

## **DANIDA GOVERNANCE SEMINAR 27-28 FEBRUARY 2006**

### **Managing good governance support to many partners**

#### **– Experiences and the way forward**

#### **A Discussion paper<sup>1</sup>**

### **1. Introduction**

Support to good governance is a highly prioritised area in Danish development policy and assistance<sup>2</sup>. Good governance is positive in itself, as it has intrinsic value, such as enjoyment of human rights, non-discrimination or absence of corruption. Good governance is also instrumental to poverty reduction by improving rule of law and property rights regimes, ensuring more transparency in government systems, budgets, decision making, access to information, by reducing corruption, and by making public service delivery to the people more effective and efficient.

For the purpose of this note good governance areas<sup>3</sup> include: protection of human rights, access to justice, democratisation, rule of law and the media whether organised in the public sector or civil society as well as public sector reforms (decentralisation, public financial management, public service reforms etc.).

There is increasing evidence that good governance is critical to achieving growth and poverty reduction. GG is understood in terms of strong institutions with human and

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<sup>1</sup> This note has been drafted by Morten Elkjaer and Darriann Riber BFT.5 Governance Group ([www.danida-networks.dk](http://www.danida-networks.dk)), based on contributions and inputs from Danish embassies and support units in major Danish partner countries, Bangladesh, Benin, Bolivia, Kenya, Nepal and Tanzania, Ghana, Nicaragua, Central America, Vietnam, Uganda, Afghanistan, and Bhutan. The paper contains the views of the authors, which do not necessarily correspond to the view of the Ministry of Foreign Affairs.

<sup>2</sup> Danida, Ministry of Foreign Affairs, Globalisation – Progress through Partnership, Priorities of the Danish Government for Danish Development Assistance, 2006-2001, [www.um.dk](http://www.um.dk) Governance is about how decision on common interests are made and implemented in countries/societies, including human rights, in terms of transparency, accountability and rule of law, and democratic participation.

<sup>3</sup> Danida does not have a definition or system to measure size of governance support. DAC does not have a governance code, but a Government and Civil Society code that includes: Economic and development policy/planning; public financial management, legal and judicial development; government administration; strengthening civil society; post conflict peace building (UN); elections; human rights; demobilisation; free flow of information; land mine clearance. In addition DAC has codes on radio, television and print media; on general government services, women in development etc.

other capacity backed by a committed political leadership that promotes a developmental state rather than a clientelistic state. (e.g. D. Rodrik, 2004, D. Kaufmann, 2005).

Danish support to good governance is increasing. In 2005 Denmark committed close to DKK 1 billion in support of new bilateral programmes or projects directly in support of good governance as defined above. Denmark provides significant governance support to all 15 major partner countries, as well as to other countries and regions such as Afghanistan, Indonesia, Sri Lanka, Sudan, Central America, and The Wider Middle East and through Danish NGO's. Furthermore, governance support is provided to varying degree in assistance to other sectors, including the social sectors, commercial sector development and infrastructure.

## 2. Purpose

The purpose of this note is three-fold.

Firstly, the note gives an overview of Danish good governance support in terms of support areas and budgets.

Secondly, the note argues that the good governance (GG) is a politically sensitive – and crosscutting – area in partner countries, and that technical knowledge and capacity is needed in order for a donor like Denmark to make impact on promoting GG. The note raises, in regard to this, some questions about planning, implementation and management of GG support.

Thirdly, the note discusses some good practices for management of the broadly scoped Danish support to governance in partner countries in view of Danida Programme Management Guidelines<sup>4</sup>.

It is hoped that the note will be helpful to advisers, programme coordinators and desk officers working within the good governance (GG) areas as well as to policy makers.

The overall aim is to make Danish support to good governance better in terms of giving more (equal) opportunities to poor people, empowering poor people to take advantage of such opportunities and promoting the achievements of standards for the poor in terms of human rights, food security, consumption, education, health, influence, safety etc.

