

Provision of Technical Assistance Personnel in Mozambique

Between 'doing the work' and a 'hands-off' approach

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for Economic Cooperation
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Australian Government
AusAID

A case study prepared for the Study on Promising Approaches to Technical Assistance

Discussion Paper No. 75

September 2007

EUROPEAN CENTRE FOR DEVELOPMENT POLICY MANAGEMENT
CENTRE EUROPÉEN DE GESTION DES POLITIQUES DE DÉVELOPPEMENT



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Case study for the **Study on
Promising Approaches to Technical Assistance**

(includes Executive Summary in Portuguese: **Entre "fazer o trabalho" e a abordagem "não-interventiva"**)

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www.ecdpm.org/dp75

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From Botswana ...

“Minister for Presidential Affairs and Public Administration Daniel Kwelagobe says localization [use of nationals, VH] in the central government departments has not been suspended. Mr Kwelagobe said accounting officers continued to make arrangements to localise positions where qualified citizens were available. According to the Computerised Personnel Management System (CPMS), there are currently 1,477 expatriates in Central Government out of a total complement of 87,586. This represents a localisation rate of just over 98.3 per cent, he said. Mr Kwelagobe said many of the expatriates in Central Government were found in highly professional and technical ministries and departments such as Health, with 703, Education, with 423, Works and Transport with 96 and Communications, Science and Technology with 55. He added that citizen manpower was not readily available in these ministries because of their technical nature. He was responding to a question from Tswapong South, Member of Parliament Oreeditse Molebatsi who wanted to know whether localisation in Central Government has been suspended.”

Source: *Daily News*, Gaborone, Botswana, 8 March 2007

While this quote from Botswana might first seem out of context for a study on Mozambique, it points us to the realities of capacity-poor nations in sub-Saharan Africa. The Botswana approach on “TA personnel” is guided by a national development plan which recognises the need for financial and technical inputs, including the recruitment of experts from different parts of the world to get the job done.

The challenge for countries like Mozambique is to get to a level of development where a similar approach can be followed. This paper aims to map out an approach which can eventually lead towards this goal. The path ahead, though, is demanding as the following quotes from interviews and literature on Mozambique highlight:

“Today, funds are not a problem but technical qualifications are missing on a big scale.” – Mozambican official working in the Ministry of Finance

“Despite the huge sums of money for TA one has put into the reform at different levels, the thinking and attitudes have not changed.” – Long-term advisor working within the GoM and residing for several years in Mozambique

“TA is ... typically the largest single form of assistance, in terms of value, and is often the least co-ordinated, most donor-driven of all modalities” (Killick 2005: 52).

Acknowledgments

This case study was made possible by the generous funding of the Ministry of Foreign Affairs of Denmark (Danida), the German Federal Ministry for Economic Cooperation and Development (BMZ) and the Australian Agency for International Development (AusAID). All three organisations are funding a three-country study to gain a better understanding of the future demand for technical assistance and to recommend how technical assistance personnel can best be mobilised, used and managed to strengthen national capacity. The case-study countries were selected by the funding organisations. Thanks for making this study possible go to Henrik A. Nielsen (Senior Advisor, Evaluation Department, Danida), Michaela Zintl (Head of Evaluation Unit, BMZ) and Patricia Lyon (Senior Adviser Capacity Building, AusAID).

The authors thank all of those who offered their valuable time to provide in-depth perspectives during interviews in Mozambique and those who shared documents prior to, during and after the field research. A word of appreciation goes to colleagues from Danida and BMZ for the useful debriefings and the sharing of documents prior to this assignment. For the Mozambique case study, Germany took the responsibility for preparing the mission and assisted in organising field visits. A special word of thanks goes to Roland Meyer (Head of Cooperation German Embassy) for his assistance in getting GoM approval for this study, to Adla Barreto and her team (GTZ) for organising the field visit to Manica Province and to Antonio Klaus Kaarsberg (Danida) for his assistance in the visit to Tete Province.

Special thanks also go to Ana Matusse Dimande (National Director for Investment and Cooperation, Ministry of Planning and Development), Manuel Rego (Director Planning and Cooperation of the Ministry of Education and Culture), Mr. Songane (Coordinator Proagri, Ministry of Agriculture) and Carlos Jessen (Head of UTRAFE) for the insightful interviews; to Simon Vanden Broecke (DFID), Jeannette Vogelaar (DGIS/NL) and Julie Reviere (GTZ) of the Development Partners Task Force on Capacity Building, Lars-Peter Christensen (COWI) and to Niels Richter (Head of Cooperation, Danish Embassy) for their interest in the topic and intense exchanges with the mission team. Thanks also go to BMZ and GTZ headquarters and to Rie Sakumoto from the Japanese Embassy, Maputo, for their useful comments on the draft version of this paper.

A final word of thanks is for the ECDPM core study team for accompanying this work, especially to ECDPM associate Tony Land, the research director of this three-country study who helped start the Mozambique work during the first three days of the assignment; Heather Baser, study leader; and Peter Morgan, who provided stimulating comments and reflections prior to and during the writing of this report. While this study contains inputs from various stakeholders and the study team, sole responsibility for any factual errors or omissions, the interpretation of data and the analysis rests with the authors.

Box 1: How to read this report?

For readers who wish to read more than the executive summary but do not have time to go through the entire document in detail, we recommend reading in addition the introduction, particularly Section 1.3, Section 2.2 on the public sector and human resources in Mozambique, and Section 5 which discusses the key trends and innovations in TA.

