interlocutor for the complex development and management issues coming from the field. Whatever the reasons, it would seem important to initiate some form of action to address the current trend toward the psychological separation of the field and headquarters." (p. I-36)

"New policy emphasis on local ownership and the shift from project to programme (or sector) support, as well as the decentralisation of authority to the embassy level, led to new thinking on the budget and accounting management system which made the most sense. New arrangements are now being put in place for planning and control, financial management and information management, bottom-up annual plans and reports, decentralised control positions, instruments, and training courses." (p. 39)

"… a range of decentralised evaluations (usually mid-term and end-of-project or programme), as well as monitoring, are conducted by operational units in the MFA and by the embassies. The bulk of these evaluation studies are also focussed on development co-operation, although a small but growing percentage is attributed to foreign affairs." (p. I-40)

"It was perhaps unfortunate that changes to the monitoring and evaluation (M&E) system envisaged several years ago were temporarily put on hold in 1995, when new decisions on organisational decentralisation were reviewed from an operations viewpoint. (…) IOB is creating an evaluation help desk to support decentralised evaluations, but generally focuses its attention and limited staff on the broader evaluation issues." (p. I-41)

"The decentralisation of operations to the country level was undoubtedly one of the most implementation decisions taken by the Netherlands in recent years. Now, headquarters needs to make it a priority to factor field leadership into every facet of its international operations." (p. I-42)

Positive experience in the Burkina Faso visit with regard to the effects of decentralisation (p. I-42 – I-44)

"Explicit leadership support for gender issues has apparently been on the decrease since 1995, purportedly because of higher-order organisational efforts and energy mobilised for the decentralisation process." (p. I-46)

"Clearly, decentralisation is a concept that succeeds in permitting a far more effective development assistance programme, and one that more clearly respects the concept of host-country ownership and partnership. At several levels, however, it was also clear that the principles of decentralisation, and the corresponding type of organisation needed at headquarters, have yet to be efficiently operationalised. As noted elsewhere in the text, this includes decentralised systems of monitoring and evaluation, communication, partnerships with other donors and Dutch colleagues in the field, and personnel policy." (p. I-48)

Netherlands 2006

"The Netherlands relies on a "decentralised" system in which embassies are responsible for policy dialogue with partner country governments and other donors, formulation of Dutch country and sector policy, and assessment, approval and monitoring of implementation activities within the limits of the "delegated funds". In line with the increased emphasis on partner country-led approaches, and as suggested by the DAC Peer Review team, the Netherlands has decided to move further in increasing the resources for which financial authority is decentralised. General budget support funds are no longer authorised centrally and have been delegated to embassies in the 15 partner countries where the MFA is currently using this modality." (p. 16)

"The independence of the evaluation function has been a long-term strength within the Dutch system in which the Policy and Operations Evaluation Department (IOB) is responsible for evaluating broad policy and cross cutting themes in addition to decentralised evaluations undertaken by the MFA's policy departments and embassies. In 2006, the MFA decided to move the responsibility for the evaluation planning process from IOB to policy departments so as to address the challenge of the extent and timeliness with which evaluation findings and recommendations are feeding back to policy makers.” (p. 18)

“Following a major realignment of foreign policy in the mid-1990s, the Netherlands was among the first DAC members to decentralise, to a large extent, responsibility for management of bilateral assistance to embassies in partner countries. This decision was motivated by the belief that partner countries’ ownership would be better promoted through interaction with embassies and shorter decision-making lines.” (p. 21 – 22)