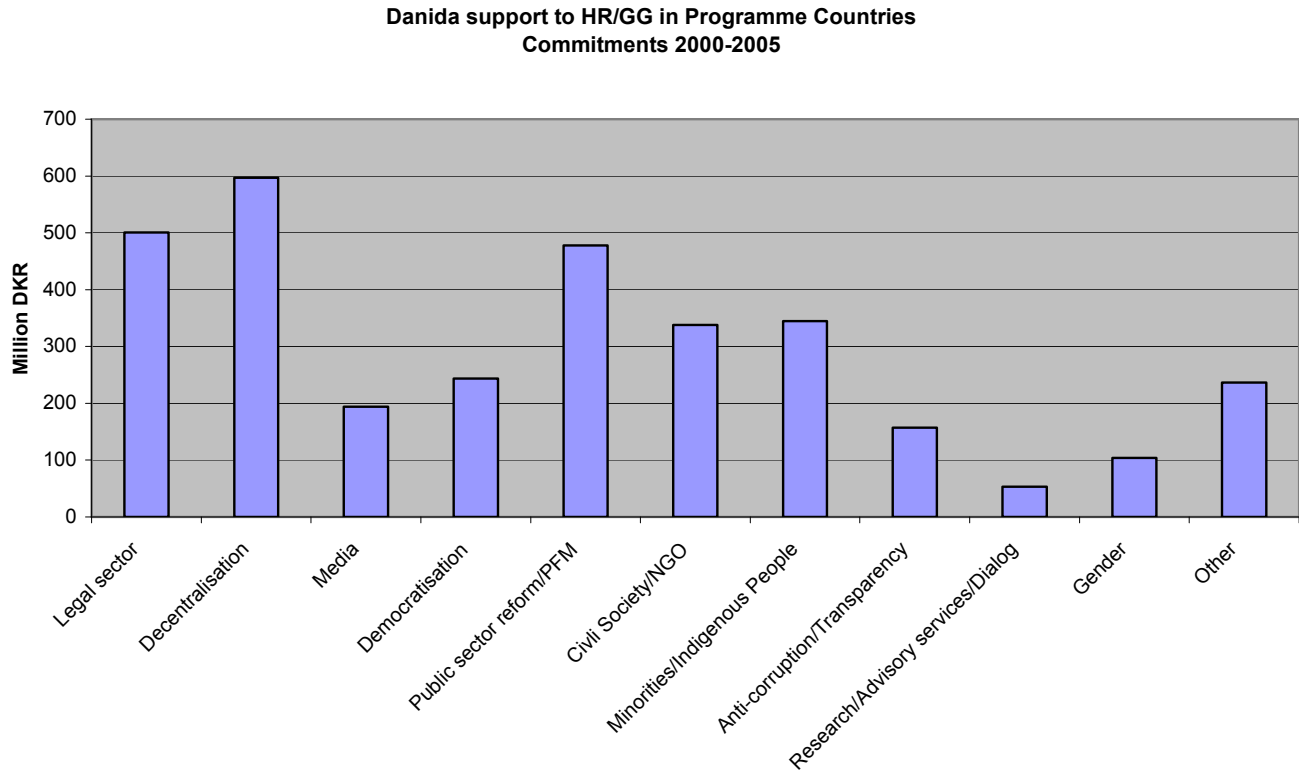
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<sup>4</sup> Aid Management Guidelines, [www.um.dk](http://www.um.dk)

### 3. Areas of Danish Good Governance Support

Figure 1 gives an estimate of committed and ongoing Danish support within different areas of governance from 2000-2005

Figure 1



Source: Danida Project and Programme Database, PDB.

