Partnerships have long been manipulated by the international community as a compact of commitments for promoting development effectiveness. These partnerships have pursued policies for more enabling domestic environments, so that increased opportunities would translate into outcomes for development effectiveness.

According to the OECD, a partnership is an agreement to do work together in ways that will benefit all involved, bringing results that could not be achieved by a single partner operating alone, and reducing duplication of efforts. The Global Partnership for Effective Development Cooperation (GPEDC) emerged from an agreement reached at the Fourth High Level Forum on Aid Effectiveness in Busan, Republic of Korea, in 2011. This Partnership is intended to nurture engagement and knowledge exchange among diverse actors in implementing the agreements reached in Busan.

The Global Partnership also supports regular monitoring of progress in implementing the Busan commitments. The ability of the Global Partnership to strengthen the effectiveness of development co-operation partnerships at the country level will be its principal measure of success and relevance to the post-2015 development agenda. However, in many countries the quality of partnerships has never been evaluated. This chapter will measure the indicators at the global and national level for the success of partnerships, and set out some of the preconditions for equitable partnerships as they manifest in Mozambique. Specifically, it will analyse how partnerships between the Mozambican government and development partners, private sector and civil society organizations (CSOs) have aided or undermined development effectiveness in Mozambique.

**Measures and indicators for success of partnerships at the global and national level**

For successful country-level partnerships, it is paramount to develop global and national measures and indicators. The legal framework is critical for boosting partnerships. Critical financial legislation and other legal instruments should be in place; namely, legislation for Financial Administration, Audit and the Public Procurement. With such legislation in place, donors as part of national partnerships need to show more confidence in the reformed systems. If further change is required, donors need to collaborate with government to achieve mutually acceptable systems. Also in conformity with the GPEDC, the legal framework should give development actors (Parliament, the Private Sector, and CSOs) the legal mandate to perform their watchdog role. For example, the parliamentary Public Accounts Committee (PAC) is mandated by law to assess any identified misappropriations and corruption issues.
In terms of evaluating the success (or failures) of country-level partnerships, government aid management policies are critical policy documents for the implementation of a working partnership. Aid policies will determine the manner in which aid will be disbursed, and will also ensure that aid priorities will be in line with the national development plans of the recipient country. Most African development frameworks are fully committed to fighting poverty and have articulated plans for poverty reduction and economic growth. Aid management policies will establish the government’s preferences in terms of the types of aid it wishes to receive and the processes to be followed when managing foreign aid. However, for aid to be effective, aid management policies should be an outcome of extensive consultations.

Development partners need to allow partner countries to lead the process as they lend support in the partnership. While they should remain true to their own development cooperation policies and strategies, they nevertheless need to remain flexible regarding the priorities of the partner country, and structure their support accordingly. They ought to use country systems as the default approach for development co-operation in support of activities managed by the public sector. These country systems include, among others, the Public Financial Management systems and Procurement systems. Therefore, in effective partnerships, donors should reinforce the use of country systems by strengthening governments’ capacities and by promoting transfer of skills.

Governments and donors must come up with a platform where they are able to meet with CSOs, ideally every month, to discuss specific topics aimed at sharing information and best practice. For partner countries in which direct budget support is the desired form of disbursement, policy dialogue has proved to be of paramount importance as it supports the inclusive nature of the GPEDC commitments. Policy dialogue is an appreciated instrument for donors and partner governments because it provides the possibility of open and frank discussions that are partnership-based. In most cases, policy dialogue is done through a contract between donors and a partner government, which normally regulates the responsibilities agreed upon by the partners.

Policy dialogues and inclusive country observatories are essential in order to reflect the inclusive nature of the aid architecture as articulated in the GPEDC. Observatories will include non-state actors in the monitoring and evaluation of government programmes. Non-state actors will carry out their own independent monitoring and evaluation, and their findings could be discussed with government through advisory institutions. This independent monitoring is critical as evidence demonstrates slow progress in including non-executive stakeholders in national level processes. Government together with its partners should establish a transparent, dynamic and an informal dialogue mechanism among all actors.