Acronyms

ADRA	Acção para o Desenvolvimento Rural e Ambiente
AfDB	African Development Bank
AfDF	African Development Fund
ANFP	Autoridade Nacional da Função Publica / National Authority for the Public Service
AusAID	Australian Agency for International Development
BMZ	German Federal Ministry for Economic Cooperation and Development
CD	Capacity Development
CIDA	Canadian International Development Agency
CIRESP	Inter-Ministerial Commission for Public Sector Reform
COREP	Commission for the reform of vocational education
CPMS	Computerized Personnel Management System
CSO	Civil Society Organisation
CV	Curriculum Vitae
DAC	Development Assistance Committee
DAF	Department of Administration and Finance
Danida	Danish International Development Assistance
DFID	Department for International Development
DGIS	Directorate – General for International Cooperation
DSESSP	Danish Support to the Education Sector Strategy
DSESSP/T	Danish Support to the Education Sector Strategic Plan for Tete
EC	European Commission
ECDPM	European Centre for Development Policy Management
ESSP	Education Sector Strategy Plan (Plano Estratégico de Educação)
FAO	Food and Agriculture Organisation
FASE	Education Sector Pool Fund
FSNS	Food Security and Nutrition Strategy
GBS	General Budget support
GDP	Gross Domestic Product
GNI	Gross National Income
GoM	Government of Mozambique
GTZ	German Technical Cooperation
GTZ-PEB	Promotion of Primary Education
GTZ-PEB/M	Promotion of Primary Education in Manica Province
HIPC	Heavily Indebted Poor Countries
HR	Human Resources
IA	Irish Aid
ICT	Information and Communication Technology
IFAD	International Fund for Agricultural Development
IFAPA	Training Institute of Public and Municipal Administration
IMF	International Monetary Fund
INDE	National Institute for Educational Development
ISAP	Higher Institute of Public Administration
JICA	Japan International Cooperation Agency
KfW	German Development Bank (Kreditanstalt für Wiederaufbau)
MDGs	Millennium Development Goals
MEC	Ministry of Education and Culture
MF	Ministry of Finance
MINAG	Ministry of Agriculture

MoE	Ministry of Education
MoU	Memorandum of Understanding
MPD	Ministry of Planning and Development
MPF	Ministry of Planning and Finances
MTEF	Mid-Term Evaluation Framework
MTR	Mid-Term Review
NGO	Non-Governmental Organisation
NUFFIC	Netherlands Organization for International Cooperation in Higher Education
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PAF	Performance Assessment Framework
PAP	Programme Aid Partners
PARPA	Plano de Acção para a Redução da Pobreza Absoluta
PEB	Primary Education Project
PEEC	Plano Estratégico de Educação (Education Sector Strategic Plan)
PES	Annual Economic and Social Plan
PFM	Public Finance Management
PIREP	Integrated Programme for the Reform of the Professional Education
PIUs	Project Implementation Units
PPFD	Support to Decentralised Development Planning and Financing
PROAGRI	Plano Nacional de Desenvolvimento Agrícola (National Plan for Agricultural Development)
PRSP	Poverty Reduction Strategy Paper
PSR	Public Sector Reform
SISTAFE	State financial administration system
SNV	Foundation of Netherlands Volunteers
SWAps	Sector-wide approaches
TA	Technical Assistance
TC	Technical Cooperation
ToR	Terms of Reference
TVET	Vocational and Educational Training
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programme
US	United States
USAID	United States Agency for International Development
USD	United States Dollar
UTRAFE	Unidade Técnica da Reforma da Administração Financeira do Estado (Project Implementation Unit for Public Financial Management Reform Programme)
UTRESP	Technical Unit for Public Sector Reform
WB	World Bank
WFP	World Food Programme

Executive Summary

This is one of three country reviews in the wider study *“Provision of technical assistance personnel: What can we learn from promising experiences?”* Other reviews are Vietnam and the Solomon Islands. The wider study is financed by the Ministry of Foreign Affairs of Denmark (Danida), the Australian Agency for International Development (AusAID) and the German Federal Ministry for Economic Cooperation and Development (BMZ). The European Centre for Development Policy Management (ECDPM) in Maastricht, the Netherlands, is the executing agency.

The Mozambique case offers an examination of a variety of TA personnel practices¹ in an environment which is willing to change, poor on capacity to lead the development process and overwhelmed by a large number of development partners. According to the OECD-DAC, Mozambique is the world’s eighth most aid-dependent country. More than half of total public spending and about two-thirds of public investment depend on aid. The public service displays major deficiencies in numbers of skilled staff and in terms of human resources management. Moreover, an overarching “capacity development strategy” which links civil service needs with the education system and private and civil society providers is missing. Estimates suggest that the amount of TA provided is roughly half of the public sector wage bill. Yet, political stability after many years of conflict and planned market economy, relatively high growth rates and improvements in public service is seen as a result of the international assistance.

Mozambique has been a test case for harmonisation and alignment since 1998-99, when five donors started to coordinate general and sector budget support (GBS) in an attempt to reduce the burdens on government and strengthen its planning and financial management systems. Today there are 18 GBS contributors pooling some 26% of total aid into the treasury. Two-thirds of Mozambique’s aid stays outside of the system and remains channelled directly to line ministries, provinces and districts as sector funds or under traditional project modalities.

Following the methodology of the overall study, this case study looks at four sets of questions:

- i) What are the current and likely future demands for TA?
- ii) What modes of TA have worked best and why?
- iii) What are the various options for managing TA in different contexts?
- iv) What are the implications for development organisations and partners?

The country review draws on the findings of a three-week country visit to Maputo, Chimoio (Manica Province) and Tete (Tete Province) which took place between 27 November and 14 December 2006. That visit afforded a look at TA experiences and innovations in the education and agriculture sectors, the areas of public finance and public sector reform and decentralisation. Specific TA personnel experiences were taken on board from GTZ, Danida, the European Commission (EC), some international nongovernmental organisations (NGOs) and a number of pooled TA arrangements. We would have loved to obtain in-depth views on the assistance of other development partners as well, including the various organisations of the United Nations, which provide many experts to Mozambique. Resources and time mobilised for this study unfortunately did not permit us to do this.