- As can be seen, Denmark provides support to a number of separate governance policy areas. The largest appear to be decentralisation and legal sector with about almost DKK 100 million a year on average, followed by support to public sector reforms, including financial management, civil society, and indigenous peoples.<sup>5</sup>

Denmark also supports many governance areas at the country level. A desk review of governance project and programme documents has shown that Danida provides support/funding to at least 11 different individual organisations on average in a Danish

<sup>5</sup> Obviously, a lot of support to civil society has attributes to one or two of the other areas. However, this is very difficult to assess from the data.

partner country. The aid modality for this support is mostly earmarked projects. These organisations include the public sector (GO) such as ministries or independent bodies like the judiciary; and civil society and the media (NGO). The table below gives some details from some of the countries.<sup>6</sup>

Country	No. of components	Budget DKK Million	Time frame
Bangladesh	42 projects Much more NGO's than GO's	167	4 years
Benin	3 components 25 partner organisations More NGO's than GO's	70	4
Bolivia	4 components 13 partner organisations More GO's than NGO's	55	3
Kenya	3 components 8 partner organisations About fifty-fifty (GO/NGO)	125	3
Nepal (Human Rights)	6 components 20 partners. More NGO's than GO's	65	5
Tanzania	5 separate projects Mostly GO	75	5

The 1999 evaluation of the Danish support to Human Rights<sup>7</sup> found a proliferation of many small and some larger projects in Danish development programmes in most countries. It was concluded that there was a need for a more systematic – and long term – approach, which would include better capacity for understanding the political context and the policy dialogue.

Progress has been made in the past to make GG-support longer-term and more strategic, more programmatic and more holistic. Ten Danish representations have during the past 5 years bundled the support to good governance in a single governance programme appropriation, in a few countries two appropriations.

Most programmes provide significant support to 3-5 independent governance areas, and there seems to be an upward trend in joint basket funding mechanisms.

<sup>6</sup> Based on inputs from relevant embassies.

<sup>7</sup> Evaluation of Danish Support to Promotion of Human Rights and Democratisation 1990-1998, [www.um.dk](http://www.um.dk)

A couple of examples can illustrate this. In Kenya support is provided to a common donor basket, which funds some 18 organisations in the public sector (GJLOS); to the Electoral Commission; to a voter education basket supporting civil society; and to 4-5 civil society organisations working on gender, legal aid and anti-corruption. Some focus is achieved, as it is the intention that DK will pay particular attention to anti-corruption, human rights, access to justice and gender in the support to the common donor GJLOS basket fund and the support to civil society.

In Ghana support is provided to a decentralisation secretariat of the Ministry of Local Government; to Parliament; to the Judiciary; to the Commission for Human Rights; to community-based organisations; to policy institutes (basket); and to budget support.

The different areas supported under a GG-programme are often not directly complementary in pursuing the same immediate objectives; e.g. support to decentralisation and support to parliament or the judiciary. Although such organisations indeed do overlap to some extent in their mandates, the practical relationship between them is in the real world limited. For example, for a Parliament it could be more fruitful to spend time and resources on establishing good contacts with the media than with a decentralisation secretariat that is supported by Danida under the same appropriation.

It should also be kept in mind, that quite often each of these organisations are weak in terms of strategy and low capacity to implement strategies and plans. There is limited organisational and human resource capacity, lack of good governance within the organisation/organisational politics. Often Embassy staff and advisers spent much time on issues related to such weaknesses. And for a good reason, since it is difficult to expect that organisations that do not function reasonably well can relate – not to speak of cooperate – effectively with other organisations.

However, having good governance support in one – or two – appropriation processes, does give an overview of Danish support to good governance in a given country, which is not provided when good governance is supported through many different projects. This provides a platform for discussion the pro's and con's of taking a more strategic approach to promoting good governance within the ministry (Programme Committee) and with the Board of Danida; and it recognises in a visible manner that governance support is a priority area.

Data on the extent of governance support in other sectors are not well captured by Danida-systems, although it is the impression that quite substantial support is rendered for improved governance capacity.

- Should Denmark as an international actor focus on fewer governance areas, and develop (maintain) a comparative advantage internationally or are there advantages in supporting many areas?
- Should it be an aim to focus support in each country on fewer areas or would that mean missed opportunities for promoting GG, when windows of opportunity arise. Why do GG-programmes have so many partners when the capacity etc. is so weak? Is it spreading risks, balancing the support to various actors GO vs. NGO? Is it because there are so many good partners to choose between – and it is difficult to say no? Old project support obligations? Possibilities to fund through baskets with others? Limited knowledge about their capacity?

