IRELAND

Development Assistance Committee (DAC)
PEER REVIEW

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where the governments of 30 democracies work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD member countries are: Australia, Austria, Belgium, Canada, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The Commission of the European Communities takes part in the work of the OECD.

OECD Publishing disseminates widely the results of the Organisation's statistics gathering and research on economic, social and environmental issues, as well as the conventions, guidelines and standards agreed by its members.

This work is published on the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of the Organisation or of the governments of its member countries.

© OECD (2009)

No reproduction, copy, transmission or translation of this publication may be made without written permission. Applications should be sent to OECD Publishing: rights@oecd.org or by fax (+33-1) 45 24 13 91. Permission to photocopy a portion of this work should be addressed to the Centre Français d'exploitation du droit de Copie, 20 rue des Grands-Augustins, 75006 Paris, France (contact@cfcopies.com).

The Peer Review Process

The DAC conducts periodic reviews of the individual development co-operation efforts of DAC members. The policies and programmes of each member are critically examined approximately once every four or five years. Five members are examined annually. The OECD's Development Co-operation Directorate provides analytical support and is responsible for developing and maintaining the conceptual framework within which the Peer Reviews are undertaken.

The Peer Review is prepared by a team, consisting of representatives of the Secretariat working with officials from two DAC members who are designated as "examiners". The country under review provides a memorandum setting out the main developments in its policies and programmes. Then the Secretariat and the examiners visit the capital to interview officials, parliamentarians, as well as civil society and NGO representatives of the donor country to obtain a first-hand insight into current issues surrounding the development co-operation efforts of the member concerned. Field visits assess how members are implementing the major DAC policies, principles and concerns, and review operations in recipient countries, particularly with regard to poverty reduction, sustainability, gender equality and other aspects of participatory development, and local aid co-ordination.

The Secretariat then prepares a draft report on the member's development co-operation which is the basis for the DAC review meeting at the OECD. At this meeting senior officials from the member under review respond to questions formulated by the Secretariat in association with the examiners.

This review contains the Main Findings and Recommendations of the Development Assistance Committee and the report of the Secretariat. It was prepared with examiners from Italy and New Zealand for the Peer Review on 24 March 2009.

In order to achieve its aims the OECD has set up a number of specialised committees. One of these is the **Development Assistance Committee**, whose members have agreed to secure an expansion of aggregate volume of resources made available to developing countries and to improve their effectiveness. To this end, members periodically review together both the amount and the nature of their contributions to aid programmes, bilateral and multilateral, and consult each other on all other relevant aspects of their development assistance policies.

The members of the Development Assistance Committee are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom, the United States and the Commission of the European Communities.

LIST OF ACRONYMS

ABIA Advisory Board for Irish Aid
CAPs Consolidated Appeals
CERF Central Emergency Response Fund
CHFs UN Common Humanitarian Funds
CSO Civil society organisation
CSP Country Strategy Paper
DAC Development Assistance Committee
DAF Department of Agriculture and Food
DCI Development Cooperation Ireland
DDR Disarmament, Demobilisation and Reintegration
DFA Department of Foreign Affairs
DFID Department for International Development
DRR Disaster Risk Reduction
EC European Community
EHAF Emergency Humanitarian Assistance Fund
EPPR Emergency Preparedness and Post Emergency Recovery Fund
EU European Union
EUR Euro
FAO Food and Agriculture Organisation
FTP Fellowship Training Programme
GAVI Global Alliance for Vaccines and Immunisation
GHD Good Humanitarian Donorship
GNI Gross National Income
GNP Gross National Product
HIPC Heavily Indebted Poor Countries
HPPs Humanitarian Programme Plans
ICRC International Committee of the Red Cross

ICT Information and Communications Technology
IDCD Inter-Departmental Committee on Development
IDF Irish Defence Forces
IFIs International Financial Institutions
IFRC International Federation of Red Cross and Red Crescent Societies
ILO International Labour Organization
IMF International Monetary Fund
JAS Joint Assistance Strategies
JFAC Joint Committee on Foreign Affairs
LDCF Least Developed Countries Fund
LDCs Least Developed Countries
MAPS Multi-Annual Programme Scheme
MDGs Millennium Development Goals
NGO Non-Governmental Organisation
OCHA Office for the Coordination of Humanitarian Affairs
ODA Official Development Assistance
OECD Organisation for Economic Co-operation and Development
PAEG Programme Appraisal and Evaluation Group
PCD Policy Coherence for Development
PMDS Performance Management Development System
RRI Rapid Response Initiative
UN United Nations
UNDP United Nations Development Programme
UNHCR United Nations High Commissioner for Refugees
UNICEF United Nations International Children's Emergency Fund
WFP World Food Programme
WHO World Health Organization
WTO World Trade Organization

Ireland's Aid at a Glance

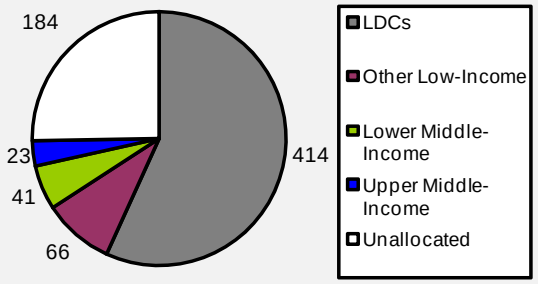
IRELAND

Gross Bilateral ODA, 2006-07 average, unless otherwise shown

Net ODA	2006	2007	Change 2006/07
Current (USD m)	1 022	1 192	16.7%
Constant (2006 USD m)	1 022	1 070	4.8%
In Euro (million)	814	871	7.0%
ODA/GNI	0.54%	0.55%	
Bilateral share	62%	69%	

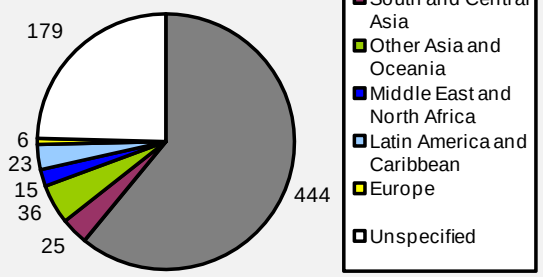
By Income Group (USD m)

Clockwise from top



Top Ten Recipients of Gross ODA (USD million)	
1 Uganda	62
2 Mozambique	61
3 Ethiopia	55
4 Tanzania	46
5 Zambia	34
6 Sudan	22
7 South Africa	19
8 Viet Nam	17
9 Lesotho	16
10 Kenya	14

By Region (USD m)



By Sector

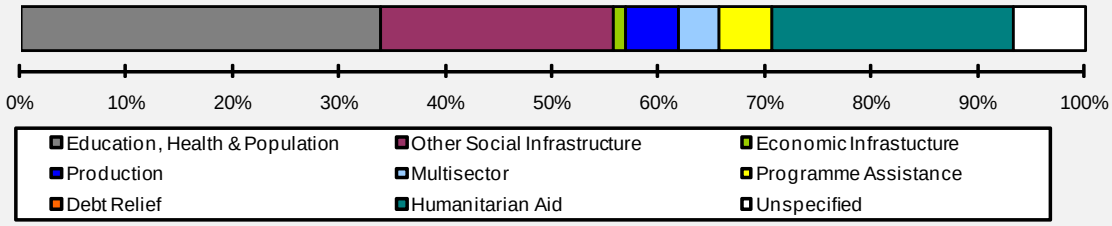


Table of Contents

The DAC's MAIN FINDINGS AND RECOMMENDATIONS 11

SECRETARIAT REPORT 21

Chapter 1
Strategic Foundations and New Orientations

The foundations of Ireland's development co-operation 21
Aims, objectives and priorities of Ireland's development assistance 22
The 2006 White Paper on Irish Aid 22
Ireland in the global development co-operation system 24
Ireland's structure for delivering the Irish Aid programme 25
Current initiatives 26
Relocation of Irish Aid and reorganisation 27
Public Awareness 27
Trends in public support for aid 27
Strategy for building public awareness 28
Future considerations 29

Chapter 2
Policy Coherence for Development

Commitment to policy coherence for development 31
A new institutional mechanism: the Inter-Departmental Committee on Development 32
Some examples of policy coherence 32
Monitoring, analysis and reporting on policy coherence for development 33
Future considerations 34

Chapter 3
ODA Volume, Channels and Allocation

Overall official development assistance 35
Aid allocations 36
Bilateral aid 37
Concentration on the poorest countries in sub-Saharan Africa 37
Priority given to education, HIV/AIDS, governance and humanitarian aid 38
Agriculture and the private sector are less well funded 39
Approaches to gender equality, environment and climate change 40
Aid to non-governmental organisations 42
Multilateral aid 42
Approach to multilateral assistance 43
Future considerations 44

Chapter 4
Organisation and Management

The relocation to Limerick....47
A more coherent structure....48
Meeting the challenges of the reorganisation....50
Strategic management, review and approval, and overall coherence....50
Results-based and knowledge management....50
Staffing levels and competencies....51
Training....52
Strengthening capacity for analysis and research....53
Evaluation and audit....54
Evaluation....55
Audits....55
Approach to managing civil society organisations....55
Future considerations....57

Chapter 5
Aid Effectiveness

Political commitment and overall approach to aid effectiveness....59
Aid effectiveness in practice....60
Ownership and alignment....60
Harmonisation....61
Working towards results and mutual accountability....62
Awareness of aid effectiveness....63
Future considerations....64

Chapter 6
Special Issues

Capacity development....65
Policy and strategic framework....65
Capacity building at country level....65
Capacity development for civil society organisations....66
Capacity development through fellowship training and higher education institutions....67
Staffing and management for capacity development....68
Governance, accountability and anti-corruption....69
Policy and strategic framework....69
Official development assistance for governance....70
Irish Aid's approach in programme countries....71
Irish Aid's global and regional governance work....72
Staffing and management for governance, anti-corruption and accountability....73
Future considerations....73

Annex A Progress since the 2003 DAC Peer Review Recommendations....75

Annex B OECD/DAC Standard Suite of Tables....79

Annex C Ireland and the Good Humanitarian Donorship Initiative....87

Annex D Uganda Field Visit Report....95

Description of Key Terms 103

Bibliography 107

Tables

Table 1. Irish Aid's contribution to global funds 43
Table 2. Distribution of staff within Irish Aid 52
Table 3. Ireland-based staff who have attended Irish Aid's relevant training as of 2008 53
Table B.1. Total financial flows 79
Table B.2. ODA by main categories 80
Table B.3. Bilateral ODA allocable by region and income group 81
Table B.4. Main recipients of bilateral ODA 82
Table B.5 Bilateral ODA by major purposes 83
Table B.6. Comparative aid performance 84

Figures

Figure 1. Foreign Affairs system chart 26
Figure 2. Ireland's net ODA disbursements, 1993-2007 36
Figure 3. Irish Aid Organisation Chart 49
Figure B.1. Net ODA from DAC countries in 2007 85

Boxes

Box 1. The mission of Ireland's development co-operation 22
Box 2. Gender mainstreaming in Uganda 24
Box 3. Ireland's mentoring programme for new Member States to the European Union 25
Box 4. Irish Aid's Multi-Annual Programme Scheme (MAPS) 57
Box 5. Lessons from division of labour and defining comparative advantage 62
Box 6. Key features of Irish Aid's results-based approach to country strategy papers 63
Box 7. Building the capacity of civil society organisations to make aid more effective 67
Box 8. Principles and lessons learned in designing governance interventions 70
Box 9. Irish Aid leads the charge against the mismanagement of the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria in Uganda 72

THE DAC's MAIN FINDINGS AND RECOMMENDATIONS

Framework for development co-operation

Legal and political orientations

Ireland's 2006 *White Paper on Irish Aid* provides the vision and orientation for the development programme. Irish Aid's *Operational Plan 2008-2012* lays out the roadmap for managing and implementing that programme. The *White Paper* reaffirms Ireland's priorities in development: poverty reduction, reducing vulnerability and increasing opportunities for the poor, particularly in Africa. Its key features include: a phased approach to achieving the United Nations target for spending 0.7% of gross national income on ODA by 2012; setting development co-operation in the context of wider foreign policy and as a policy priority across the Irish government; respecting developing countries' leadership of their own development; and ensuring effectiveness and quality assurance of the development programme, using the Paris Declaration as the roadmap.

The forward-looking orientations outlined in the *White Paper* are a good foundation for Ireland's overall objective of poverty reduction. These orientations cover basic needs and the productive sectors, governance capacity and accountability and humanitarian action; they also recognise the role that other donors and NGOs can play in development co-operation. Irish Aid has put a number of strategies in place, *e.g.* for civil society, HIV/AIDS and environment, to translate the orientations into actions that can be implemented and tailored to each context. Given the *White Paper*'s ambitious policy agenda it will be important for Irish Aid to continue to focus on a limited number of strategic priorities.

The *White Paper* calls for mainstreaming gender, HIV/AIDS, governance and environment into the planning, implementation and evaluation of all development assistance interventions. While still evolving, mainstreaming is a strong feature of Ireland's aid programme. Irish Aid has developed good practice based on its 2007-2009 mainstreaming strategy and using specific materials and analytical tools. Its approach involves training in mainstreaming, building knowledge in the four priority issues and strengthening accountability and senior management oversight. The DAC encourages Irish Aid to share good practice with other donors and to capture and document lessons and outcomes on mainstreaming through reporting systems, using key indicators to measure impact.

Communicating results

Public engagement with the aid programme is strong in Ireland. Irish Aid maintains high levels of public support by combining activities to increase awareness of global development issues with activities to promote its own work. One example is the newly

established Volunteering and Information Centre. The DAC commends Irish Aid for its comprehensive development education strategy backed by a dedicated budget and encourages it to adopt a strategic approach for communicating development results as well as the less visible and more complex aspects of development co-operation, such as aid effectiveness.

Promoting policy coherence for development

Ireland has progressed on policy coherence for development (PCD) since the last peer review. The *White Paper* acknowledges the interconnection of government policies on development, trade, agriculture, investment and migration, and the *Programme for Government 2007-2012* commits the government to an integrated approach to development across departments. There is broad consensus among officials, parliamentarians, academia and civil society that the fight against poverty is not merely a matter of providing ODA. A good example of coherent policy is in the area of trade where Irish Aid has worked closely with the Department of Agriculture, Fisheries and Food and the Department of Enterprise, Trade and Employment over the trade negotiations on the Doha Development Agenda. Irish Aid's involvement is reflected in the 2005 *National Trade Policy Strategy*, which devotes a chapter to the national trade agenda for developing countries. Nevertheless trade is an area in which Ireland could do more in its priority countries, for example by prioritising aid for trade to complement interventions that are made through government and civil society.

The DAC is concerned that the move of Irish Aid's headquarters away from Dublin could make it more difficult to ensure that all government policies are considered for their coherence with development objectives. The move poses challenges in terms of maintaining close linkages with other government departments, embassies and other organisations and NGOs based in Dublin. Ireland is encouraged to find innovative ways to address these challenges.

Strengthening monitoring, analysis and reporting

The DAC welcomes the creation of the Inter-Departmental Committee on Development (IDCD) in 2007. The IDCD's role includes monitoring and evaluating activities in areas with implications for developing countries and observing the policy coherence work of like-minded countries. However, the IDCD is not mandated to address potential conflicts across government policies. While the compact size of government and short lines of communication within and between departments help co-ordinate Ireland's positions in international fora, it will be critical for the IDCD to have sufficient political support and resources to tackle legislative and policy decisions that may negatively affect developing countries.

Irish Aid acts as IDCD's secretariat, but lacks the required institutional capacity to conduct research and analyse policies for coherence or to trace policy coherence impacts once these have been identified. The previous peer review's suggestion to create a policy coherence unit within Irish Aid has not been implemented. The government has relied on the Advisory Board for Irish Aid (ABIA) to provide independent policy advice and to commission research. Trinity College Dublin and the Institute of Development Studies at the University of Sussex have contributed data, quality analysis and research on demand, for example on trade and agriculture. It is important that Irish Aid retains an adequate research and analytical capacity.

Parliament's Joint Committee on Foreign Affairs and the Public Accounts Committee ensure control over and oversee ODA. Since 2007, a sub-committee has focused exclusively on development co-operation. The Minister for Foreign Affairs and the Minister of State for Overseas Development are responsible for PCD and may be called upon to report to the Joint Committee. As IDCD's chair the Minister of State briefs parliamentarians on IDCD's work. While Ireland's political commitment to PCD is not questioned, this commitment has not yet translated into an integrated policy framework drawing consensus from the highest levels of government as well as parliament. Institutionalised reporting to parliament on PCD would facilitate this process.

Recommendations

- Irish Aid's approach to mainstreaming its priority issues – namely gender, environment, HIV/AIDS and governance – is a strong, though evolving, feature of its aid programme which already provides lessons that could be shared with other donors. Irish Aid is encouraged to improve reporting on mainstreaming and focus on measuring development impacts to enhance its own learning as well as that of other donors.

- To maintain public support for the aid programme, Ireland is encouraged to enhance its efforts to communicate the development results achieved by working with other donors and partner countries.

- Ireland should ensure that the Inter-Departmental Committee on Development has sufficient political backing and institutional support to effectively address any inconsistencies and potential policy conflicts between government departments that might adversely affect developing countries. To support the IDCD it should identify a policy coherence focal point with the capacity to analyse potential areas of policy conflict; commission longer-term studies; co-ordinate research; and monitor and champion policy coherence for development among government departments on the IDCD's behalf. The focal point will also need to find innovative ways to overcome the physical limitations linked to Irish Aid's relocation to Limerick.

Aid volume, channels and allocations

Ireland's net ODA amounted to USD 1.3 billion (EUR 0.9 billion) in 2008, a 90% increase over 2003 in real terms. Ireland's aid grew from 0.39% of its gross national income to 0.58% in 2008. This represents significant growth achieved during a period of exceptional economic expansion. The DAC welcomes this performance and commends Ireland for increasing aid to least developed countries (LDCs) through untied grants. Ireland is a generous donor, ranking 6th out of 22 DAC members in 2007 in terms of the share of ODA as a percentage of GNI and 17th in terms of net ODA volume.

The Irish government is committed to meeting the United Nations ODA target of 0.7% of GNI by 2012. It has adopted a phased approach and plans to meet an interim target of 0.6% in 2010. The challenge for the government is to reach these targets despite severe economic downturn and increased budgetary pressure. These have translated into a EUR 95 million reduction in Ireland's 2009 budget for overseas development, which is likely to have an impact on the ODA/GNI ratio. Ireland has stated that it will continue to work towards meeting the 0.7% target. The DAC urges the government to refrain from further budgetary action that would undermine this commitment.

Ireland does not have an overarching strategy for deciding on allocations to the different aid channels but nevertheless strives to maintain the balance between bilateral and multilateral aid (a ratio of approximately 70:30). The proportional growth in allocations provided through civil society, multilateral and humanitarian channels has been greater than the growth in funding channelled through programme countries. Ireland could clarify how it will allocate its aid between channels, sectors and modalities over three to five-year cycles. It is encouraged to fulfill its intention to rebalance its programme by increasing the proportion of ODA delivered through its programme countries.

Ireland's multilateral assistance has more than tripled in absolute terms over the past ten years, reaching USD 368 million in 2007. The European Commission (EC) is the single largest recipient of Irish multilateral ODA, followed by the United Nations and the World Bank. Since the last peer review the government has strengthened its strategic approach towards the United Nations (UN) by signing multi-year framework agreements with the UN Children's Fund (UNICEF), the UN Population Fund (UNFPA) and the UN High Commissioner for Refugees (UNHCR). It has also targeted more assistance to the Global Fund to Fight AIDS, Tuberculosis and Malaria while funding several other smaller funds. Ireland's commitment to and investment in the multilateral system will require adequate levels of human resources to engage more fully with its key partners, in particular the European Commission.

Concentration on a limited number of poor African countries and sectors

The concentration of Ireland's development assistance on a limited number of poor countries is one of its main strengths. Currently, Irish Aid has intensive, wide-ranging and long-lasting development co-operation programmes in nine countries (seven of which are in Africa); together they accounted for 47% of bilateral spending in 2005-07. All but one of the top 20 recipients of Irish aid are least developed countries (LDCs). The percentage of gross bilateral spending to the poorest countries has been both high and remarkably constant over the years, reaching 89% in 2007 compared to an average of 56% for the DAC as a whole. As recommended in the 2003 Peer Review, Irish Aid now funds a regional programme in southern and eastern Africa. Ireland reports that it spent EUR 156 million on HIV/AIDS and other communicable diseases in 2007. The last peer review recommended an evaluation of the impact of HIV/AIDS activities. An evaluation is currently underway. Its recommendations are even more critical now to ensure the coherence and impact of the programme as well as to guide future allocation decisions.

In addition to HIV/AIDS, Ireland's spending in programme countries concentrates on governance, humanitarian action, health and education, in line with its overall policy. Ireland's aid allocations to governance and humanitarian assistance have followed an upward trend in recent years. By contrast, the share of spending on education and health has decreased although funding for these sectors remains significantly higher than DAC averages. While modest, spending on priorities such as the environment and gender shows a slow upward trend. The DAC encourages Irish Aid to adequately resource its initiatives on gender and environment to match its commitments, to document good practice in mainstreaming and to report on outcomes.

Other priorities of the *White Paper* emphasize productivity and efficiency in African agriculture and private sector support. To date, spending in these areas is only a small proportion of Ireland's aid budget. Activities in the private sector, in particular, are somewhat fragmented. The DAC believes that taking a more strategic approach to the

private sector in priority countries would strengthen the pro-poor growth dimension of Ireland's aid programme. The visibility given to the Hunger Task Force report, and the fact that the task force is part of Irish Aid's new structure, are positive indications of Ireland's intention to increase its focus on hunger in the future.

A strategic approach to non-governmental organisations

Non-governmental organisations (NGOs) – and in particular Irish NGOs – play a prominent role in Ireland's development, emergency and recovery work. Funding to NGOs represented 25% of total net ODA in 2007. Of its civil society budget Irish Aid uses 84% to support 29 organisations, and over 50% of the budget is allocated to five major partners. Irish NGOs actively contributed to the 2006 White Paper and generally consider the dialogue on policy development with Irish Aid to be of good quality. Many Irish NGOs are concerned that Irish Aid's relocation to Limerick will affect the level and pace of that dialogue. Funding to Irish NGOs flows directly from Irish Aid headquarters. Where this is programmed in partner countries, Ireland should encourage NGOs to consult with the Embassy and to align their interventions with national development strategies.

As recommended in the 2003 peer review, Irish Aid has adopted a more structured approach towards NGOs by introducing new funding mechanisms and strengthening the grant appraisal and approval system. A new *Civil Society Policy* provides the framework for government-civil society interactions. The funding scheme for the large Irish NGOs has improved their financial stability and reduced the administrative burden However, some concerns have been raised by smaller NGOs seeking access to the multi-annual programming scheme. More generally, there remains significant room for further engagement by Irish NGOs with Southern partners and the discussions with Irish Aid around funding modalities could provide a vehicle for setting broad strategic goals in this area.

Recommendations

- The DAC commends Ireland for its impressive growth in ODA from 2003 to 2008. The DAC, further, strongly urges Ireland to continue to make progress towards meeting the ODA/GNI target of 0.7% in 2012. Reaching its interim target of 0.6% in 2010 is essential even in an environment of declining GNI. This would send a strong, positive signal to the development community.

- Ireland should clarify how it prioritises aid channels, modalities and sectors in its priority countries and fulfill its intention to rebalance its programme by increasing the proportion of ODA delivered through these countries.

- To fulfil the *White Paper*'s support for pro-poor economic growth, Ireland should invest strategically in initiatives linked to agriculture, rural development and the private sector, and avoid programme fragmentation.

Organisation and management

The relocation to Limerick

In 2008 Irish Aid headquarters was moved to Limerick from the capital, Dublin, as part of a government-wide decentralisation which involved the relocation of some 10,300 public sector posts. The relocation took place while a major review of the organisation and structure of the aid programme was underway. This management review was one of the recommendations of the *White Paper on Irish Aid*. It has been completed and is currently under consideration by the Government. In the meantime, work has begun to ensure that development co-operation is more fully integrated within overall foreign policy.

The management of the Department of Foreign Affairs, including the Development Cooperation Division (Irish Aid), has worked hard to meet the challenges linked to the relocation. Overall, the full integration of the development programme into the mainstream of DFA is positive. The system is likely to be more coherent, flexible and efficient in responding to development challenges and demands arising from the field. The development voice within government is expected to be strengthened, and Irish Aid's management should be more fully involved in the overall decision-making structure. However, it will take time before the full impact on the aid programme can be assessed. The DAC encourages Irish Aid to monitor carefully the impact of its move.

Major challenges remaining

Strengthening human resource capacities

The need to develop flexible approaches to staff deployment and rotation across the department, combined with the need to reinforce staffing levels and skills, are major human resources challenges. Irish Aid has acted promptly to replace skills lost due to the move, such as by recruiting and training new staff and deploying additional development specialists across core divisions. Other appointments are on the way and a staff development and training strategy is being drafted. Irish Aid's management must pursue its efforts to achieve the level of expertise needed to deliver the aid programme, to ensure that a career in development is valued by diplomatic staff and to maintain cutting-edge knowledge of critical issues.

Focusing on results and knowledge management

The government is keen to develop an aid culture which emphasizes results, and Irish Aid has begun to track results in its programme. The process of placing results at the centre of planning, implementation, monitoring and evaluation begins with Irish Aid's *Operational Plan 2008-2012.* In addition, a results-based approach to country strategies has been developed to capture Irish Aid's development effort. The complexity of the processes involved will require adequate capacities for monitoring performance at headquarters and in the field. Support from senior managers as well as staff training and incentives will be required to ensure the sustainability and usefulness of Irish Aid's strategic planning and performance management approach.

Irish Aid recognises that a more systematic approach to learning and knowledge management is needed. It has established a knowledge management working group in

March 2008 drawing on staff across the core sections. The group has built an intranet and is strengthening statistical and data management as well as staff training. Irish Aid has also invested in videoconferencing to better support the programme. These initiatives are welcome but need to be linked, including to the results framework and the evaluation function, in order to strengthen knowledge management.

Irish Aid relies on outside sources for specific analytical inputs and research relevant to its policy agenda. Sector specialists provide expert analysis of programme proposals and monitor the effectiveness of programme implementation, in association with locally-recruited specialists in partner countries. When in-house expertise is not sufficient or where an independent assessment is required, Irish Aid draws additional support from external sources. However, internal analytical capacity should still be developed within Irish Aid to deal with policy coherence and other issues emerging from the *White Paper*.

Recommendations

- Irish Aid should finalise the training strategy for staff development as a priority and review staffing levels and skills regularly to ensure that they provide the expertise needed to deliver the aid programme. It is encouraged to dedicate appropriate resources to engage actively with its key multilateral partners.

- Irish Aid should institutionalise its approach to knowledge management building on the results framework for country strategies as well as on evaluations, and ensure that the analytical, evaluation and policy development functions are well integrated.

Practices for better impact

Implementing aid effectively

The DAC congratulates Ireland on its high level of political commitment to the aid effectiveness agenda and for embedding aid effectiveness in Irish Aid's system. Ireland has fully untied its aid and does not use project implementation units. At international and field level it is appreciated for advancing key messages on aid effectiveness, in particular on cross-cutting issues and mutual accountability. Evidence from the field suggests that Irish Aid staff has a detailed understanding of the principles underpinning the aid effectiveness agenda and the challenges these pose. The Action Plan for Irish Aid's response to the Paris Declaration is being updated to reflect commitments under the Accra Agenda for Action.

Irish Aid can be commended for its excellent track record in applying the Paris Declaration and for the results of the OECD's *2008 Survey on Monitoring the Paris Declaration*. Discussions with the Ugandan Government confirmed that Ireland's activities aligned with Uganda's own priorities. The Irish programme relies extensively on national systems and locally-available expertise, and Irish Aid is very flexible in accommodating needs as they arise from the field. Ireland is encouraged to extend the country strategy cycle from three to five years to synchronise its timing with partner countries' planning cycles. This would make aid more predictable and better aligned. Ireland is engaged with partner governments and other donors to improve monitoring frameworks for budget and sector support. It should continue to balance partner

countries' ownership with ensuring the highest level of standards to manage fiduciary risks.

In programme countries, Ireland works closely with other donors, particularly the EU members and the Nordic Plus group, taking part in Joint Assistance Strategies, division of labour exercises and other joint approaches. It stands ready to challenge its perceived comparative advantages based on the local context, the needs expressed by national government and the existence of other donors working in the same sectors. Ireland has withdrawn from some sectors responsibly by adjusting its internal organisation and staffing requirements, sharing expertise with donors remaining in the sector and providing indirect support. The recruitment of national auditors within each Irish Embassy in programme countries has reinforced oversight, and the status and authority given to local staff are very beneficial to the quality of the programme.

Broadening the scope of aid effectiveness

Ireland strives to maintain a balance between the different aid channels and modalities and is committed to making its aid predictable for programme countries. Each embassy is responsible for programming direct bilateral aid, whereas humanitarian aid, aid to NGOs and multi-bilateral aid (about 25% of bilateral aid) are planned and programmed from headquarters. As a result, Irish Embassies may not always have a complete picture of the funding that supports the countries in which they are represented. In addition, the results-based approach to country strategies is internal to Irish Aid and does not guide all of Ireland's interventions through all its channels and instruments. A full ODA picture is needed for Irish Aid to enhance synergies across the different aid channels as well as to facilitate partner governments' efforts to track aid and build a consolidated accountability mechanism. The Irish Embassy in Uganda is beginning to address this together with the Ugandan Government and could usefully share good practice with field missions located in other programme countries.

Learning from experience on priority issues

Assessing the impact of capacity development interventions

The Memorandum of Ireland emphasises the importance of capacity development and the *White Paper* commits Irish Aid to "help build government systems…[and] capacities to plan, deliver, manage and monitor services". Irish Aid's sectoral and thematic policies reflect these orientations. The *Operational Plan 2008-2012* targets systems for building capacity and the delivery of services in health, education, water and sanitation. The 2008 *Civil Society Policy* commits Irish Aid to support capacity building and organisational development for civil society organisations. Capacity development is not, however, among the seven priority areas of the White Paper. As for most other donors, Ireland does not have an overarching policy or guidelines indicating how it should design and implement capacity development or integrate it into development programmes.

In partner countries, capacity development is dealt with primarily through using national systems, sector-wide approaches and pooled funding for delivering Irish development assistance. Evidence from Uganda suggests that Ireland performs well in this respect. Irish Aid encourages partners' self-reliance and uses national capacities as a first option. However, Irish Aid needs to continue to assess and measure the impact of its capacity building interventions. The results-based approach to country strategies will help

to clarify capacity development objectives and outcomes in the design phase of these strategies.