The mini cases of this study are presented against a broad conceptual framework which distinguishes four approaches to capacity development which have a bearing on the type of TA supplied. This is by no means a watertight categorisation; nor does it seek to make normative judgements in terms of being better or worse, desirable or undesirable. In reality, interventions might display elements of more than one category and these may well change over time. We

¹ We wish to underline this study’s focus on TA personnel, and to make clear that we distinguish this focus from a more comprehensive understanding of technical assistance, elsewhere referred to as technical cooperation. TA personnel of course do not function in a vacuum and are normally part of larger packages of resources including other forms of technical assistance. The focus of this study therefore is the personnel element of TA, but the analysis inevitably takes account of these other dimensions.

situate the approaches along the historical timeline of development assistance to Mozambique over the recent 15 to 18 years. The focus in the early to mid-1990s was on moving from so-called *doing approaches*, whereby development agencies implemented activities themselves during times of high instability, towards more *direct approaches*, characterised by engagement with country partners in a more participatory manner but retaining control of planning and resources. This approach remained predominant throughout the 1990s and is still widely used in Mozambique today. TA personnel perform both managerial and advisory functions under such a direct approach, simply because national capacities to implement activities are weak. The second part of the 1990s saw the gradual appearance of more *indirect approaches* in selected areas, whereby development partners increasingly responded to, stimulated and fed country-led processes. Those are more broadly used today in the context of programme-based approaches and budget support. A number of development partners have moved a considerable distance towards *hands-off* approaches and have established programmes that disburse against proven, measurable or demonstrated progress on the part of country institutions. TA personnel under *indirect* and more *hands-off* approaches play facilitating and advisory roles, respond to endogenously formulated demands, and are accountable to the country partners.

Taking into account the present country context, current innovations in development cooperation and the results of the various mini case studies of this review, this report brings forward the following concluding observations:

- ***Policy dialogue on human resources.*** TA personnel are normally situated at the level of projects and programmes and are seldom linked to a wider policy dialogue on human resources development in the public sector. Several comments received from interviewees indicate the need to address civil service reform more vigorously and for development partners and partner countries to give it more prominence in higher-level policy discussions and joint reviews. The quality of human resources planning and development in the public sector helps to improve the effectiveness of the programming and design of TA personnel.
- ***Pooling of resources for TA personnel is the way ahead.*** There is a clear move among central government institutions and a significant number of development partners towards pooling of funding to provide TA personnel. The Paris Declaration, with its agenda of harmonisation and alignment, is being used as a guide by decision-makers in the GoM and in development agencies to rally an increasing number of actors behind national development priorities.
- ***Relationship between TA pooling and empowerment.*** Pooled funding for the recruitment of TA personnel can empower the partner organisation to take decisions on strategic priorities and resource allocation in order to realise endogenously formulated development strategies. But for an independent and capacitated organisation, the pooling of resources for TA provision becomes of lesser importance. Where an organisation has a clear idea about the added value of a TA provider, focused demands can be formulated for which a trusted TA provider might be a better choice to undertake a search on the (international/regional) labour market.
- ***Too much fragmentation in TA provision persists.*** TA and the personnel provided as part of overall TA assistance remains the least aligned and harmonised part of aid to Mozambique. Weak decision-making processes and insufficient organisational capacity of the partner are arguments for increasing the pooling of resources for TA to eventually help partners to strengthen their capacities and take more leadership on this important resource. More pooled funds would also allow national partners to recruit manpower at lower costs from the international labour market and thereby help to reduce opportunity costs. Estimates suggest that TA in Mozambique constitutes roughly half the public sector wage bill, an expenditure that an increasing number of Mozambican decision-makers and some development partners consider inadequate value-for-money.

- **Pooling of resources for TA as a transitional measure.** There is awareness on all sides that national resources eventually need to replace the provision by donors of resources for common funds. Development partners supporting budget support indicate that they are prepared to make the bulk of resources spent on TA available and to pay for the transitional costs of public sector reform and other central reforms, as long as there is effective policy dialogue about these reforms and the subsequent institutional reinforcement.
- **Moving from “direct” to “indirect” TA approaches.** Several interviewees commented that more partners need to be brought into the programmes supporting reforms and to change their assistance to more “indirect” approaches, but the question remains of how this should be done. Strong government coordination is needed to lead effective policy dialogue on how TA should be provided to complement a host of accompanying central level reforms of the government machinery. Strong national leadership can also help to rationalise the number of TA providers and NGOs per sector and push development partners to change their ideas about how cooperation should be done. Besides that, experiences from different sectors have shown that effective coordination and complementarity can help to encourage more coordinated approaches and alignment. Where government leadership is insufficiently strong, peer pressure might help to get partners on board that are able and willing but have so far been undecided. Nonetheless, it is important to leave space for new partners to pilot new approaches. A one-size-fits-all prescription will not work.
- **Mixing “indirect” with “direct” approaches can make sense.** More direct provision of TA personnel and accompanying assistance has validity if embedded in a wider reform strategy that leads to growing country leadership and ownership. A mix of different approaches can be beneficial as long as they are oriented by the policy priorities set at the national level. While “direct” TA personnel provision might be costly, in some circumstances, the needs may justify the costs. The spirit of the Paris Declaration is that such decisions be taken in dialogue involving the partner country and the various stakeholders involved in the sector but under national leadership. A focus on only one, or the other, makes no sense.
- **Recognise differences in capacity between central and lower levels of government.** Contexts are markedly different between the macro, or “Maputo-level”, and the provincial levels and below. *Indirect* approaches are reasonably feasible where there is a good supply of qualified people, but this is more often the case in capitals than in provinces. Development partners and the government need to carefully assess capacity at provincial and municipal levels and design support accordingly. It is also important that activities be designed to support the development of capacity to link the different levels in terms of policy awareness and policy coherence.
- **Use TA personnel as strategic tools for change.** The provision of TA personnel – either as pooled resources or delivered “in-kind” – needs to be seen as a strategic input for capacity development by the Government and not exclusively as an economic resource to fill gaps for purely technical jobs. Such personnel can play important roles in accompanying change processes, providing inputs for “changing minds and attitudes” and encouraging institutional transformation. Where TA is provided “in-kind” to a reform process, the person needs to be deployed with a mandate to serve the local reform process and not the agenda of the TA provider. Joint mechanisms, such as working groups for development partners and dialogue with government on human resources development and civil service reform, can ensure the identification of needs and the effective use of TA.
- **Different approaches require different TA personnel profiles.** Today’s development co-operation demands professionals to be even more flexible than in the past. There is a need for well qualified and experienced staff who are able to do jobs technically but who also have interpersonal skills and solid experience. They need to be fully aware of the capacity develop-