**4. Good Governance is a political, technical and cross-cutting area.  
- what implications for development co-operation?**

Support to good governance is about supporting changes in institutions and eventually structures, often very sensitive areas. If successful such support will change power structures and distribution of benefits to the advantage of the poor. It will promote equal opportunities and influence (non-discrimination) to all people in a particular country. Governance reforms are crosscutting all sectors, as privileges are provided in all sectors. Promoting reforms that work in this sense will be met by resistance.<sup>8</sup>

In some countries there may be an overall (political) agreement on the objectives of GG support and commitment to reform. However, even if governments are committed, there will be obstacles to reform. The obvious obstacle is weak capacity. The less obvious are opposing forces in and outside government structures that may very well be strong enough to undermine or slow down the efforts of a committed government – or a committed minister – to combat corruption or promote security etc.

It should be kept in mind that governments in developing countries, especially in Sub Saharan Africa do not have the same power and leverage to carry through policies as in developed countries. In other words they are weak states.

That it may be possible to formulate policies, strategies and even legislation or setting up new institutions, but very difficult to implement, should be one lesson that has been learned (and should be acted upon).

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<sup>8</sup> See for instance the Drivers of Change notes by DFID, and OECD-DAC, 2005, Lessons Learned on the Use of Power and Drivers of Change Analysis in Development Co-operation – Final Report, OECD DAC Network on Governance, GOVNET, [www.grc-exchange.org](http://www.grc-exchange.org)

There has been too much focus on legislation and strategies, and setting up of new institutions/organisations without taking enough account of what is already there and could be built upon, what can realistically be implemented, given political opposition, and on possible lack of sufficient commitment on the hand of governments.

Add to this the fact that many governments face a huge reform agenda. They face huge – and often unrealistic – demands for better services and a better life from their constituents. And they have very few financial resources and weak institutional capacity with which to implement reforms.

The forces opposing change for good governance could be within political parties, the military, the private sector, religious groups or within government institutions which constitute deeply in-built patrimonialism where family and ethnic affiliations are more important than the common good of the country and its citizens.

In countries where there is political commitment, it is feasible to work with and support government and organisations in the public sector to increase the “supply of good governance”. At the same time, there is also an argument for supporting “demand for good governance” through support to civil society, private sector and media. And to support dialogue and partnership between the two (develop the “market”).

Priority to civil society support may especially be called for where governments are weak, i.e. faces strong opposition in the system.

Strengthening civil society organisations in developing countries with weak civil society will almost inevitably consist of support to a large number of different organisations with different areas of focus. It could be very difficult to focus support on fewer organisations as the capacity of the NGO’s to manage large funds and programmes are often too low. There could be a trend towards basket funding arrangements with many donors, i.e. setting up Funds with a management structure that can manage support to many organisations. This is true for Danish assistance in countries such as Kenya, Ghana, Uganda, and perhaps others.

Organisations in the public sector<sup>9</sup> are very central to most good governance reforms (rule of law and access to justice for all, anti-corruption, decentralisation, financial accountability etc.) Sometimes they themselves are badly governed (e.g. they are corrupt, they have ineffective management systems etc.); sometimes they are not able to fulfil their mandate as laid down by legislation because of weak capacity and limited resources or lack of sufficient backing from the Executive or other strong groups.

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<sup>9</sup> Including government ministries, departments and agencies at central and local level, independent bodies such as parliament, local democratically elected assemblies, judiciary and other conflict resolution mechanisms, ombudsman and human rights institutions and anti-corruption bodies

Key civil society organisations include NGO's working on governance as lobby organisations, voicing the needs of poor people (or other interest groups) as well as service providers (e.g. legal aid). Civil society also includes interest organisations (business organisations, labour unions); and political parties; and research institutions. Civil society and the media often represent forces that promote empowerment of the poor and provision of opportunities for the poor. It is the proposition – underlying much of support to civil society – that civil society and a free and independent media are needed to build the demand for good governance within all areas.