Partner governments should institutionalize and strengthen aid and development policy dialogue between all levels of government, donors, civil society, parliaments, the private sector, and emerging lenders to institutionalize a more participatory process. Parliaments should ensure effective and tangible implementation of the GPEDC to raise political pressure to deliver on the Busan commitments. Citizen participation at all levels of decision-making must be highlighted. Governments should provide an enabling environment for CSOs to measure progressive progress. CSOs in turn need to promote and operationalise the Istanbul Principles and the International Framework for CSO Development Effectiveness.
African countries require key policies and efforts to be put in place for managing development cooperation, and should work towards mechanisms by which other stakeholders can play a larger role in managing the development agenda. In policy dialogue, all stakeholders can contribute to addressing country-specific priority areas and needs, hence resulting in the effectiveness of aid.

A code of conduct for all partners, focusing on more inclusive aid architecture, is a desirable reference point for partnerships to enable development effectiveness. A Memorandum of Understanding (MoU) is a tool for setting out a shared agenda that defines the performances and reporting commitments of all partners in implementing aid initiatives. The MoU in most cases is based on the aid effectiveness commitments from the 2005 Paris Declaration and the 2011 GPEDC. A MoU also usually contains commitments to sound macroeconomic policies, peace, credible and democratic processes, and overarching goals for reduce poverty.

Another important instrument similar to the MoU is the performance assessment framework for programme aid partners. A Donor’s Performance Assessment Framework (PAF) forms a part of a mutual review process designed to strengthen mutual accountability at the country level, drawing from international and national agreements on the quality of development assistance. Partner countries and donors need to commit to be mutually accountable to each other as they implement the GPEDC agreements. Donors are encouraged to show strong commitment towards meeting their financing targets, and governments should be able to hold donors accountable. Under this platform, partner countries can assess the impact on aid outcomes from issues relating to the predictability of aid flows and donor conditionalities attached to aid received. The performance assessment is measured along the national development priorities of the country. Donors therefore use indicators and targets of the recipient government to also assess the recipient government.

Joint Assistance Strategies (JASs) are expected to guide aid modalities and the delivery of development assistance in the context of increased harmonization between the donors. But these JASs need to be revised and implemented in an effort to improve donor coordination, harmonization and alignment with government priorities. They should be geared towards strengthening national ownership of development programmes through aligning donor support to national priorities and government policy frameworks. They should reduce transaction costs for the government, as well as for the donor community by doing away with multiple strategies, processes, and reporting formats and duplicate/overlaps in donor supported activities. They can also achieve more efficient and effective use of donor resources through a donor division of labour. The process of formulating the JAS should be led by the government of the partner country and involve extensive and broad-based consultations with development partners and non-state actors.

All governments should create institutionalized platforms backed by law that will promote the exchange of information. To enable aid transparency, publishing user-friendly aid information on a timely basis under the International Aid Transparency Initiative (IATI) standard will allow citizens to track the purposes for which aid is being used and especially to monitor what it is achieving. Transparency will also help donors and governments manage aid more effectively, so that every dollar destined towards fighting poverty, does so. For partner countries with strong donor dependence, timely transparent information on aid flows is crucial.
This information should be available through a database, which will also be important for monitoring and improving the capture of data for various sectoral/ministerial activities and budgets. Partner countries have already started to review existing frameworks to bring them in line with Busan commitments.

Transparent data for statistics provides the evidence needed to improve decision-making, document results, and heighten public accountability. Fully integrated statistics assist in decision-making, making open access to statistics an essential policy to be implemented. Improving transparency in relation to the budgeting process and development processes is critical to ensure that all actors are fully and meaningfully involved.

**Effective partnerships in Mozambique**

A partnership is collaborative and will be effective if it shares a strategic vision, pursues compatible targets, and ensures that all are equal members. Partnerships need to embody an acceptable sharing of obligations and responsibilities, and entail a package of commitments attractive enough for all partners to join. The Mozambican official development assistance landscape includes the Development Partners Group (DPG), consisting of heads of mission of multilateral and bilateral donors, among others. These partners are further categorized into non-General Budget Support (GBS) countries, such as Japan and the United States, Programme Aid Partners (PAPs), and the emerging economies such as Brazil and Indonesia. Mozambique has been considerably successful in establishing a positive partnership and dialogue between government and the donor community, as this partnership conforms to the guiding principle of equity. The partnership has also thrived because the requisite political will exists on the part of both the government of Mozambique and its development partner.

Mozambique is highly dependent on official development assistance (ODA) and has received substantial ODA from the international community since independence. Mozambique is placed among the ten most aid-dependent countries in the world, with nearly 40% of the state budget financed with resources (e.g. grants and loans) from aid. Mozambique has been making significant improvements in economic growth rate, implementing reforms aimed at ensuring a stable government. The Government has adopted a number of well-articulated plans for poverty reduction and growth. These include Agenda 2025 (the national long term vision), which is the basis for the Five Year Programme (2005-2009) and the second generation of Action Plan for the Reduction of Absolute Poverty (PARPA II, Mozambican PRSP II).