ment requirements in a given situation and able to accompany the partner in the transformation process through a repertoire of roles and change techniques. The expert needs to protect the partner from being overwhelmed and therefore has to “let go” where possible, but also has to ensure that tangible goals are realised for which a more proactive involvement might be required. Such multi-talented advisors who are able to manage the relationship productively are scarce. Where the international labour market does not permit the identification of adequate candidates, specialised TA providers might be better placed to identify, train and recruit them. To stay competitive, TA providers need to retrain experienced personnel, find new people on the market and build up a young stock of “new style” advisors who are able to fit the bill.

- **“Indirect” approaches require a change in accountability relationships.** “Indirect” approaches imply that the partner government manages the development programmes and is accountable for them. This is a return to the original concept of labour relationships where a patron purchased technical advice for their own use and the “expert” was accountable directly to that patron. Shifting responsibility for TA from the donor to the partner country requires a degree of risk-taking on the part of the funder, who loses the control over the direction of the programme. The rationale for shifting the accountability is that the country can only be helped to take charge of its own programmes if it has the opportunity to develop the appropriate capabilities. Accountability provides a learning opportunity for partner organisations to develop their own management skills and to build their own sense of commitment to the programme over the long term. But most importantly, if mechanisms for ensuring transparency can be established, they can be a means to improve accountability between government and citizens and to build the checks and balances in society that can eventually control the corruption that is all too common in Mozambique. Where the partner is not sufficiently strong to manage the resource input effectively, temporary dual accountability mechanisms might be justified such as the ones we found in some of our cases for this study.
- **Contextual situations may influence the mode of TA personnel delivery.** In a poor country like Mozambique, with weak control systems, perverse incentives and much corruption the political economy needs to be factored into any decision on resource provision, including for TA personnel. In cases of obvious misuse, there might be reasons to turn to more “direct” approaches, or even to stop the assistance entirely as a temporary measure. The obvious risks of moving to “indirect” provision of resources, however, should not be used as a reason to stick to one approach. Several interviewees confirmed that effective and coordinated policy dialogue opens space for change which development agencies should use.

We present these concluding points with a view to stimulating dialogue on TA and capacity development between development partners and the partner country as well as among development partners. Dialogue amongst those latter, in particular, will be a challenge, as there are fundamentally different views amongst development agencies in Mozambique on how the issue of TA should be approached. Some opt for a more *direct* involvement, others advocate far-reaching *indirect* approaches. We got a taste of these divergent views from comments on an earlier draft of this paper. These ranged from *the report is too much in support of the view that general budget support should be maximised instead of finding the right mix of aid modalities and we find it an unrealistic assumption that accountability of the TA personnel should (or even could) solely be towards the partner institution, to the report is too supportive of a gradual approach to alignment of TA and we like your points on accountability, where the accountability of TA performance must be clearly with government rather than the mixed and confusing forms of accountability we often have now.* Though there is certainly no easy answer, we hope that the above points can provide a base for this dialogue. They need to be discussed under government leadership to find an appropriate way ahead.

Sumário Executivo

Este relatório é um dos três estudos-de-caso que constituem o estudo de avaliação conjunta mais vasto sobre o “*Fornecimento de Pessoal de Assistência Técnica: Quais as lições aprendidas de experiências promissoras?*”. O Vietname e as Ilhas Salomão são os restantes casos analisados. O estudo global é financiado pelo Ministério dos Negócios Estrangeiros da Dinamarca (Danida), a Agência Australiana para o Desenvolvimento Internacional (AusAID) e o Ministério Federal para a Cooperação Económica e Desenvolvimento da Alemanha (BMZ). O Centro Europeu de Gestão de Políticas de Desenvolvimento (ECDPM) em Maastricht, na Holanda, é a agência executora do estudo.

O caso moçambicano presta-se à análise de uma variedade de práticas sobre o pessoal de Assistência Técnica (AT)² num contexto em que existe uma vontade de mudança, fracas capacidades de liderança do processo de desenvolvimento e uma sobrecarga devido ao grande número de parceiros de desenvolvimento no país. De acordo com o CAD-OCDE, Moçambique é um dos oito países mais dependentes da ajuda ao nível mundial. Mais de metade da despesa pública e cerca de dois terços do investimento público dependem da ajuda internacional. A administração pública regista deficiências em termos de pessoal qualificado e na gestão dos recursos humanos. Para além disso, não existe uma “estratégia de desenvolvimento de capacidades” abrangente, que interligue as necessidades da administração pública com o sistema de Educação e com os fornecedores do sector privado e da sociedade civil. As estimativas sugerem que a AT fornecida constitui metade da factura salarial do sector público. No entanto, normalmente considera-se que a estabilidade política após tantos anos de conflito e de economia centralizada, as taxas de crescimento relativamente altas e as melhorias na administração pública são um resultado da assistência internacional.

Moçambique tem sido um estudo-piloto para a harmonização e alinhamento da ajuda desde 1998-99, altura em que cinco doadores iniciaram a coordenação do apoio orçamental (geral e sectorial), numa tentativa de reduzir o fardo sobre o Governo moçambicano e de reforçar os seus sistemas de planeamento e de gestão financeira. Actualmente existem 18 parceiros na coordenação do apoio orçamental, que reúnem cerca de 26% da ajuda total para o Tesouro. Dois terços da ajuda a Moçambique permanece fora do sistema, sendo canalizada directamente para os Ministérios, províncias e distritos, através de fundos sectoriais ou segundo a modalidade tradicional de projectos.