### **Policy dialogue**

Good governance plays an increasingly central role in poverty reduction strategies and in policy dialogue, e.g. Consultative Group meetings; dialogue on budget support; bilateral consultations; and sector review meetings. This is because good governance is a cross-cutting issue with an intrinsic value, and because it promotes effectiveness in use of aid and domestic funds with respect to the MDG's.

Issues raised often include financial management, including procurement, anti-corruption, rule of law (access to justice), democratisation, and human rights.

Processes for policy dialogue and co-ordination have developed in many countries. Around general budget support performance assessment framework are being agreed in some countries containing indicators for processes, policy actions and outcomes; conditionalities are agreed more or less harmonised across donors; annual reviews monitoring progress takes place; and considerable time and effort are spent on these. At sector level, there are developing similar processes.

There are many challenges in making sure that these processes are coherent, so that they feed into national processes.

### **Implications**

The objective for Danish support is to achieve an impact. In order to make impact in terms of achieving policy objectives the Ministry of Foreign Affairs/Representations must be a professional partner<sup>10</sup>.

We must have good knowledge of the actual situation in a given area in a given country, a good understanding of the underlying political interests and forces in the country (drivers of change), a good understanding of the regional and international constraints and opportunities, and sufficient technical knowledge to assess what is technically feasible in terms of a road map for change for better governance within each particular area.

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<sup>10</sup> Professionalism is one of the key values of the Ministry of Foreign Affairs.

To make an impact we also need to harmonise donor support and policies.

Coming back to figure 1, it seems that some governance areas are more closely related than others. Public service reforms (including capacity building in financial management, procurement, human resource management etc.) and decentralisation could be *one cluster* area focusing on building capacity in the public sector for effective and efficient implementation of poverty reduction strategies and fostering accountability for the use of funds. Improving capacity in this sense across the board will help build improve management and accountability, which is important to justify more sector and general budget support, as it will complement sector support. Support to civil society and/or media could complement, and help build demand for more effective, transparent and accountable government.

*Another cluster* could be promoting human rights, access to justice and democratisation through legal sector reform and support to civil society among others.

Another way to express this could be: The international community has committed itself to achieve the MDG's by providing more resources and improving governance as some of the key "instruments". More resources are needed to finance the necessary increases in service delivery in education, health, water, infrastructure, security etc. This financing of services could increasingly take the form of sector budget support or budget support. Effective "mechanisms" are needed to transform the increased funding into increased and improved level of services. The public sector (ministries, agencies, district administrations, schools, clinics, courts etc.) make to a large extent up these "mechanisms". Public sector capacity building (perhaps a better expression than "reform") is about building these mechanisms in a sustainable way. This could be through projects, basket funding or even as part of individual ministries, departments and agencies strategies, plans and budgets (MTEF).<sup>11</sup>

- In many partner countries government – development partner governance groups have been or are being established. What is the experience? How do they feed into dialogue on other sector dialogues and budget support? Which way forward?
- How can Denmark become an even more professional dialogue partner with respect to GG issues? By focusing on 1 or 2 areas, i.e. public sector reforms cluster and human rights cluster?
- How can Danish support to capacity building (governance) across sectors be better aligned to ongoing governance reforms?

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<sup>11</sup> Please cfr. On Budget Note, 2005 (BFT) for an introduction into key national processes and systems. <http://governance.dccd.cursum.net/default.aspx?ActiveCAID=163207>

- What is the risk of “capture” by the regressive forces? Should civil society support be in the same governance areas as support to government organisations, as it could improve partnership between public sector and civil society? What should be the balance between support to civil society and government, and how should it be determined?

### **Harmonisation, Alignment and road maps to better governance**

Support to GG is – it is postulated – less co-ordinated compared to other ODA to many other areas, health, education, roads.

There are – probably – gains to be made in the medium term in terms of aid effectiveness, if support was better harmonised – and aligned.

The same “tools” for harmonisation and alignment would be relevant for GG as for other areas, including joint country/GG-area analysis and strategies, and joint implementation (basket funding). Achieving this is time consuming – as it is in other sectors – and requires technical and political knowledge.