**Cooperation between the Government of Mozambique and its development partners**

Mozambique has embarked on partnerships that have achieved impressive development impacts leading to improved social and economic conditions. Mozambique defines poverty as “the impossibility, owing to inability and/or lack of opportunity for individuals, families, and communities to have access to the minimum basic conditions, according to the society’s basic standard.” In 2004 the Government and its development partners signed a Memorandum of Understanding for Program Aid Partnership (PAP). The MoU set out the principles, terms and operations for the partnership. In 2009 the MoU was reviewed and revised, adding sector programme support to the assessment framework. All donors abide by the procedures agreed upon in the MoU to increase transparency and improve budget support.
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The Programme Aid Partners’ Performance Assessment Framework (PAF) process has provided the country offices of donors with a useful tool in lobbying their respective donor headquarters to preserve or improve the compliance with the current discourse of development effectiveness as elaborated at the Busan High Level Meeting. The process has also provided some extrinsic incentives for behaviour change through ‘naming and shaming’ and contributed to a greater acceptance of the notion that donors can and should be held accountable against commonly agreed aid effectiveness commitments.

In 2008, the Monitoring and Evaluation of the Paris Declaration noted that over 18 donors were providing General Budget Support (GBS) and establishing Sector Working Groups. In Mozambique this modality of support has increased the policy space. With budget support, aid on the budget is scrutinized for its effectiveness by the parliament and can be allocated to ministries most in need of aid. Positive impacts of direct budget support include an improvement in public welfare, resulting from the implementation of government programs.

PAPs have channelled official development assistance to the Mozambican government with an average of 90% going as direct budget support during the last five years. Only 10% goes towards civil society and the private sector. More donors now provide at least two-thirds of their aid as programme aid, and more aid is coming on-budget. Overall, PAPs are well aligned with the government’s priorities. Predictability of disbursements has been improved and a high proportion of disbursements occur in the early months of the fiscal year. PAPs have been extended since 2000 to increase the resources available for public spending, thus contributing to improving the country’s poverty reduction efforts.

The European Union and the Government of Mozambique signed a comprehensive Country Strategy Paper and National Indicative Programme for 2008-2013. The European Union provided support to Mozambique to promote fast, sustainable and broad-based growth, as defined in Mozambique’s Poverty Reduction Strategy Paper. The strategy for this cooperation with Mozambique is focused on certain areas, which follows the government’s existing policy framework and which seeks out complementarity with other donors and EC instruments. The EU provided the major part of its funds as General or Sectoral Budget Support, and the rest was allocated to priority sectors such as transport infrastructures, agricultural and rural development, and regional integration.

Among other examples, Norwegian development cooperation has also embarked on partnerships with Mozambique for poverty reduction. It has provided humanitarian aid and support to reconstruction, rehabilitation, peace and reconciliation, which were gradually phased out as Mozambique’s economy and situation improved. Danish development cooperation partnerships with Mozambique also reflect the ambition to address issues of poverty reduction through promotion of political dialogue, development cooperation, and stronger trade and investment ties. Due to the rising importance of emerging donors like China, India and Brazil, there is also a continued effort to better integrate these new donors in the existing aid architecture.

Mozambique adopted its International Cooperation Policy document in 2010, concerning development cooperation targeted at poverty reduction. Mozambique is preparing a “Code of Conduct” for donors in line with the Busan Partnership for Effective Development Cooperation.
Ownership of development priorities has been obliquely defined by the Mozambique government, resulting in positive outcomes. Mozambique was a pioneer in the establishment of coordination mechanisms between government and donors. Technical assistance in many partner countries is often driven by supply rather than demand, relatively expensive, and sometimes, not based on a representative assessment. However, these realities have not been the experience of Mozambique. It made impressive advances regarding the implementation of the Paris Declaration on Aid Effectiveness and is also taking the lead in the implementation of the Busan principles. Mozambique has assumed leadership within the partnerships, allocating aid to specific sectors that need it the most. The group of 19 donors (G19) has aligned with these priorities, resulting in greater effectiveness of development assistance in Mozambique.