De acordo com a metodologia utilizada para o estudo global, este estudo-de-caso analisa quatro tipos de questões:

- v) Qual é a procura actual e a previsão de procura de AT no futuro?
- vi) Quais são os tipos de AT que obtiveram melhores resultados e porquê?
- vii) Quais são as várias opções de gestão da AT em contextos diferentes?
- viii) Quais são as implicações para as organizações e parceiros de desenvolvimento?

Este relatório baseia-se nos resultados de uma missão de três semanas a Maputo, Chimoio (Província de Manica) e Tete (Província de Tete), realizada entre 27 de Novembro e 14 de Dezembro de 2006. Esta missão permitiu obter uma visão sobre as experiências e inovações de AT nos sectores da Educação e da Agricultura, nas áreas das finanças públicas, reforma da administração pública e descentralização. Várias experiências específicas sobre o pessoal de AT foram partilhadas pelo GTZ, pela Comissão Europeia (CE), por algumas organizações não-governamentais internacionais (ONG) e por vários acordos comuns de AT. Gostaríamos de ter obtido perspectivas aprofundadas também por parte de outros parceiros de desenvolvimento,

² É necessário sublinhar que o enfoque central do estudo é o pessoal de AT, distinguindo-se de uma análise mais abrangente sobre a assistência técnica em geral, que é aqui referida como “cooperação técnica”. Os técnicos de AT não funcionam no vazio e são normalmente parte integrante de pacotes mais alargados de recursos, incluindo outras formas de assistência técnica. O objecto de estudo é, portanto, o elemento da AT que se refere aos recursos humanos, embora a análise tenha em conta, inevitavelmente, outras dimensões.

incluindo as várias agências das Nações Unidas – que fornecem muitos peritos a Moçambique –, mas os constrangimentos de tempo e recursos não o permitiram.

Os exemplos apresentados neste estudo têm por base um quadro conceptual alargado, que distingue quatro abordagens para o desenvolvimento de capacidades, as quais têm influência no tipo de AT fornecida. Esta não constitui uma categorização rígida nem pretende fazer julgamentos normativos em termos de ser melhor ou pior, mais ou menos desejável. Na realidade, as intervenções podem conter elementos de mais do que uma categoria, e estes podem também mudar ao longo do tempo. Situamos as abordagens analisadas num horizonte temporal da ajuda ao desenvolvimento a Moçambique que abrange os últimos 15 a 18 anos. Desde o início dos anos 90 até meados dessa década, verificou-se uma transição das chamadas “abordagens de realização” (*doing approaches*), nas quais as agências de desenvolvimento implementavam elas próprias as actividades numa altura de instabilidade, para abordagens mais directas (*direct approaches*), caracterizadas por um envolvimento com os países parceiros de forma mais participativa, embora retendo o controlo sobre o planeamento e os recursos. Esta abordagem foi predominante durante o resto da década e é ainda largamente utilizada actualmente em Moçambique. Segundo a abordagem directa, os técnicos de AT desempenham tanto funções de aconselhamento como de gestão, simplesmente porque as capacidades nacionais de implementação das actividades são fracas. A segunda metade da década de 1990 assistiu ao surgimento gradual de abordagens mais indirectas (*indirect approaches*) em áreas seleccionadas, nas quais os parceiros de desenvolvimento passaram a responder, a estimular e a alimentar processos liderados pelo próprio país. Estas são actualmente utilizadas de forma mais alargada, no contexto de abordagens de programa e do apoio orçamental. Vários parceiros de desenvolvimento percorreram um longo caminho até adoptarem abordagens não-interventivas (*hands-off approaches*), estabelecendo programas em que os desembolsos são efectuados de acordo com os progressos mensuráveis e demonstrados por parte das instituições do país. Nas abordagens indirectas e não-interventivas, os técnicos de AT actuam como conselheiros ou facilitadores, respondem a solicitações formuladas internamente, e prestam contas aos parceiros do país.

Tendo em conta o contexto moçambicano, as actuais inovações na cooperação para o desenvolvimento e os resultados dos vários exemplos analisados neste relatório, o estudo-de-caso apresenta as seguintes conclusões:

- ***Diálogo sobre políticas de recursos humanos.*** O pessoal de AT situa-se normalmente ao nível dos projectos e programas, estando raramente ligado a um diálogo político mais abrangente sobre o desenvolvimento de recursos humanos no sector público. Vários comentários dos entrevistados indicam a necessidade de tratar de forma mais vigorosa a reforma da função pública e de os doadores e países parceiros darem maior atenção às revisões conjuntas e aos debates sobre políticas, ao nível mais elevado. A qualidade do planeamento e desenvolvimento dos recursos humanos no sector público ajuda a melhorar a eficácia da concepção e programação do pessoal de AT.
- ***Os fundos comuns de pessoal para AT são o caminho a seguir.*** Existe uma tendência clara, por parte das instituições governamentais e de um número significativo de parceiros de desenvolvimento, para a reunião de diferentes contribuições em fundos comuns para o fornecimento de pessoal de AT. A Declaração de Paris, com a sua agenda de harmonização e alinhamento, está a ser utilizada como guia pelos decisores no Governo de Moçambique e pelas agências de desenvolvimento, de forma a conduzir um número cada vez maior de actores segundo as prioridades nacionais de desenvolvimento.
- ***A relação entre os fundos de AT e a apropriação (empowerment).*** Os fundos comuns para o recrutamento de técnicos de AT podem habilitar a organização do país parceiro a tomar decisões sobre as prioridades estratégicas e a afectação de recursos, de forma a realizar as estratégias de desenvolvimento formuladas internamente. Os fundos de

recursos para o fornecimento de AT têm uma importância menor para uma organização independente e capacitada. Quando uma organização tem uma ideia clara sobre a mais-valia do fornecedor de AT, pode formular solicitações específicas, para as quais a melhor escolha poderá ser um fornecedor de confiança que leve a cabo uma procura no mercado de trabalho (internacional/regional).