International good practices in GG are limited and there is a gap between international political agreements that “governance is fundamental to development” (ref. e.g. Monterey Consensus in 2002, and Paris Declaration on Effective Development Assistance) to the practical work on GG in the partner countries.

Each country and good governance area has its own particular history and “policy environment”. Some good governance reforms may be more important than others in terms of impact on poverty and GG. The concrete context of a given country and opportunities in the country will influence how to support GG.

- What kind of harmonisation and alignment efforts are taking place, e.g. analysis is undertaken with government/civil society?
- Should Denmark more systematically promote the setting up of (basket) Fund-mechanisms in countries to support capacity building of civil society?

## **5. Management of GG-governance programmes with many partners**

At the Danida Good Governance Seminar in January 2005 the challenges in relation to the management of GG-programmes with many partners and covering several thematic areas were identified and discussed.

It was therefore decided at the seminar to collect the existing experiences, to learn from them and to recommend on good practices in management of good governance support.

Embassies/Danida programmes in 6 countries responded to a small questionnaire: Bangladesh, Benin, Bolivia, Kenya, Nepal and Tanzania. Their contributions have been very much appreciated and have made this note possible.

Below some of the findings and conclusions from the exercise will be presented and discussed.

### 5.1 Experiences from the Field

The findings below might not give the full picture of the situation in all the countries as the amount of information given varies and the situation could have changed during the implementation of the programmes.

#### Components, Partners and Budgets

The number of components is between 6 and 3 with a high number of individual projects/partners. All programmes include partners from the state and civil society but with different priorities.

The “average components”<sup>12</sup> costs around DKK 14 mill. However, it could be argued that in relation to the management of a programme the number of partners (state and NGOs) involved in the programme is be more important than the number of components.

State actors outnumber support to NGOs in Tanzania and Bolivia but this might not be the case in terms of size of budget.

No major difference in time span is found in the programmes.

#### Steering Committees (SC)

The guiding principle of Danida is that existing structures to the extent possible should be used for implementation of a programme. It has been a discussion whether a Pro-

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<sup>12</sup> Budgets (DKK 398 mill.) from Benin+Bolivia+Kenya+Nepal+Tanzania divided with the total number of components (27) for the same countries.

gramme Steering Committee, SC for the overall strategic management of a programme should be established (see also chapter 8).

As partners in GG-programmes often represent different interests and consist of ministries, independent bodies, NGO's and research institutions, the establishment of an overall Steering Committee for the Danish programme with representation of many or all stakeholders have often not been used as a model. Programme SC has for instance not been established in the thematic GG-programme in Bolivia, as the national partners do not have a natural need for coordination, however, component SC's have been established.

There have been mixed experiences with organisations in the public sector, GOs (including government and independent organisations such as the Judiciary), NGOs participation in SC but also in some cases less problematic than originally envisaged (e.g. in Benin).

In some programmes, steering committees have been established with each organisation or basket funding arrangement supported (Kenya, Tanzania). This has the advantage that already existing structures in the organisation are used or common structures for all donor support in case of basket funding.

Organisations, that Danida support through a governance programme do not – as has already been mentioned – necessarily share common ground (e.g. an electoral commission and a human rights NGO) or common objectives (a decentralisation secretariat and a Commission for Human Rights), or there may be other organisations that are equally or more important for the achievement of a particular objective of a component of the Danish support than an organisation under a different component. Organisations may also have opposite interests (government organisation vs. civil society). In such cases, it is not appropriate or effective that organisations discuss each other's budgets and plan, progress reporting and accounts. Implementation modalities, including reporting should rather follow each organisation's own procedures.

There will, however still be a case for coordination of activities and exchange of experiences. For these purposes, other organisations may be as relevant as those supported by a Danish programme.