“*Decentralisation and its limits*
Reforms introduced in 1996 led to major increases in delegation of management responsibility to the field. Embassies are now responsible for local policy, implementation and financial management, within the limits of the “delegated funds”. This includes responsibility for policy dialogue with partner country governments and other donors, formulation of Dutch country and sector policy, and assessment, approval and monitoring of implementation activities.
Following internal discussions based on the consultation with the DAC Peer Review team, the MFA has decided to move further in increasing the resources for which financial authority is decentralised to embassies. This is consistent with the international context of increased emphasis on partner country-led approaches. It also responds to the 2001 DAC Peer Review recommendation that a “… re-examination of the various budget flows of Dutch ODA to any individual recipient could be undertaken so as to more strategically place the local Dutch representative in transacting the use of these funds. One specific intention expressed by the Minister for Development Cooperation in this respect is the delegation of more authority for macro support funds, all of which are currently controlled out of headquarters”. Funds for general budget support, which were authorised centrally until recently, have now been delegated to embassies in the 15 partner countries where the MFA is currently using this modality.
Overall leadership at the embassy level is provided by the Ambassador, supported by a Head of Development Cooperation. In terms of staffing, the Bangladesh embassy, for example, maintains 15 Dutch staff and 31 locally hired staff (five of these are policy advisers). The embassy in Uganda has a similar level of staff capacity. The Netherlands makes a relatively extensive use of locally hired staff who perform various policy and programme management functions. They often represent the Netherlands in local consultative groups and may act as co-ordinators when the Netherlands holds such a responsibility. Although they are not hired with long-term career perspectives and tend to move after a few years of service, both embassies seem to be making good use of their specific comparative advantage (e.g. local experience and ability to understand local complex situations).
Improved communications between embassies and headquarters
The 2001 DAC Peer Review called for specific attention to improving communications between headquarters and the embassies following the delegation of tasks and responsibilities to the latter. The MFA has taken a number of steps to address this problem. For example, embassies are now notified at an earlier stage about proposed new administrative arrangements and policies which enables them to prepare for and comment on proposed changes. The most important development in this area is the development of a more enhanced planning and monitoring system (see below), which is improving the flow of information between headquarters and embassies. Regular meetings of all ambassadors and of all heads of Development Cooperation are also organised to improve communications.
In 2005, MFA maintained a staff of 3 115 foreign service staff (53% men, 47% women) plus 2 067 local staff. While DGIS alone has a staff of 319 persons, the Director General for International Co-operation directly oversees 157 staff and shares management responsibility for an additional 162 staff with other directors generals.12 However, the MFA estimates that approximately 1 000 of the foreign service staff work specifically on development co-operation, with about 50% of these based in The Hague and about 50% overseas. Since the 2001 DAC Peer Review, a number of steps have been taken to bring staffing levels and personnel policy more in line with the management needs of the development assistance programme.” (p. 52 – 53)

"A key challenge for the Netherlands is how to deploy and use existing resources to ensure that embassies in particular have the right skills mix and capacity levels to deliver on the policy agenda." (p. 54)

"The MFA itself also identified pervasive weaknesses in the decentralised evaluations including very limited insights into programme efficiency, limited insights into effectiveness and limited feedback to the policy cycle. The Netherlands should be commended for taking steps to address these weaknesses, including setting up an IOB help desk to regularly review the quality of decentralised evaluations and to advise operational staff undertaking such evaluations and revising the ministry's evaluation guidelines." (p. 60)

In Bangladesh: "The Netherlands is recognised for its flexible and responsive approach which is facilitated by its decentralised system." (p. 64)

In Uganda: "The ability of the embassy to be flexible and responsive is a clear indication of the value of having a decentralised system." (p. 64)

United States 2006

"As the Foreign Assistance Framework is further refined and used, it needs to draw more explicitly on the operational lessons learned from other US institutions, such as the Millennium Challenge Corporation (MCC), and from wider international donor experience. (…) The Foreign Assistance Framework has the potential to become an instrument for furthering coherence. To realise this, its scope should be broadened over time to include all government development co-operation actors." (p. 10 – 11)

"As its operational approach becomes better defined, the Office of the Director of Foreign Assistance needs to be clear on its role and responsibilities relative to other parts of the aid delivery system. In particular it needs to find effective ways of drawing on the wealth of expertise in its decentralised overseas resources. This will ensure that its perspectives on development are based on field realities, on an operational understanding of effective poverty reduction and on country need. To be effective in its leadership role, it will also be important to extend the office's authority beyond only the Department of State and USAID to the other key actors in official development. The office should also actively involve other informed partners outside government." (p. 13)