Documenting results in governance

Governance is one of the priority areas for Irish Aid as well as a cross-cutting theme. Currently, Irish Aid has a draft strategy on good governance. In the case of Uganda, Irish Aid's support to governance addresses both the supply and demand side of good governance and combines targeted as well as mainstreamed activities. Irish Aid works with the partner government, other donors and Irish and local NGOs to provide support through sector-wide approaches, basket and pooled funds and government or donor-led programmes. It consistently aims to use and strengthen the partner country's capacities for financial accountability and transparency.

Irish Aid is building its competence to identify entry points and advance good governance in all of its programmes. However, successes in mainstreaming governance are difficult to observe in practice. The scale and diversity of Irish Aid's intervention calls for a need to reflect on priorities and outcomes, and mainstreamed activities need to be better documented and communicated. The next round of country strategy papers offers an opportunity for field missions to address this challenge.

Recommendations

- Ireland is a leading player in implementing the aid effectiveness principles. Irish Aid is encouraged to engage peers, civil society and partner country governments to implement the Accra Agenda for Action and to continue working collectively at country level to strengthen partner countries' monitoring and results frameworks.

- Ireland should make every effort to enhance synergies across the different aid channels and provide a full ODA picture to allow partner governments to track aid, build consolidated accountability mechanisms and plan future investments for development.

- Irish Aid should consider developing guidance to support capacity development of partner governments and civil society. It should also co-ordinate and build synergies across the different capacity building initiatives which it finances. It is encouraged to further enhance efforts to assess and measure the impact of its interventions in this area.

- In finalising its draft strategy on *Building Good Governance* Irish Aid is encouraged to ensure that it promotes a coherent overall approach, taking into account available principles and instruments addressing the promotion of good governance in specific contexts, including in fragile states. The next round of country strategy papers offers an opportunity to identify priorities and outcomes and to better document and report on mainstreamed activities.

Humanitarian action

The goals, objectives and strategic directions of Irish humanitarian action are derived from the White Paper and are therefore anchored within the broader poverty reduction agenda for Irish development co-operation. They promote a "poverty and vulnerability" approach that aims to address the causes – as well as symptoms – of crises. Close liaison between Irish Aid and the Conflict Resolution Unit of DFA on conflict transformation

reinforces Ireland's holistic approach in crisis-affected societies. Notwithstanding these broader linkages, however, Ireland has been careful to ensure that core humanitarian principles are protected and that Irish humanitarian support is in accordance with the *Principles and Good Practice of Good Humanitarian Donorship*. These fundamental humanitarian commitments could be enshrined in the White Paper on Defence scheduled for release in 2011.

Ireland is developing two policies: (i) on humanitarian relief and response; and (ii) on the linkages between humanitarian and development assistance, including disaster risk reduction. Associated guidelines will provide more detail on humanitarian action to implementing partners. While recognising the need to develop these policies and guidelines at a pace that ensures they are fully institutionalised within the agency, the protracted period for their release (up to 18 months) has created some concern about fragmentation of the humanitarian agenda. Ireland is therefore encouraged to minimise the time lag between launching policies and issuing guidelines. Furthermore such policies would benefit from clearly defined action plans, containing specific targets, against which progress can be systematically monitored and demonstrated.

Flagship initiatives arising from the White Paper, such as the Rapid Response Initiative (RRI) and the Hunger Task Force, have given Ireland considerable credibility within the international humanitarian community. The RRI adds an operational response capacity to Irish Aid's funding support for international humanitarian action while the Hunger Task Force's report has given Ireland a prominent role in international dialogues on global food insecurity.

The Sierra Leone and Liberia Fund supports post-crisis programmes with a distinct developmental character. Ireland should reflect on how to sustain its level of humanitarian allocations as post-crisis programmes in these countries are transferred to mainstream development assistance budget lines or phased out as the situation stabilises.

Recommendations

- Ireland should ensure that its commitments under the Good Humanitarian Donorship Initiative are adequately reflected in the policy frameworks and operational guidelines of other government departments and joint training is promoted.

- Ireland is urged to ensure the timely release of its policies on the linkages between humanitarian and development assistance as well as its associated guidelines in order to present a comprehensive package to the Irish humanitarian community. Ireland should identify specific targets and action plans for both humanitarian policy documents in order to provide suitable transparency.

- Ireland should build on its expanding financial commitments in the humanitarian sector and the positive impressions created by the Rapid Response Initiative and the Hunger Task Force to play a more prominent role in international humanitarian fora and governance structures of key multilateral agencies.

SECRETARIAT REPORT

Chapter 1

Strategic Foundations and New Orientations

The foundations of Ireland's development co-operation

Ireland has a long and proud history of overseas development aid rooted in missionary work and a strong commitment to multilateralism. During the latter half of the twentieth century, Ireland transformed itself from a relatively poor country into a wealthy economy. This transformation, and its belief in sharing wealth and extending solidarity to poor people, are all important factors in Ireland's commitment to development co-operation.

Ireland's first overseas development assistance programme, known today as Irish Aid[1], was established in 1974. Over the years the programme has evolved steadily, accelerating quickly since 2000 (Figure 2, Chapter 3) to reach an official development assistance (ODA) volume of EUR 900 million (2008). The programme has benefited from broad cross-party support as well as a high level of public ownership, engagement and commitment. Sustaining and even increasing that support, especially as the global economic downturn is bringing financial cutbacks in Ireland, will be a real challenge if the country is to realise the important international goals it has set itself.

Development co-operation is at the heart of Ireland's foreign policy. It is one of the six high level goals for the Department of Foreign Affairs and a "whole-of-government matter" (GoI, 2008a). Ireland's 2006 *White Paper on Irish Aid* (GoI, 2006a) provides the background to, policy context for and future strategic direction of, Ireland's aid programme. The *Agreed Programme for Government 2007-2012: A Blueprint for Ireland's Future* (GoI, 2007a) and the Department of Foreign Affairs' *Statement of Strategy 2008-2010* (GoI, 2008a) elaborate on the vision contained in the *White Paper*. Irish Aid's *Operational Plan 2008-2012* (GoI, 2008c) lays out the roadmap for the management and implementation of the expanding aid programme. The next version of

1. In 2006, the name of the programme was changed from Development Cooperation Ireland (DCI) to Irish Aid.

the plan will provide Irish Aid with the opportunity to include the implications of recent international initiatives such as the Accra Agenda for Action.

The Oireachtas (parliament) is one of the most important constituencies for Ireland's aid programme. While no specific piece of legislation underpins Ireland's development cooperation policy and programme, the Oireachtas is kept informed of all aspects of the Irish Aid programme, including the application of aid effectiveness principles, through parliamentary debates and reporting by the Minister for Foreign Affairs and the Minister of State for Overseas Development to the Oireachtas Joint Committee on Foreign Affairs (JFAC) and the Public Accounts Committee. A JFAC Sub-Committee on Overseas Development was created in 2007 to focus exclusively on development co-operation. This committee scrutinises annual reports and budget estimates, undertakes field visits and produces reports on Irish Aid's priority countries (known as programme countries).

Aims, objectives and priorities of Ireland's development assistance

The 2006 White Paper on Irish Aid

The Government's 2006 *White Paper on Irish Aid* – a first for Ireland[2] – is the most comprehensive statement of the principles and values (Box 1) that underpin Ireland's aid programme. It is the culmination of an intense process of consultation with the Irish public and Ireland's development partners. The positioning of development co-operation as a key objective of foreign policy is a strong feature of the *White Paper*. The *White Paper* reaffirms poverty reduction as the overarching objective of Irish Aid (Annex C), restates the government's commitment to the United Nations target for ODA expenditure and sets out a phased approach to achieving it by 2012.[3] Aid effectiveness also features prominently in the document, as does the centrality of partner countries' ownership of their own development (Chapter 5). A wide range of new policies and guidelines based on international best practice and drawing from Ireland's own experience have been formulated to shape the delivery of the aid programme.

Box 1. The mission of Ireland's development co-operation

Key Features:

Development cooperation is an integral part of Ireland's foreign policy

Poverty reduction, to reduce vulnerability and increase opportunity, is the overarching objective of Irish Aid

Ireland will support the promotion of human development, human security and justice, the building and strengthening of democracy, the promotion of gender equality and the promotion and protection of human rights

…/…

2. In 1996, Ireland produced a White Paper on Foreign Policy entitled *Challenges and Opportunities Abroad: White Paper on Foreign Policy*.
3. At the Millennium Summit, the Taoiseach (Prime Minister) announced a timeframe for reaching the UN target by the end of 2007. In 2005, the target was adjusted to 2012.

Cont'd

Guiding Principles:

Partnership

Ireland's relationship with the developing world will be based on a spirit of partnership and equality. The governments and peoples of our partner countries are primarily responsible for their own development and will lead the development process. Ireland will offer advice, expertise and assistance but decisions on development planning must, to the greatest extent possible, be locally owned and led.

For their part, our partner countries must work to combat corruption, ensure effective and responsible government, promote democracy and protect human rights. We will also work in partnership with other donors and with international and non-governmental organisations which share our priorities.

Public ownership and transparency

We will ensure greater public awareness and ownership of the programme. We will also encourage greater awareness of development issues. The programme will be delivered in an open, accountable and transparent manner. The bases for funding decisions will be transparent. We will consult with partners on major policy initiatives.

Effectiveness and quality assurance

We will use public resources efficiently and effectively, providing value for money for the Irish taxpayer. To maximise effectiveness, we will ensure high quality in the planning and management of our projects and programmes. We will work in close co-ordination with other donors and the international community in order that development assistance is used to best effect at a global level. Ireland's assistance will not be tied to the use of Irish goods or services. Rigorous audit and evaluation will inform our work to ensure that resources are used to optimal effect to achieve value for money and that we learn from past experience.

Coherence

We will work for a coherent approach to development across all government departments. Within Irish Aid itself, we will work to ensure coherence across the wide range of development assistance instruments employed and to minimise or eliminate inconsistencies and contradictions.

Long-term sustainability

Our interventions will be durable and will bring real benefits over the long term. We will work towards sustainable improvements in the lives of ordinary people through building systems to address the causes of poverty rather than simply ameliorating the symptoms. Our development programme will integrate environmental concerns, to protect the interests of future generations.

Source: White Paper on Irish Aid (GoI, 2006a)

The *White Paper* calls for mainstreaming gender, HIV/AIDS, governance and environment into the planning, implementation and evaluation of all development assistance interventions. The mainstreaming of the four issues should complement specific actions taken in each of the four areas. Irish Aid has developed good practice in this respect, building on its mainstreaming strategy (GoI, 2007f) and using specific materials and analytical tools to implement this strategy in a phased approach. Assistance in mainstreaming is provided through a team of specialists in each of the four areas, staff from various sections in headquarters, and advisors and experts at field level (Box 2). The approach involves training on mainstreaming, building knowledge in the four priority issues as well as strengthening accountability and senior management oversight.

There is no specific budget line for mainstreaming; however, at field level Heads of Mission can use a special fund as needed. As observed in Uganda (Annex D), gender and HIV/AIDS have been well mainstreamed in Irish Aid's programme. The mainstreaming

of governance was not as visible to the DAC Peer Review team, partly as a result of the diversity of the portfolio and partly due to the difficulty of documenting good practice (Chapter 6). The embassy in Uganda did not specifically set out to mainstream environment in the *2007-2009 Country Strategy Paper*, preferring to adopt a more gradual approach to mainstreaming. Nevertheless, it is committed to building capacity on the environment. The peer review team concluded that to increase visibility of progress in mainstreaming, it could be better recorded through existing reporting systems across Irish Aid, using key indicators to measure impact. Good practice could also be shared with other donors.

Box 2. Gender mainstreaming in Uganda

Irish Aid began the process of mainstreaming in 2007 by providing a common understanding amongst Irish Aid's programme staff of the linkages between gender and poverty and by strengthening mainstreaming capabilities. The Irish Embassy in Uganda conducted an internal gender assessment; training in gender mainstreaming was organised from headquarters on the basis of results from that assessment. With increased knowledge of gender issues embassy staff identified and integrated gender-specific entry points across the programmes in the 2008 business plan. To harmonise gender interventions across NGOs, Irish Aid also established a network of gender focal points from Irish NGOs. This has enabled capacity-building sessions on gender mainstreaming and on gender-based violence. These sessions have also helped to identify good practice as well as strategies for peer support. Among Irish Aid's main interventions and achievements are the following:

- Support to the Ministry of Land, Housing and Urban Development to "engender" the draft national land policy.
- Support for gender disaggregation of data in the national household survey, which is an important source of social and economic data for planning.
- Financing an econometric analysis on the relationship between gender equality and economic growth. As growth is at the top of the political agenda in Uganda, the study could attract high level political interest and support.
- Support to the Ministry of Education and Sports to finalise and disseminate the Gender in Education Policy to tackle the dropout rates of girls from primary and secondary levels.
- In partnership with other donors, identifying strategic entry points at the different levels of the legal framework using a report on gender access to the justice system. This, however, has only brought limited success in pushing for reform.

Source: Embassy of Ireland in Uganda, 2008

Ireland in the global development co-operation system

Ireland is becoming a significant player in development as a result of its expanded aid volume, its efforts to conform to best international standards and forward critical aspects of the global development agenda both at home and abroad. Ireland's main characteristics as a donor, including flexibility, support for multilateralism, strong commitment to partnership principles and to reaching the poor have been recognised in previous peer reviews. These defining features continue to be reflected in Ireland's development efforts and the Irish Aid programme is highly regarded both nationally and internationally. In the 2008 Commitment to Development Index for Africa, Ireland scored particularly well in

aid quality, security, migration and environment and in terms of volume of aid to Africa, ranking second out of twenty one countries for its performance overall in development aid (CGD, 2008a).

Ireland leads the way within the European Union in terms of the proportion of ODA allocated to combating HIV/AIDS. As the only European Head of Government to attend the UN General Assembly on HIV/AIDS in 2006, the then *Taoiseach* (Prime Minister) won international recognition for his leadership in the global fight against the pandemic. During the Irish EU Presidency in 2004, Ireland helped ensure that the Millennium Development Goals (MDGs) were a key focus of EU policy and financing decisions. Ireland is a strong advocate of the full untying of aid within the EU. It is urging EU Members to use performance and need-based criteria for allocating EU development assistance and to prioritise the needs of LDCs in the World Trade Organization (WTO) process. In addition, Irish Aid has established a mentoring programme to assist new EU Member States to enhance their institutional capacity as donors (Box 3).

Ireland is known for its work in advancing key messages on aid effectiveness at international level, for example on cross-cutting issues and mutual accountability (Chapter 5). Irish Aid provided substantial inputs for and hosted a workshop in 2007 on applying the Paris Declaration principles in gender equality, environmental sustainability and human rights. It contributes both technically and financially to the work of DAC working parties and networks including Gendernet, Povnet, Govnet and Environet. In addition, the Government strongly supports the system-wide coherence process in the UN and has co-chaired, with Tanzania, deliberations in the UN General Assembly on the report of the UN High Level Panel. Finally, in response to the scale of current global environmental challenges, the Government is committing itself to moving Ireland into the top five countries in the world as measured by the Environmental Performance Index (GoI, 2007a).

Box 3. Ireland's mentoring programme for new Member States to the European Union

The Irish Aid Mentoring Programme was established in 2005 to assist new EU Member States in developing overseas development programmes of their own. Senior officials met with counterparts in Irish Aid for an intensive 2½-day series of talks on different aspects of Irish Aid's activities. The mentoring visits were designed to impart the lessons which Irish Aid has learned over the past 34 years. Delegations from the 12 Member States that acceded to the EU between 2004 and 2007, as well as an accession state, Croatia, participated in the programme. The visits fostered closer relations between Ireland and the new Member States and allowed for fruitful exchanges of perspectives on development co-operation.

Source: *www.dfa.ie*

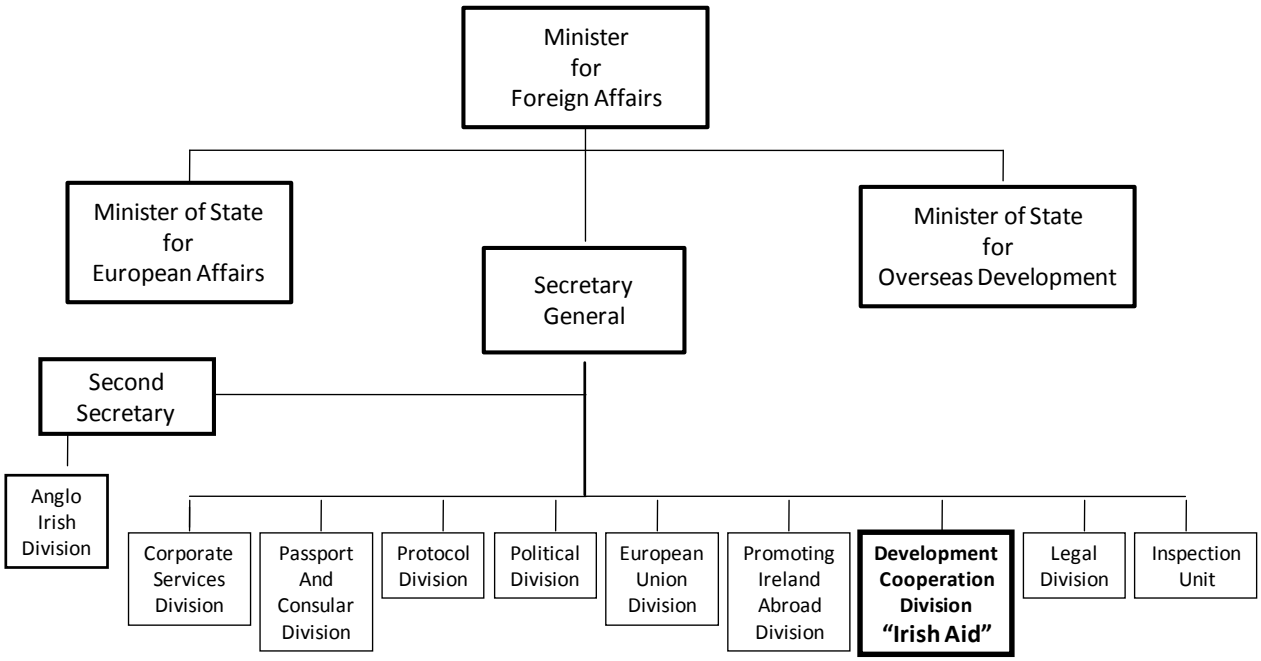
Ireland's structure for delivering the Irish Aid programme

Responsibility for Irish foreign policy, including assistance to developing countries, lies in the first instance with the Minister for Foreign Affairs. The minister is assisted by a Minister of State for Overseas Development and a Minister of State for European Affairs (Figure 1). The Development Cooperation Division (DCD) of the Department of Foreign Affairs (DFA) has responsibility for administering Ireland's overseas development assistance programme (about 85% of ODA). Currently, this programme represents about EUR 769 million of total ODA.[4] The balance is spent chiefly by the Departments of

4. These are Irish Aid's 2008 figures, based on a preliminary ODA volume of EUR 900 million.

Finance; Agriculture, Fisheries and Food; Health and Children; Enterprise, Trade and Employment; Environment, Heritage and Local Government and Justice, Equality and Law Reform, mainly through contributions to international organisations.

Figure 1. Foreign Affairs system chart



Current initiatives

The 2006 *White Paper* sets the parameters of Ireland's overseas development in seven distinct areas: (i) humanitarian emergencies; (ii) governance capacity and accountability; (iii) trade and development; (iv) social and productive sectors; (v) gender, environment, HIV/AIDS and governance; (vi) peace, security and development; and (vii) public information and development education. Ireland is actively and progressively implementing the key government decisions that relate to these priority areas. Some of these decisions follow the recommendations from the 2003 DAC peer review (Annex A), and are discussed throughout this report. The examples below illustrate major steps which Irish Aid has taken, focusing on its priority areas. In particular, Ireland has:

- Established a Hunger Task Force of national and international experts in 2007 and produced recommendations on the contributions that Ireland could make to international efforts to reduce global hunger (GoI, 2008i). In response, the Minister for Overseas Development has endorsed the thrust of the report and has appointed a Special Envoy for Hunger who will report back on progress in the fight against global hunger by 2010.

- Established a Stability Fund for activities covering post-crisis recovery, service delivery, and human rights. The Sierra Leone and Liberia budget line covers humanitarian assistance in parallel with post-crisis recovery service delivery, human rights and state-building programmes in these countries In addition, a Conflict Resolution Unit, based in DFA's Political Division, has been established to contribute to international conflict prevention, resolution and peace-

building efforts. The unit builds on the experience of the Northern Ireland peace process drawing on the resources of the Stability Fund.

- Launched a rapid response initiative (RRI) to strengthen the preparedness for, and response to, humanitarian emergencies (Annex C).

- Supported the multilateral "aid for trade" initiatives for least developed countries (LDCs), raised the public's awareness of fair and ethical trade, and established a not-for-profit business development organisation, Traidlinks, to help promote business relationships between the Irish private sector and the private sector in developing countries.

- Developed a strategy entitled *Building Good Governance*[5] to guide its governance-related activities at programme country level (Chapter 6).

- Opened a Volunteering and Information Centre in Dublin in January 2008 as a state of the art, flexible multi-media exhibition space designed to raise awareness of development issues and the role of Irish Aid in tackling global poverty. The Centre is a first port-of-call for those seeking information on the personal contribution they can make to overseas development, including volunteering opportunities.

Relocation of Irish Aid and reorganisation

In 2008, Irish Aid was moved from Dublin to Limerick as part of the government-wide decentralisation involving the relocation of some 10,300 public sector posts outside the capital. The relocation has been a major challenge for Irish Aid, in particular in terms of responding to the loss of expertise and institutional memory and maintaining the linkages with other government departments, embassies and organisations including NGOs which have remained in Dublin. One of the consequences of the move was to encourage an examination of the relationship of development co-operation with other parts of the foreign policy system. This examination was part of the terms of reference of a management review (FGS Consulting, 2008) of the governance and management structures of the aid programme which is currently before the government for consideration (Chapter 4). A broader review of the Department of Foreign Affairs' structures is also underway.

Public Awareness

Trends in public support for aid

Public support for overseas development is strong in Ireland, and Irish Aid is striving to retain this support which underpins the growth and development of the programme. In 2008, a public opinion survey was commissioned as part of a regular monthly omnibus survey of 1000 respondents, which included questions about development assistance and Irish Aid. Results from the survey were, on the whole, very positive. Irish Aid could conduct more comprehensive surveys on a regular basis to monitor trends, including in

5. This strategy was still in draft at the time of writing.

Irish public awareness of specific development issues and challenges arising from the implementation of the Paris Declaration and Accra Agenda for Action.

The 2008 omnibus survey indicated that one in two people were aware of Irish Aid when prompted and 80% of respondents knew about Irish Aid's involvement in overseas development. Awareness was greater among people of at least 35 years of age, residents of Dublin and people of upper socio-economic status. Sending skilled people to developing countries and establishing self-help programmes were viewed as the best forms of assistance, whilst creating a better understanding in Ireland of the situation in developing countries was strongly endorsed as helpful. Nearly half of respondents believed that the Government of Ireland's level of commitment to overseas development was about right. Whilst the role and responsibilities of the different actors involved in the aid programme was not entirely clear, the respondents viewed the strategy of Irish charities administering and implementing aid programmes in partnership with local governments as most effective to improve people's living standards. These survey findings suggest that Irish Aid could strengthen its efforts to communicate its role in Ireland's development co-operation and illustrate the impacts of using different aid modalities. One year after its creation, awareness of the Volunteering and Information Centre was modest, though stronger in Dublin than elsewhere in Ireland. The survey concluded that attendance and further investment in communications should increase awareness of the centre over time.

Strategy for building public awareness

One of the key recommendations of the *White Paper* is to increase understanding and awareness in Ireland of the work of Irish Aid. The *White Paper* also provides broad objectives for raising awareness of development challenges, focusing on working with developing country governments, other donors, multilateral organisations and NGOs to respond to the needs of the poorest people in the world. Irish Aid has focused on raising awareness of the programme on the one hand, and on the other on educating the Irish public. Irish Aid's public information strategy[6] and its Strategic Plan 2007-2011 for Development Education entitled *Promoting public engagement for Development*[7] provide the framework for its endeavours.

Among EU Member States, Ireland is the second largest spender per capita on development education. Development education has decreased as a percentage of bilateral aid since 1985 but has grown in absolute terms. During 2007, Irish Aid funded public awareness and development education activities by 50 different organisations and institutions providing a total of approximately EUR 4 million, compared with EUR 2.7 million in 2006 (GoI, 2006c and GoI, 2007c). In 2008, the budget for development education activities in Ireland rose to EUR 5.8 million, of which EUR 4.7 million was allocated to grants to education providers working in formal and non-formal education (GoI, 2008b). All Irish universities have a module on development education and four universities conduct development studies.

The objectives of the development education strategy are multifaceted. They include: (i) strengthening coherence between development education and national education,

6. The strategy has not been made public yet. It is informed by a report on the communication needs of Irish Aid produced by Drury Communications.

7. http://www.irishaid.gov.ie/development_deveducation.asp.

citizenship and development policies in Ireland and supporting the growth of best practice at European and international levels; (ii) contributing to high quality development education in Ireland through strengthened support for practitioners and their organisations; (iii) supporting the further integration of development education into formal and non-formal education programmes in Ireland; and (iv) ensuring that development education initiatives raise public awareness and understanding of the underlying causes of global poverty and inequality as well as Ireland's role in tackling these issues. Irish Aid operates a Development Education Funding Scheme and strategic partnerships are in place to support development education programmes in the formal and non-formal education sectors. Irish Aid has developed guidelines for funding schemes as well as a booklet called *Irish Aid and Development Education*.

Irish Aid's Public Information and Development Education Section develops and implements the communication and development education strategies. The section also manages the Irish Aid Fellowship Training Programme and the Programme of Strategic Cooperation between Irish Aid and higher education and research institutes (Chapter 6). At the time of writing the section had 12 staff deployed between the Public Information Unit and the Development Education Unit. In addition, eight staff from Irish Aid's Civil Society Section are responsible for volunteering activities at the Volunteering and Information Centre. The field information officer ensures that case studies from the field are more effectively communicated through the website and publications and via the wider media. A Development Advisory Committee offers advice to the Minister for Foreign Affairs on development education.

Irish Aid organises support for events (*e.g.* Africa Day) and exhibitions, thematic publications, web features, press materials and advertising campaigns. These initiatives target younger audiences, various socio-economic groups and have a national spread. World AIDS Day was marked by a special supplement in the *Irish Independent* newspaper on Irish Aid's response to the pandemic, a public lecture and a web feature on the Irish Aid web site. The Advisory Board for Irish Aid (ABIA, chapter 4) organises a Development Forum which brings together the Minister of State for Overseas Development and senior Irish Aid officials with representatives of the missionary and NGO communities to discuss development policy and strategic issues. The 2008 Forum had "development effectiveness and impact" as a theme and discussed the preparations for and issues of the Accra High Level Forum.

While Irish Aid notes that awareness of development issues is improving amongst the concerned committees in parliament, the media and the Irish public (OECD, 2008e), explaining the importance and relevance of the Paris Declaration and the Accra Agenda for Action remains a major challenge. This is particularly difficult given the complexity of the aid modalities and approaches used (*e.g.* donor harmonisation and reliance on country systems), which do not easily lend themselves to making individual donor contributions visible. Sharing strategies with other donors on how to better communicate challenges and results with the broader public could be a good way forward. Ireland's active participation in the Informal Network of Development Communicators (DevCom) may provide a useful opportunity to exchange best practice in this regard (OECD, 2007).

Future considerations

- Ireland's approach to mainstreaming its priority issues – namely gender, environment, HIV/AIDS and governance – is a strong, though evolving feature of its aid programme which

should be shared more broadly. Good practice and progress in mainstreaming should be documented through reporting systems and key indicators could be developed to measure impact.

- Irish Aid should continue to ensure that development co-operation results are communicated to government, parliament and the Irish public to sustain the level of support for overseas development. Strengthening efforts to communicate the benefits of using different aid modalities as well as the aims and principles of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action will also be important.

Chapter 2

Policy Coherence for Development

This chapter looks at Ireland's progress in meeting the 2003 peer review's recommendations (Annex A) on political commitment to policy coherence for development (PCD). It also examines Ireland's efforts to enhance institutional capacity for PCD, as well as systems for monitoring, analysis and reporting on PCD.

Commitment to policy coherence for development

Since the last peer review, Ireland has emphasised the importance of policy coherence for development. There is broad consensus in government, parliament and among academia, research institutions and civil society organisations that the fight against poverty is not merely a matter of providing official development assistance. PCD was one of the five themes that were discussed at the national consultative forum held in October 2005 to consolidate the public input to the process for writing the 2006 *White Paper on Irish Aid*. For the Irish Government, policy coherence for development supports efforts to reach the MDGs and should be enhanced, including within the European Union.

The *White Paper* acknowledges the interconnection between development and agriculture, trade, investment and migration and stresses the need to balance the social, economic and environmental aspects of development to provide long-term solutions to poverty. The *White Paper* notes that "policies across the range of government business impact upon developing countries and development and other policies must be coherent to maximise their positive impact on developing countries and to minimise possible negative impacts" (GoI, 2006a). This willingness to address development co-operation in a broader context is echoed in the *Agreed Programme for Government 2007-2012* (GoI, 2007a), which commits the government to an integrated approach to development across all government departments.

Ireland's shared vision of ODA and consensus on development co-operation are real assets for having a more ambitious approach towards policy coherence for development. While Ireland's political commitment to PCD is not questioned, it has not yet translated into an integrated policy framework supported at the highest level of government and parliament. For this to happen, the *Oireachtas* in general, and the Joint Foreign Affairs Committee in particular, need to play a stronger role. The section below looks at some of the steps which Ireland has taken recently to make PCD more effective, as well as at what remains to be done.

A new institutional mechanism: the Inter-Departmental Committee on Development

The *White Paper* established an Inter-Departmental Committee on Development (IDCD) in 2007 to "strengthen coherence in the government's approach to development and make best use of expertise and skills available across the public service to benefit Ireland's development aid programme".[8] With the creation of the IDCD, Ireland has taken a significant step to enhance the impact of Irish development co-operation. The peer review team did not have evidence of formal inter-departmental policy and coherence links beyond the IDCD. The IDCD is consultative and advisory, and chaired by the Minister of State. It is composed of senior officials from the Department of Foreign Affairs, as well as all other government departments. It is assisted by Irish Aid's Multilateral EU Policy Section, which acts as the secretariat and whose role has so far been limited to setting the IDCD's agenda, drafting discussion papers and liaising with NGOs, university researchers and any other interested parties. It also participates in the EU Policy Coherence for Development Network.