- **Persiste demasiada fragmentação no fornecimento de AT.** A AT e os técnicos fornecidos como parte integrante dessa AT são, ainda, a parte da ajuda que está menos alinhada e harmonizada em Moçambique. A existência de processos decisórios fracos e de uma capacidade organizacional insuficiente por parte do país parceiro são algumas das razões para aumentar os fundos comuns para AT, de forma a ajudar os parceiros a reforçarem as suas capacidades e a liderarem de forma mais efectiva este importante recurso. O aumento destes fundos permitiria também aos países parceiros recrutarem, a custos mais baixos, no mercado internacional de trabalho. As estimativas sugerem que a AT em Moçambique constitui cerca de metade da factura salarial do sector público, sendo uma despesa que um número cada vez maior de decisores em Moçambique e alguns parceiros de desenvolvimento consideram inadequada em termos de utilidade-preço.
- **Reunir recursos para a AT é uma medida transitória.** Todas as partes reconhecem que os recursos nacionais deverão substituir, numa fase posterior, o fornecimento de recursos para fundos comuns por parte dos doadores. O apoio orçamental levado a cabo pelos parceiros de desenvolvimento indica que estes estão preparados para disponibilizar a maioria dos recursos dispendidos em AT, bem como para pagar os custos da transição da reforma da administração pública e de outras reformas fundamentais, enquanto exista um diálogo político efectivo sobre estas reformas e sobre o reforço institucional subsequente.
- **Transitar de abordagens “directas” para abordagens “indirectas”.** Vários entrevistados comentaram que é necessário trazer mais parceiros para os programas de apoio às reformas e alterar a sua ajuda para abordagens mais “indirectas”, mas permanecem dúvidas sobre como levar isto a cabo. É necessário que exista uma coordenação governamental forte, para conduzir um diálogo político efectivo sobre como fornecer a AT enquanto complemento de uma série de reformas centrais na engrenagem governamental. Uma liderança nacional forte pode igualmente ajudar a racionalizar o número de fornecedores de AT e de ONGs por sector, pressionando os parceiros de desenvolvimento a alterarem as suas ideias sobre as formas de fazer cooperação. Para além disso, as experiências dos vários sectores demonstraram que uma coordenação e complementaridade efectivas podem ajudar a encorajar abordagens mais coordenadas e alinhadas. Nos casos em que a liderança governamental não é suficientemente forte, a pressão pelos pares pode ajudar a atrair parceiros que têm estado indecisos, apesar da sua capacidade e vontade. No entanto, é importante deixar espaço para novos parceiros experimentarem novas abordagens. A aplicação de um modelo único não terá resultados positivos.
- **Pode fazer sentido uma combinação de abordagens “indirectas” e “directas”.** Um fornecimento mais directo de pessoal de AT e de acompanhamento é válido se estiver inserido numa estratégia de reforma mais alargada que conduza a uma maior liderança e apropriação por parte do país. A combinação de várias abordagens pode ser benéfica se for orientada pelas prioridades estabelecidas ao nível nacional. Embora o fornecimento “directo” de técnicos de AT possa ser dispendioso, em algumas circunstâncias as necessidades podem justificar os custos. O espírito da Declaração de Paris é que tais decisões sejam tomadas em diálogo com o país parceiro e envolvendo os vários actores interessados no plano sectorial sob liderança nacional.
- **Reconhecer as diferenças de capacidade entre os vários níveis de governo.** Os contextos são marcadamente diferentes entre o nível macro (de Maputo) e os níveis provinciais ou outros níveis mais baixos. As abordagens *indirectas* são factíveis onde haja

uma boa base de pessoal qualificado, mas isto é mais provável nas capitais do que nas províncias. Os parceiros de desenvolvimento e o governo devem analisar cuidadosamente as capacidades existentes aos níveis provincial e municipal, concebendo o seu apoio de acordo com essa análise. É também importante que as actividades sejam elaboradas no apoio ao desenvolvimento de capacidades para interligar os vários níveis de governação, em termos de consciencialização e coerência de políticas.