- What are the experiences so far in relation to management of GG programmes? Should the approach be to establish a steering committee for each organisation or basket funding arrangement, i.e. for each entity that receives funding and is accountable to Danida? Should the approach be to undertake more basket funding? Should alternative forums like the "Coordination Forums" in Nepal (started by

and coordinated by Danida/HUGOU) be established to share information and experiences, harmonise donor support, but without the formal functions of a steering committee of approving budgets and plans, progress reports and accounts?

### Technical assistance

The role of the advisers in the GG-programmes vary and among the roles described are the following: overall planning, monitoring including budget monitoring, progress reporting, donor coordination, facilitate strategy development, conduct studies, advise Danish Embassies, assist national counterparts in the implementation of the Danida programme, report to the Danish Embassy on progress of programme, be ex-officio observers on relevant committees of involved institutions.

Some advisers are working within organisations that are supported, other advisers work outside in advisory units.

In some countries, Bangladesh, Nepal, Benin, Uganda, Denmark has established programme support units, advisory units or bureau de liaison outside the Embassies. These units increase the availability of professional resources for Danida, which is positive. They advise many different partners to prepare work plans, budgets and progress reports and to approve the submitted work plans and budgets. They act as a resource also for Danish Embassies with a potential to improve the quality of policy dialogue with partners. The importance of ensuring a clear division of labour between advisory units and the Danish representations has been pointed at.

- What is the role Danish TA with agenda's like alignment and harmonisation?
- What is the need and rationale for independent advisory units?
  - Do they give GG-programmes the freedom to pursue a politically sensitive agenda, e.g. support NGO's which are critical vis a vis government?
  - Do they provide the necessary capacity to manage programmes with many partners?
  - Do they create a risk that they take over policy dialogue responsibilities for Embassies?
  - Should they only be used in special cases – transitional countries?

## 6. New Programme Management Guidelines, 2006

The “Guidelines for Programme Management, 2006” focus more on ownership, alignment, harmonization and managing for results. (4 principles of “The Paris Declaration”) and is a tool for the preparation, implementation and monitoring of sector programmes support. The guidelines see flexibility as the overriding principle in the application of the guidelines, i.e. “Programmes management should be in the hands of the partner organisation” and programme management should act as a secretariat to the Steering Committee (AMG). Some areas are considered mandatory – here quoted with relevance to management of GG-programmes with many partners:

1. The number of components should at a maximum be 3 with 3 sub-components of each component – this would address the question raised regarding the difficulties with management of programmes with too many different partners (up to 42 separate projects).
2. The management set-up must be based on thorough institutional analysis and described clearly in programme documents including the identification of joint decision-making. This would improve the difficulties some programmes have faced with limited clarity of mandates and responsibilities of the decision making structures.
3. For some programmes decisions on budgets, work plans and reallocation among components can be decided in Component Steering Committees. This would address the difficulty encountered with Steering Committees including all the partners involved in the programme implementation and with limited overall strategic focus.
4. Joint decision- making bodies/Steering Committees must be identified where Embassy and partners will participate and where overall and strategic issues will be discussed. This will ensure improved ownership to the programme and alignment/harmonisation.

There is probably a need for careful interpretation of these guidelines, when applied to GG-programmes. There would appear to be a need for flexibility, so that in cases where there are 2 sub-components, one for support to GO one for NGO, it should be possible to establish 2 steering committees (e.g. in Kenya GG-support to the “Election component” consists of a sub-component supporting the Electoral Commission and another supporting a basket fund for voters education implemented by civil society).

For the purposes of overall co-ordination to exchange information, and discuss strategic issues, it would appear that national processes should be supported, rather than establishing fora, where only Danish funded partners are involved.

- What (other) issues arise from the revised guidelines?

## Annex 1

### Some notes on the tasks of Embassy staff working on GG

**Formulating new support.** Substantial experience has been gathered in this field in recent years. Increasingly, donors have undertaken common programming resulting in harmonised – or aligned – support through basket funding arrangements, such as the GJLOS programme in Kenya or support to various areas in Bolivia; but there is more work to do here.

Decentralisation has increased the workload at embassies, which are now in charge of formulating new programmes. This is quite a task, when there are existing activities going on at the same time. Given the increasing political dimension of development assistance in this area, active involvement from embassies is very important, and cannot be left with consultants.