"The 26 government institutions that provide official bilateral and/or multilateral development assistance are loosely affiliated, often with different mandates which may overlap. The lack of a unified system of development co-operation means that there are few routine institutional linkages, nor is there regular communication among them. This fragmentation has been justified in the past by the strengths of institutional diversity, especially the system's ability to benefit from each institution's comparative advantage. More recent organisational debate within the US, particularly since development was given greater political priority, has focused on the disadvantages of such fragmentation, both in terms of system inefficiency and of the difficulty of managing for results." (p. 45)

"Traditionally, USAID management is highly decentralised to its 77 field missions, including considerable delegation of authority. Field missions are both country level (full, medium-sized, small) and regional. The latter are also known as "hubs"; they provide a variety of services to the country missions and may implement their own regional programmes." (p. 45)

"The beginnings of such a systematic and strategic approach were formally announced to Congress in April 2006 by the Department of State in a letter establishing the Office of the Director of Foreign Assistance (DFA). This office was described as "an umbrella leadership structure for rationalising and co-ordinating all foreign assistance policy, planning and oversight (…) At the field level (…), the DFA has left the traditional parallel field organisational structures (the local embassy and USAID mission) largely intact. However, current government organisational thinking is clearly moving toward more co-ordinated approaches for these organisations (e.g. co-location within the embassy, shared administrative structures). Much of the context for stronger field strategic co-ordination at the planning and budgeting level is offered by the foreign assistance framework (…). Within the geographic and sector logic imposed by the framework, the DFA provides strategic direction to field-level staff to guide their tactical decision-making, including detailed guidance on resource allocation. This latter guidance has been strongly influenced by field input. More generally, the balance between central direction and field-based programming is still evolving. We believe a predominantly field-based approach should be a critical aspect of United States development co-operation. Local exposure to field realities, close collaboration with other knowledgeable partners and an approach to development that is inspired by local ownership will be central to the ultimate effectiveness and sustainability of government development efforts. We also recognise that maintaining such a decentralised approach may be difficult given the politically charged decision-making environment in Washington and the proximity of development and domestic geo-political goals in the same joined-up organisation. Managing this tension and striking the right balance could be one of the more difficult challenges for this new development co-operation organisation." (p. 48 – 49)

"Using the foreign assistance framework as a "roadmap" and drawing on their knowledge of local realities, the Department of State and USAID will work closely with other agencies at post, including MCC and the military, to produce an integrated Operational Plan. This will account for all US foreign assistance funds managed by the Department of State and USAID, including a discussion of other planned activities inside and outside of government. DFA has identified 67 "fast track" countries (including all African countries) for which a pilot country Operational Plan (activities, partners, funding level, expected output, ultimate outcome) will be submitted to Washington by January 2007. All field missions will be expected to prepare an integrated Operational Plan for FY 2008." (p. 50)

"Box 5 - Use of Mission Management Assessments to track performance
In 2004 USAID initiated a system of co-ordinated Mission Management Assessments to evaluate and improve the effectiveness of field operations. Assessment teams composed of senior officers in key operational areas (senior management, administration, finance, programming, contracting) use a peer review approach to carry out fieldwork. A relatively simple and cost-effective mechanism, the Assessment typically covers programme rationale, implementation and monitoring, roles of offices and teams, organisation and staffing, administrative and financial management, external relations, morale and security. A dozen assessments have now been carried out to identify "best practice" in both programme and internal management. In 2006 they will focus on workforce size and composition, operating expense savings, and the optimal shaping of responsibility for regional offices.
USAID believes that the Mission Management Assessment is a valuable tool for: i) identifying best practice that requires broader dissemination; and ii) uncovering problems that require attention at headquarters. Reports are submitted to the USAID Steering Committee and shared throughout the agency." (p. 52)