The Government of Mozambique and civil society

Political, economic and social reforms around the world have highlighted the need for civil society to participate effectively in decision-making processes and in the implementation and monitoring of public policies and programmes. CSOs have increasingly taken on the role of equal development partners, participating actively in research and advocacy actions that monitor and influence public and community development policies. The notion that involvement of civil society in the policy process improves effectiveness has gained considerable support from studies and evaluations of projects over several decades. In Mozambique, the main vehicle for implementing this approach has been the Poverty Observatory (known in Portuguese as Observatório da Pobreza, or ‘OP’), a consultative and participatory forum for monitoring the implementation of Mozambique’s PRS, the Action Plan for the Reduction of Absolute Poverty.

Civil Society involvement in the Poverty Observatory process has been coordinated through the “G20” group of NGOs, which was formed in 2003 in order to more effectively organize civil society input into the second national Poverty Observatory. The group — now comprised of over 20 organizations — represents religious groups, trade unions, private and financial sector groups and other NGOs. The principal contribution of the G20 has been the production of an annual participatory review of progress in poverty reduction, the Annual Poverty Report (known in Portuguese as the Relatório Anual da Pobreza, or ‘RAP’), to serve as the core civil society input into the OP process and represent the voices of the poor. The national RAP is also complemented by provincial versions, developed by autonomous provincial bodies of the G20 and presented at the OPs.

The Government of Mozambique and the private sector

The private sector is increasingly viewed as an engine for growth across the African continent. Mozambique has managed to attract investors in several “mega-projects.” These projects are concentrated in the energy (Cahora Bassa, Pande/Temane gas fields), industrial (Mozal Aluminum plant) and mining (Moatize coal mines, Moma Titanium) sectors. They have been criticised in the past for not generating enough employment or for failing to develop linkages with the broader economy. The Government’s privatisation program is well advanced and has facilitated investment, especially in infrastructure Public Private Partnerships (PPPs) such as ports and railways.
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It should be noted that long-lasting civil wars and floods have hampered Mozambique’s infrastructure development. Railway and port charges once made up a large share of the country’s public revenue. Rail, road and port handling were major service industries in the country though the level of development has been uneven. The extreme South of the country (Maputo and Maputo province) is fairly developed compared to the rest of the country. Given the significant capital requirement of infrastructure investment, PPPs continue to be the most feasible financing option for infrastructure in Mozambique.

Some cases of PPPs in Mozambique include Ressano Garcia railroad, Sena and Machipanda Railroad, TRAC, Nacala Railway, Maputo Port, and Beira Port. Evidence shows mixed results for PPPs in Mozambique. For example, the Maputo corridor results appear to be good, with all the concessions in operation and with coordinated expansion plans as installed capacity is reached. In the case of the Nacala and Beira ports and the associated railways, the results are not as good, with long dwell times and little dredging at Beira. In any case, the assessments of most railway PPPs in Eastern and Southern Africa is negative. These failures have been due to the tardinness of the concession process, the lack of interim funding, the quality of the contracts, and the poor choice of concessionaires.

Conclusion

As they say, there is no equal partnership under the sun, if one or the other is cheated. This analogy is highly relevant to how partnerships for aid and development effectiveness can result in meaningful development cooperation. It has been noted that for Mozambique, genuine partnerships with the donor community have been built over a long period of time. Donors have financed the country using priorities set by the Mozambique government. For a partnership to be effective, both parties should ensure that they both adhere to officially made agreements. These MOUs should subscribe to the aid management policies in place and be aligned with the legal statutes of the country. Ultimately, partner developing countries should take leadership in these partnerships, as they are the ones to benefit the most from effective partnerships.

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Endnotes


2 Most African countries have developed their aid policies, in countries such as Zimbabwe, Zambia, Ghana, Uganda, and Namibia, only to mention a few.

3 Policy dialogues are implemented in Zambia, which through its aid management policy opted for direct budget support as its desired aid modality.

4 Mozambique has developed its observatories to monitor implementation of the GPEDC.

5 See http://cso-effectiveness.org/istanbul-principles,067

6 Joint Assistance Strategies have been examined this is for the three countries Ghana, Mozambique and Zambia.

7 Results and Accountability Building Block , Regional Workshop, 11-13 September, 2012, Zambia

8 Informal Governance Group, Alliance 2015, Aid and Budget Transparency in Mozambique


10 Ministry of planning and Development, Mozambique, 2011


13 Mozambique-private-sector-country-profile-august-2008


15 Ibid