- **Utilizar o pessoal de AT como instrumento estratégico de mudança.** O fornecimento de pessoal de AT – seja através de fundos comuns, seja numa base individual - deve ser encarado pelo Governo como um input estratégico para o desenvolvimento de capacidades, e não exclusivamente como um recurso económico que permite preencher os espaços vazios nos empregos puramente técnicos. Este pessoal pode desempenhar um papel importante no acompanhamento de processos de mudança, fornecendo inputs para “modificar mentalidades e atitudes” e encorajando a transformação institucional. Nos casos em que a AT é fornecida numa base individual, o técnico deve ser destacado com um mandato para servir o processo de reforma local (e não a agenda do fornecedor da AT). A identificação de necessidades e o uso efectivo da AT podem ser assegurados através de mecanismos conjuntos, como grupos de trabalho para parceiros do desenvolvimento e um diálogo com o Governo sobre o desenvolvimento dos recursos humanos e sobre a reforma da função pública.
- **Abordagens diferentes requerem perfis diferentes dos técnicos de AT.** A cooperação para o desenvolvimento dos nossos dias exige que os profissionais sejam ainda mais flexíveis do que no passado. É necessário que exista pessoal bem qualificado e com experiência, que seja capaz de desempenhar as suas funções não só no plano técnico, mas que possua igualmente capacidades de relacionamento interpessoal e uma experiência sólida. Os profissionais têm de estar plenamente conscientes das condições para o desenvolvimento de capacidades numa dada situação, sendo capazes de acompanhar o parceiro no processo de transformação através de um repertório de papéis e de alteração de técnicas. O perito deve proteger o parceiro de forma a que este não fique retraído e, portanto, deve deixar a situação fluir sempre que possível, mas deve igualmente assegurar a obtenção de metas tangíveis, pelo que pode ser necessário um envolvimento mais pró-activo. Tais assessores, com uma multiplicidade de talentos e capazes de gerir a relação de forma produtiva, são raros. Nos casos em que o mercado internacional de trabalho não permita a identificação de candidatos adequados, os fornecedores especializados de AT podem estar mais bem colocados para identificar, formar e recrutar tais técnicos. Para manterem a competitividade, os fornecedores de AT precisam de reter o pessoal experiente, encontrar novos profissionais no mercado e formar um novo stock de assessores com um “novo estilo”, que sejam capazes de corresponder ao que se pretende.
- **As abordagens “indirectas” requerem uma alteração nas relações de responsabilidade (“accountability”).** As abordagens “indirectas” implicam que o governo parceiro faça a gestão dos programas de desenvolvimento e preste contas por eles. Isto significa um retorno ao conceito original das relações laborais, no qual o cliente compra aconselhamento técnico para seu uso próprio e o “perito” é responsável directamente perante esse cliente. A transferência da AT do doador para o país parceiro requer um certo grau de risco por parte do financiador, que perde o controlo sobre a direcção do programa. A principal razão para alterar a relação de responsabilidade (*accountability*) é que um país só pode ser ajudado a encarregar-se dos seus próprios programas, se tiver a oportunidade de desenvolver capacidades adequadas. A responsabilização e prestação de contas é uma oportunidade de aprendizagem, para que as organizações desenvolvam as suas próprias capacidades de gestão e construam o seu próprio sentido de compromisso com o programa a longo-prazo. Ainda mais importante é o facto de o estabelecimento de mecanismos de transparência poder ser uma forma de melhorar a relação de responsabilização entre o governo e os cidadãos, construindo meios de equilíbrio na sociedade, que podem ajudar a controlar o fenómeno de corrupção, comum em

Moçambique. Nos casos em que o parceiro não seja suficientemente forte para gerir os inputs de recursos de uma forma efectiva, pode justificar-se o uso de mecanismos temporários duplos de responsabilização e prestação de contas, tais como os que encontramos em alguns casos analisados no estudo.

- **O contexto pode influenciar o modo como é efectuado o fornecimento do pessoal da AT.** Num país pobre como Moçambique, com fracos sistemas de controlo, incentivos perversos e corrupção, a economia política deve ser incluída em todas as decisões sobre o fornecimento de recursos, incluindo de pessoal de AT. Nos casos evidentes de má utilização dos recursos, podem existir razões para implementar abordagens mais “directas”, ou mesmo para suspender totalmente a ajuda enquanto medida temporária. No entanto, os riscos óbvios de fornecer recursos de forma “indirecta” não devem servir de justificação para permanecer colado a uma abordagem. Vários entrevistados confirmaram que um diálogo político efectivo e coordenado abre espaço para mudança, o qual deve ser aproveitado pelas agências de desenvolvimento.

Estas conclusões são apresentadas com o objectivo de estimular o diálogo sobre a AT e sobre o desenvolvimento de capacidades entre doadores, e destes com o país parceiro. Em particular o diálogo entre doadores é um desafio considerável, uma vez que existem perspectivas substancialmente diferentes entre as agências de desenvolvimento em Moçambique, sobre como abordar a questão da AT. Algumas optam pelo envolvimento *directo*; outras defendem abordagens claramente *indirectas*. Estas visões divergentes foram expressas desde logo nos comentários ao primeiro draft deste estudo. Estes incluíram opiniões variadas, desde “o relatório apoia demasiado a perspectiva de que o apoio geral ao orçamento deve ser maximizado, em vez de enfatizar a procura da combinação certa de modalidades da ajuda” e de que “é irrealista assumir que a prestação de contas do pessoal de AT deva (ou mesmo possa) ser feita somente em relação à instituição parceira”, até “o relatório apoia demasiado uma abordagem gradual ao alinhamento da AT” e “gostamos dos vossos pontos sobre responsabilização e prestação de contas, particularmente que esta deve ser feita claramente em relação ao Governo, em vez das formas confusas e ambíguas que temos muitas das vezes no contexto actual”. Embora não existam certamente respostas fáceis, esperamos que os pontos acima referidos possam fornecer uma base para o diálogo sobre este tema. Estas ideias deverão ser debatidas sob liderança governamental, de forma a encontrarmos o melhor caminho a seguir.

1 Introduction

1.1 Study background

This is one of three country reviews in a wider study entitled “*Provision of technical assistance personnel: What can we learn from promising experiences*”. Other country reviews are Vietnam and the Solomon Islands. The wider study is financed by the Ministry of Foreign Affairs of Denmark (Danida), the Australian Agency for International Development (AusAID) and the German Federal Ministry for Economic Cooperation and Development (BMZ). The European Centre for Development Policy Management (ECDPM) in Maastricht, the Netherlands, is the executing agency.

Recent years have witnessed important changes in development cooperation policy, culminating in the 2005 Paris Declaration on Aid Effectiveness. This declaration defines capacity development as the primary responsibility of developing countries, with donors playing a supportive role. It sees developing countries as leading the development process by formulating their own strategies and setting specific objectives in their development plans, while donor strategies and activities are aligned with the development frameworks of partner countries and enhance harmonisation and coordination between the donor community and partner countries in the South.