IDCD has terms of reference, a work programme for 2008 which will need to be updated for the current year, as well as a webpage on the Irish Aid website.[9] In its first year of existence it identified eight priority departments for PCD issues and conducted meetings with a number of these departments, as well as with NGOs. Sub-groups have been created to promote coherence within multilateral organisations and to facilitate the best use of expertise and skills available across the public service to benefit Ireland's programme of official development assistance. IDCD has also monitored developments on PCD at the European Union level and heard experience from the Netherlands. All this groundwork has communicated a sense of engagement and common purpose among IDCD members. However, to ensure a stronger development perspective in Ireland's external policies, IDCD must evolve from a forum for sharing knowledge and finding synergies across government departments to an institution which can address inconsistencies and potential policy conflicts between key departments.

Some examples of policy coherence

The IDCD has raised the level of exchange among public officials on policy coherence issues. By itself, however, it cannot guarantee more coherent policies. Beyond IDCD, informal contacts have taken place, and continue to take place, across government departments and with experts from academia, research institutions and civil society. Dialogue and co-ordination have been facilitated by the compact size of the government and the short lines of communications between and within departments. Informal meetings have been organised, for example, to prepare joint positions on trade, agriculture, health and environment for the EU and multilateral organisations. Irish Aid and the Department of Health and Children have collaborated on a draft agreement with the WHO intended as the basis for a whole-of-government approach to Ireland's

8 The *White Paper* acknowledges that the government departments which currently contribute to the official aid programme include: the Department of Agriculture and Food (which supports the World Food Programme); the Department of Health and Children (which supports the World Health Organization); the Department of Foreign Affairs; the National Council for Curriculum and Assessment; and the Department of Education and Science.

9 www.irishaid.gov.ie/partners_irish.asp.

relationship with that agency. While Ireland's experience in PCD from Uganda (Annex D) is limited, it nevertheless illustrates that the diplomatic and development functions are well integrated. However, the peer review team could not assess the extent to which lessons and challenges in policy coherence have been brought to the attention of the IDCD.

The examples below demonstrate efforts to promote policy coherence surrounding the Doha Development Agenda and climate change. However, the peer review team could not judge whether collaboration across departments has been limited to policy co-ordination, or has focused on the resolution of potential conflicts on sensitive issues:

- *Doha Development Agenda*. Irish Aid works closely with the Department of Agriculture, Fisheries and Food and the Department of Enterprise, Trade and Employment on the Doha Development Agenda trade negotiations. Irish Aid's involvement is reflected in Ireland's 2005 *National Trade Policy Strategy* which devotes a chapter to the national trade agenda for developing countries. The policy sets out Ireland's commitment to the Doha Agenda, including a willingness to ensure that the rules of the international trading systems are specifically designed to be compatible with the needs of developing countries. Irish Aid also contributed to the EU Aid for Trade Strategy, agreed in 2007, to enhance the pro-poor focus and quality of EU's aid for trade. The IDCD has not yet engaged the key departments (*e.g.* those dealing with trade, agriculture and investment) to discuss issues in more depth. The debate could, for example, focus on prioritising aid for trade in programme countries to complement other interventions that are being made through government and civil society.

- *Climate change*. Irish Aid has contributed actively to the policy agenda at international meetings on climate change, in collaboration with the Department of Environment, Heritage and Local Government. Irish Aid's technical support and expertise helped to improve the effectiveness of Ireland's climate change support, and to ensure a coherent input by the Irish Government into the negotiation process on the UN Framework Convention on Climate Change. At the Conference of the Parties to the Climate Change Convention in Poznan, Poland (1-12 December 2008), Irish Aid led the EU in the discussion on the least developed countries fund to support developing countries in adapting to the impacts of climate change. Both Irish Aid and the Department of Environment and Local Government contribute to the fund. Through engagement with developing country partners, Irish Aid's support was instrumental in improving funding delivery under this scheme and getting agreement on timelines and feedback mechanisms.

Monitoring, analysis and reporting on policy coherence for development

Monitoring, analysing and reporting on development impacts are important components of policy coherence for development. The IDCD has a specific mandate to monitor PCD on the basis of inputs from Irish Aid's secretariat and at its own initiative. According to its terms of reference, it will "monitor and evaluate in the context of overall Government policy, activities in various policy areas that have implications for the situation in developing countries". In addition to the topics covered in the previous paragraph, examples include policies related to migration, health, climate change impacts and adaptation, education, local government, gender, international investment, international finance, international security and environmental and natural resource issues". The IDCD is also responsible for monitoring and taking account of policy coherence work in like-minded countries. This programme is very ambitious; yet the IDCD's terms of reference offer limited guidance on how to proceed.

The IDCD's first annual report recommends that key government departments identify the contributions they can make to policy coherence and to include this theme in their future strategies, operational plans and annual reports (GoI, 2008f). The Institute for International Integration Studies in Trinity College Dublin is finalising a scoping study on PCD across government departments. Irish Aid informed the peer review team that the institute will develop indicators to strengthen the assessment of commitments against PCD targets. In addition to Trinity College, the Institute of Development Studies at the University of Sussex has contributed data, quality analysis and research on demand, for example on trade and agriculture; and ABIA has been a major source of policy advice. Through the umbrella organisation *Dóchas*, Irish civil society has also presented informed views on sensitive policy issues to government and parliament.[10]

The steps above are encouraging and should be built upon to constitute a systematic approach for assessing, monitoring and reporting on policy coherence for development. Assessing and monitoring progress towards PCD requires an explicit model of how policy processes lead to policy outputs and ultimately to policy impacts. This model suggests that information on PCD is reported, as publicly and transparently as possible, to enable other stakeholders to hold policy makers and their political masters to account (OECD, 2008f). Moreover, for evidence-based analysis to be of use, it must inform government policy and be fed into the decision-making process. This requires well-defined feedback loops to inform policy makers.

The Minister for Foreign Affairs and the Minister of State for Overseas Development are responsible for PCD and may be called upon to report to parliament. As chair of the IDCD, the Minister of State briefs relevant parliamentary committees on IDCD's work. While Ireland's political commitment to PCD is not questioned, the peer review team was not aware that this commitment had translated into an integrated policy framework drawing consensus from the highest levels of government as well as parliament. Institutionalised reporting to parliament on PCD would facilitate this process.

Future considerations

- The Inter-Departmental Committee on Development (IDCD) could be developed into a more comprehensive instrument for ensuring a stronger development perspective in Ireland's external policies. To achieve this, it needs to address inconsistencies and potential policy conflicts among key government departments.
- The Irish Government should consider identifying a policy coherence focal point to support the IDCD in implementing its mandate. This focal point needs the capacity to analyse potential areas of policy conflict; commission longer-term studies; co-ordinate research; and analyse, monitor and champion policy coherence for development among government departments on behalf of the IDCD.
- While Ireland's political commitment to policy coherence for development is not questioned, this commitment has translated into an integrated policy framework drawing consensus from the highest levels of government as well as parliament. Institutionalised reporting to parliament on PCD would facilitate this process.

10. See for example *Dóchas Statement to the Joint Oireachtas sub-Committee on Overseas Development*, 29 May 2008, www.dochas.ie/documents/Policy_Coherence_for_Development_Dochas_Statement.pdf

Chapter 3

ODA Volume, Channels and Allocation

Overall official development assistance

Ireland's net official development assistance (ODA) amounted to USD 1.3 billion (EUR 900 million) in 2008, a 90% increase over 2003 in real terms. The Irish Government justly prides itself in programming "real aid" for reducing poverty and vulnerability in least developed countries (LDCs). Irish ODA has grown steadily since the programme's inception, accelerating between 2000 and 2008 (Figure 2). In 2007, Ireland ranked 17th out of 22 DAC members in terms of net ODA volume. Ireland's sustained economic growth over the past decade provided the foundation for this performance.

In September 2005 the government committed to meeting the UN ODA target of 0.7% of gross national income (GNI) by 2012.[11] The 2006 *White Paper on Irish Aid* provides the framework for expanding the Irish Aid programme as well as ensuring a predictable growth path expressed as a percentage of GNI.[12] Following that commitment, Ireland's ODA/GNI rose significantly, from 0.39% in 2003 to 0.58% in 2008[13]. This is above the DAC average ODA/GNI ratio of 0.28% and the DAC average country effort (unweighted average[14]) of 0.45% (2007). Ireland is a generous donor, ranking 6th among DAC members in 2007 in terms of the share of ODA as a percentage of GNI.

While ODA increases have enhanced Ireland's status as an important player in the global donor community, the challenge for the Irish Government is to reach the targets it has set itself in the face of the current severe economic downturn and increased budgetary pressure. In 2008, Ireland's gross national product (GNP) declined, which brought reductions in public spending and a EUR 95 million reduction in Ireland's 2009 budget for overseas development.[15] The Minister of State for Overseas Development has stated that, even in this difficult environment, Ireland is continuing to work towards the target of spending 0.7% of GNI by 2012.

11. At the UN Millennium Summit in New York in 2000, Ireland committed to reach that target by 2007.

12. The phased approach includes three stages: (i) achieving the target of 0.5% of GNI in 2007; (ii) reaching an interim target of 0.6% of GNI in 2010; and (ii) reaching 0.7% of GNI in 2012.

13. The share of debt relief has been nil as Ireland has no debt forgiveness.

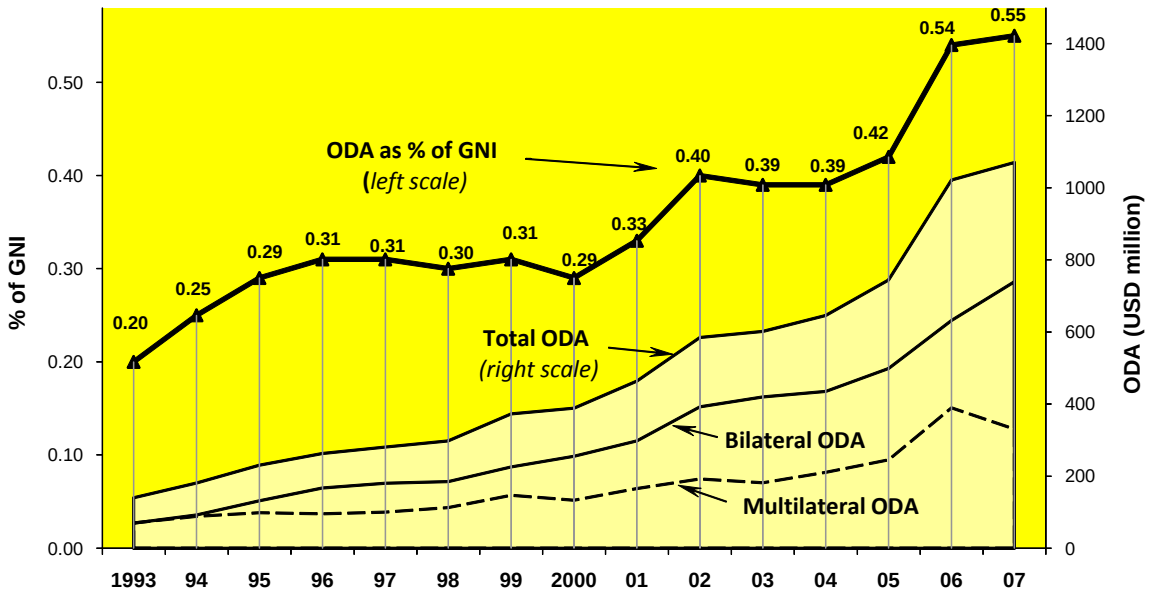
14. The unweighted average is calculated as the sum of the 22 DAC members' GNI over the 22 DAC members.

15. In a statement on ODA levels made on 3 February 2009 by the Minister for Foreign Affairs and the Minister of State for Overseas Development, the Irish Government reduced the total amount provided for Ireland's overseas development budget in 2009 from EUR 891 million to EUR 796 million.

Declining aid budgets in the years ahead could deepen poverty in developing countries and heighten possibilities of conflict in countries under economic and social stress. Ireland is encouraged to refrain from further budgetary action that would be inconsistent with its stated aid commitments and to make every effort to maintain its planned ODA growth path.[16]

Figure 2. Ireland's net ODA disbursements, 1993-2007

At constant 2006 prices and exchange rates and as a share of GNI



Aid allocations

Most of the Irish ODA budget originates from Vote 29– Development Co-operation, which covers bilateral ODA and voluntary contributions to multilateral agencies. There is no formal strategy or system for allocating funds to the different aid channels. The pattern has been fairly constant since 2003 as Ireland has striven to maintain the balance between bilateral and multilateral aid (a ratio of approximately 70:30). Whilst the level of funding allocated through all channels has increased in absolute terms since 2003, the proportional growth in aid allocations provided through civil society, multilateral and humanitarian channels has been greater than growth in funding channelled through programme countries (GoI, 2008b). In the scaling up process leading to the UN target of 0.7%, Irish Aid plans to deliver additional direct support to programme countries from 2009 onwards, while maintaining the multilateral share and continuing to support the

16 In the context of the global financial and economic crisis, the Chair of the DAC and the OECD Secretary-General urged DAC members to undertake an "aid pledge" to reaffirm their aid commitments (Ref: ED(08)67of 28 October 2008). At the International Conference on Financing for Development in Doha in December 2008, some donors reaffirmed their aid targets and pledged that the financial crisis would not lead to aid cuts. Ireland's Minister of State for Overseas Development reiterated Ireland's commitment to achieve the target of 0.7% ODA/GNI by 2012 in Doha.

work of NGOs and missionaries. Irish Aid is encouraged to fulfil its intention to increase the proportion of ODA delivered through programme countries.

Irish Aid states that multi-bilateral assistance[17] represented approximately 25% of total bilateral aid in 2007. About half of that share was allocated to emergency and humanitarian assistance, with the rest directed mainly towards health and education. Ireland does not provide development assistance in the form of loans and is not owed any money by the heavily indebted poor countries (HIPC).

The 2006 *White Paper* emphasises a continued commitment to a mixed delivery mode for the Irish Aid programme. Ireland provides direct budget support to countries with a stable political environment and where there is good progress on improving governance (*e.g*. Tanzania and Mozambique). In other programme countries (*e.g*. Uganda and Zambia) aid is channelled through sectoral support where it is allocated to specific activities (*e.g.* in health, education, environment).[18] These modalities are complemented by support to NGO projects emphasising capacity building in governance, accountability, transparency and general public sector effectiveness. In fragile states and countries affected by conflict, Ireland tailors its aid approach to the capacity of the government to deliver. As Ireland scales up its aid, it will be necessary to consider the relative balance between different aid channels, sectors and modalities set out in the country strategies of programme countries. This could be useful when determining future staffing needs and complementarities within the Department of Foreign Affairs.

Bilateral aid

Ireland's bilateral assistance amounted to 69% of total gross ODA disbursements in 2007, compared to an average of 76% for the DAC as a whole (Annex B, Table B.2). Bilateral aid is programmed in each of Ireland's programme countries by the embassies, based on country strategy papers. These papers are drafted in close consultation with headquarters and are based on partner countries' national development strategies (Chapter 5). Humanitarian aid, aid to NGOs and multi-bilateral aid are planned and programmed at headquarters. As a result, an Irish Embassy may not always have full knowledge of all the different channels of Irish aid reaching the country in which it operates. Providing partner governments with a fuller ODA picture would make it easier to track aid, build a consolidated accountability mechanism and plan future investments in partnership with host governments. Ireland is encouraged to expand this approach, which it has initiated in a few programme countries.

Concentration on the poorest countries in sub-Saharan Africa

Irish Aid's concentration in a limited number of poor African countries is one of its main strengths. Currently, Irish Aid has intensive, wide-ranging and long lasting

17. According to the DAC definition, aid allocations to multilateral organisations are defined as multi-bilateral assistance if the donor effectively controls the disposal of the funds by specifying the recipients or other aspects of the disbursement (e.g. purpose, terms, total amount, re-use of any repayments).

18. According to Irish Aid, close to 20% of Irish Aid-managed ODA is being delivered through partner governments' systems, while almost 30% is delivered through NGO partners and not-for-profit organisations; 35% of the total Irish Aid-managed ODA allocated to civil society and NGO organisations is channelled through the five Multi Annual Programme Schemes (MAPS).

development co-operation programmes in Ethiopia, Lesotho, Malawi (since 2007), Mozambique, Tanzania, Timor Leste, Uganda, Viet Nam and Zambia. Ireland also funds significant programmes in Liberia and Sierra Leone using the Stability Fund (Annex C). ODA disbursed to the programme countries across all channels accounted for approximately 60% of allocated bilateral aid in 2007. Funding channeled through NGOs reaches over 100 countries.

The key considerations set out in the *White Paper* guide the selection of programme countries and may combine the following: least developed country status, scope for Ireland to make a development impact based on track record, skills and experience; a positive trend towards good governance; and demonstrated ability to take ownership. The opportunity to establish a regional base in a programme country may also be taken into account. Following the recommendations of the 2003 peer review (Annex A) and the objectives of the *White Paper*, Irish Aid now funds a regional programme in Southern and Eastern Africa, based in South Africa, which focuses on HIV/AIDS and other communicable diseases. It is exploring possibilities for funding a second regional programme in Viet Nam to cover Laos and Cambodia and a third in West Africa.

Of the top 20 recipients of Irish Aid, 15 are currently in Africa (in 2005-07); of these, all but one (South Africa) are LDCs. The percentage of gross bilateral spending to the poorest countries has been both high and remarkably constant over the years, reaching 89% in 2007 compared to an average of 56% for the DAC. Ireland targeted 80% of bilateral aid to sub-Saharan Africa in 2007, followed by Asia (12%), Latin America (4%) and Europe (1%) (Annex B, Table B.3).

Priority given to education, HIV/AIDS, governance and humanitarian aid

The *White Paper* defines Ireland's seven development assistance priorities across a range of sectors, thematic and cross-cutting themes (Chapter 1). While the DAC statistical breakdown may not show all activities conducted by the totality of actors involved in Irish development co-operation, there are nevertheless some visible trends in Irish Aid's sector spending. The peer review noted that Irish Aid was making some efforts to improve reporting to the DAC.

Ireland spent 57% of its gross bilateral ODA on social infrastructure and services in 2005-07 compared to an average of 33% for the DAC (Annex B, Table B.5). Irish gross disbursements to this sector have decreased compared to 2000-04 averages (66%). Ireland spent 12% of its budget on education in 2005-07 compared to 17% in 2000-04; and 16% on health, compared to 22% in 2000-04. However, this performance is higher than the DAC averages of 7% and 4% respectively (2005-06). Irish Aid states that differences in spending between 2000-2004 and 2005-2007 can be accounted for by the comparative increase in expenditure on humanitarian aid.

HIV/AIDS is one of Irish Aid's cross-cutting themes and a priority of the *White Paper*. In 2006 the Prime Minister pledged to increase spending on HIV/AIDS and other communicable diseases in developing countries to EUR 100 million per year. Thus, commitments to these themes have increased significantly since the last peer review, from USD 328,000 in 2000 to USD 213 million in 2007 (Euro 156 million). Irish Aid's support to HIV/AIDs takes the form of both targeted interventions and mainstreaming. Policy and strategic guidance will be provided in *Tackling HIV and AIDS to Reduce Poverty and Vulnerability* (in draft) and complementary policy. To manage HIV/AIDS programmes effectively and build capacity within Irish Aid, additional expertise and a team of

technical specialists have been mobilised and training courses have been organised for staff. New country strategy papers for programme countries fully integrate HIV/AIDS. Irish Aid is spearheading the One National AIDS Strategy, One National AIDS Authority and One Monitoring and Evaluation Framework in the context of programming for HIV/AIDS at country and regional levels. It has signed strategic frameworks with the Global Fund to Fight AIDS, Tuberculosis and Malaria, the Global Alliance for Vaccines and Immunisation (GAVI) and other funds (Table 1). Finally Irish Aid provides financial support and technical advice to the HIV/AIDS programmes supported under the Clinton Foundation in Mozambique and Lesotho. A comprehensive evaluation of its HIV/AIDS activities, which was recommended in the last peer review, is even more critical now to assess the coherence of the programme and measure its impact and overall value for money.

Governance is another priority and a cross-cutting theme. This is reflected in spending, which has grown substantially from 6% in 1995-99 to 15% in 2005-07, much higher than the DAC 9% average. Most of the growth under this heading is accounted for by funding to and through Irish-based NGOs and missionary organisations. Chapter 6 addresses Irish Aid's governance activities in detail.

High levels of humanitarian aid spending reflect Ireland's strong motivation to assist people suffering from natural and other disasters (Annex C). Overall humanitarian aid has increased both in volume and as a proportion of Ireland's bilateral aid (from 14% in 1995-99 to 21% in 2005-06, compared to an average of 8% for the DAC). This growth has largely been influenced by a strong political commitment, in the aftermath of the Tsunami, to increased funding for humanitarian emergencies and a continuing commitment to funding to fragile states – most notably Timor Leste, Sierra Leone and Liberia.

Agriculture and the private sector are less well funded

The *White Paper* is committed to stimulating pro-poor economic growth in Africa through measures to improve the production and efficiency of agriculture. It also proposes additional funding for rural infrastructure, water management and sustainable land management initiatives. Assistance to agricultural production accounted for only 4% of bilateral disbursements in 2005-07 compared to 6% in 1995-1999 (the DAC average was 3% in 2005-06). Disbursements in water and sanitation also decreased as a percentage of bilateral aid, from 5% in 2000-04 to 3% in 2005-07 (DAC 4%). The peer review team looks forward to seeing how the high profile report of the Hunger Task Force (GoI, 2008i) will translate into greater support for agriculture and rural development in the future. The location of the task force in the new Irish Aid structure (Figure 3, Chapter 4) is a positive step.

The White Paper also calls for increased support to the private sector, though these allocations remain a small proportion of the global Irish Aid budget to date. The peer review team felt that spending for this category of aid have been influenced by the lingering feeling within Irish Aid that activities involving the private sector could jeopardise the untied nature of Irish aid. Nevertheless Irish Aid's own figures indicate that support is growing: the private sector budget line alone increased from EUR 2.4 million in 2007 to EUR 4.63 million in 2008 and funding for private sector activities has been provided from programme countries, multilateral and civil society budgets. However, these activities have remained fairly piecemeal and fragmented, ranging from support to the business environment under the Investment Climate Facility

for Africa (EUR 2 million in 2007-08) and infrastructure development (EUR 8 million over 2007-2010), to funding for Traidlinks (EUR 4 million over 2006-08) and the Mekong Private Sector Fund (EUR 5.5 million over 2007-10), as well as an initiative to share the Irish experience in social and economic development in South East Asian countries (EUR 90,000). Irish Aid also supports private sector development in Mozambique and Tanzania focusing on agro-processing and rural livelihoods. Through the International Labour Organization (ILO) it finances activities for women entrepreneurs and the disabled (EUR 9 million for 2008-2011). Irish Aid is encouraged to redefine its approach towards the private sector based on priorities expressed at country level as well as on the comparative advantage of Ireland's private sector.

Approaches to gender equality, environment and climate change

As with HIV/AIDS and governance, gender equality and environment are funded as separate targeted programmes and are also mainstreamed into Irish Aid's programme, as called for in the *White Paper*. The pace and extent of mainstreaming depend to a large extent on the circumstances in each programme country and on the availability of specialised staff both at headquarters and in field missions. Irish Aid's mainstreaming strategy (GoI, 2007f) sets out the framework to support staff to more effectively address these four priority issues in their work. This section focuses on gender and environment.

Gender equality

Ireland is an active advocate of gender equality. A range of international commitments underpin its engagement, including the Convention on the Elimination of All Forms of Discrimination Against Women, the Platform for Action agreed at the UN's Fourth World Conference on Women and the UN Security Council Resolution 1325 on women, peace and security. Gender equality in development co-operation also features in the 2006 *White Paper* and in Ireland's *National Women's Strategy* (2007-2015), and Irish Aid's *Gender Equality Policy (2004)* guides its intervention on this theme. Ireland's intellectual leadership at the high level meeting on cross-sectoral issues and aid effectiveness, held in Dublin in 2007, led to substantial gender equality outcomes which were fed into the High Level Forum on Aid Effectiveness held in Accra the following year. Irish Aid's support for gender equality increased from USD 0.98 million in 2000 to USD 3.34 million in 2006 and is reflected in its *Operational Plan 2008-2012*, the country strategies of its programme countries and, increasingly, its annual business plans.

In addition to mainstreaming gender equality across its interventions (Chapter 1), Irish Aid prioritises support to prevent and respond to gender-based violence, in particular in emergency and conflict situations, by partnering with NGOs and other bilateral and multilateral donors. The division also funds specific actions to improve the position and status of women and to promote women's economic empowerment and girls' greater access to quality education. It supports community-based health programmes that enable women's access to reproductive and other health services. Irish Aid's multifaceted approach to gender equality and women's empowerment has led to significant achievements. These include focusing attention on gender equality within the division, in country strategy papers and at international level through advocacy and evidence-based analysis. Irish Aid reported to the OECD/DAC gender equality marker in 2007.

Irish Aid has relied extensively on in-house and external expertise to implement its gender goals and initiatives as well as to mainstream gender equality. The Ugandan

Government, for example, relies upon and values highly advice from a gender specialist contracted by Irish Aid and from embassy staff. Irish Aid has been praised for responding quickly and efficiently to requests from the field. Intensive training has ensured a strong foundation for dealing with gender equality issues and specialists with responsibility for gender have been placed across a number of sections in the new structure (Chapter 4). The peer review team encourages Irish Aid to continue to strengthen its internal capacity for gender mainstreaming and ensure gender equality and women's empowerment. Further efforts are needed to document results and related statistical analyses.

Environment and climate change

Since the last peer review Irish Aid has clarified its focus on environment and climate change, reflecting the goals of the *White Paper*. Irish Aid has reported on the OECD/DAC marker on climate change in 2007. Its resource commitment to environment issues continues to grow and in 2007, direct contributions to environment activities were in the region of EUR 3.25 million. In keeping with its mainstreaming approach, Irish Aid notes that significant additional resources were provided in environment and climate change-related activities across the programme.

Irish Aid's 2007 *Environment Policy for Sustainable Development* addresses the challenges of protecting the environment in the context of changing aid modalities. Its four key objectives are: (i) to raise awareness of the links between environmental sustainability and poverty reduction and to inform development policy; (ii) to integrate the principles of sustainable development into Irish Aid's policies and programmes in order to ensure environmental sustainability; (iii) to continue to engage with key multilateral environmental agreements and agencies, and to demonstrate commitment to resolving global environmental problems; and (iv) to assist developing countries to prepare for and adapt to changing environmental conditions while taking action to reduce negative impacts on the most vulnerable members of their societies.

Recognising the difficulty of mainstreaming all four cross-cutting issues at once, Irish Aid has adopted a staggered but planned approach. Early achievements in environment include "key sheets", which give strategic programme advice on environment links for major development sectors; the creative use of partnerships with the International Union for Conservation of Nature, the World Resources Institute and the International Institute for Environment and Development to develop major components of environment policy; joint guidelines with the UK Department for International Development (DFID) to mainstream environment into general budget support; and sharing experiences within the Nordic Plus group. In 2007, Irish Aid assigned a development specialist to work full time on environment and sustainable development issues. Irish Aid also contracts an environment consultant to support the overall environment programme and to provide inputs into key multilateral processes, *e.g.* on climate change, biodiversity and adaptation.

Maximising synergies between climate change and development objectives to achieve the MDGs is a particular challenge for Irish Aid. Other challenges include resourcing its environmental goals and initiatives adequately, matching its responses to growing environmental pressures and reporting on environmental impacts. In Uganda, the country programme team relies upon headquarters for developing the environmental component of its country programme strategy and highly values colleagues' ability to respond quickly and efficiently to requests. As environment becomes mainstreamed, this specialist capacity is likely to become even more essential. Mainstreaming will not result in a widespread network of environmental specialists, but should generate a strong basic

understanding of issues, links and processes among staff, who can seek more specialised support when needed.

Aid to non-governmental organisations

Irish Aid has a constructive partnership with NGOs and civil society in many areas of development, emergency and recovery work and these actors are important for maintaining public support. The level of funding channeled to and through NGOs increased from 104 million USD in 2003 to USD 295 million in 2007, representing 25% of total net ODA (Annex B, Table B.1). This percentage is higher than for all other donors. While the number of civil society partners is very large, Irish Aid concentrates 84% of its civil society budget on supporting 29 organisations, and over 50% of this budget is allocated to five key partner NGOs. Block grant funding is channelled to smaller NGOs. The Emergency and Recovery section of Irish Aid funds NGOs for activities related to relief and recovery assistance and through the Stability Fund jointly administered with the Conflict Resolution Unit in the Department of Foreign Affair's Political Division (Annex C). Development education NGOs also receive funding from a dedicated budget line at headquarters (see Chapter 1) and NGOs in programme countries can access funding channelled through country programmes. Support to NGOs is discussed further in Chapter 4.

Multilateral aid

Ireland values a stable and effective multilateral system to help achieve the MDGs. Irish multilateral assistance has more than tripled in absolute terms over the past ten years, from USD 100 million in 1997 to USD 368 million in 2007 (Annex B, Table B.1). The multilateral share of total ODA has remained almost constant due to a similar growth rate in bilateral aid. In 2007, 31% of Ireland's gross ODA was in the form of core contributions to multilateral organisations, compared to the DAC average of 32% net of debt relief.

The European Commission (EC) is the single largest recipient of Irish multilateral ODA, followed by the United Nations and the World Bank. Taken together, these organisations accounted for over 90% of Ireland's multilateral core contributions in 2004-06, as follows: EC (40%), UN system (30%) and World Bank (22%). In 2007 funding to the UN system overtook funding to the EC by a small margin (Annex B, Table B.2). Ireland's top three UN partners are the United Nations Development Programme (UNDP) (22%), the United Nations International Children's Emergency Fund (UNICEF) (16%) and the United Nations High Commissioner for Refugees (UNHCR) (12%). Other agencies receiving funding are the UN Fund for Population Activities (UNFPA), UNAIDS, the International Fund for Agricultural Development (IFAD), the World Food Programme (WFP), the Office for the Coordination of Humanitarian Affairs (OCHA) and the International Labor Organisation (ILO). Most Irish contributions to the UN are core and multi-bilateral aid is used in some emergency situations (Annex C). Ireland joined the Asian Development Bank in 2006 but has no plans to become of member of the African Development Bank.