"The Knowledge for Development Strategy – FY 2004-08 seeks to bring together existing knowledge-sharing activities to create capacity for knowledge management within the agency. The strategy speaks ambitiously of an "extended enterprise": a broad partnership whereby entities beyond USAID (e.g. other government institutions, international donors, contractors, grantees, recipient countries, etc.) will work together on knowledge management. The strategy is organised around three "faces" of USAID (field, strategic, operational) as a frame of reference for knowledge-sharing. The strategy aims to show that USAID can be "acknowledged as an organisation that works smarter using cutting edge technology". It contains a specific proposal for joint action with the Department of State over the 2004-08 timeframe and refers to other donor experiences and the DAC." (p. 53)

"International approaches to aid effectiveness currently being tested appear to share the Office of the Director of Foreign Assistance vision of "a single strategy, a single co-ordinating unit, and a single performance monitoring approach". If the DFA shapes its field-based approach to performance management along these lines, it would also help break down the bilateral barriers that are common among individual donors. This would greatly enhance efforts to promote joint learning. To the extent that all partners are able to help construct local capacity, ultimately these functions properly belong with the host country. US efforts to build local capacity in this area are welcomed by other partners and should be co-ordinated with them." (p. 54)

"Since the 2002 Review, USAID has increased its directly hired staff by 10% (to a current total of 2 391). One-third of these are stationed overseas and the remainder in Washington. Additionally, most professional and practically all administrative support staff overseas are locally employed. This brought the total USAID staff worldwide in 2005 to 8 279. (…) Numerous personnel challenges are already on the horizon. Most recent data for USAID suggest that as much as 40% of the direct hire employees will be eligible for retirement over the next two years. Also, the new approach to development co-operation, along with shifting strategic priorities, will affect the types of professional skills needed and their location. The rapidly evolving donor experimentation with more effective and co-ordinated approaches to local aid delivery should create potential for sharing government staff with other donors." (p. 54 – 55)

"The Office of the Director of Foreign Assistance is encouraged to follow through on its expectations for field empowerment and strategic leadership within its new operational system, in order to work toward the fundamental developmental objectives of effectiveness and sustainability. (…) As part of the USAID effort (and later that of the DFA) to improve evaluation and knowledge management, the United States should pursue its current interest in joint learning with its partners in the field and elsewhere. The Office of the Director of Foreign Assistance is encouraged to undertake human resource planning across the various government institutions of development so as to identify opportunities for better sharing of scarce skills across institutions and with international partners in the field." (p. 56)

"The vast majority of USAID's current portfolio in Indonesia is delivered in the form of projects with large amounts of tied technical co-operation. Washington needs to provide the field mission with clearer guidance both on the topic of technical co-operation and the associated concept of local capacity-building." (p. 59)

"There is a strong partnership approach in the United States programme in Georgia; USAID field implementers recognise the value of joining up with other donors. The US is encouraged to actively explore and promote all forms of partnership, including working through others to improve overall aid effectiveness and reduce transaction costs for the partner country. The US could play a special role by encouraging the Georgian Government to foster optimal partner collaboration." (p. 61)

"The organisational locus of US development assistance is USAID, which is represented in 69 countries. For security reasons US agencies represented overseas are generally housed in the US Embassy. This is already the case in Indonesia and will be so in Georgia within a couple of years.
Traditionally, US assistance programmes have been highly decentralised with significant authority and discretion delegated to USAID field missions and country teams who report to USAID in Washington. While USAID falls under the general oversight of the US Ambassador, senior staff (Mission Directors and principal officers) have considerable authority to develop country strategic plans; to co-ordinate with other US agencies; to waive source, origin and nationality requirements for procurement of goods and services; to negotiate and execute food aid agreements; and to implement food and credit programmes. In some cases USAID regional missions administer activities and provide services for several countries within the same region. These delegations may differ from time to time and among missions depending on the level and composition of staff and complexity of the programme. The changes implemented by the Office of the Director of Foreign Assistance will not alter this or the USAID field structure.