The conclusion is that during formulation, more resources are required at the embassies than during implementation.

**Implementation.** A number of key activities go into implementation:

- 1) Entering into agreement with each organisation that is going to be supported
- 2) Visit organisations to get a good understanding of the issues on the ground.
- 3) Assessing regular (quarterly or 6-monthly) progress and financial reports as well as proposed quarterly plans and budgets, and approve these together with relevant partners. Discuss problems, find solutions, make decisions etc. (policy dialogue)
- 4) Assessing annual reports and audited accounts. Assessing proposed plans and budgets. Discuss problems, make decisions, etc. (policy dialogue)
- 5) Recruiting advisers and consultants.
- 6) Prepare reports for MRS (result contract) and HQ.
- 7) Prepare regular/annual reviews. Follow-up on reviews.
- 8) Take part in co-ordination, preferably partner-led (policy dialogue)
- 9) Procurement.
- 10) Preparing for high-level consultations, high level visits (minister, Parliamentary committee, board of Danida etc.), press and other visits.

How 2-4 is organised differ substantially from programme to programme and country to country.

## Annex 2

### Future challenges and recommendations

#### General:

- Managing a diverse and large portfolio of numerous small grants – time consuming and demanding (monitoring and QA);
- Weak institutional capacity both state and NGOs (e.g. programme and financial management, HR, bad governance, development of information system);
- High reliance on a single individual to “carry” a component/project forward;
- But continued need to support smaller initiatives (politically sensitive) – confidence building;
- Management of GG-programme should also be seen in the light of Danida’s decentralisation policy with increased work levels and decision making and reduction of staff working with GG – possible needs to outsource the management;
- Basket fund arrangements might also result in an increased workload for the Desk Officer/programme staff to attend meetings;
- The programme has had to play both an advisory and supervisory role – considerable skills needed for taking on this role;
- The possible positive role of local government in conflict transformation and peace building;
- Ensuring sufficient high level national commitment is embedded in an institution with the mandate to push through controversial changes;
- When partial political commitment exists then the GG-programme should be less ambitious and work towards achieving an acceptance of the need for improving governance as a way forward;
- Division of work between donors – delegate daily responsibility and only participate in more strategic meetings;
- Competitive donor environment and lack of donor coordination.

#### Specific challenges on management of GG-programmes:

- Thematic programmes lack anchoring with one government ministry/institution;
- Policy direction from one focal point in GO difficult
- Support to government can be considered as stand alone projects
- Delays in approval of TA, transfer of project directors, limited absorption capacity pose implementation problems;
- Managing a programme that does not spend significant funds (staff use and admin cost);

- Balance between focused programmes and the need for flexibility;
- Improved utilisation of Danida Advisers;
- Facilitate a dialogue between various partners within the areas of the programme is an important goal in itself;
- Thematic programmes might not need an overall SC – only on component level;
- How to manage GG-programmes with a diversity of partners involved;
- Comparative independence of the GG-programme from government can ease the work with NGO and GO;
- Synergy between activities is a critical concern but usually difficult ideal to achieve;
- With NGO and GO relationships being antagonistic the work of programme SC (ultimately the management of the programme) could be jeopardised by these tensions;
- Treating projects differently according to the intensity and volume of the intervention – need flexibility in design + management;
- Multi-year support for weak partners should have SC, following the standard project cycle + have flexibility;
- SC should have representatives from key project staff;
- Caution regarding too tightly binding a GG-programme to a specific GO (although GG-support is long-term) as the GG-programmes also are subjects to political events;
- While working with many partners/agendas there is a need to retain sufficient institutional and managerial independence in order to respond flexibly;
- Delays in finalizing decision-making can happen in basket funding set-up as the partners have different priorities;
- Harmonization of management and monitoring systems of donor, GO and NGOs;
- Multiplicity of administrative procedures and guidelines from government and donors can slow down implementation process.

## **Annex 3**

### **Literature and references**

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