Irish Aid reports that in recent years, it has increased multilateral assistance to global funds, with some earmarking. As a strong advocate and supporter of the Global Fund for HIV/AIDS, TB and Malaria from the outset, Ireland has committed approximately

EUR 20 million annually in 2007 and 2008 to that fund. Other significant contributions have been made to GAVI and the Education for All Fast Track Initiative. Allocations to other funds are quite dispersed and amounts spent are rather marginal (Table 1).

Table 1. Irish Aid's contribution to global funds[19]

Global Funds - HIV and AIDS	**2007 spend**	**2008 spend**
	EUR 000s	**EUR 000s**
Global Fund to Fight AIDS, TB and Malaria	19 900	20 600
International AIDS Vaccine Initiative	5 000	1 000
International Partnership for Microbicides	5 000	1 000
Global Funds - Health		
Global Alliance for Vaccines and Immunization	6 000	2 975
Polio Eradication Initiative	4 500	3 000
European Malaria Vaccine Initiative	1 000	1 000
Global Alliance for TB Drug Development	3 000	1 000
Medicines for Malaria Venture*	3 000	1 000
European and Developing Countries Clinical Trials Partnership	540	750
Product Development Partnerships Coordination Group International Programme for Microbicides Evaluation	-	100
Council on Health Research for Development & Global Forum for Health Research	1 050	950
Global Health Workforce Alliance	-	900
Global Funds – Education		
Education For All Fast Track Initiative	10 000	7 790

Source: Irish Aid, 2008, note to the DAC peer review team

Approach to multilateral assistance

Ireland has no overarching strategy guiding its policy and engagement with multilateral organisations. The *Programme for Government 2007-2012* and the 2006 *White Paper on Irish Aid* provide the framework for multilateral assistance, with emphasis on the EC, the UN system and the World Bank. Annual reports describe the aims and methods of Ireland's interactions as well as specific commitments. In deciding the focus and level of contributions, Ireland takes account of these organisations' focus on poverty reduction, effectiveness, geographic concentration and management strength.

The *White Paper* recognises that the EU development assistance is an integral part of the Irish Aid programme and acknowledges the EU's "norm-setting role". Ireland seeks to ensure that a greater proportion of EC assistance goes to LDCs and encourages other EU donors to fully untie aid and strengthen coherence at the EU level. With increased resources there is scope to strengthen Ireland's influence on and contribution to EU

19. Some of the payments listed in this table are reported as bilateral aid in accordance with the definitions in DAC Statistical Directives.

development policies and to improve the quality and focus of EU aid. However, Irish Aid's small team dealing with EU development issues in both headquarters and Brussels is hard-pressed to keep abreast of the discussions in this institution. Strengthening analytical and representational capacities could help increase Ireland's voice and influence.

The *White Paper* stresses the UN system's role in building international consensus on key development challenges. For Ireland, providing support to the UN allows a wider reach than can be achieved through bilateral aid and can help reduce the fragmentation and duplication of aid. Following the DAC recommendation, it is engaging more strategically with a selected number of key multilateral agencies, having signed partnership agreements with UNICEF, the United Nations Population Fund (UNFPA) and the UNHCR. These agreements have strengthened monitoring and evaluation. Agreements with WHO and UNDP are pending. Progress is assessed annually via bilateral consultations and country level reporting by Irish missions. The agreements also offer positive steps for making aid more predictable by (i) linking funding increases to progress on agreed development objectives; (ii) drawing on the partner organisations' strategic plans and (iii) matching funding commitments to the organisation's planning time-frames.

The *White Paper* recognises that the Bretton Woods Institutions have a significant weight in policy decisions and resource allocation to developing countries. According to Irish Aid, the World Bank's International Development Association receives just over 10% of multilateral ODA and Ireland seeks to ensure that the World Bank promotes a favourable environment for effective Irish bilateral aid, and for achieving the MDGs.

Ireland is concerned with helping multilateral organisations increase their efficiency and effectiveness in development. In order to strengthen its ability to deepen its engagement in this area, Ireland is encouraged to dedicate sufficient staff resources and to improve the professional development of its staff engaging with such organisations within Irish Aid's headquarters. In Uganda the peer review team observed that the Irish Embassy was leading efforts to harmonise and rationalise the multilateral system. The team was impressed by the fact that the embassy consulted locally-recruited programme staff on briefings for representatives of the executive boards of multilateral institutions and has on occasion sent them to participate in bilateral meetings. Ireland has actively promoted the United Nations reform process in a number of pilot countries via support from Irish Embassies (Chapter 5). It has joined the Multilateral Organisation Performance Assessment Network (MOPAN) which annually assesses country-led operations of selected multilateral agencies, as well as the Donors' Groups overseeing the OCHA and the High Commissioner for Human Rights (OHCHR). The peer review team believes that Ireland's emphasis on reform is warranted given the size of its engagement in the multilateral system and its plans to maintain the share of funding.

Future considerations

- The DAC commends Ireland for its impressive growth in ODA from 2003 to 2008. Further, the DAC strongly urges Ireland to continue to make progress towards meeting the ODA/GNI target of 0.7% in 2012, and to reach its interim target of 0.6% in 2010 even in an environment of declining GNI. This would send a strong and positive signal to the development community.

- Irish Aid is encouraged to clarify how it prioritises aid channels, modalities and sectors in its priority countries and fulfill its intention to rebalance its programme by increasing the proportion of ODA delivered through these countries.

- Bilateral aid allocations confirm Irish Aid's focus on poverty reduction. Irish Aid should invest strategically in initiatives linked to agriculture, rural development and the private sector and avoid programme fragmentation.

- Irish Aid is encouraged to provide partner governments with a complete ODA picture so that they can track aid, build a consolidated accountability mechanism and plan future investments for development. It should further encourage its NGO partners to provide funding and programme information to the appropriate levels of partner governments with which they work.

- Ireland is a prominent supporter of the multilateral system with its large commitment to and investment in multilateral organisations and global funds. The challenge for Irish Aid now is to dedicate the required human resources to engage more fully and actively in influencing the policies and programmes of its key partners, in particular the European Commission.

Chapter 4

Organisation and Management

The relocation to Limerick

In 2008 Irish Aid's headquarters was moved from Dublin to Limerick as part of the government-wide effort to decentralise the public administration. The relocation took place over several months and was completed in December 2008. It has proven a major challenge for Irish Aid in particular as a result of loss of expertise and institutional memory, and the need to maintain close linkages with other government departments, embassies and other organisations and NGOs based in Dublin. The management of the Department of Foreign Affairs, including the Development Cooperation Division has been working to meet this challenge. It will take time before the full impact on the aid programme can be assessed. The peer review team noted the particular challenges that the relocation brings to ensuring policy coherence for development.

The relocation took place while a major review of the organisation and structure of the aid programme was underway. This management review was one of the recommendations of the *White Paper on Irish Aid*. It has been completed and is currently under consideration by the Government. In the meantime, work has begun to ensure that development co-operation is more fully integrated within overall foreign policy. Co-operation between the Development and Political Divisions of the Department of Foreign Affairs is very close and possibilities for some structural integration are being examined. The merging of the Corporate and Finance services of the Development Cooperation Division (Irish Aid) and those of the overall Department of Foreign Affairs is now proceeding. As observed in Uganda, the relocation of Irish Aid has had little impact on the quality of the aid programme there.

The aim of the management review is to ensure that Irish Aid's governance, management, structures and functions can support the growth of the aid programme in a manner which ensures quality and accountability. The review is a comprehensive and wide-ranging assessment of Irish Aid's governance structures. It recommends some increases in staffing levels and a more integrated structure for the Development Cooperation Division within the Department of Foreign Affairs. Decentralisation of authority to field missions is not addressed in the review. For the time being, field missions continue to deliver the bilateral aid programme while Irish Aid manages the multilateral aspect of the programme from headquarters. Field missions have a good deal of autonomy and the short lines of communication between them and Irish Aid's headquarters greatly facilitate relations between the two, including the ability of the field mission to respond to emerging needs (Annex D). In a nutshell the review proposes to:

- Progressively and more effectively integrate the Irish Aid programme into the overall policy structures of the Department of Foreign Affairs.

- Propose the optimal skills mix required to deliver the programme in line with emerging trends and requirements and increase staffing to maintain quality, ameliorate risk, ensure safety and accountability and support the expansion needed to meet the UN target.

- Streamline and improve the operation of key systems and processes which support the programme to improve efficiency and effectiveness and to minimise risk.

A more coherent structure

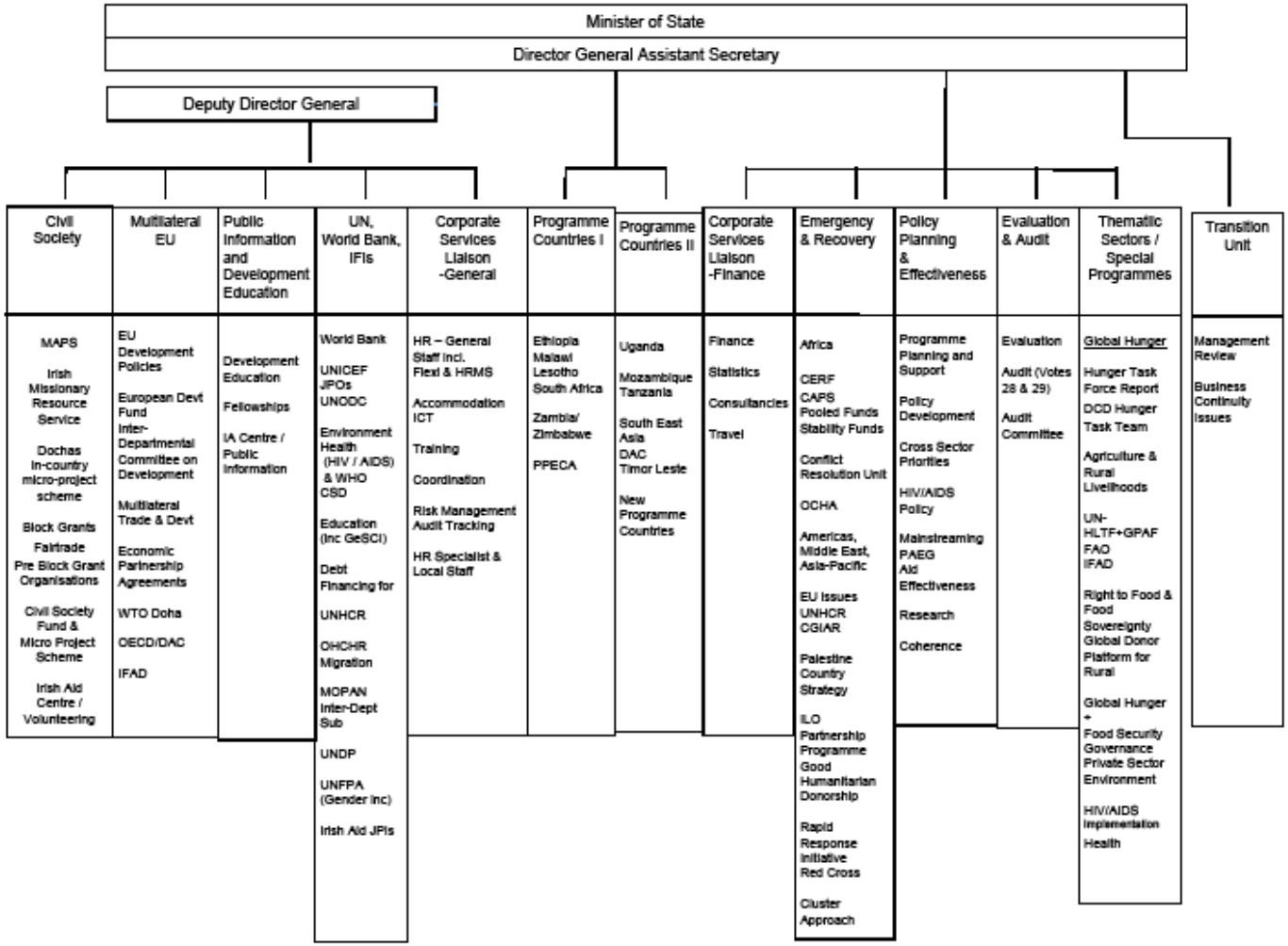
Irish Aid has already begun transforming its structure and recruiting to fill existing vacancies. As seen in Figure 3, Irish Aid now has 12 sections compared to 9 in 2003 as well as a transition unit which deals with issues linked to the management review. The evolved structure combines, for example, the UN, World Bank and International Financial Institutions into one section, thus strengthening Ireland's coherence and influence when working with these organisations. Other recent organisational developments include the creation of the Rapid Response Initiative, the Stability Fund and the establishment of a Conflict Resolution Unit in the Department of Foreign Affair's Political Division (see Chapter 1 and Annex C). Staff from the former Technical Section has been integrated across the core sections delivering the programme, and a new Policy, Planning and Effectiveness Section has been established.

Irish Aid's Director General continues to report to the Secretary General of the Department of Foreign Affairs. Since 2005, the Director General and the Deputy Director General have had separate responsibilities for major areas of operation in addition to management responsibilities. Through their positions as Assistant Secretaries on DFA's Management Advisory Committee, they represent the key link in ensuring the closest co-operation between the aid programme and all other aspects of the work of the Department.

At the time of writing a number of informal working groups or teams were being established within the Development Cooperation Division (Irish Aid) to deal with key areas of development and implementation of the Operational Plan. For example, a team approach was put in place to advance the cross-cutting areas (gender equality, environment, governance and HIV/AIDS). Irish Aid should assess this new approach at an appropriate time to ensure that adequate levels of technical support are provided, not least to, the Inter-Departmental Committee on Development on policy coherence for development (discussed in Chapter 2) and field missions, as required.

Overall, the full integration of the development programme into the mainstream of the Department of Foreign Affairs is positive. The system will be more flexible and efficient in responding to development challenges and demands from the field. The development voice within the DFA will be strengthened in cabinet and at inter-departmental levels, and Irish Aid's management will be more fully involved in the Department's overall decision-making structure.

Figure 3. Irish Aid Organisation Chart



Meeting the challenges of the reorganisation

Strategic management, review and approval, and overall coherence

The growing size of Ireland's aid programme increases the need for strategic management, oversight and coherence. In the Irish system these functions are intertwined and lie mainly at headquarters, while programme content and the management and day-to-day implementation of individual country programmes are the responsibility of Irish Embassies. The integrated model recommended by the management review should rationalise the key processes for decision-making, approval, monitoring and evaluation as well as integrate these processes into DFA as a whole.

Irish Aid's Senior Management Group guides and supervises the work within the Development Cooperation Division.[20] The group is also responsible for submitting the annual draft budget to be approved by the Inter-Departmental Committee on Funding and Approval which meets at the start of each financial year. In addition, Irish Aid's Programme Appraisal and Evaluation Group (PAEG) appraises country strategy papers, as well as proposals for expenditure on significant development projects and programmes. The PAEG meets regularly and includes the Director General, the Deputy Director General, section heads as well as development experts of international standing, academics, recognised members of the development community in Ireland and senior officials from other government departments. The rigour of the PAEG process provides a strong foundation for the transparency and quality of the approval process.

The IDCD works on inter-departmental coherence. It is important to ensure high level representation and strong engagement in the group by other government departments. A coherence group with an internal discursive, appraisal and quality control role has been established within Irish Aid.[21] The group ensures consistency in approach and objectives across all Irish Aid funding instruments and programme components and acts as a forum for internal discussion on policy and quality issues. It reviews draft policies and strategies prior to approval and considers funding proposals going on to the PAEG. Irish Aid's Policy, Planning and Effectiveness Section has responsibility for co-ordinating the work of the group. It will be important to ensure that the coherence group, the Policy, Planning and Effectiveness Section and the PAEG complement each other, and to assess their respective roles and responsibilities in light of the recommendations of the review of the whole department.

Results-based and knowledge management

Whilst Irish Aid aims for tangible results in reducing poverty and promoting sustainable growth, it also has a realistic understanding of the complexity and limitations of measuring the impact of its specific interventions in the context of harmonised approaches and the use of country systems. The process of placing results at the centre of planning, implementation, monitoring and evaluation begins with *Irish Aid's Operational*

20. The SMG meets once a month and includes the Director General and the Deputy Director General as well as section heads.

21. All sections of Irish Aid are represented in the group, which is chaired by the Director General, the Deputy Director or their designate.

Plan 2008-2012 (GoI, 2008c). The plan builds clear links between the MDGs and the *Paris Declaration on Aid Effectiveness* and translates the vision contained in the *White Paper* into actions and impacts which can be monitored, measured and evaluated within a specified timeframe. It is basis of annual business plans prepared by headquarters and embassies.

The 2003 DAC Peer Review of Ireland recommended that Irish Aid should clarify programming roles and responsibilities and streamline procedures (Annex A). In response, Irish Aid has developed new guidelines called *A Results-based Management Approach to Country Strategy Papers* (GoI, 2008d; Box 6, Chapter 5**)** to strengthen **s**trategic planning. The guidelines are in line with the objectives of the *White Paper* and based on poverty analyses and an evaluation of existing programmes in priority countries. They commit Irish Aid to use jointly agreed results and monitoring frameworks of partner countries to measure and report progress on development indicators. The country strategy papers' results, monitoring and performance framework will be used to capture Irish Aid's contribution to the overall development effort. Because of the complexity of the processes involved, it is important to ensure adequate capacity to monitor performance both at headquarters and in the field. Support from senior managers, as well as staff training and incentives, will be required to ensure the sustainability and usefulness of Irish Aid's strategic planning and performance management approach.

Irish Aid recognises that a more systematic approach to learning and knowledge management is needed across the organisation, including in identifying and documenting good practice in mainstreaming (Chapter 1). A research and knowledge management task team has been set up within the Policy, Planning and Effectiveness Section and a knowledge management working group, established in March 2008, draws on staff across the division. Following the decentralisation to Limerick, this group has decided to take an incremental approach focusing on (i) building an intranet to act as a platform for exchanging knowledge across Irish Aid and the wider department; (ii) strengthening statistical and data management; and (iii) staff training. Concurrently Irish Aid has decided to invest heavily in information and communications technology, in particular videoconferencing, to better support the programme. These are positive foundations on which to develop a more ambitious agenda for learning across the whole department. The knowledge management system would need to build on work carried out by the Evaluation and Audit Section.

Staffing levels and competencies

Irish Aid's ambitious agenda for the future will require careful management of human resources. Concerns have been raised previously about Irish Aid's staffing levels and competencies, both of which are critical to the efficient delivery of the aid programme.[22] This becomes more important with the growth in ODA, the turnover of staff as a result of Irish Aid's relocation to Limerick and the need to develop new skills to adapt to the new global aid agenda and modalities for delivering aid.

The "whole of DFA model" recommended by the management review tries to address some of those concerns. The model suggests a comprehensive engagement of diplomatic staff and general staff in the planning and implementation of the aid programme in the

22. These concerns have been raised by ABIA, several internal staffing reviews, Irish NGOs, international organisations as well as DAC Peer Reviews.

hope is that this will increase opportunities for more flexible staffing approaches within the department. The review also recommends additional posts: (i) at senior level to strengthen oversight and management; (ii) at headquarter level to strengthen the sections dealing with multilateral organisations (UN, EC and OECD and international organisations based in Geneva); and (iii) at headquarters level and in overseas missions to strengthen relations with civil society, the private sector, emergency and related functions and longer term projects and programmes. To reinforce staff competencies, it is proposed to recruit permanent staff across all staffing streams, seconding staff from other government departments to appropriate areas of the programme and distributing the corps of development specialists across Irish Aid's structure.

At the time of writing the number of approved staff in Irish Aid was 184, 145 of whom are based at headquarters (Table 2). Nine new development specialists were assigned across the Development Cooperation Division by the end of 2008 and an additional four were due for assignment in early 2009[23]. Training of new recruits has been prioritised in an effort to ensure that they will be fully operational as quickly as possible and that reliance on roaming staff and consultants is kept to a minimum.

Training

Large elements of the Irish programme on both the multilateral and bilateral side require a specific set of skills. These include advocacy, communication and negotiations skills; understanding governance and the political environment; knowledge of public financial management systems; and conflict resolution. Work is underway on a comprehensive staff development and training strategy[24] using in-house and external expertise to ensure the continuous professional development of Irish Aid staff. Amongst other topics, this will focus on aid effectiveness, mainstreaming, strategic planning and results-based management. In the interim, a training package for new staff has been put in place, designed to provide them with a rounded understanding of the work of the organisation and the international and development context in which it operates. More generally, Irish Aid provides development–related training courses to staff which are complemented by regular lunch-time seminars on specific topics. It also participates in the Train4Dev.net group and other joint donor fora to learn from and contribute to mutual learning.

Table 2. Distribution of staff within Irish Aid

Date	General service/diplomats (Limerick)	Development specialists (Limerick)	Embassies	
			Diplomats	Development specialists
2003	82	24	26	11
2008	126	19	18	21

23. The 13 new development specialists have been assigned as follows: one to Emergency & Recovery Section, three to Civil Society Section, one to the Evaluation and Audit Unit, three to Policy, Planning and Effectiveness Section, three to Thematic Sectors/Special Programmes Section, one to Programme Countries II and one to Sierra Leone/Liberia.
24. Irish Aid plans to finalise a training strategy for longer term staff development by September 2009.

Irish Aid is conscious of the training needs arising from staff recruitment and the evolution of the programme and these will need to be addressed by its staff development strategy. Irish Aid will need to deliver differentiated technical training for both headquarters and programme countries while continuing comprehensive induction training for new staff. In Uganda, joint training of Irish Aid staff with those of other donors, has been undertaken on public financial management, poverty reduction strategy papers and conflict sensitivity in recent years. Possibilities for further joint training, including in other programme countries, should be explored.

Table 3. Ireland-based staff who have attended Irish Aid's relevant training as of 2008

Course title	Numbers
Management information framework	7
Financial accounting in development	1
Public financial management	15
EU negotiating skills	8
Navigating budget proposals	15
Pre-posting briefings at School of Oriental and African Studies, University of London	6
Mainstreaming	51
Cross-cutting issues	188
Irish Aid induction training	140
International relations training at the University of Limerick	34 training ongoing. A second group of 33 staff will undertake this training before the end of March 2009

Source: Irish Aid, February 2009

Strengthening capacity for analysis and research

Irish Aid contributes to and relies on outside sources – *e.g.* the DAC working parties and networks – for inputs to complement its own analytical work, for example on conflict and fragile situations and pro-poor growth. Irish Aid's team of sector specialists provides expert analysis of programme proposals and monitors the effectiveness of implementation, in association with locally-recruited specialists in programme countries. Because many programmes are co-funded with other donors, Irish Aid contributes to joint assessments at country level and learns from that experience. When in-house expertise is not sufficient or where an independent assessment is required, Irish Aid draws on additional external support.

Irish Aid has relied extensively on ABIA and research institutions within Ireland and beyond for research relevant to its policy agenda (Chapter 2). Although ABIA is greatly appreciated for the quality and pertinence of its contributions, its mandate – which mixed executive, advisory and research functions – is likely to change.[25] In line with the recommendations contained in the 2003 DAC Peer Review of Ireland, such functions may be separated in future. A new approach is likely to include: (i) discharging ABIA's oversight functions through the Secretary General, the Minister for Foreign Affairs and

25. In addition to research, ABIA's terms of reference include: overseeing and providing advice to the Minister for Foreign Affairs and senior management in Irish Aid on the strategic direction of the aid programme; overseeing specific and general evaluations of Irish Aid programmes and projects, with a general oversight of policy and expenditure; organising and managing the Development Forum; and monitoring the overall funding and staffing needs of Irish Aid's programme.

the Minister of State and through enhanced parliamentary oversight and accountability; (ii) mandating an independent expert body to carry out periodic external reviews of the aid programme; and (iii) integrating research within Irish Aid and aligning it closely with the evaluation and policy development functions. The peer review team considers such an approach to be valuable. An internal analytical function within Irish Aid is needed, especially for dealing with policy coherence for development issues and emerging development concerns, for example climate change, food security and the effects of globalisation on programme countries.

Evaluation and audit

Ireland combines evaluation and audit to ensure that Irish Aid is achieving its overarching objective of poverty reduction, public funds are used for their intended purpose and that value for money is achieved (GoI, 2008b). The Secretary General of DFA, the Comptroller and the Auditor General have a role in overall accountability for and oversight of ODA. DFA's Audit Committee provides an independent perspective on Irish Aid's audit and evaluation arrangements and reviews the implementation of the Evaluation and Audit Section's work plans. The committee includes six independent members (four from the private sector and two retired civil servants) and meets six to seven times a year to review all the audits and evaluations. It reports to the Secretary General of DFA and its annual reports are publicly available. Irish Aid has published its own annual reports, including detailed accounts of expenditure, since 1978.

The last peer review recommended that Ireland pursue its efforts to promote an evaluation culture and prepare a multi-annual evaluation plan to enable lessons to be learned and as the basis for training (Annex A). Ireland's efforts in this regard take several forms. They include the assistance provided by the Evaluation and Audit Unit to other units in managing audits and its contribution to the development of the results-based-management approach to country strategy papers. A rolling plan for both evaluation and audit was introduced in 2006, as well as an annual operational work plan which must be approved by the Senior Management Group and the Audit Committee. The rolling plan is prepared following discussions within the Evaluation and Audit Section, consultations with other sections and embassies and with the Director General and Deputy Director General.

Irish Aid's Evaluation and Audit Section develops the schedule of evaluations and audits and undertakes the DFA's programme of reviews under the government's *Value for Money and Policy Review* initiative. Following a strategic and operational review in 2001, the section introduced a risk management system which is implemented across all programme countries. The section also collaborated on the development of the results-based-management approach to country strategy papers mentioned in this and the next chapters. The budget for the Evaluation and Audit Unit is fully integrated into Irish Aid's administration budget and does not allow disaggregated analysis of evaluation and audit expenditures. For 2009, a total of EUR 500,000 has been budgeted for travel, subsistence and consultancy costs.

The section is currently understaffed although recruitment is underway. It includes a head of section who reports directly to the Director General, three evaluation posts (two vacant), five audit posts (one vacant) and three support posts (two vacant). Evaluation specialists are drawn from within Irish Aid and provided with appropriate training; audit specialists are professionally qualified auditors. The audit function in each programme

country has been strengthened by recruiting internal auditors who are nationals of the country. These auditors participate in the design and management of joint audits, when appropriate, and monitor the implementation of recommendations and measures to further strengthen the Irish financial system at field level.

Evaluation

Irish Aid has an evaluation policy which explicitly adopts the various DAC standards with regard to evaluation, including the *DAC Evaluation Quality Standards*, *DAC Principles for Evaluation* and the *DAC Criteria for Evaluating Development Assistance*. Much of the Evaluation and Audit Section's work concerns supporting evaluation processes managed and led by core sections and Irish Embassies and is funded directly from programme costs. The section also commissions strategically important evaluations, for example of *Dóchas'* management (Irish umbrella NGO organisation) and of country strategy papers for programme countries. When opportune and appropriate, Irish Aid collaborates in joint evaluations with its partners (one is planned in health in 2009).

Evaluations are conducted by external, independent consultants who are recruited through an open tendering process and who can be nationals from partner countries. All evaluations are submitted to the Senior Management Group and to the Department's Audit Committee and give rise to formal responses. In keeping with its evaluation policy, all major Irish Aid evaluations are published and are available on the Irish Aid website. These evaluations could also be forwarded to the DAC Evaluation Network database for more visibility. Evaluations ordinarily document the extent to which cross-sectoral issues are mainstreamed, which is good. They are followed by action plans to ensure that operational sections properly take into account findings and recommendations. Irish Aid disseminates evaluation findings, conclusions and main lessons through briefings and targeted distribution of reports and executive summaries.

Audits

Audits are guided by the Department of Foreign Affairs' *Internal Audit Charter* and the *Audit Policy in Overseas Offices*, which embrace a number of separate though complementary approaches (GoI, 2008b). Irish Embassies undergo annual audits by internationally reputable audit firms. Embassy-based auditors report quarterly and annually to headquarters on audit issues. For NGOs, Irish Aid has adopted an audit framework for its Multi-annual Programme Scheme partners (Box 9). It relies on external audits in addition to the partners' own audit processes. In addition, the Evaluation and Audit Unit undertakes occasional internal audits of its NGO partners and reviews audit reports from multilateral partners.

Approach to managing civil society organisations

Irish Aid provides considerable support to NGOs and missionaries working in development. Since the last peer review the division has made significant efforts to engage more strategically with NGOs and to build their capacity to absorb and manage funding (Chapter 6). NGOs enjoy a healthy level of independence despite their reliance on government funding. They actively contributed to the 2006 *White Paper on Irish Aid* and participate in the Development Forum organised by ABIA. Irish NGOs generally consider the dialogue with Irish Aid on policy development to be of good quality.

However, most of them feel that Irish Aid's relocation to Limerick will undermine the pace and level of that dialogue.

Irish Aid's 2008 *Civil Society Policy* (GoI, 2008h and Box 7) provides the framework for government-civil society relations, including how Irish Aid should support, directly and indirectly, the emergence and development of Southern civil society organisations. The Civil Society Section is responsible for funding Irish-based and international NGOs involved in poverty reduction and sustainable development and for developing and implementing the *Civil Society Policy*. The Emergency and Recovery Section engages with and supports Irish and international NGOs that respond to emergency and post-emergency situations (Annex C). The UN, World Bank, IFIs and the Multilateral EU Sections are responsible for promoting civil society policy objectives in the dialogue with multilateral agencies and for monitoring their performance.

In response to the recommendations of the 2003 peer review, Irish Aid has adopted a more structured approach to civil society by introducing new funding mechanisms and strengthening the grant appraisal and approval system. The core values of the funds are drawn from Irish Aid's principles which include partnership, capacity building and participation. The funding schemes are:

- The Multi-Annual Programme Scheme (MAPS) which at present is limited to five of the larger Irish NGOs[26] (Box 4). MAPS funds Irish based NGOs with a view to assuring programme quality and development effectiveness whilst promoting partnership arrangements with civil society organisations, including direct transfers to southern NGOs.

- The Civil Society Fund (CSF) which replaces seven previous schemes and includes block grants (of up to a maximum of EUR 2.5 million per year), multi-annual projects of (of up to EUR 600 000 over three years) and micro projects (of up to EUR 20,000). The CSF funds Irish-based NGOs and invited international NGOs and encourages partnership with Southern NGOs.

- The missionary fund (*Misean Cara*) which replaces individual funding to a multitude of missionary orders and congregations.

- A small decentralised in-country micro projects scheme (ICMPS) operated by Heads of Mission in non-programme countries. The ICMPS has a mix of Irish NGOs and Southern civil society recipients.