The US Ambassador is the country team co-ordinator for US agencies overseas. Inter-agency and inter-project co-ordination takes place through steering committees and task forces for activities that cut across agency responsibilities.” (p. 62)

“The USAID operating philosophy for decades has been to adequately staff overseas offices so that accountability standards can be maintained. With numbers of professional staff falling and assistance flows growing, the result is an increased reliance on outsourcing. USAID technical staff located in Washington supports field missions with technical leadership and can also implement programmes with them. The US has a capable and dedicated work force in both Indonesia and Georgia. USAID/Indonesia has grown as a result of world events and currently has 29 US direct-hire staff, 6 local “career” nationals, 126 local personal services contractors and 15 US/international personal services contractors. USAID/Georgia, which also covers Azerbaijan, has 13 US direct-hire staff, 4 US personal services contractors, and 74 locally employed staff. Inter-agency working relationships are good in both locations, meetings are frequent and collaboration with local partners is active and widely appreciated. USAID staff operates with speed and flexibility and all stakeholders recognise the agency’s professionalism and steady engagement with its development partners. The agency is also known to take calculated risks at the local level and to innovate through cross-fertilisation activities across sectors. Within USAID technical expertise has been reduced in favour of general management skills, with a significant decline in economic analysis and programme evaluation capabilities (Brainard, 2006), although an effort is being made to compensate by hiring more local (Foreign Service National) expertise. Outsourcing also helps to compensate for lower levels of career staff, although increased reliance on third parties reduces the potential effectiveness of USAID’s field presence, traditionally a key comparative advantage of the US approach. It can lead to a loss of institutional memory and exacerbate the gap between policy and firsthand understanding of the challenges and lessons associated with implementation. Core competencies in-house should be maintained and new ones should be built to ensure adequate participation in common approaches with other donors represented at field level. To be more consistent with the international aid effectiveness agenda (see below), foreign assistance programmes should be increasingly designed and managed by partner countries.” (p. 62)

“In the course of the field visits to both Indonesia and Georgia, the DAC Peer Review team did not note any significant move towards the full implementation of the Paris Declaration. There were no specific plans to translate the policy commitments of the Declaration into local implementation plans.” (p. 64)

“As noted elsewhere, the United States defines and organises much of its work around the outcomes it seeks to achieve. Each USAID field mission defines and quantifies desired results for each programme contained in the Strategic Plan/Country Programme and measures the outcomes using performance indicators. Data for these indicators are collected by research institutes, embassies and international organisations. Success or failure in achieving targets is factored into budgets through the resource allocation process.” (p. 66)

“The United States should review the key structural obstacles to the full implementation of the Paris Declaration, potentially through a panel of independent experts. The panel could focus on higher level legal and institutional constraints, as well as those related more to incentives and internal prioritisation. A key aspect of this will be trying to balance tensions between top-down priority setting and system and country level roles. It is essential that country teams and partners have an opportunity to influence planning, priorities and systems for reviewing and monitoring progress.” (p. 67)

Issue	**Concern expressed in 2004**	**Progress achieved to date**
(…)		

Issue	Concern expressed in 2004	Progress achieved to date
Empowering the field	USAID is encouraged to evaluate the range of limitations to its decentralisation policy with an eye to better empowering its field missions.	No evaluation of the limitations was undertaken. The Office of the Director of Foreign Assistance operational approach to foreign assistance is expected to be built on significant field leadership.

(p. 70)

Greece 2006

(quote from Main Findings and Recommendations as full report not yet available (January 15, 2007))

"In relation to aid quality, a larger, more diverse and more recipient-driven aid programme will require Greece to substantially overhaul its aid system with implications in terms of strategic approach, aid management and delivery modalities. (…) Hellenic Aid should reinforce its staff, numbering less than 40 persons at present, both in numbers and capacity. In this respect, Greece should develop a strategic approach to the management of Hellenic Aid human resources in terms of recruitment, training and career development for staff based both in Athens and in partner countries, in order to have the appropriate level and mix of expertise within the staff and ensure continuity in delivering the aid programme. (…) Greece is encouraged to pursue its effort towards a more decentralised approach through further devolution of authority at the field level, by adding specialised aid staff and relying on greater local capacity within Greek embassies. This will facilitate the harmonisation and alignment process in country." (DAC Website)