The more structured approach to civil society organisations, the framework for larger NGOs which provides more predictable funding, the focus on results and enhanced engagement with Southern NGOs are all welcome features of Irish Aid's approach. According to civil society the current grant arrangements through MAPS and through Misean Cara (formerly known as the Irish Missionary Resource Service) have worked well. The multi-year schemes have reduced NGOs' administrative burden and improved their financial stability. Some concerns have nevertheless been raised from smaller NGOs seeking access to MAPS. These NGOs argue that lack of access to MAPS reduces innovative programmes with Southern NGOs.

The level of funding channelled to and through NGOs by Irish Aid is very high and a more strategic approach to civil society programme development is to be encouraged. As

26. These are *Trócaire*, Concern, Goal, Self Help Development International and Christian Aid.

funding for civil society flows directly from Irish headquarters, where this is programmed in partner countries Ireland should encourage NGOs to consult with the embassy and align their interventions with national development strategies. The development of the next generation of country strategies will be a good opportunity to explore this recommendation. More generally, there remains significant room for further engagement by Irish NGOs with Southern partners and the discussions with Irish Aid around funding modalities could provide a vehicle for setting broad strategic goals in this area.

Box 4. Irish Aid's Multi-Annual Programme Scheme (MAPS)

Irish Aid's Multi-Annual Programme Scheme are particularly innovative, providing multi-annual strategic programmatic support to organisations with a proven capacity to operate with clear policy guidelines. Agencies receiving funding are expected to establish strong partnerships with Southern civil society organisations. This allows the Southern partner to influence priorities and programme design and gradually take greater ownership and a more significant role in implementation. MAPS partners are also encouraged to co-ordinate with each other and with Irish Aid, particularly when present in the same country. Joint learning forums, joint research initiatives and country-level MAPS partner meetings are contributing to coherence. Through MAPS, development assistance reaches a wide range of sectors in more than 40 countries. MAPS partners are expected to generate 30% of their total income as voluntary funds raised from the public in Ireland, while institutional funding, including Irish Aid grants, should not be greater than 70% of an organisation's annual income.

The MAPS provide an opportunity for coherence between the international development agenda, Irish Aid's agenda and the NGOs' strategic priorities. The monitoring and evaluation system has shifted away from input-output measures towards impact and outcome measurement; indicators are now agreed by each NGO and Irish Aid at the start of each funding cycle. Overall, the MAPS provide an important opportunity for learning on both sides.

Future considerations

- The DAC encourages Ireland to continue to respond to the challenges resulting from the transfer of its headquarters from Dublin to Limerick. These include maintaining the continuity of expertise and institutional memory as well as close linkages with other parts of the Department of Foreign Affairs, other government departments as well as other organisations, including NGOs based in Dublin.
- Irish Aid's results-based management approach to country strategies is a positive initiative. Given the complexity and innovative nature of the approach, Irish Aid should ensure that staff receives adequate training, support and incentives to develop and use the results frameworks throughout the programme cycle.
- Irish Aid is taking steps to strengthen learning and knowledge management. These should be used to build a systematic approach to identifying and documenting good practice across the organisation.
- Irish Aid is encouraged to prioritize the provision of adequate levels of human resources and training to ensure that it possesses the necessary expertise to deliver the aid programme effectively. To meet the challenges associated with policy coherence for development, addressing emerging aid priorities and new modalities, Irish Aid will need further analytical capacity.

- Irish Aid dedicates significant effort and resources to measure and demonstrate the impact of its programme. It has adopted the *DAC Evaluation Quality Standards* to strengthen its evaluation culture in-house as well as in partner countries. Irish Aid is encouraged to support country-led approaches to evaluation in line with the partnership commitment of the Accra Agenda for Action.

- There remains significant room for further engagement by Irish NGOs with Southern partners. The discussions with Irish Aid around funding modalities could provide a vehicle for setting broad strategic goals in this area.

Chapter 5

Aid Effectiveness

Political commitment and overall approach to aid effectiveness

Ireland demonstrates a high level of political commitment to aid effectiveness. It has made a decisive shift to providing support in ways that respect country ownership and embrace aid effectiveness in country programmes. Ireland's commitment to aid effectiveness is embedded in a number of policy and strategic documents. The *White Paper* lays the policy foundation and its guiding principles (Chapter 1) – partnership, public ownership and transparency, effectiveness and quality assurance, coherence and long-term sustainability – closely match the Paris Declaration's principles and make explicit reference to untied aid. The Paris Declaration also features in Irish Aid's *Civil Society Policy* (2008), *Guidelines for the Multi-Annual Programme Scheme* and the *Civil Society Fund*, and the *Framework Agreements with UN Funds, Programmes and Agencies* (2007). These frameworks were discussed in Chapters 3 and 4. Irish Aid's sectoral policies and guidance on education and health, updated since 2006, encourage sector-wide and joint approaches and the identification of comparative advantage.

Irish Aid is noted for its work to promote key messages on aid effectiveness, particularly cross-cutting issues (Chapter 1) and mutual accountability. It has helped develop a common EU position on the Accra Agenda for Action. With respect to the United Nations, since 2007 Ireland has provided country level support for the Delivering as One pilots in Viet Nam, Malawi and Tanzania. Ireland also participated in the 2006 and 2008 *Monitoring Surveys of the Paris Declaration* (OECD, 2008a), which covered five countries and 60% of country programmable aid in 2006, and seven countries and 58% of programmable aid in 2008. Ireland has consistently performed strongly against all indicators, although it experienced a slight decrease in results for four indicators in the 2008 survey. The peer review team was very appreciative of the fact that Irish Aid is analysing the survey results with its field missions.

The Action Plan for Irish Aid's Response to the Paris Declaration 2008-10 (GoI, 2008k) sees the Declaration as a way of strengthening Irish Aid's contribution to the MDGs. The action plan is linked to the Annual Business Plan and is one component of the *Operational Plan 2008-12* (GoI, 2008c). It has three objectives: i) to put into practice principles of the Paris Declaration in Irish Aid's policies and programmes; ii) to learn from and promote key messages on aid effectiveness through partnerships at international, national and local levels; and iii) to create awareness and promote aid effectiveness internally within Irish Aid, and among the Irish public. Irish Aid has made considerable progress in implementing the action plan and is currently updating it to reflect the commitments from the Accra Agenda for Action.

Aid effectiveness in practice

Irish Aid is commended for its excellent track record in applying the Paris Declaration, as seen from the peer review's field mission to Uganda (Annex D) and the results of the *2008 Survey on Monitoring the Paris Declaration*. In addition to political backing, the key to its performance is the supportive environment that allows staff to work flexibly in the field. The following section describes how Irish Aid's approach mutually reinforces the Paris principles, particularly on ownership, alignment and harmonisation, and how it is building competencies for results and mutual accountability.

Ownership and alignment

Partner countries highly appreciate Irish Aid for being a "genuine" partner who respects country ownership. The *White Paper* places significant importance on "partnership and equality," and squarely makes recipient countries and their citizens responsible for their own development: Irish Aid's support must be, to the greatest extent possible, "locally owned and led" (GoI, 2006a). Irish Aid's long-term engagement in programme countries, as well as its focus on a few sectors and the use of government systems, has resulted in strong partnerships with governments and line ministry counterparts. In the case of Uganda, the degree of confidence built through the partnership approach was most apparent in the area of capacity development (Chapter 6).

Irish Aid develops its country strategies based on contextual analysis, recipient countries' national development strategies, sectoral strategies or policies, and donor harmonisation frameworks (*e.g.* joint assistance strategies). Irish Embassies in programme countries lead the development of the country strategies and associated funding proposals. In Uganda, the peer review team was informed about the extent and quality of the interaction between Irish Aid's development specialists based at headquarters and staff from the embassy during the formulation of these strategies.

While headquarters decide on the overall financial envelope for the multi-year country strategies and parliament confirms annual commitments, actual programming and disbursement responsibilities are delegated to the field. Close headquarters-field communication allows Irish Aid to respond flexibly and quickly to emerging needs. Irish Aid provides funding through a mix of aid modalities, including budget support, sector budget support, basket funds, and individual projects linked to programmes. The results of the 2008 monitoring survey showed that Irish Aid disbursed 84% of its total ODA through programme-based approaches, indicating that Ireland's support broadly facilitated country leadership, was aligned with programme and budget frameworks, was harmonised with other donors, and used country systems.

Irish Aid believes that channelling support through country systems strengthens country capacities and facilitates policy dialogue between the government and the donor community. It has drafted specific guidance on budget support. Budget support is practiced in Mozambique and Tanzania as well as sector budget support in other programme countries. Ireland has fully untied its aid, and reduced the number of parallel project implementation units (PIUs) from five in 2005 to none in 2007. The 2008 monitoring survey confirms that Irish Aid relies on partner countries' public financial management systems to channel 79% of its ODA, and procurement systems to channel 88% of its ODA. These percentages are high in comparison to other donors. Irish Aid follows a rigorous process of internal checks and controls, including by the internal auditor within each Irish Embassy. In Uganda, the embassy is engaged with the partner

government and other donors to improve monitoring frameworks for budget and sector support. The structure of Irish Aid's programme ensures that the capacity and policy benefits of programme aid are achieved whilst improvements in the quality and accountability of public financial management together with rigorous oversight ensure that Irish funds are correctly used. Irish Aid is encouraged to maintain the highest level of standards to manage fiduciary risks, particularly given the use of increasingly complex aid modalities.

Ireland has extended the cycle for country strategy papers from three to five years in a number of its programme countries. Where possible it synchronises its timing with partner countries' national development strategy planning cycles. The 2008 monitoring survey shows that Ireland's aid is already highly predictable. At the aggregate level, 64% of scheduled aid was recorded in partner countries' accounting systems as being disbursed. These positive steps toward aid predictability and alignment are welcomed. However, the share of aid reflected in partner countries' national budgets decreased slightly, from 54% in 2005 to 47% in 2007 (OECD, 2008a). An analysis at the individual country level showed that Irish Aid disbursed most of its scheduled aid, pointing to the challenge for recipient governments to capture total aid disbursements, in particular from civil society organisations.

Harmonisation

The *White Paper* commits Ireland to "work in close co-ordination with other donors and the international community in order that development assistance is used to the best effect at global level" (GoI, 2006a). In Uganda, Irish Aid consistently demonstrates commitment to harmonisation and seizes opportunities to ensure efficient division of labour among donors and to implement joint approaches. The embassy works closely with other donors through the Nordic Plus group, taking part in joint assistance strategies (JAS). Irish Aid uses the group's joint harmonisation tools to engage in silent partnerships and delegated co-operation in Mozambique and Zambia. It could pursue this option in its other programme countries. Whenever possible, Irish Aid promotes cross-cutting issues in the sectors in which it is involved. In Tanzania, as the "gender contact point" for the agriculture sector, Irish Aid promoted the integration of gender equality into that sector (OECD, 2008c).

In Uganda, Irish Aid takes the lead on HIV/AIDS, education and justice, but withdrew from the agriculture and health sectors. This decision to withdraw was based on the context, the needs expressed by the government and the existence of other like-minded donors (GoI, 2008b). Irish Aid's willingness to challenge its perceived comparative advantage in each context is a positive feature of its development co-operation (Box 5). The case of Uganda illustrates that it has handled the process of withdrawing responsibly, by adjusting its internal organisation and staffing requirements, sharing expertise with donors remaining in the sector, and providing indirect support. For example, Irish Aid continues to provide funding to agriculture by promoting the issue of land tenure in the legal system.

Results from the 2008 monitoring survey confirm Irish Aid's support for joint approaches, with 18 out of 22 joint country analyses conducted with other donors in 2007. Irish Aid reduced its total number of missions from 32 in 2005 to 11 in 2007 (OECD, 2008a). Irish Aid's policies and guidance for joint evaluations and assessments (*e.g.* Evaluation Policy, new CSP guidance) seem to be taking effect, which is a very positive development.

Irish Aid has a sophisticated understanding of the complex nature of donor harmonisation. It is conscious that time and human resources are required to build comparative advantage and take on lead donor roles. Irish Aid is also aware of the political nature of the process of specialisation, and understands that success relies on external factors, such as the existence of like-minded donors and buy-in from partner countries. In moving forward, Irish Aid could explore opportunities to gain stronger buy-in from partner countries to enhance the effectiveness of donor harmonisation efforts.

Box 5. Lessons from division of labour and defining comparative advantage

Irish Aid has reflected on the division of labour issue since 2005. Its discussion paper on "Specialisation and Division of Labour"(GoI, 2008b) points to the importance of building comparative advantage and the political nature of the process of specialisation. In June 2008, Irish Aid conducted an internal workshop to learn lessons and identify good practices in sector concentration and division of labour. The lessons learned include:

- Importance of local context and understanding the drivers of change.
- The need for an institutional definition of comparative advantage.
- The need for a lead donor to have additional skills in management, communication and influencing.
- The need for more consistent institutional support to build and maintain comparative advantage.

Defining and challenging its comparative advantage is an important feature of Irish Aid. The new Results-Based Management Approach to Country Strategy Papers requires all CSPs to contain "an evidence-based statement of Irish Aid's comparative advantage, if any, and how this will evolve over the proposed implementation" (GoI, 2008d). Evidence is gathered, for example, through public consultations with government, donors and civil society (Lesotho) and through donor peer assessments (Ethiopia).

In Uganda, Irish Aid defined its comparative advantage in the area of HIV/AIDS as: i) ability to engage at various levels (both upstream policy and decentralised levels); ii) use of multiple aid modalities; iii) long-term institutional memory; iv) flexibility; v) reputation as a credible and genuine partner with no hidden agenda; vi) a strong advocate for harmonisation and alignment; and vii) experience in chairing the AIDS Development Partner Group over the past five years. As a result, Irish Aid has become a respected donor in this sector.

Working towards results and mutual accountability

Irish Aid is increasing its efforts to demonstrate value for money and to communicate results to parliament and the Irish public. This will be improved using the newly developed results-based management approach to country strategies. Results-based management and mutual accountability require a cultural shift that will take time to become established. Irish Aid is encouraged to stay the course as other donors will be looking to Ireland for inspiration in their own efforts.

The results-based approach to country strategies stipulates that Irish Aid should "align and contribute to national stakeholder plans and programmes as well as work closely with all development partners to strengthen country ownership, leadership and improving aid effectiveness" (GoI, 2008d). The approach includes a results and monitoring framework, a performance measurement framework, and a risk analysis matrix (Box 6). The latter is a forward-looking and detailed internal management and accountability tool that can potentially improve the transparency and predictability of Ireland's development aid.

Future country strategies will draw on lessons from past strategies. They will also reflect the latest conceptual frameworks discussed through the Joint Venture on Managing for Development Results. Initial feedback from Irish Aid's field staff in Ethiopia and Lesotho confirmed that the new method facilitates a logical and coherent approach to programming, clarifies roles and responsibilities, and supports team-building. It also facilitates in-depth and shared understanding of comparative advantages in each context.

As observed in Uganda, Irish Aid works with other donors to strengthen partner countries' results frameworks and is increasingly linking its contribution to outcomes agreed with partner countries and the donor community. Its support to strengthen and use monitoring and results frameworks for national development strategies and sector plans is encouraging. This could help to establish and strengthen mutual accountability initiatives at country level. Ireland could capitalise on its knowledge and experience to facilitate the agenda on this theme when appropriate.

Box 6. Key features of Irish Aid's results-based approach to country strategy papers

The results-based management approach provides a one-stop guide to developing the CSPs. It defines results-based management as an approach for changing the way the organisation operates by focusing on: i) dialogue on results; ii) aligning programming monitoring and evaluation with results; iii) keeping measurement and reporting simple; iv) managing for, not by, results; and v) using results information for learning and decision making.

The components of Irish Aid's results approach are:

Results-based management systems	Performance management	Planning	1) **Formulating objectives**: Identifying in clear, measurable terms, the results being sought and developing a conceptual framework for how the results will be achieved.
			2) **Identifying indicators**: For each objective, specifying exactly what is to be measured as well as how, along a scale or dimension.
			3) **Setting targets**: For each indicator, specifying the expected or planned levels of results to be achieved by specific dates, which will be used to judge performance.
			4) **Monitoring results**: Developing performance-monitoring systems to regularly collect data on actual results achieved (and processes).
			5) **Reviewing and reporting results**: Comparing actual results in relation to the targets (or other criteria for making judgements about performance).
			6) **Integrating evaluations**: Conducting evaluations to provide complementary information on performance not readily available from performance monitoring systems.
			7) **Using performance information**: Using information from performance monitoring and evaluation sources for internal management learning and decision-making and for external reporting to stakeholders on results achieved. Effective use generally depends upon putting in place various organisational reforms, new policies and procedures, and other mechanisms or incentives.

Source: Government of Ireland (2008), A Results-Based Management Approach to Country Strategy Papers, Dublin, Ireland.

Awareness of aid effectiveness

Irish Aid has been largely successful in meeting the third objective of its action plan to implement the Paris Declaration through creating awareness and promoting aid effectiveness internally. The peer review team congratulates management for the significant level of staff knowledge, both at headquarters and within the Irish Embassy in Uganda, and for efforts to include aid effectiveness in induction training for new staff. Specific training already targets public financial management (Table 3, Chapter 4) and is complemented with workshops on current issues (*e.g.* on division of labour). Irish Aid's approach could be further strengthened by ensuring that training and professional

development courses for staff build the necessary skills and competencies and create the incentives which its diplomatic and technical staff require to deliver on aid effectiveness – for example in business planning and the management and individual performance plans (PMDS). The peer review team suggests that Irish Aid's Policy, Planning and Effectiveness Section, in charge of monitoring the implementation of the Accra Agenda for Action, reflects on and addresses these issues in due course.

Future considerations

- The Irish government is encouraged to maintain its efforts to engage peers, civil society and partner country governments to implement the Accra Agenda for Action.

- Irish Aid should continue working collectively at country level to strengthen partner countries' monitoring and results frameworks as a means of putting mutual accountability into practice.

- In implementing the Accra Agenda for Action, Irish Aid should ensure that training and professional development courses include the skills and competencies which diplomatic and technical staff require to deliver on aid effectiveness. It should consider building staff incentives to encourage a focus on aid effectiveness.

Chapter 6

Special Issues

Capacity development

Policy and strategic framework

Ireland's Memorandum (GoI, 2008b) emphasises that capacity development is an essential element of its support to partner countries. It considers that donors should provide support in ways that build partners' ability to strengthen capacity in a sustainable manner. One of the *White Paper*'s guiding principles, "long-term sustainability", commits Irish Aid to "work towards sustainable improvements in the lives of ordinary people through building systems to address the causes of poverty rather than simply ameliorating the symptoms". The *White Paper* views the capacity of governments to meet the needs of their citizens as a critical dimension of good governance and sustainable development and thus commits Irish Aid to "help build government systems...[and] capacities to plan, deliver, manage and monitor services"(GoI, 2006a).

Irish Aid's *Operational Plan (2008-12)* stresses systems for "building capacity and the delivery of services in the social sectors of health, education, water and sanitation". The plan emphasises that Irish Aid's role is to "complement and build upon the national and local capacities of the governments and peoples with whom it works". Irish Aid's sectoral and thematic policies reinforce this in their focus on strengthening systems and institutions. As with most other donors, Irish Aid does not have an overarching policy statement or vision to guide and communicate its efforts in this area. Such a vision could be based on the concept of capacity development developed in the Accra Agenda for Action. Ireland actively collaborates with the DAC and the European Union and could build on this engagement to elaborate its vision for capacity development.[27] This would help to clarify Ireland's role in capacity development, identify opportunities for engagement and ensure synergies across different initiatives involving other donors.

Capacity building at country level

Irish Aid does not have a specific set of tools for developing capacities in its programme countries. Its practice is progressive, however, particularly in terms of promoting demand-driven and locally-owned approaches, local management of technical

27. See for example OECD (2008), "Proposal for a DAC Approach to Capacity Development: 2009-2010"and the European Community (2008), *Reforming Technical Cooperation and Project Implementation Units for External Aid provided by the European Community – A Backbone Strategy".*

assistance and use of country systems. Irish Aid's practice of capacity development is mainstreamed throughout its programmes in accordance with the *White Paper*. It is also broadly in line with the *Paris Declaration on Aid Effectiveness* and the Accra Agenda for Action.

As observed in Uganda, Irish Aid's approach is well appreciated by the partner government (Annex D). Much of the support is provided through sector-wide approaches (SWAps) and pooled funding, or through using country systems. Irish Aid finances only limited technical assistance and its projects are part of sector or programme support. As with other donors taking part in SWAps, it responds to capacity needs identified through sector investment plans and programmes. The peer review team was informed that this strengthens the partner country's self-reliance whilst having the assurance of Irish Aid's technical support if required.

Irish Aid's "hands-off" approach encourages partner countries to use their own systems and capacities rather than relying on external support. The focus on building and using existing local systems and institutions is particularly important in the field of service delivery and to manage public funds (Chapter 5). While these initiatives are very positive, good practice in capacity development is not sufficiently documented. This is critical to share lessons across programme countries and with other donors. Irish Aid's ability to respond flexibly also needs to be balanced with a more strategic approach towards capacity development. The new results-based approach to country strategy papers (Box 5) provides a good opportunity for doing that.

One important dimension of capacity development is technical co-operation. The current DAC statistical classification does not allow donors to separate out expenditures on this aspect. Nonetheless, the 2008 monitoring survey noted that nearly all of the USD 12 million recorded as "technical co-operation" for Irish Aid in programme countries was disbursed in a co-ordinated manner, respecting ownership, alignment and harmonisation. This was confirmed in Uganda, where the peer review team observed that Irish Aid supported an international technical assistant to help revise and implement a primary teachers' curriculum. The Ugandan Ministry of Education and Sports drafted the terms of reference and organised the recruitment process through competitive bidding, and the Irish Aid official responsible participated in the interview process as an observer. The technical assistant is fully integrated into the departmental functions of the Ugandan Ministry and reports to her line manager within that ministry.

Capacity development for civil society organisations

The *Civil Society Policy* (GoI, 2008h) commits Irish Aid to support capacity building and organisational development for civil society organisations (CSOs). Irish Aid systematically seeks to build the capacities of CSOs to deliver aid more effectively and efficiently (Box 7). This is a wise strategic investment considering that Irish Aid channels a significant proportion of its assistance through CSOs (Chapter 3). The main funding mechanisms for Irish NGOs reflect this commitment. *Irish Aid's 2007 Annual Report* (GoI, 2007c) confirms that a proportion of the CSO grant was used for improving quality, management support and organisational development. The planned review in 2009 of the Multi-Annual Programme Scheme will shed light on the impact of this approach.

Civil society support has been an important component of country strategies for many years. In Uganda, the Irish Embassy collaborated with other donors, Uganda's AIDS

Commission and ministries to support a pooled fund to strengthen the role of NGOs and community-based organisations in the national HIV/AIDS response. Capacity building activities include organisational development and management, provision of logistics and infrastructure, and staff training. These activities could be evaluated and lessons learned should be shared and utilised when planning similar interventions in other programme countries.

Box 7. Building the capacity of civil society organisations to make aid more effective

The Accra Agenda for Action recognises the importance of building the capacity of all development actors – including civil society organisations – as a means to broaden country ownership. At the same time, the agenda also encourages CSOs to reflect on how they can apply the Paris Declaration principles for themselves.

Irish Aid, which has a long tradition of working with Irish and local NGOs, is a leader in building NGO capacities and improving their aid effectiveness practices. Its Civil Society Policy (2008) commits Irish Aid to: i) create an enabling environment for NGOs to organise and engage with their own broader constituencies; and ii) support the role of NGOs in promoting participation and good governance, pro-poor service delivery and growth and building a constituency for development, human rights, and social justice.

To empower NGOs to achieve these objectives, capacity and organisational development are an integral part of Irish Aid's approach. The Multi-Annual Partnership Schemes and Civil Society Fund support proactive assessment of capacity needs and devote a portion of the grant (approximately 3%) to organisational development. This approach builds NGOs capacity to deliver assistance in line with Irish Aid's policy objectives, avoids competition and parallel structures, and improves results-orientation and accountability.

Source: Government of Ireland (2008), *Civil Society Policy*, Dublin, Ireland.

Capacity development through fellowship training and higher education institutions

Irish Aid's Fellowship Training Programme (FTP) has been an integral part of Irish Aid's capacity development approach since 1974. The FTP awards approximately 60 fellowships annually to students from Irish Aid programme countries to pursue post-graduate level studies in institutions in Ireland or in the programme country's region. The *White Paper* defines the FTP as an approach to resolve specific capacity deficits through training key individuals drawn from the public services or non-governmental sector. The aim is to link the fellowship awards with Ireland's priorities in the programme countries.

According to *Irish Aid's 2007 Annual Report* (GoI, 2007c), of the 162 fellows supported by the Fellowship Training Programme that year, 96% came from Ireland's nine programme countries at a cost of EUR 2.7 million. A review of the FTP completed in October 2007 showed that the scheme made a "genuine and visible contribution" to capacity building and a "solid proportion" of fellows achieved their capacity building objectives (GoI, 2007b). Furthermore, the FTP had successfully avoided brain drain, with an estimated 95% of fellows returning to their home countries and/or resuming their careers. On the other hand, the review also pointed out that the FTP remained individualised and disconnected from Irish Aid's Programme, contrary to the recommendations of the last major review. The FTP lacks a natural anchor point within Irish Aid's operational structure and the review recommended that it should be integrated progressively into its programmes to better align fellowships with Irish Aid's objectives and to allow systematic monitoring and evaluation. The integration process was initiated

in 2008 and Irish Aid will pilot a programmatic approach to fellowship selection in three countries in 2009.

Irish Aid's Programme for Strategic Co-operation with Higher Education and Research Institutions, launched in December 2006, promotes innovative and collaborative research across a range of subject areas. The aim is to support Irish Aid's mission as well as to develop the capacity of the higher education sectors in Ireland and developing countries (GoI, 2006b). The programme is managed by Ireland's Higher Education Authority on behalf of Irish Aid. The first phase (2007-11) focuses on building Irish higher education capacity for development research. The programme awarded two rounds of funding in 2007 and 2008 of EUR 11.7 million in total to 15 proposals from universities and research institutions. All the funded projects include collaboration between Irish and Southern institutions, with a particular focus on Africa, for activities such as establishing research and professional networks, sectoral training, research capacity building and developing academic material.[28] Irish Aid is currently developing a performance measurement framework to identify anticipated results including the benefits for Irish Aid's programmes. It also needs to ensure and document that the programme helps strengthen higher education in partner countries.

Staffing and management for capacity development

A development specialist has been assigned to work on capacity development in the Policy, Planning and Effectiveness Section since October 2008. This was a sensible move, given that capacity development is an integral part of Irish Aid's work. The development specialist will be responsible for providing programme support on capacity development, developing policy and guidance, and engaging at international level on capacity development through the DAC and the European Union. In addition, he will be in charge of implementing the capacity development commitments contained in the Accra Agenda for Action. Irish Aid also engages with the Capacity Collective at the Institute of Development Studies (IDS) at the University of Sussex to access research and analysis on capacity development.

With guidance from the capacity development specialist, Irish Aid needs to assess and measure the impact of its capacity building interventions. The results-based approach to country strategies will help to clarify capacity development in the design phase. The different initiatives on capacity development – for civil society organisations, fellowship training and higher education –need to be co-ordinated to ensure consistency in the approach and usefulness for Irish Aid's programmes. It will be important for the Policy, Planning and Effectiveness Section to ensure adequate resources are allocated to take forward the work on capacity development. Responsibility for advancing different elements of the Accra Agenda for Action has been assigned among staff in that section as part of the business planning process.

28. Higher Education Authority, http://drupal.hea.ie/en/

Governance, accountability and anti-corruption

Policy and strategic framework

Governance is a priority issue for Irish Aid as well as one of the four cross-cutting themes. The *White Paper* recognises that weak governance and corruption greatly curtail the effectiveness, impact and sustainability of development assistance. It therefore commits Irish Aid to work on improving governance, addressing corruption, and building democracy and accountability. The *White Paper* defines governance as the "political and institutional capacity of a country to elect accountable government, create and uphold laws, promote and protect people's rights, meet people's needs and effectively and fairly manage the resources of the state". Corruption is defined as "the abuse of power, often public power, for private gain". The *White Paper* considers that weak governance makes corruption more possible and that capacity development can help improve governance and eradicate corruption.

The *White Paper* places equal importance on respecting partner countries' ownership of development and their responsibility to "combat corruption, ensure effective and responsible government, promote democracy and protect human rights". It also emphasises working in broad partnership with civil society to help make governments more responsive to the needs of their citizens. The responsibility of partner countries for using the aid they receive effectively and responsibly for the public good and donors' responsibility to demonstrate results and accountability to their own taxpayers, are also addressed. Transparency, accountability and demonstrating value for money, therefore, are key dimensions of Irish Aid's aid programme, particularly as it increasingly relies on partner countries' own financial and procurement systems (Chapter 5).

Irish Aid's policy and approach to governance, anti-corruption and accountability are still being developed. The comprehensive strategy *Building Good Governance* (in draft at the time of writing) breaks down the concept of "good governance" into eight main areas: i) fighting corruption; ii) building democratic systems of government; iii) building effective institutions for service delivery; iv) promoting and protecting human rights; v) strengthening rule of law; vi) building strong civil society; vii) strengthening media and access to information; and viii) strengthening global and regional governance. The strategy also advocates lesson-learning on governance interventions based on field experiences (Box 8). The breadth of the thematic areas and activities recommended in the *White Paper* and the draft strategy suggests a need to prioritise and reflect on the particular strengths of Irish Aid in implementing the strategy.[29] Irish Aid is encouraged to take into account results of its recent consultations with civil society and other divisions within the Department of Foreign Affairs in finalising the strategy. In going forward it should identify priorities and partnerships, define comparative advantages, and ensure the coherence and complementarities of its overall approach.

29. The *White Paper's* key decision to "build government capacity and accountability" includes support for human rights; gender equality and preventing gender-based violence; the development of free and independent media; a diverse and independent civil society and promises engagement with the African Union on how best to support the African Peer Review Mechanism.

Box 8. Principles and lessons learned in designing governance interventions

The draft *Building Good Governance: A Strategy for Irish Aid* identifies priorities and principles to inform Irish Aid's approach to good governance. It defines good governance as the conditions in which women and men are empowered to participate freely in political, social and economic development to achieve their full potential. Irish Aid's work on good governance is guided by the principles of participation, partnership, transparency, accountability, efficiency and effectiveness, and equality. The strategy identifies lessons on governance programming, which focus on:

- **Providing good analysis**: Cogent, clear and comprehensive analysis on political, social, and economic context when planning and prioritising support.
- **Avoiding blueprint approaches**: What is best practice in one context may be ill-suited to another.
- **Prioritising**: Priorities must be identified, and hard choices made, taking into account local needs, the work of other donors, comparative advantage, and strategic entry points. The level of engagement must be tailored to available resources.
- **Being realistic**: The timeframe for achieving real progress is usually long term. Expectations about what is achievable can often be unrealistic.
- **Balancing legitimate dialogue and undue interference**: Whilst channeling aid through government systems provides a platform for direct policy dialogue with partner governments, it also increases the risk of accountability being skewed towards donors.
- **Doing no harm**: The potential impact of additional aid on domestic resource mobilisation may serve as a disincentive for governments to raise their own revenue and to become more accountable to donors than to their citizens.
- **Aid Effectiveness**: Deliver assistance in line with the Paris Declaration on Aid Effectiveness. Ensure effective delivery and eliminate overlap and duplication.

Source: Government of Ireland (draft), *Building Good Governance: A Strategy for Irish Aid*, Dublin, Ireland.

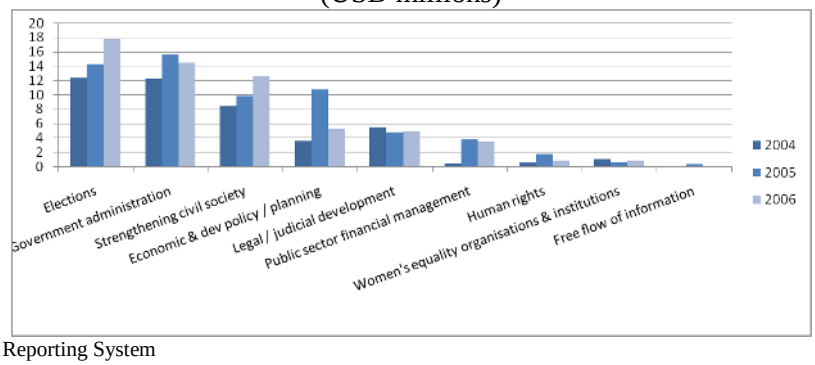
Official development assistance for governance

The aid category "governance and civil society" accounts for a significant portion of Irish Aid's bilateral aid, as illustrated by the data reported to the DAC (Annex B, Table B.5). Between 2000 and 2004 Irish Aid's total bilateral disbursements increased in volume but remained stable as a proportion of total ODA, averaging 14% during that period compared to 15% in 2005-07. Figure 4 provides a breakdown of governance-related expenditures in Irish Aid's nine programme countries using the DAC statistical reporting codes. Irish Aid's reflection on its priorities could benefit from an analysis of expenditure levels for specific governance activities. The proposed revisions to the DAC

statistical reporting codes for governance, expected to take effect from 2010, will help in this exercise.[30]

Figure 4. Irish ODA to governance activities in nine programme countries: 2004-2006

(USD millions)



Source: OECD Creditor Reporting System

Irish Aid's approach in programme countries

As with capacity development, Irish Aid's approach to governance is context-specific. Country strategy papers include political, governance, conflict, poverty and vulnerability assessments while lessons from previous experiences inform decisions on thematic areas and choice of aid modalities (GoI, 2008d). Irish Aid draws on existing work available in conducting its analysis and on occasion, it commissions joint studies with other donors. Consistent with its overall approach to country programming, Irish Aid's governance programmes are aligned with national development strategies and other donors' activities in this area.

Seen from Uganda (Annex D), Irish Aid's support to governance is comprehensive and addresses both the supply and demand side of good governance as well as anti-corruption and accountability, mixing targeted activities with mainstreaming. Irish Aid works with the Ugandan Government, other donors and Irish and local NGOs, providing support through sector-wide approaches, basket and pooled funds, and government or donor-led programmes. It consistently aims to use and strengthen the partner country's capacities for financial accountability and transparency (Chapter 5). To its credit, the Irish Embassy took the lead in rallying donors to bring charges against Ugandan public officials because of the mismanagement of the Global Fund to Fight for HIV/AIDS, Tuberculosis and Malaria (Box 9).

Irish Aid is gradually building its competence to identify entry points and advance good governance in all of its programmes. However, mainstreaming governance is difficult to observe in practice as it can include such diverse activities as raising issues in different sector working groups, funding activities that cut across different sectors and involve several stakeholders (*e.g.* the national integrity survey), and pursuing a rights-based approach or conflict sensitivity in programmes. Moreover, the conceptual difference between "governance activities" and "mainstreaming governance activities" is unclear. The peer review team felt that Irish Aid needed to reflect on priorities and outcomes given the scale, diversity and number of its funded governance interventions in

30. See for example, OECD (2008), Improving the CRS Purpose Codes for Governance – Draft Revised *Proposal from GOVNET to WP-STAT.* DCD/DAC/GOVNET(2008)1, OECD, Paris.

Uganda.[31] Mainstreamed activities also need to be better documented and communicated. The next country strategies will be an opportunity for the embassy to address these concerns.

Box 9. Irish Aid leads the charge against the mismanagement of the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria in Uganda

Reflecting its commitment to aid transparency and accountability, Irish Aid was instrumental in raising awareness of the mismanagement of the Global Fund to Fight AIDS, Tuberculosis and Malaria in Uganda. Irish Aid persistently raised the issue in the different donor working groups (on Partners for Democracy and Governance or PDG, Anti-Corruption, Health and HIV/AIDS) and rallied concerned institutions. The PDG subsequently engaged in a high-level dialogue with government to make resources available for an investigation on the fund's mismanagement and communicated with the fund's board on this issue. As of October 2008, a number of senior Ugandan officials (including the former minister of health) accused of corruption have been arrested and charged in Uganda. The incident made front-page news in the local media.

The *Civil Society Policy* recognises CSOs' role in promoting governance and accountability; Irish Aid's 2007 Annual Report confirms that many Irish-funded CSOs are actively engaged in governance activities. In programme countries there is no formal financial or reporting relationship between Irish Embassies and Irish CSOs. However, there is scope for exploring collaboration and building synergies, in particular for governance. The practice in Irish Aid (Uganda) to hold information and consultation meetings with Irish CSOs is an encouraging step. In the Ugandan case, the Irish Embassy raises the concerns expressed by Irish CSOs during the policy dialogue between donors and the partner government. It also helps build coalitions, including with local NGOs, to raise awareness on land tenure and gender-based violence. Irish Aid is particularly commended for these efforts.

Irish Aid's global and regional governance work

Ireland is a greatly appreciated member of the DAC Governance Network (GOVNET), and chairs the task team on taxation and accountability. The task team's policy paper on *Governance, Taxation and Accountability: Issues and Practice* (2007) provides evidence of how taxation could improve governance and encourages donors to engage in tax and revenue-raising activities. Ireland led the support for the International Conference on Taxation, State-Building and Capacity Development that took place in South Africa in August 2008. The Pretoria Communiqué from the conference established the African Tax Administration Forum (ATAF), which is a Southern-led initiative to build the capacity of African tax administrations. Ireland is taking this forward in Rwanda (Chapter 2). ABIA's report on *Governance, Aid Modality and Poverty Reduction* (ABIA, 2008) usefully analyses the contribution of different aid modalities to improving good governance.

Ireland ratified the OECD Convention on Combating Bribery in 2003. The OECD Working Group on Bribery in International Business Transactions notes that Ireland has made efforts to implement the convention and to address recommendations made by the group's evaluation in March 2007. Ireland took steps to raise awareness of foreign

31. Ireland funds nine governance activities through a basket fund (EUR 150 000) and a sector-wide approach (EUR 2.8 million).

bribery offences among Irish public officials, including in the Department of Foreign Affairs, by disseminating pamphlets and setting up a website (www.anticorruption.ie). The working group noted improvements in the anti-bribery legislation proposed in the *Prevention of Corruption (Amendment) Bill 2008* (OECD, 2008b). In 2003, Ireland signed the United Nations Convention against Corruption, which entered into force in 2005. Ireland expects to ratify the convention in 2009 once the required additional domestic legislation is approved. Irish Aid is encouraged to analyse the implications of the conventions' provisions for its work.

At the regional level, the *White Paper* indicates that Ireland will consider supporting the African Peer Review Mechanism (APRM) and the African Capacity Building Foundation (ACBF) as part of its support to governance. Irish Aid's support to ACBF totalled EUR 2.5 million in 2005-07, and its engagement is currently under review. Irish Aid has decided not to provide funding for the APRM at present.

Staffing and management for governance, anti-corruption and accountability

The *White Paper* and *Irish Aid's Operational Plan* propose a governance unit to oversee the implementation of the governance strategy, provide advice on interventions, ensure coherence, and monitor research, lessons and evaluation. Interestingly, this unit was intended to work with the Conflict Resolution Unit to address weak governance and corruption in situations of fragility and conflict as part of the approach to peace-building within unstable societies. However, as of January 2009, it had not materialised. Under the current arrangements, a senior development specialist within the Thematic Sectors and Specialist Programme Section, a development specialist within the Policy, Planning and Effectiveness Section and a development specialist within the Civil Society Section work on governance. These specialists, together with a representative from the Department's Political Division, form the governance team. Irish Aid is encouraged to reflect on whether the current set-up at headquarters is most conducive to addressing pending issues raised in this chapter.

Future considerations

Capacity development

- Irish Aid is encouraged to work with the donor community to create a common framework and approach to capacity development that reflects the commitments of the Accra Agenda for Action.

- Irish Aid is encouraged to identify capacity development goals at the planning stage of country strategy papers to facilitate performance monitoring and track results. Documenting good practice on capacity development would allow for learning and the sharing of lessons within Irish Aid and with other donors.

- Irish Aid should ensure that adequate mechanisms are in place to co-ordinate and build synergies across capacity building initiatives (*e.g.* Irish Aid programmes, civil society organisations, the Fellowship Training Programme, and the higher education initiative). The capacity development specialist could help achieve this.

Governance, accountability and anti-corruption

- In finalising its draft strategy on *Building Good Governance* Irish Aid should take into account results from the consultations with civil society and other divisions within the Department of Foreign Affairs to ensure that the strategy identifies priorities and comparative advantage and promotes a coherent overall approach.

- Irish Aid funds a large range of mutually reinforcing interventions which need to be better documented in order to ensure common understanding amongst Irish Aid staff and to communicate lessons learned and results, including to the Irish public.

Annex A

Progress since the 2003 DAC Peer Review Recommendations

Key issues	2003 recommendations	Achievements since 2003
Strategic foundations and new orientations	To generate greater understanding and build up public ownership, Development Cooperation Ireland (DCI)[32] should inform the Irish public of the achievements Ireland can rightly claim through its ODA programme.	Irish Aid has significantly increased its investment in public information. New initiatives include the opening of a Volunteering and Information Centre in Dublin, the introduction of public information campaigns and events, radio and television programming, the upgrading of its website, participation in major exhibitions and proactive engagement in public debate on development in the media.
	DCI could consider promoting broader debate in Ireland on development issues and intervening pro-actively to ensure that the public receives balanced information on the strengths, weaknesses and risks associated with the different but complementary forms of development co-operation provided by the Irish people through both governmental and non-governmental channels. As part of this process, DCI could outline its reasons for moving to fund sector-wide approaches (SWAps) and to provide budget support.	Irish Aid has supported a number of initiatives to build awareness of development issues, including in advance of the Third High Level Forum on Aid Effectiveness. Its public information and development education strategies provide a solid basis for strengthening Irish Aid's efforts in this respect. However, communicating results and illustrating the impact of using different aid modalities, in particular SWAps and budget support, remain a challenge.

32. The former name of Irish Aid.

	A sizeable increase in ODA in 2005 will be crucial for putting Ireland back on a path towards reaching its 0.7% objective by 2007. To maintain quality as it repositions itself as a medium-sized donor, it would be important that Ireland plan now how it will manage and implement a USD 1 billion ODA programme.	Ireland did not achieve its ODA/GNI objective of 0.7% in 2007. The 2006 *White Paper* establishes a growth path for reaching that target by 2012, and the government remains committed to this target despite recent budget reductions. Irish Aid has taken steps to ensure that its governance, management, structures and functions can support the growth of the aid programme.
ODA volume, channels and allocations	To provide the basis for a predictable growth path for the expected further rapid expansion in ODA and to help DCI fulfil the multi-annual funding commitments it has made, Ireland could consider re-introducing a multi-annual agreement on budget allocations for ODA.	Ireland's country strategies for programme countries cover a three-year period and provide indicative multi-year funding approvals. The funding cycle has been extended to five years in some programme countries. Where possible, it is synchronized with partner countries' own national development plans.
	DCI should continue strengthening its capacity to mainstream HIV/AIDS and scale up support for its most successful mainstreaming approaches. As part of the preparations for the next generation of HIV/AIDS activities, it would be appropriate for DCI to initiate a comprehensive evaluation of the impact of Ireland's HIV/AIDS activities to date.	Ireland has a mainstreaming strategy for HIV/AIDS as well as complementary policies and guidance. The mainstreaming process includes staff training and increased oversight. New country strategies for programme countries take mainstreaming into account. Ireland has has initiated a Value for Money and policy review of Irish Aid's response to HIV from 2000 to 2007.
	Ireland should continue deepening its engagement in existing programme countries where needs remain great. Ireland would do well to continue adopting a cautious approach to designating new programme countries.	Ireland has increased aid volumes to Tanzania, Timor Leste and Zambia and has designated Malawi and Viet Nam as programme countries. Irish Aid concentrates resources in a few countries and sectors where it perceives it has a comparative advantage.

Policy coherence	Ireland should consider taking a range of possible actions to enhance its institutional capacity to address the effects of government policies on developing countries; the creation of a dedicated unit responsible for assessing policy coherence for development in DCI is an important step in this regard.	The government has established the Inter-Departmental Committee on Development (IDCD) to address policy coherence across government. The IDCD needs adequate capacity and political support to implement its broad mandate. Irish Aid's Multilateral EU Section provides the secretariat. A dedicated unit on policy coherence for development has not been created.
Aid management and implementation	Ireland should pursue implementation of a more strategic and programmatic engagement with a selected number of key multilateral agencies. In doing so, Ireland should remain aware of the advantages of increased co-ordination and harmonisation with other donors.	Ireland has become more selective and strategic in supporting UN agencies. Irish Aid has signed partnership agreements with three major UN agencies while two more are pending.
	Ireland should monitor the experience of mixing executive and advisory functions in the mandate of the Advisory Board for DCI.	The mandate of the Advisory Board on Irish Aid was not renewed upon expiry in 2008. The establishment of a new Advisory Group without executive functions is under consideration.
	Ireland will need to remain vigilant regarding staffing levels, skill mixes and the use of diplomatic staff within DCI, especially as Ireland's ODA volume continues to grow. Addressing human resources issues pro-actively is a key component of planning to manage and implement a USD 1 billion ODA programme.	Irish Aid's move to Limerick resulted in loss of expertise and institutional memory. Irish Aid has deployed 13 new development specialists and is conducting training for both new and existing staff. It has highly qualified local staff in its embassies, with instituted career paths. Monitoring staffing levels and ensuring the appropriate skill mix and staff development, including through training, remain a challenge.

	In its co-financing schemes for NGOs, DCI should continue promoting more strategic approaches, greater mainstreaming of cross-cutting issues (gender, governance, HIV/AIDS and the environment) and more systematic auditing, monitoring and evaluation.	Irish Aid's *Civil Society Policy* and funding instruments provide the framework to engage with NGOs and include mainstreaming of cross-cutting issues. The Multi Annual Programme Scheme for the five larger Irish NGOs sets out high-level outcomes as well as process-level objectives based on good practice. All funding instruments provide for monitoring, audit and evaluation.
	DCI is encouraged to pursue its efforts to promote an evaluation culture and could consider preparing a multi-annual evaluation plan, which in turn could serve as the basis for a training plan for DCI staff.	An evaluation culture is being promoted through: (i) commissioning evaluations of strategic importance to Irish Aid; (ii) evaluations of direct relevance to Irish embassies and core sections; and (iii) evaluations conducted by Irish Aid's partners of their own programmes and programmes of their partners (e.g. NGOs) The Evaluation and Audit Section has produced a work plan for 2009-11.
	DCI could consider redefining the roles and responsibilities of headquarters and field offices for a range of issues relating to country strategy, programming and operations, financial management and administrative procedures.	Humanitarian aid, aid to NGOs as well as multilateral and multi-bilateral aid are planned and programmed at headquarters. Bilateral aid is programmed at field level. While financial decisions are centralised at headquarters, actual programming and disbursement responsibilities are decentralised to field offices. Short lines of communication facilitate interactions between headquarters and field missions. The review and approval processes for country strategies could be streamlined.

Annex B

OECD/DAC Standard Suite of Tables

Table B.1. Total financial flows

USD million at current prices and exchange rates

Ireland	1993-97	1998-2002	2003	2004	2005	2006	2007
					Net disbursements		
Total official flows	**142**	**272**	**504**	**607**	**719**	**1 022**	**1 192**
Official development assistance	**142**	**272**	**504**	**607**	**719**	**1 022**	**1 192**
Bilateral	84	176	352	410	482	632	824
Multilateral	58	97	152	198	237	389	368
Other official flows	-	-	-	-	-	-	-
Bilateral	-	-	-	-	-	-	-
Multilateral	-	-	-	-	-	-	-
Net Private Grants	**49**	**66**	**283**	**234**	**308**	**339**	**318**
Private flows at market terms	**62**	**350**	**1 547**	**3 010**	**4 271**	**3 877**	**4 329**
Bilateral: *of which*	62	350	1 547	3 010	4 271	3 877	4 329
Direct investment	-	-	-	-	-	-	-
Export credits	-	-	-	-	-	-	-
Multilateral	-	-	-	-	-	-	-
Total flows	**254**	**688**	**2 334**	**3 851**	**5 298**	**5 237**	**5 840**
for reference:							
ODA (at constant 2006 USD million)	*219*	*421*	*601*	*646*	*744*	*1 022*	*1 070*
ODA (as a % of GNI)	*0.28*	*0.33*	*0.39*	*0.39*	*0.42*	*0.54*	*0.55*
Total flows (as a % of GNI) (a)	*0.50*	*0.86*	*1.83*	*2.47*	*3.09*	*2.77*	*2.70*
ODA to and channelled through NGOs							
- In USD million	1	33	104	138	180	165	295
- In percentage of total net ODA	*1*	*11*	*21*	*23*	*25*	*16*	*25*
- Median DAC percentage of total net ODA	*5*	*7*	*8*	*8*	*8*	*9*	*6*

a. To countries eligible for ODA.

ODA net disbursements
At constant 2006 prices and exchange rates and as a share of GNI

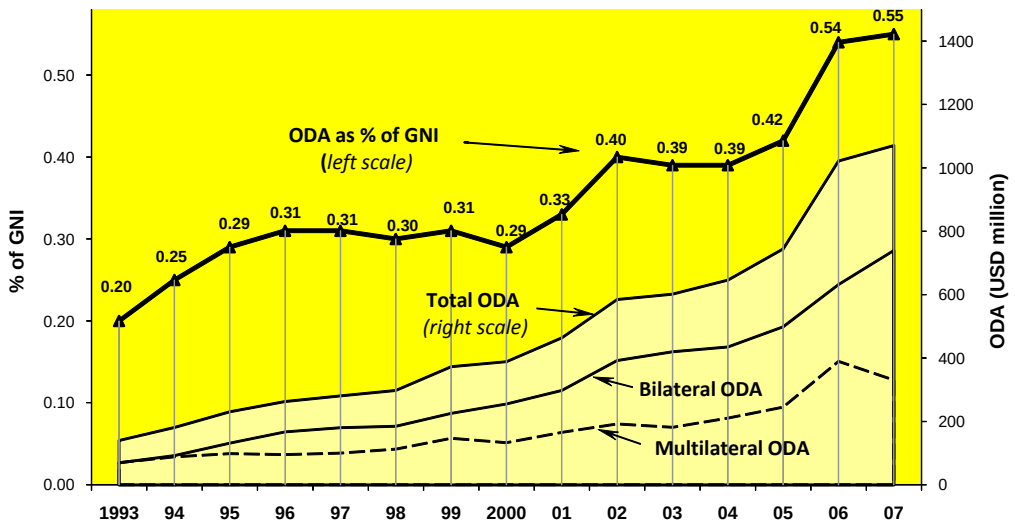


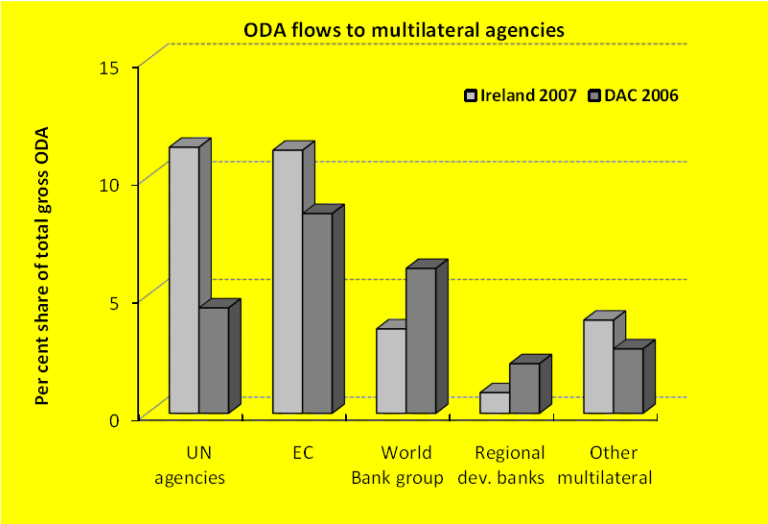
Table B.2. ODA by main categories

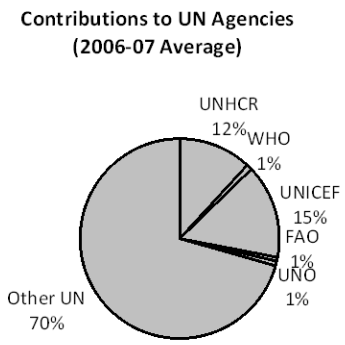
Disbursements

Ireland	Constant 2006 USD million					Per cent share of gross disbursements					Total DAC 2006%
	2003	2004	2005	2006	2007	2003	2004	2005	2006	2007	
Gross Bilateral ODA	**420**	**435**	**499**	**632**	**740**	**70**	**67**	**67**	**62**	**69**	**76**
Grants	***420***	***435***	***499***	***632***	***740***	***70***	***67***	***67***	***62***	***69***	**68**
Project and programme aid	204	182	150	319	311	34	28	20	31	29	15
Technical co-operation	13	13	13	20	18	2	2	2	2	2	19
Developmental food aid	1	1	19	10	12	0	0	3	1	1	1
Humanitarian aid	30	38	66	87	171	5	6	9	9	16	6
Action relating to debt	-	0	0	-	-	-	0	0	-	-	17
Administrative costs	29	30	32	34	37	5	5	4	3	3	4
Other grants	143	171	218	162	192	24	26	29	16	18	6
Non-grant bilateral ODA	-	-	-	-	-	-	-	-	-	-	***8***
New development lending	-	-	-	-	-	-	-	-	-	-	6
Debt rescheduling	-	-	-	-	-	-	-	-	-	-	1
Acquisition of equity and other	-	-	-	-	-	-	-	-	-	-	1
Gross Multilateral ODA	**181**	**210**	**245**	**389**	**330**	**30**	**33**	**33**	**38**	**31**	**24**
UN agencies	67	66	77	111	121	11	10	10	11	11	4
EC	87	98	116	122	120	15	15	16	12	11	8
World Bank group	14	29	32	125	38	2	4	4	12	4	6
Regional development banks (a)	-	-	-	19	9	-	-	-	2	1	2
Other multilateral	13	18	20	12	42	2	3	3	1	4	3
Total gross ODA	**601**	**646**	**744**	**1 022**	**1 070**	**100**	**100**	**100**	**100**	**100**	**100**
Repayments and debt cancellation	-	-	-	-	-						
Total net ODA	**601**	**646**	**744**	**1 022**	**1 070**						
For reference:											
Associated financing (b)	-	-	-	-	-						
Net debt relief	-	*0*	*0*	-	-						
Imputed student cost	*2*	*2*	*3*	*3*	*4*						
Refugees in donor countries	*1*	*2*	*2*	*1*	*0*						

a Excluding EBRD.

b. ODA grants and loans in associated financing packages.





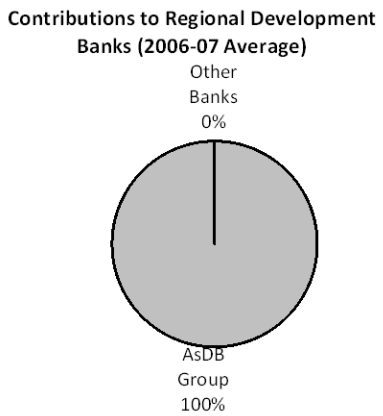
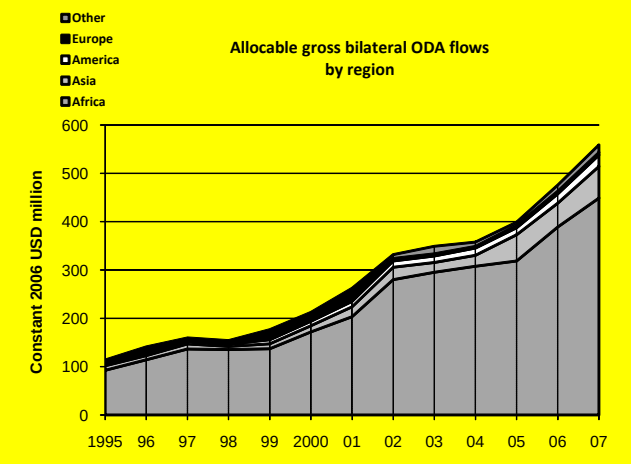
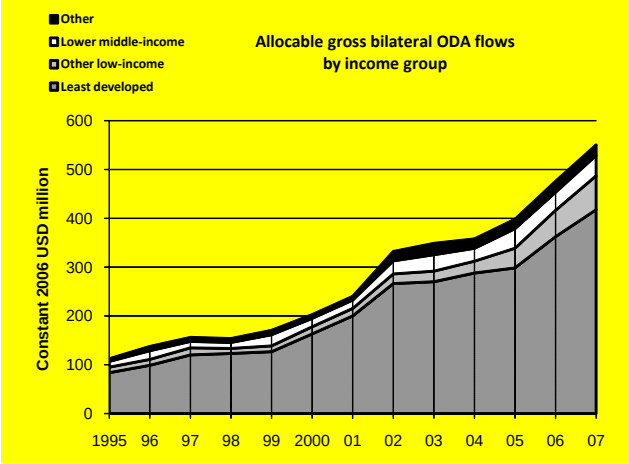


Table B.3. Bilateral ODA allocable by region and income group

Gross disbursements

Ireland	Constant 2006 USD million					Per cent share					Total DAC
	2003	2004	2005	2006	2007	2003	2004	2005	2006	2007	2006%
Africa	295	308	319	389	449	85	86	80	82	80	**47**
Sub-Saharan Africa	295	308	318	389	448	84	86	80	82	80	**42**
North Africa	1	0	0	1	0	0	0	0	0	0	**4**
Asia	20	23	54	49	66	6	6	14	10	12	**24**
South and Central Asia	13	13	31	21	26	4	4	8	4	5	**10**
Far East	8	10	23	29	39	2	3	6	6	7	**7**
America	13	15	15	19	24	4	4	4	4	4	**9**
North and Central America	9	10	10	14	16	3	3	2	3	3	**4**
South America	5	5	5	5	8	1	1	1	1	1	**4**
Middle East	15	9	6	12	16	4	2	2	3	3	**14**
Oceania	0	0	0	0	0	0	0	0	0	0	**1**
Europe	5	3	5	5	5	1	1	1	1	1	**5**
Total bilateral allocable by region	**349**	**358**	**399**	**476**	**559**	**100**	**100**	**100**	**100**	**100**	**100**
Least developed	270	288	298	362	417	77	80	75	76	76	**26**
Other low-income	22	24	40	54	70	6	7	10	11	13	**30**
Lower middle-income	34	26	40	37	42	10	7	10	8	8	**39**
Upper middle-income	23	19	19	22	21	7	5	5	5	4	**5**
More advanced developing countries	-	-	-	-	-	-	-	-	-	-	**-**
Total bilateral allocable by income	**349**	**358**	**398**	**476**	**550**	**100**	**100**	**100**	**100**	**100**	**100**
For reference:											
Total bilateral	420	435	499	632	740	*100*	*100*	*100*	*100*	*100*	***100***
of which: Unallocated by region	*71*	*77*	*100*	*157*	*181*	*17*	*18*	*20*	*25*	*24*	***15***
of which: Unallocated by income	*72*	*78*	*101*	*157*	*190*	*17*	*18*	*20*	*25*	*26*	***21***





1. Each region includes regional amounts which cannot be allocated by sub-region. The sum of the sub-regional amounts may therefore fall short of the regional total.

Table B.4. Main recipients of bilateral ODA

Gross disbursements

Ireland	1995-99 average			Memo:		2000-04 average			Memo:		2005-07 average			Memo:
	Current USD million	Constant 2006 USD mln	Per cent share	*DAC countries' median*		Current USD million	Constant 2006 USD mln	Per cent share	*DAC countries' median*		Current USD million	Constant 2006 USD mln	Per cent share	*DAC countries' median*
Ethiopia	14	21	15		Uganda	33	44	15		Uganda	57	55	12	
Tanzania	12	18	12		Mozambique	30	40	14		Mozambique	57	55	12	
Zambia	9	14	10		Ethiopia	29	38	13		Ethiopia	51	50	10	
Uganda	8	12	8		Tanzania	23	31	10		Tanzania	42	41	9	
Lesotho	8	11	8		Zambia	17	23	8		Zambia	32	31	7	
Top 5 recipients	**51**	**76**	**52**	**33**	**Top 5 recipients**	**133**	**175**	**59**	**33**	**Top 5 recipients**	**239**	**232**	**49**	**48**
Mozambique	6	8	6		Lesotho	11	15	5		Sudan	19	19	4	
Rwanda	4	6	4		South Africa	11	14	5		South Africa	19	18	4	
South Africa	4	6	4		Kenya	5	7	2		Lesotho	15	15	3	
States Ex-Yugoslavia	3	4	3		Sudan	4	5	2		Viet Nam	13	12	3	
Zimbabwe	2	3	2		Afghanistan	4	6	2		Sierra Leone	12	12	2	
Top 10 recipients	**70**	**105**	**72**	**53**	**Top 10 recipients**	**169**	**223**	**75**	**51**	**Top 10 recipients**	**318**	**308**	**65**	**62**
Kenya	2	3	2		Palestinian Adm. Areas	4	5	2		Kenya	12	11	2	
Sudan	2	3	2		Angola	3	5	2		Congo, Dem. Rep.	11	11	2	
Bosnia-Herzegovina	2	3	2		Timor-Leste	3	4	1		Zimbabwe	10	9	2	
Palestinian Adm. Areas	2	3	2		Zimbabwe	3	4	1		Malawi	9	8	2	
Nigeria	2	2	2		Malawi	3	3	1		Liberia	8	8	2	
Top 15 recipients	**79**	**118**	**81**	**65**	**Top 15 recipients**	**185**	**244**	**82**	**64**	**Top 15 recipients**	**368**	**356**	**75**	**73**
Cambodia	1	2	2		Sierra Leone	3	3	1		Timor-Leste	8	8	2	
Bangladesh	1	2	1		Congo, Dem. Rep.	2	3	1		Palestinian Adm. Areas	7	7	2	
Burundi	1	2	1		Honduras	2	3	1		Somalia	7	7	1	
Angola	1	2	1		India	2	3	1		India	7	6	1	
Brazil	1	1	1		Rwanda	2	2	1		Pakistan	6	6	1	
Top 20 recipients	**84**	**126**	**87**	**74**	**Top 20 recipients**	**196**	**258**	**87**	**73**	**Top 20 recipients**	**403**	**390**	**82**	**80**
Total (116 recipients)	**97**	**146**	**100**		**Total (109 recipients)**	**225**	**296**	**100**		**Total (107 recipients)**	**491**	**475**	**100**	
Unallocated	21	32			Unallocated	48	64			Unallocated	155	149		
Total bilateral gross	**119**	**178**			**Total bilateral gross**	**273**	**360**			**Total bilateral gross**	**646**	**624**		

Table B.5 Bilateral ODA by major purposes

at current prices and exchange rates

Gross disbursements

Ireland	1995-99* average		2000-04 average		2005-07 average		2005-06
	USD million	Per cent	USD million	Per cent	USD million	Per cent	Total DAC per cent
Social infrastructure & services	**55**	**48**	**170**	**66**	**358**	**57**	**33**
Education	22	19	44	17	74	12	7
of which: basic education	-	-	6	2	43	7	2
Health	16	14	58	22	99	16	4
of which: basic health	-	-	17	7	46	7	3
Population & reproductive health	0	0	3	1	46	7	4
Water supply & sanitation	6	5	14	5	19	3	4
Government & civil society	7	6	37	14	96	15	9
of which: Conflict, peace & security	-	-	0	0	7	1	2
Other social infrastructure & services	5	4	14	5	24	4	4
Economic infrastructure & services	**8**	**7**	**6**	**2**	**8**	**1**	**11**
Transport & storage	5	5	5	2	5	1	5
Communications	0	0	0	0	1	0	0
Energy	0	0	0	0	0	0	4
Banking & financial services	1	1	1	0	2	0	1
Business & other services	1	1	0	0	1	0	1
Production sectors	**8**	**7**	**17**	**7**	**30**	**5**	**5**
Agriculture, forestry & fishing	6	6	16	6	27	4	3
Industry, mining & construction	1	1	1	0	3	0	1
Trade & tourism	-	-	0	0	0	0	1
Other	0	0	-	-	0	0	0
Multisector	**5**	**4**	**7**	**3**	**25**	**4**	**6**
Commodity and programme aid	**2**	**2**	**13**	**5**	**40**	**6**	**3**
Action relating to debt	-	-	**2**	**1**	**0**	**0**	**25**
Humantarian aid	**16**	**14**	**23**	**9**	**131**	**21**	**8**
Administrative costs of donors	**14**	**12**	**19**	**7**	**36**	**6**	**4**
Aid to NGOs (core support)	**4**	**4**	-	-	-	-	**3**
Refugees in donor countries	**2**	**2**	**1**	**0**	**1**	**0**	**2**
Total bilateral allocable	**114**	**100**	**260**	**100**	**629**	**100**	**100**
For reference:							
Total bilateral	*125*	*63*	*273*	*67*	*646*	*66*	*83*
of which: Unallocated	*11*	*5*	*13*	*3*	*17*	*2*	*2*
Total multilateral	*74*	*37*	*133*	*33*	*331*	*34*	*17*
Total ODA	***199***	***100***	***406***	***100***	***978***	***100***	***100***

*** Ireland did not report a sector breakdown in 1997**

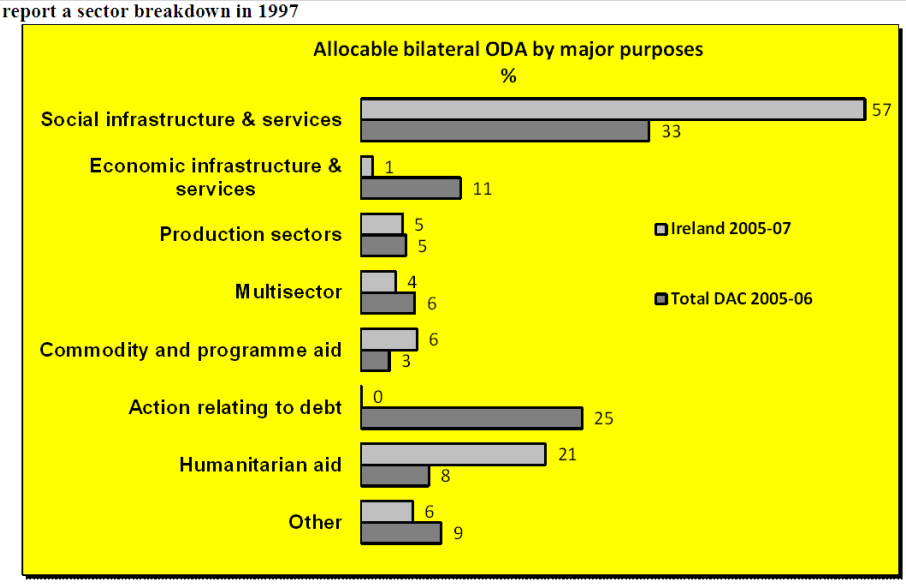


Table B.6. Comparative aid performance

Net disbursements

	Official development assistance 2006		2000-01 to 05-06 Ave. annual % change in real terms	Grant element of ODA (commitments) 2006	Share of multilateral aid 2006				ODA to LDCs Bilateral and through multilateral agencies 2006	
					% of ODA		% of GNI			
	USD million	% of GNI		% (a)	(b)	(c)	(b)	(c)	% of ODA	% of GNI
Australia	2 123	0.30	4.3	99.8	15.4		0.05		21.3	0.06
Austria	1 498	0.47	13.9	100.0	27.1	11.4	0.13	0.05	16.8	0.08
Belgium	1 978	0.50	8.9	99.4	31.4	11.5	0.16	0.06	36.9	0.18
Canada	3 684	0.29	9.2	100.0	31.3		0.09		33.8	0.10
Denmark	2 236	0.80	-3.1	100.0	34.5	24.8	0.28	0.20	39.3	0.31
Finland	834	0.40	9.8	100.0	45.5	27.1	0.18	0.11	35.5	0.14
France	10 601	0.47	10.4	94.7	25.3	7.0	0.12	0.03	24.8	0.12
Germany	10 435	0.36	7.1	95.6	32.6	12.0	0.12	0.04	25.3	0.09
Greece	424	0.17	3.2	100.0	55.4	16.7	0.10	0.03	24.2	0.04
Ireland	1 022	0.54	15.7	100.0	38.1	26.2	0.21	0.14	51.3	0.28
Italy	3 641	0.20	13.1	100.0	45.0	8.9	0.09	0.02	21.7	0.04
Japan	11 187	0.25	2.1	89.6	34.6		0.09		29.9	0.07
Luxembourg	291	0.84	5.3	100.0	29.5	21.2	0.25	0.18	42.5	0.35
Netherlands	5 452	0.81	1.5	100.0	21.5	13.5	0.17	0.11	25.6	0.21
New Zealand	259	0.27	6.4	100.0	21.6		0.06		28.6	0.08
Norway	2 954	0.89	5.6	100.0	25.6		0.23		38.2	0.34
Portugal	396	0.21	-2.2	100.0	46.7	15.3	0.10	0.03	60.6	0.13
Spain	3 814	0.32	6.7	94.5	45.1	22.8	0.14	0.07	20.1	0.06
Sweden	3 955	1.02	8.5	100.0	27.9	21.7	0.29	0.22	29.1	0.30
Switzerland	1 646	0.39	6.3	100.0	23.8		0.09		27.5	0.11
United Kingdom	12 459	0.51	12.6	100.0	30.0	17.5	0.15	0.09	30.7	0.16
United States	23 532	0.18	16.3	100.0	10.1		0.02		27.3	0.05
Total DAC	104 421	0.31	8.8	97.5	26.3	16.8	0.08	0.05	28.2	0.09
Memo: Average country effort		0.46								

Notes:

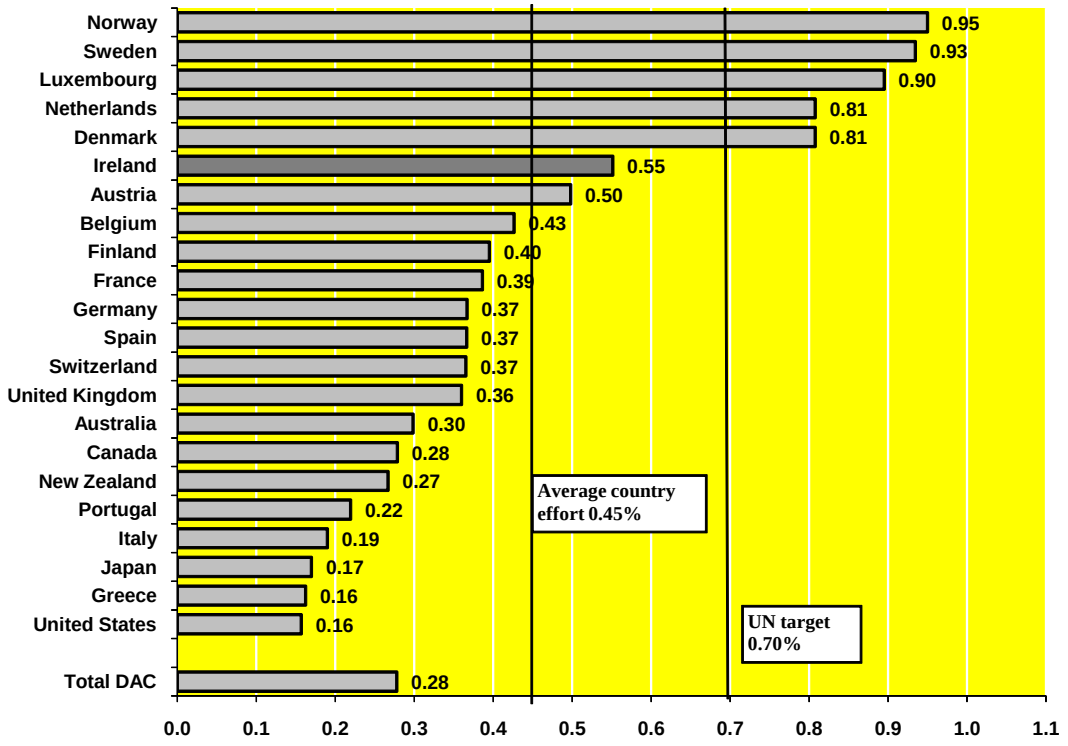
a. Excluding debt reorganisation.

b. Including EC.

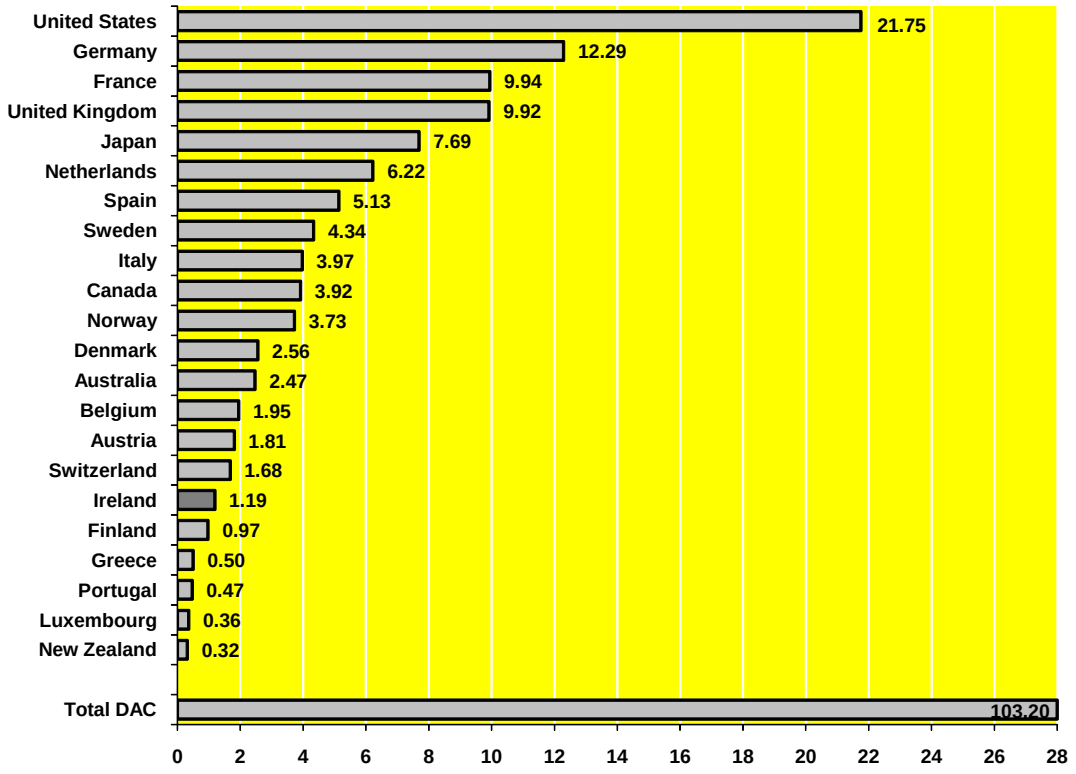
c. Excluding EC.

.. Data not available.

Figure B.1. Net ODA from DAC countries in 2007
Per cent of GNI



USD billion



Annex C

Ireland and the Good Humanitarian Donorship Initiative

Ireland endorsed the principles and good practices of humanitarian donorship at the inaugural Good Humanitarian Donorship (GHD) conference in Stockholm in 2003 and continues to participate in the GHD Initiative. This peer review is the first time that Ireland has been assessed by the DAC against its GHD commitments. In relation to emergency and recovery assistance, the previous peer review (2003) identified one specific issue for future consideration: "Ireland could consider developing clearer guidelines on where and in response to what circumstances it will intervene and concentrating [sic], within co-ordinated international responses, on those situations that build on Ireland's comparative advantage". A forthcoming suite of policy documents and guidelines aims to achieve these goals (see below).

This assessment has been conducted in accordance with the DAC's 2005 humanitarian assessment framework.[33] It is structured in line with the four thematic clusters of the GHD principles and good practices: (i) policy framework for humanitarian action; (ii) funding flows; (iii) promoting standards and enhancing implementation; and (iv) learning and accountability. It concludes by identifying issues for further consideration by the Irish development co-operation system. The report primarily draws on a series of meetings held in Dublin in October 2008 between key government officials, NGO partners of the Irish humanitarian assistance programme and the examiners. Supplementary comments were also sought from a number of European-based multilateral agencies. Assessment of Irish humanitarian action was not an objective of the field visit to Uganda.

Policy framework for humanitarian action

The 2006 White Paper on Irish Aid

In common with the rest of the Irish Government's development co-operation programme, the goals, objectives and strategic direction for Irish humanitarian action are derived, first and foremost, from the *2006 White Paper on Irish Aid* (GoI, 2006a). Encouragingly, the *White Paper* re-affirms Ireland's commitments under the GHD Initiative. Furthermore, *Irish Aid Annual Report 2007* confirms that "Emergency response is at the forefront of Irish Aid's work in developing countries" (GoI, 2007c). In the absence of a specific policy statement to guide humanitarian decision-making, the main drivers for allocating humanitarian resources since the last peer review have been the GHD principles and good practices. As noted earlier, the *White Paper* also promotes a

33. The headquarters visit for the Irish peer review was conducted before the revised humanitarian assessment framework for DAC peer reviews had been approved (DCD/DAC(2008)48).

"poverty and vulnerability" approach that firmly locates Irish humanitarian action within a broader poverty reduction agenda to address the causes – as well as symptoms – of crises.

Humanitarian policy framework

The policy orientations outlined in the *White Paper* will be underpinned by two specific policies dealing with (i) humanitarian relief and response; and (ii) disaster risk reduction (DRR) and other linkages between humanitarian and development assistance including DRR. Implementation of the former is measured against the national GHD Implementation Plan. Together, the *White Paper* and the policies should provide a clearer statement of Ireland's priorities in relation to the 2003 peer review recommendation.

Humanitarian Relief Policy (unpublished) identifies humanitarian action as "a distinct area of response within Irish Aid's overall programme of poverty reduction" and outlines Irish Aid's approach to addressing acute needs in crisis situations while ensuring consistency with core humanitarian principles. Nevertheless, the policy has already been criticised from some quarters on the basis that it does not provide specific enough guidance to implementing partners. Irish Aid, however, is of the view that the policy document should translate the GHD principles into an Irish Aid policy statement which would enhance public understanding of the principles and objectives which frame decision-making and follow-up processes.

Policy on linkages between humanitarian and development assistance including disaster risk reduction (DRR) as well as the necessary guidelines will require consultations within the Department of Foreign Affairs and with partners. The policies and guidelines need to be developed at a pace that ensures that they are fully owned and institutionalised across government. However, Irish Aid is encouraged to minimise the time lag between release of the policies in order to allay fears among some implementing partners that the humanitarian agenda could become fragmented. Furthermore, both policies would benefit from clearly defined action plans, containing specific targets, against which progress can be systematically monitored and demonstrated.

Policy coherence for Irish humanitarian action

Humanitarian action occurs at the interface of the political, security and development agendas. Irish Aid's position as an integral division of the Department of Foreign Affairs (DFA) – with cross-postings between political units and Irish Aid – enables a keen appreciation of humanitarian imperatives within the political and other divisions of the department. However, the situation appears to be less developed between Irish Aid and counterparts in the Department of Defence and Defence Forces personnel responsible for deploying Irish peace support operations. The Irish Government's *White Paper on Defence* (2000) identifies the role of the defence forces, among other things, as participating "in multinational peace support, crisis management and humanitarian relief operations in support of the United Nations and under UN mandate, including regional security missions authorised by the UN" (GoI, 2000). The Department of Defence and Defence Forces *Strategy Statement 2008-2010* recognises that there are "important cross-departmental dimensions to the work of the defence organisation, and mission success is often critically dependent, for example on the inputs and co-operation of other Departments" (Department of Defence and Defence Forces, 2008).

Notwithstanding these statements, awareness by the Department of Defence and Defence Forces of Ireland's GHD commitments appears somewhat limited. Ireland has already made substantial commitments to UN peace support operations – notably, the recent deployment of 400 troops to the UN-mandated EU military operation in Chad (*Defence Forces News*, 2007). As there are obvious synergies with DFA humanitarian and conflict resolution goals, Ireland should seek more opportunities to present humanitarian and development perspectives, especially in formulating the second *White Paper on Defence*, scheduled for release in 2011.

Financing Irish humanitarian action

Management

Funding for Irish humanitarian action is drawn primarily from four sources that appear within a single line item in the budget statement administered by the Emergency and Recovery Section: The Emergency Humanitarian Assistance Fund (EHAF), the Emergency Preparedness and Post Emergency Recovery Fund (EPPR), the Sierra Leone and Liberia Fund, and the Rapid Response Initiative (RRI) Fund (see Box C1). In some instances, these funds may be augmented by ODA and non-ODA financing from the Stability Fund jointly administered with the Conflict Resolution Unit located within DFA's Political Division. Core support for the World Food Programme (WFP) is administered by the Department of Agriculture, Fisheries and Food (DAFF) but programmatic food assistance is drawn from the Emergency Humanitarian Assistance Fund.

Box C1. Emergency and Recovery Programme: multiple funding channels, one common goal

The Emergency Humanitarian Assistance Fund (EHAF) is the primary budget line for responding to humanitarian needs arising from both protracted and sudden onset crises. Typically channelled through UN Central Emergency Response Fund (CERF); UN Common Humanitarian Funds (CHFs); UN Consolidated Appeals (CAPs); Red Cross Disaster Response Fund (DREF); core funding for the ICRC; and Humanitarian Programme Plans (HPPs) with Irish NGO partners. Funding is available for activities lasting up to 12 months (EUR 90 million in 2007).

The Emergency Preparedness and Post Emergency Recovery Fund (EPPR) is primarily used to support recovery and disaster risk reduction activities of NGO partners who are not part of the Multi-Annual Programme Scheme (MAPS). Typically funding is available for activities of three to eighteen months' duration (EUR 25.8 million in 2007).

The Rapid Response Initiative (RRI) supports operational aspects of Irish Aid's emergency response, such as pre-positioned stockpiles, standby personnel and capacity building of key implementing partners. Typically available for activities of three and eighteen months' duration (EUR 5 million in 2007).

The Sierra Leone and Liberia budget funds humanitarian assistance in parallel with post-crisis recovery service delivery, human rights and state-building programmes in these countries (EUR 13 million in 2007).

The Stability Fund (jointly administered with the Conflict Resolution Unit) supports non-ODA as well as ODA activities in conflict-prone countries.

Volume

In absolute terms, Ireland spent USD 171 million on humanitarian aid in 2007 (Annex B, Table B.2). At 16% of gross bilateral ODA, this is more than 2.5 times the average of all DAC members (6%). It also continues the upward trend in budget allocations for humanitarian assistance seen in recent years. However, humanitarian disbursements also

cover post-crisis programmes in Sierra Leone and Liberia (Box C2) that include activities with a distinct developmental character, e.g. "investments in structures and mechanisms of government" (GoI 2008b). Advance thinking must be given to how the level in humanitarian aid will be sustained in the future as these post crises programmes are transferred to mainstream development assistance budget lines or phased out as the situation normalises.

Geographic priorities

By virtue of its extensive commitments to pooled and joint funding mechanisms, Irish Aid essentially devolves responsibility of a large proportion of Irish humanitarian action to UN agencies, the International Committee of the Red Cross/International Federation of Red Cross and Red Crescent Societies (ICRC/IFRC). The majority of Irish humanitarian aid is therefore allocated on the basis of demonstrable need rather than Irish geographic priorities. Nevertheless, some capacity is retained to allocate humanitarian assistance to Ireland's nine programme countries (*e.g.* Timor Leste in 2006), as well as to Liberia and Sierra Leone where bilateral partnerships might take place (Box C2). These allocations aim to ensure that "humanitarian considerations [are] better reflected within existing and new Country Programmes" (GoI, 2008c).

Box C2. Sierra Leone and Liberia: bilateral programmes in 'incubation'

Support to Sierra Leone and Liberia is provided from a dedicated funding envelope within the Emergency and Recovery Programme. Both countries have recently emerged from a ruinous conflict, have seriously depleted infrastructure and weak government capacity. Conditions are not yet considered conducive for establishing a bilateral partnership. In both cases, establishing a poverty reduction strategy paper (PRSP) is regarded as a pre-requisite – though not necessarily a trigger – for a more conventional bilateral programme in the future. In the meantime, Ireland's aid involves a pragmatic blend of humanitarian assistance with an expanding profile of more development-oriented support. In the case of Sierra Leone Irish assistance is guided by the co-operation framework agreed between the Government of Sierra Leone and the UN Peacebuilding Commission. In contrast, Timor Leste, which may be considered to be similarly fragile, has benefited from substantial previous Irish engagement in order to graduate rather earlier than the West African programmes. The over-riding emphases for Irish Aid in these difficult cases have therefore been to tailor support to the particular context and conditions, as well as taking into account Ireland's comparative advantage.

Channels

The *Strategic Framework for Engagement with UN Funds, Programmes and Agencies* (Oxford Policy Management, January 2007) was commissioned to guide Irish support to the UN system. The framework identified two UN humanitarian agencies, UNHCR and the World Food Programme (WFP), as priority partners for enhanced support and engagement. This prioritisation is clearly reflected in funding allocations for 2007: USD 34.1 million to the WFP[34] and over USD 27.5 million to UNHCR.[35] The strategic framework also acknowledged that Ireland's relationship with OCHA and its support to the Central Emergency Response Fund (CERF) and country-specific pooled funds are critical for achieving Ireland's humanitarian objectives. USD 11.5 million was provided to OCHA[36] with a further USD 26.2 million allocated to the CERF.[37] Since

34. http://www.wfp.org/appeals/wfp_donors/2007.asp?section=3&sub_section=4

35. http://www.unhcr.org/partners/PARTNERS/47de84e32.pdf

36. http://ochaonline.un.org/OCHA2007ar/html/p2_financial_tables.htm

2007, Ireland has also consistently allocated CHF 12-13 million per year to ICRC programmes.

Irish Aid benefits from a positive working relationship with NGO partners in the humanitarian sector, including, but not limited to, the Humanitarian Working Group at *Dóchas*. Total humanitarian funding channelled through NGOs in 2007 amounted to EUR 47 million, of which EUR 17.5 million went to Irish NGOs. Little humanitarian funding is directly channelled through Southern NGOs on the grounds that Irish Aid usually has little capacity in the field to nurture and develop relationships that would satisfy financial accountability requirements. However, Northern NGO partners are encouraged to work in close co-operation with these agencies.

Support for humanitarian action by NGOs is provided through different funding mechanisms. Irish Aid has entered into agreements with three of the largest Irish NGOs – *Trocaire*, Goal and Concern– to use funds from the EHAF for initial responses to sudden onset emergencies. Participating agencies widely acknowledged this fund as appropriate for providing support in unforeseeable circumstances. It will be formally reviewed in 2009 but the initial impression of the peer review team is that it complies with Ireland's GHD commitments to provide timely and flexible financing for international humanitarian responses. Several NGOs also receive funding for predictable humanitarian interventions (*e.g.* responses to protracted crises as well as – in the case of non-MAPS partners[38] – recovery and disaster risk reduction activities) against approved Humanitarian Programme Plans (HPPs) which they submit to Irish Aid annually. Further funding is also available under the Rapid Response Initiative (RRI) to upgrade the emergency response capacity of Irish NGOs.

Quality

Multilateral agencies generally view Ireland as a flexible donor. However, multi-annual agreements with these agencies could make its support even more predictable. Ireland has not yet concluded these agreements. Nevertheless, Ireland has a strong record of support for pre-positioned and pooled funding mechanisms (such as the CERF, Common Humanitarian Funds and the Disaster Relief Emergency Fund), thus ensuring that this element of Irish support to the international humanitarian system is not only needs-based but also available quickly. Support to the CERF is also a positive expression of Ireland's commitment, contained in the 2006 *White Paper*, to target support to "forgotten emergencies". Multi-annual agreements in respect of specific humanitarian funds could make its support even more predictable.

Implementation

Organisational responsibilities for Irish humanitarian action

Responsibility for administration of the Irish Government's humanitarian budget primarily rests with Irish Aid's Emergency and Recovery Section. This section also has responsibility for Irish Aid's relationships with the ILO and agricultural research

37. http://ochaonline.un.org/cerf/Donors/Donors2007/tabid/1817/language/en-US/Default.aspx

38. Agencies are already eligible to access financing for disaster risk reduction and the recovery activities of the Multi-Annual Programme Scheme (MAPS) and bilateral funding envelopes.

institutions. Staff comprises a director plus 14 posts, including two development specialists and two part-time consultants (amounting to one post). One full time post and one development specialist post were listed as vacant at the time of the peer review headquarters visit in October 2008. Another development specialist is also based in Freetown to manage the Sierra Leone and Liberia programmes, reporting to the director in Limerick. The section is organised into three units, each with thematic and institutional liaison responsibilities. Risks associated with loss of institutional capacity from staff turnover and rotation are addressed through a comprehensive – and rolling – training schedule for Emergency & Recovery Section staff, as well as on-the-job mentoring for new staff. As applicable, this training is also extended to other Irish Aid staff dealing with humanitarian-related issues.

Rapid Response Initiative

A flagship initiative for Irish humanitarian action arising from the 2006 *White Paper* is the Rapid Response Initiative (RRI). This initiative is part of Ireland's effort to fill gaps – in materials, finance, essential skills and training – in the international community's ability to respond to emergencies. It aims to add an operational response capacity to Irish Aid's funding support for the international humanitarian system in three key areas:

i. Pre-positioning and transporting humanitarian supplies to disaster areas.

ii. Ensuring a roster of skilled individuals[39] available for deployment at short notice to emergency situations[40] (see Box C3).

iii. Enhancing the emergency capacities of international humanitarian response agencies (including UN agencies and NGOs) and mechanisms.

Box C3. The Rapid Response Corps

Based on standby partnership agreements with UNHCR, the WFP and OCHA, the Rapid Response Corps is a roster of Irish experts drawn from public and private sectors, including the defence forces, available for deployment at short notice anywhere in the world for periods of up to three months. Twenty deployments occurred in the first 12 months of the scheme, provoking positive feedback by the UN agencies to the peer review team. A signal of Irish intent to carry this initiative forward even further is contained in the Programme of Government 2007-2012, which outlines the intent to build on Ireland's experience in establishing the Rapid Response Corps to "promote a European Civil Peace Corps to assist in humanitarian disasters" (GoI, 2007a).

Civil-military co-operation

The Irish Defence Forces (IDF) have an extensive history of deployments with UN-mandated peace operations during which they occasionally come into contact with activities funded by Irish Aid's humanitarian budget. The IDF provide warehouse space for emergency stockpiles procured and managed by the WFP under the RRI; tailored training inputs for the Rapid Response Corps; and leave of absence for IDF personnel deployed with the RRC. In return, Irish Aid briefs IDF to peace support operations and, in

39. Totalling 76 members in October 2008.

40. A separate but parallel scheme involves three Irish Government officials (one from the defence forces and two from the Emergency and Recovery Section) accredited to the UN Disaster Assessment Coordination (UNDAC) team.

some instances, finances community micro-projects implemented by IDF during operations (*e.g.* Kosovo and Liberia). The elements of a working relationship between Irish Aid and IDF are therefore in place, but closer collaboration, particularly on strategic planning, would enhance humanitarian outcomes in the field.

Humanitarian advocacy

Normal staff rotation between Irish Aid and other divisions of the DFA is a useful foundation for garnering political support for Irish humanitarian action. Formal co-ordination mechanisms and informal contacts with DFA's Political Division are reflected in the advocacy role that Irish diplomats typically play within the UN and EU to support principled humanitarian action. They are also reflected in the prominence given to humanitarian issues in DFA's Statement of Strategy 2008-2010. Nevertheless, the Irish Government has flagged an even deeper role in *An Agreed Programme for Government 2007-2012*, which aims for, amongst other things, establishing "Ireland as a model UN State, a world leader in development assistance, humanitarian rapid response and conflict resolution". In pursuing these ambitions, Ireland aims to be "at the heart of UN efforts to respond rapidly to humanitarian and human rights crises in the developing world" (GoI, 2007a).

In line with the growing volume of humanitarian assistance, Ireland has become increasingly visible on executive boards and in donor support groups of key partner agencies. With increased visibility, however, comes a growing expectation that Ireland will take a stronger leadership role on humanitarian issues. It has clearly done this with the Hunger Task Force, but it is equally clear that key partner agencies expect even more active Irish participation in the future. Irish Aid will need to match adequate staff to its financial commitments if these expectations are to be met.

Mainstreaming and humanitarian action

As noted elsewhere in this report, Irish Aid has placed considerable emphasis on mainstreaming gender, HIV/AIDS and environment issues across the development co-operation programme. Within the humanitarian sector, this has meant incorporating humanitarian perspectives into corporate policies. However, a report evaluating Irish Government support to NGO emergency response programmes in Malawi (Irish Aid, 2004) recommended that there was a need to "develop internal guidelines on HIV/AIDS and gender as a matter of priority (and other cross-cutting issues as they emerge) in order to articulate guiding principles in these areas for NGO humanitarian and recovery response". Gender and HIV/AIDS guidelines have been developed and are close being finalised. Humanitarian-specific guidance on these issues is incorporated into training programmes for staff of the Emergency and Recovery Section to familiarise them with the broader policy framework.

Learning and accountability

Evaluations of Irish humanitarian action are part of the corporate evaluation schedule and therefore subject to similar selection criteria, quality guidelines and processes, including documentation of management responses (see Section 4.4.1) However, *Irish Aid Evaluation Policy* (GoI, 2007d) recognises that "different emphases on the [OECD DAC] criteria may be applied when evaluating emergency interventions". Accordingly, separate guidelines will be developed for evaluating emergency and humanitarian

assistance to supplement the corporate evaluation policy. A part-time monitoring and evaluation specialist has been hired to do this, as well as to implement an annual monitoring and evaluation schedule for the Emergency and Recovery Section.

In keeping with the commitment to learning throughout Irish Aid, there is significant emphasis on ensuring that previous lessons from humanitarian support are taken into consideration in formulating new programmes and activities. For example, the RRI is, in large part, an outcome of the evaluation of Irish Aid's response to the 2004 Asian tsunami, which noted that "Irish Aid needs an enhanced capacity to address and resolve technical issues in the event of a major emergency" and recommended that "Irish Aid should maintain a register of consultants with appropriate geographical and sectoral expertise, who can be mobilised at short notice" (GoI, 2007e). Nevertheless, Irish Aid has acknowledged that it needs to do more to systematically strengthen learning in the humanitarian sector.

Issues for further consideration

- Ireland is urged to ensure the timely release of the policy on the linkages between humanitarian and development assistance, including disaster risk reduction as well as its associated guidelines in order to present a comprehensive package to the Irish humanitarian community. It should identify specific targets and action plans for both humanitarian policy documents in order to provide suitable transparency.

- Ireland should ensure that its commitments under the Good Humanitarian Donorship Initiative are adequately reflected in the policy frameworks and operational guidelines of other relevant government departments and joint training is promoted.

- Advance planning is essential to ensure appropriate transitions of post-crisis programmes in Sierra Leone and Liberia to development funding streams in order to avoid (a) becoming committed to long-term development assistance before programme strategy is undertaken, and (b) losing the core focus of humanitarian aid flows.

- Ireland should build on its significant financial commitments in the humanitarian sector and the positive impressions created by the Rapid Response Initiative and the Hunger Task Force to play a more prominent role in international humanitarian fora and governance structures of key multilateral agencies.

Annex D

Uganda Field Visit Report

As part of the review of the Irish Aid programme, the DAC review team, consisting of representatives from Italy, New Zealand and the OECD Secretariat, visited Uganda from 27-31 October 2008. The team met with Ireland's Embassy officials in Uganda and their main partners (national governments, line ministries, bilateral and multilateral donors, and local and international civil society organisations). This annex reports on the visit and includes the team's observations.

Development context in Uganda

Country profile

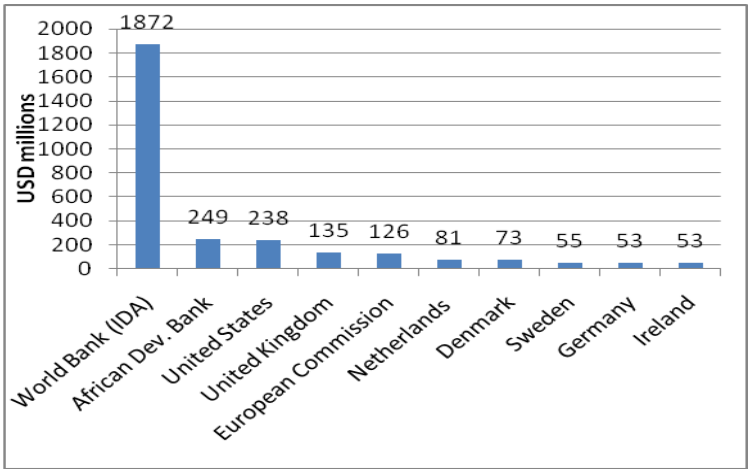
Uganda has enjoyed relative stability and economic growth over the last 20 years. Economic growth has averaged 6% over the past decade, and Uganda has made strides to reduce poverty levels from 56% in 1992 to 31% in 2006. Uganda was the first country in sub-Saharan Africa to reduce the prevalence of HIV in adults, estimated at 6.4% in 2005 down from a high of 18% in 1992.

Despite this progress, Uganda still ranks 154th out of 177 countries on UNDP's Human Development Index (UNDP, 2006) and its GNI per capita was only USD 300 in 2006. Economic growth is offset by widening inequalities and increased poverty in northern Uganda, as well as overall population growth (3.4% annually). Major challenges for the Government of Uganda include bringing peace and recovery to the conflict-affected region in the north; mitigating exogenous shocks – such as droughts and energy shortages; and tackling corruption.

Context of development co-operation

In 2006, Uganda received USD 1 551 million in net ODA, with ODA/GNI averaging 16% in the period 2004-06. Currently, 27 bilateral and multilateral donors operate in Uganda (OECD, 2008). The World Bank is the largest donor, followed by the African Development Bank and the United States. Ireland is the 10th largest donor by volume (Figure D1).

Figure D1. Top ten donors in Uganda: gross ODA (2005-06 average)



The Aid Liaison Department of the Ministry of Finance, Planning and Economic Development (MoFPED) is responsible for co-ordinating development assistance. Uganda's vision is outlined in its Poverty Eradication Action Plan (PEAP) 2004-08. The five pillars of the PEAP are: i) economic management; ii) enhancing production, competitiveness and incomes; iii) security, conflict resolution and disaster management; iv) good governance; and v) human development. These provide strategic direction for Uganda's economic development. The Poverty Action Fund (PAF), an earmarked budget support mechanism, targets expenditure to the PEAP's priority programmes and sectors. The PEAP's mandate has been extended to 2009 to allow the government to prepare its five-year National Development Strategy (2009-14). Government-donor relations are guided by the PEAP partnership principles, which reflect the Paris Declaration commitments. These principles – signed between the government and key donors in 2003 –acknowledge the importance of budget support and harmonised approaches.

Donor harmonisation is complex in Uganda. More than 50 working groups, clusters and task teams work on co-ordination. There are five major co-ordination mechanisms: United Nations co-ordination, humanitarian co-ordination, sector working groups of the Ugandan Government, local development co-ordination, and political co-ordination. The Government of Uganda is a member of some, but not all, of these groups.

Ireland's programme

Overall policy and strategy

Uganda is one of Ireland's nine programme countries. Irish Aid's support is guided by the country strategy paper (CSP). The current strategy (2007-09) is aligned with the PEAP, Uganda's Joint Assistance Strategy and the division of labour exercise (Box D1). The strategy focuses on education, governance and HIV/AIDS. Ireland is a lead donor in education, justice, law and order and HIV/AIDS and withdrew from the health and agriculture sectors as a result of a division of labour exercise in 2006 (see Section 5.2.2).

One of Irish Aid's strengths is to formulate country strategy papers in the field. The Irish Embassy leads the preparation of country analysis, conducts workshops to identify lessons from previous strategies, and formulates programming options and funding

proposals for the next CSP. Draft CSPs, including funding proposals, are submitted to the Programme Appraisal and Evaluation Group (PAEG) at headquarters (Chapter 4). The PAEG authorises the multi-year funding commitment which is approved by the Minister for Overseas Development. While financial decisions are centralised, actual programming and disbursement responsibilities are decentralised to the field, which is positive.

Aid volume and allocation

Ireland has provided aid to Uganda since 1994. The country has been the largest recipient of Ireland's bilateral ODA since 2000, receiving 12% (USD 57 million) of Ireland's total bilateral ODA during 2005-07. Irish Aid's budget allocation reflects its priority sectors. Under the current country strategy Irish Aid supports the Poverty Action Fund [EUR 30 million], governance [EUR 28.4 million], education [EUR 31.1 million] and HIV/AIDS [EUR 15.9 million]. Irish Aid has increased the proportion of funds to sectors in which it takes the lead (Figure D2). The embassy has a process fund to respond to locally-emerging needs (EUR 350,000 annually). The administrative budget (EUR 2 million annually) accounts for 4-6% of the Irish ODA budget for Uganda.

Ireland uses a mix of aid channels which largely complement each other (Figure D3). Approximately 80% of its expenditures are channelled through the government, including through the Poverty Action Fund (24%), sector budget support (38%) and government basket funds (18%). Donor basket funds account for 3% and support for multilateral initiatives, namely the joint UN programme on HIV/AIDS, account for 2%. Funding to CSOs makes up the bulk of the 20% of funding not allocated through the Government of Uganda. Additional support for civil society and humanitarian assistance in Uganda is allocated directly from headquarters. This includes the Multi-Annual Partnership Scheme (MAPS) for civil society organisations (EUR 5.8 million in 2008), Civil Society Block Grants (EUR 1.7 million in 2008), Irish missionaries (EUR 700,000 in 2008) and emergencies (EUR 1.45 million in 2008).

Of Irish Aid's four mainstreaming priorities, clear evidence of support for gender and HIV/AIDS is visible throughout its programmes (see Box 2, Chapter 1). Evidence on mainstreaming governance in different sectors is difficult to observe. More efforts are needed to document such practices to improve visibility and awareness of Ireland's approach. The Irish Embassy in Uganda plans to build staff capacity for environmental mainstreaming and to ensure that the next CSP responds to environmental issues. Mainstreaming is practised through policy dialogue, funding and technical support, and by contributing to relevant studies, such as of gender and economic growth. Chapter 1 provides general information on mainstreaming.

The 2008 mid-term review of the country strategy (2007-09) recommended further streamlining of the portfolio in a number of sectors (*e.g.* education) and gradually withdrawing from smaller projects. The peer review team encourages Ireland to move in this direction.

Figure D2. Irish Aid (Uganda) expenditure by sector (2006-08)

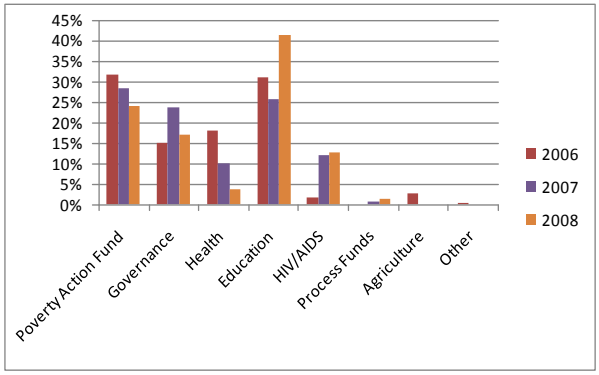
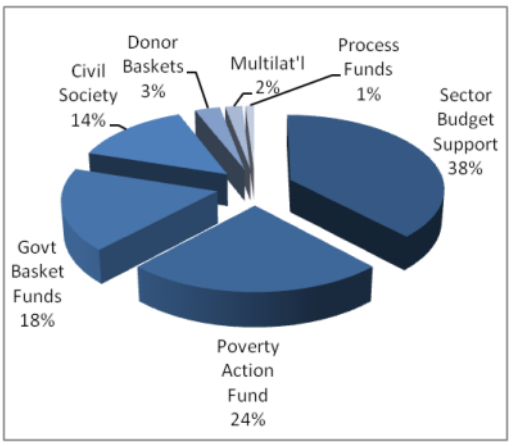


Figure D3. Irish Aid (Uganda) 2008 expenditure by channel of delivery



Implementation of the aid programme

In Uganda, Ireland stands out as a very good development co-operation partner. It is a respected donor, with a reputation built on the excellence of its staff as well as its genuine and effective partnerships. Its leadership has produced good results in some sectors. It also demonstrates a willingness to take risks and to play an influential role in promoting the application of the Paris Principles to ensure more effective aid.

Ownership and alignment

In line with the strategic direction provided by the *White Paper*, Irish Aid's approach in Uganda embraces local ownership and partnerships. Ownership is encouraged by aligning Irish Aid's country strategy paper with national and sector strategies. The forthcoming formulation of the next country strategy is timely given that Uganda's new five-year National Development Plan is also coming up. To better align with this plan, Irish Aid should adopt a five-year country strategy for its programmes.

The peer review team congratulates Irish Aid for using country public financial management and procurement systems extensively and for untying its aid entirely. The results of the *2008 Survey on Monitoring the Paris Declaration* (OECD, 2008a) confirm that Irish Aid's programme in Uganda is strongly aligned with the government's processes and systems: 97% of funds use public financial management systems (average for other donors: 60%) and 88% use country procurement systems (average for other donors: 37%). In addition, 82% of its funds are recorded in the government's budgets (average for other donors: 67%). Ireland places a high level of confidence in partner countries' systems through exercising sound risk management and financial controls. The Poverty Action Fund's disbursements are authorised by headquarters based on the embassy's risk assessments. The independent internal auditor in the embassy regularly reports to headquarters. Ireland complements the use of country systems with efforts to strengthen them (*e.g.* through support to the Financial Management and Accountability Programme).

The multi-annual country strategy allows for a high degree of aid predictability. The 2008 monitoring survey (OECD, 2008a) shows that an impressive 90% of aid planned by Irish Aid in Uganda is being disbursed within the year for which it was scheduled

(average for other donors: 57%). Ireland supports the Ugandan Government's planning process and has begun providing information on off-budget support (mainly to civil society organisations) using jointly agreed templates. The peer review team encourages such an approach in the other programme countries.

Harmonisation

Ireland is commended for its strong commitment to donor harmonisation. It used the Uganda Joint Assistance Strategy (UJAS) framework to formulate its current country strategy. Ireland is also appreciated by its peers as one of the few donors using the results of the division of labour exercise to concentrate its efforts on a few priority sectors where it has a comparative advantage (Box D1); and for its effort to reduce the number of individual projects and channel funding through SWaps. The results of the 2008 monitoring survey show that Ireland did not undertake any donor missions in 2007, which is positive as the generally high number of donor missions burdens partner governments. The survey also shows that Irish Aid conducted six of its analytical studies jointly with other donors, demonstrating commitment to avoid duplication and enhance collaboration.

Ireland's willingness to mobilise other donors to take action on donor harmonisation is another appreciated aspect of its commitment towards making aid more effective. The current development of the Joint Budget Support Framework – and the Joint Assessment Framework which is part of that - may be an opportunity to ensure that donor harmonisation involves stronger buy-in from the government.

Box D1. Donor co-ordination mechanisms in Uganda

Building on the partnership principles, the Uganda Joint Assistance Strategy (UJAS) – developed by seven donors in 2006 – aimed to harmonise development financing in the implementation of the Poverty Eradication Action Plan. Now expanded to 12 donors, including Ireland, the UJAS intends to support each pillar of the PEAP based on donors' comparative advantage and choice of aid modalities.

The Local Development Partners Group launched a division of labour (DoL) exercise in 2006 to streamline financial support, strengthen policy dialogue around the PEAP and re-balance aid in certain sectors. The objective was to encourage donors to work in fewer sectors and reduce transaction costs by assigning a lead donor to each sector.

However, at the time of writing, both the UJAS and DoL exercises were perceived to have lost steam because of "donor fatigue" and the fact that only a few donors – including Ireland – used the UJAS and the DoL as a basis for their own country strategies. Limited buy-in from the government on donor harmonisation may also explain the lack of impact. A review of UJAS took place in the last quarter of 2008.

To harmonise funding through Uganda's budget, a Joint Budget Support Framework (JBSF) is being formulated by a group of donors who provide budget and sector support. The intention is to harmonise donor support with the government's policy-making and budget cycles. A Joint Performance Assessment Framework (JAF), which is linked to the PEAP, is also being developed to provide all donors and the government with one comprehensive set of indicators to assess annual performance on budget support. The JAF will assess approximately USD 400 million in various forms of support to the government's budget.

Managing for results and mutual accountability

Irish Aid is only in the early stages of applying a results-based approach to its aid programme. It was initially envisaged that the Uganda Joint Assistance Strategy's monitoring and evaluation framework – derived from the Poverty Eradication Action Plan's results and policy matrix – would be used to monitor Ireland's performance. However, as this framework has not been applied as an operational tool as planned, the

Irish Embassy developed an interim internal monitoring framework in June 2008. This is timely as it prepares for the next country strategy, which starts in 2010. The peer review team looks forward to learning how the new results-management approach to country strategy papers (GoI, 2008d) will define a results-management framework for its programmes. On the other hand, Irish Aid is encouraged to continue to seek opportunities to link its own results-management frameworks and agree such frameworks with the Ugandan Government and the donor community. Positive examples are Ireland's support to the development of the Joint Performance Assessment Framework and the National Integrated Monitoring and Evaluation Strategy (NIMES), which the Office of the Prime Minister of Uganda is implementing.

There is currently no mutual accountability framework in Uganda to assess donor and government performance in relation to aid effectiveness. The design of a such a framework is being discussed in the context of the development of the new National Development Plan, which will replace the Poverty Eradication Action Plan. Irish Aid is leading the task team which was appointed by the Local Development Partner's Group (LDPG), to liaise with the National Planning Authority on the plan and to support the LDPG on aid effectiveness issues.

Policy coherence

Ireland's political and development functions are particularly well integrated in Uganda. As an example of policy coherence, the embassy provided assistance to an Irish oil exploration company's corporate social responsibility programme and linked with the World Resources Institute to adopt a sound environmental approach. Irish Aid in Uganda is working through Oxfam to support the Ugandan representatives at the WTO trade talks. This is in line with Ireland's commitments to aid for trade. The embassy also supports local NGOs' capacity building in environmental and oil revenue issues. Having an environmental specialist and developing staff capacity on environmental mainstreaming would strengthen Ireland's contributions and links with Uganda's Department of Environment, Heritage and Local Government. The peer review team encourages Ireland to increase staff awareness on policy coherence for development in the embassies located in its programme countries.

Organisation and management

Irish Aid's excellent reputation in Uganda in large part reflects the skills and high professionalism of its staff and the way they are managed. The Irish Embassy in Kampala delivers the programme. Overall responsibility lies with the Head of Mission, who is also the Ambassador to Uganda. He is assisted by the Head of Development, the Second Secretary, two development specialists and six advisors. Together they oversee the implementation and lead the programme teams on growth, governance and human development and equity. The Second Secretary heads the corporate service team in charge of administration and accounting. The embassy's independent internal auditor undertakes internal reviews and risk assessments and provides quarterly reports on audit issues directly to the Evaluation and Audit Section at headquarters. Locally engaged professional staff at the embassy enjoy large amounts of autonomy and can be promoted to senior advisor level as well as represent Ireland in international meetings. Their salary, career prospects and training opportunities contribute to the quality of the programme and institutional memory. A 2008 office procedures manual clarifies the terms and conditions and policies for locally-recruited staff.

Irish Aid's policies and strategies are heavily informed by input from the field, which is positive. The embassy enjoys short lines of communication with headquarters. In addition to regular quarterly reports, contact is maintained through the desk officer and the technical advisors now reassigned in core sections of Irish Aid's structure (Chapter 4). The close field-headquarter relations, and the availability of these advisors to provide guidance and expertise, greatly enhance Irish Aid's flexibility and responsiveness to needs arising at field level. The regular meetings of technical advisors and development specialists across Irish Aid's country programmes also create a community of practice and facilitate learning.

Description of Key Terms

The following brief descriptions of the main development co-operation terms used in this publication are provided for general background information.[41]

ASSOCIATED FINANCING: The combination of official development assistance, whether grants or loans, with other official or private funds to form finance packages.

AVERAGE COUNTRY EFFORT: The unweighted average ODA/GNI ratio of DAC members, *i.e*. the average of the ratios themselves, not the ratio of total ODA to total GNI (cf. ODA/GNI ratio).

DAC (DEVELOPMENT ASSISTANCE COMMITTEE): The committee of the OECD which deals with development co-operation matters. A description of its aims and a list of its members are given at the front of this volume.

DAC LIST OF ODA RECIPIENTS: The DAC uses a List of ODA Recipients which it revises every three years. From 1 January 2005, the List is presented in the following categories (the word "countries" includes territories):

LDCs: Least Developed Countries. Group established by the United Nations. To be classified as an LDC, countries must fall below thresholds established for income, economic diversification and social development. The DAC List is updated immediately to reflect any change in the LDC group.

Other LICs: Other Low-Income Countries. Includes all non-LDC countries with per capita GNI USD 825 or less in 2004 (World Bank Atlas basis).

LMICs: Lower Middle-Income Countries, *i.e.* with GNI per capita (Atlas basis) between USD 826 and USD 3 255 in 2004. LDCs which are also LMICs are only shown as LDCs – not as LMICs.

UMICs: Upper Middle-Income Countries, *i.e.* with GNI per capita (Atlas basis) between USD 3 256 and USD 10 065 in 2004.

DEBT REORGANISATION (ALSO RESTRUCTURING): Any action officially agreed between creditor and debtor that alters the terms previously established for repayment. This may include forgiveness, or rescheduling or refinancing.

DIRECT INVESTMENT: Investment made to acquire or add to a lasting interest in an enterprise in a country on the DAC List of ODA Recipients. In practice it is recorded as the change in the net worth of a subsidiary in a recipient country to the parent company, as shown in the books of the latter.

41. For a full description of these terms, see the *Development Co-operation Report 2007*, Volume 9, No. 1.

DISBURSEMENT: The release of funds to, or the purchase of goods or services for a recipient; by extension, the amount thus spent. Disbursements may be recorded **gross** (the total amount disbursed over a given accounting period) or **net** (the gross amount less any repayments of loan principal or recoveries of grants received during the same period).

EXPORT CREDITS: Loans for the purpose of trade and which are not represented by a negotiable instrument. They may be extended by the official or the private sector. If extended by the private sector, they may be supported by official guarantees.

GRANTS: Transfers made in cash, goods or services for which no repayment is required.

GRANT ELEMENT: Reflects the financial terms of a commitment: interest rate, maturity and grace period (interval to the first repayment of capital). It measures the concessionality of a loan, expressed as the percentage by which the present value of the expected stream of repayments falls short of the repayments that would have been generated at a given reference rate of interest. The reference rate is 10% in DAC statistics. This rate was selected as a proxy for the marginal efficiency of domestic investment, *i.e.* as an indication of the opportunity cost to the donor of making the funds available. Thus, the grant element is nil for a loan carrying an interest rate of 10%; it is 100% for a grant; and it lies between these two limits for a loan at less than 10% interest.

LOANS: Transfers for which repayment is required. Data on net loan flows include deductions for repayments of principal (but not payment of interest) on earlier loans.

OFFICIAL DEVELOPMENT ASSISTANCE (ODA): Grants or loans to countries and territories on the DAC List of ODA Recipients and multilateral agencies active that are undertaken by the official sector; with the promotion of economic development and welfare as the main objective; at concessional financial terms (if a loan, having a grant element of at least 25%).

ODA/GNI RATIO: To compare members' ODA efforts, it is useful to show them as a share of gross national income (GNI). "Total DAC" ODA/GNI is the sum of members' ODA divided by the sum of the GNI, *i.e*. the weighted ODA/GNI ratio of DAC members (*cf.* Average country effort).

OTHER OFFICIAL FLOWS (OOF): Developmentally relevant transactions by the official sector with countries on the DAC List of ODA Recipients which do not meet the conditions for eligibility as official development assistance.

TECHNICAL CO-OPERATION: Includes both a) grants to nationals of aid recipient countries receiving education or training at home or abroad, and b) payments to consultants, advisers and similar personnel as well as teachers and administrators serving in recipient countries.

TIED AID: Official grants or loans where procurement of the goods or services involved is limited to the donor country or to a group of countries which does not include substantially all aid recipient countries.

VOLUME (real terms): The flow data are expressed in United States dollars (USD). To give a truer idea of the volume of flows over time, some data are presented in constant

prices and exchange rates, with a reference year specified. This means that adjustment has been made to cover both inflation in the donor's currency between the year in question and the reference year, and changes in the exchange rate between that currency and the United States dollar over the same period.

Bibliography

Dáil Éireann (2008), *Interim Report on Irish Aid, July 2008*, Committee of Public Accounts, Dublin, Ireland.

Defence Forces News (2007), "Minister for Defence, Willie O'Dea secures cabinet approval for Chad mission", *Defence Forces News*, 20 November 2007.

Department of Defence and Defence Forces (2008), *Strategy Statement 2008-2010*, Department of Defence and Defence Forces, Dublin, Ireland.

FGS Consulting (2008), *Management Review – Final Report*, July 2008, FGS Consulting, Dublin, Ireland.

GoI (Government of Ireland) (2000), *White Paper on Defence*, Government of Ireland, February 2000, Dublin, Ireland.

GoI (2006a), *White Paper on Irish Aid*, Government of Ireland, Dublin, Ireland.

GoI (2006b), *Supporting Irish Aid's Mission in Reducing Poverty – Programme of Strategic Cooperation between Irish Aid and Higher Education and Research Institutes (2007-2011)*, Government of Ireland, Dublin, Ireland.

GoI (2006c), *Annual Report 2006*, Government of Ireland, Dublin, Ireland.

GoI (2007a), *An Agreed Programme for Government*, June 2007, Government of Ireland, Dublin, Ireland.

GoI (2007b), *Review of Irish Aid Fellowship Training Programme*, Government of Ireland, Dublin, Ireland.

GoI (2007c), *Irish Aid Annual Report 2007*, Government of Ireland, Dublin, Ireland.

GoI (2007d) *Irish Aid Evaluation Policy*, Government of Ireland, Dublin, Ireland

GoI (2007e), *Irish Aid's Support to Tsunami Affected Countries: A Value for Money Review*, Government of Ireland, Dublin, Ireland.

GoI (2007f), Irish Aid *Towards Poverty Reduction Mainstreaming Strategy 2007-2009, March 2007*, Dublin, Ireland.

GoI (2007g), Irish Aid *Environment Policy for Sustainable Development*, 2007, Dublin, Ireland.

GoI (2007h), *Strategy Plan 2007-2011 for Development Education*, 2007, Dublin, Ireland.

GoI (2008a), *Statement of Strategy 2008-2010*, Department of Foreign Affairs, Government of Ireland, Dublin, Ireland.

GoI (2008b), *Memorandum of Ireland* (September 2008), Government of Ireland, Dublin, Ireland.

GoI (2008c), *Operational Plan 2008-2012: Embracing Change and Making a Difference*, Government of Ireland, Dublin, Ireland.

GoI (2008d), *A Results-Based Management Approach to Country Strategy Papers*, Government of Ireland, Dublin, Ireland.

GoI (2008e), *Irish Aid (Uganda) Civil Society Strategy*, Irish Embassy, Kampala, Uganda.

GoI (2008f), *First Annual Report, June 2008*, Inter-Departmental Committee on Development, Government of Ireland, Dublin, Ireland.

GoI (2008g), *Department of Foreign Affairs' Directory of Training and Development Opportunities 2008-2009*, July 2008, Government of Ireland, Dublin, Ireland.

GoI (2008h), *Civil Society Policy*, Government of Ireland, Dublin, Ireland.

GoI (2008i), Hunger Task Force, Report to the Government of Ireland, Dublin, Ireland.

GoI (2008j), *Strategy Statement 2008-2010*, Department of Defence and Defence Forces, Dublin, Ireland.

GoI (2008k), "The Action Plan for Irish Aid's Report to the Paris Declaration (2008-10)", Dublin, Ireland

Irish Aid (2004), *Evaluation of the 2002 to 2003 Development Cooperation Ireland Support for NGO Emergency Response in Malawi*, Irish Aid, Dublin, Ireland.

OECD (2007), "Results-Based Approaches: Implications for Managing Development Co-operation", OECD, Paris, France.

OECD (2008a), *2008 Survey on Monitoring the Paris Declaration – Making Aid More Effective by 2010*, OECD, Paris, France.

OECD (2008b), *Ireland: Phase 2 bis – Report on the Application of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the 1997 Recommendations on Combating Bribery in International Business Transactions*, OECD, Paris, France.

OECD (2008c), *Key Messages for the Harmonization Roundtable on Strengthening the Development Results and Impact of the Paris Declaration on Aid Effectiveness through work on gender equality, social exclusion and human rights*, OECD, Paris, France.

OECD (2008d), "Implementing the Accra Agenda for Action", DCD, OECD, Paris, France.

OECD (2008e), *Compendium of Donor Reports on Implementing the Paris Declaration, Vol.2: Donor Self-Assessments*, OECD, Paris, France.

OECD (2008f), *Synthesis Report on Policy Coherence for Development*, OECD, Paris, France.

Oxford Policy Management (2007) *Strategic Framework for Engagement with UN Funds, programmes and Agencies*, London, UK.

United Nations Development Programme (UNDP) (2006), *Human Development Index 2006*, UNDP, New York.

The Development Assistance Committee welcomes your comments and suggestions.

Please contact us

by email at dac.contact@oecd.org

or by mail at:

Organisation for Economic Co-operation and Development
Development Co-operation Directorate
Communications and Management Support Unit
2, rue André-Pascal
75775 Paris Cedex 16
France

http://www.oecd.org/dac