For the last half century, technical assistance (TA), and particularly the deployment of personnel, has been one of the most recognisable features of development cooperation. For some donors, it has represented a key part of their programmes. However, the mechanism has attracted a lot of criticism, with the provision of long-term expatriate personnel being the most controversial.³ While most of the criticisms of technical assistance have had a general validity, technical assistance and the personnel associated with it have nonetheless made significant contributions in many countries. Although several critical publications on TA have recently been disseminated, documentation of the positive results of TA interventions is less visible.⁴

Looking to the future, there is a need to understand what the demand for TA personnel is, both from international development organisations and from partner countries, what has worked over the years and why, and to build on that for the future, as harmonisation and alignment also become pertinent in this field. Answers to these questions are highly relevant, as recent evaluations and experiences with the implementation of programme-based approaches, in particular budget support⁵ and sector programmes, indicate a growing need for capacity development to make such aid modalities a success. And TA is one of the key mechanisms used to support capacity development.

Box 2: Understanding of technical assistance

In the following, *technical assistance (TA)* is understood⁶ as ‘the transfer, adaptation, mobilisation and utilisation of services, skills, knowledge and technology. It includes both short- and long-term personnel from both national and foreign sources, plus training, support equipment, consultancies, study visits, seminars and various forms of linkage. This broad concept of TA comprising any form of non-financial aid aimed at supporting capacity development efforts is similar to the term ‘technical cooperation’. However, as elaborated below, this study will focus on technical assistance *personnel*.

³ See, for example, Berg, E. 1993. *Rethinking Technical Cooperation: Reforms for Capacity-Building in Africa*. New York: UNDP

⁴ ActionAid (2006); DFID (2005a; 2005b); Duncan (2006); IMF (2005); Lopes and Theisohn (2003); OECD/ DAC (2006); OPM (2003); World Bank (2005a)

⁵ See IDD and Associates, *Joint Evaluation of General Budget Support*, May 2006

⁶ DAC: <http://www.oecd.org/glossary/>

According to the terms of references (ToRs) of the wider study, the overall objective is as follows:

[to] gain a better understanding of the future demand for technical assistance, to relate it to past experience and to recommend how TA personnel can best be mobilised, used and managed in the future to strengthen national capacity.

1.2 Methodology

The study is being carried out in diverse country contexts to allow a comparative examination of TA performance under different circumstances. This explains the choice of an aid dependent country with an omnipresence of the donor community (Mozambique), a highly centralised country displaying steep economic growth (Vietnam) and a fragile country dependent on a few donors (Solomon Islands).

The study looks at four sets of questions:

- i) What are the current and likely future demands for TA?
- ii) What modes of TA have worked best and why?
- iii) What are the various options for managing TA in different contexts?
- iv) What are the implications for development organisations and partners?

We have discussed and agreed on the ToRs (see Annex 1), including the selection of sectors and cases for this study with representatives of the Government of Mozambique (GoM) and with the Donor Task Force on Capacity Building that was formed in the context of the work of the 18 Programme Aid Partners (PAPs)⁷ and their efforts to improve harmonisation based on the Paris Agenda commitments. The Task Force provided a forum that allowed to agree on a joint approach on how to target the work in Mozambique and to discuss the outcomes of the study.⁸ The country studies also provide information of practical use to the other development partners of the three countries where fieldwork was done to allow them to feed in, to comment and to stimulate the policy discussion.

Based on the discussions with the Task Force on Capacity Building, the focus of this study is on innovations in the area of TA as perceived by a number of PAPs to Mozambique. A key concern of these partners is to enhance the effectiveness of aid by following the commitments of the Paris Declaration and to find ways through which TA can be more programmed, mobilised and managed along national systems and procedures. There are also so-called "non-PAPs" which provide aid through project-type assistance and try to enhance aid effectiveness. Those are not covered by this study. The results of this study should therefore be read as covering the experiences of a selected number of donors in Mozambique and not the entire community of development partners.

This country review draws on the findings of a three-week country visit to Maputo, Chimoio (Manica Province) and Tete (Tete Province) which took place between 27 November and 14 December 2006. The study team was able to look into the education and agriculture sectors, the areas of public finance and public sector reform, and into decentralisation. Specific TA personnel experiences were taken on board from German Development Cooperation (GTZ), Danida, the European Commission (EC), some international non-governmental organisations (NGOs) and a number of pooled TA arrangements. We would have loved to get in-depth views on the assistance of other development partners as well, including the various organisations of

⁷ The PAPs consist of 18 development partners which provide General Budget Support to Mozambique. See more in Section 2.1.2.

⁸ The task force includes other interested development partners, e.g. UNDP is not part of the 18 PAPs. It is not formally under another donor working group in Mozambique but more directly liaises with the Group of Heads of Cooperation, if need be.

the United Nations which provide many experts to Mozambique. Resources and time mobilised for this study unfortunately did not permit us to do this.

The study also draws on a review of recent literature on TA, on a considerable number of recently published papers on Mozambique and aid reform, and on a large number of evaluations, assessments and reviews of assistance programmes by various donors.⁹ We held interviews and focus group discussions with about 60 informants, among them government officials at central, provincial and district levels, embassy and agency staff, national and international TA personnel and national and international NGO representatives (see Annex 2). A feedback session to the Development Partners Task Force on Capacity Building was organised at the end of the field mission.

The review of literature and programme documents provided valuable insights on the country context, aid management and broad TA practices and trends in Mozambique (Section 2). The experience of TA in Mozambique, illustrated through the various cases, is highlighted in Section 3 and analysed and discussed in the subsequent sections (4 and 5). We round up with some broad observations in the concluding section.

While some of the issues are brought forward with considerable boldness, a word of modesty is required. We have been able to draw on earlier work done by ECDPM on TA, including on Mozambique, and to compare international trends with developments in Mozambique.¹⁰ Despite this broad knowledge, the review remains no more than a snapshot of a rapidly changing aid and country context taken at the end of 2006. Moreover, the time given for this study permitted us to only scratch the surface of an enormously complex and contested issue. The reader should take this into account and read the paper for what it is.

1.3 Framing the discussion: Aid approaches

As will be elaborated further below, Mozambique's development partners apply a wide variety of aid instruments ranging from projects to general budget support. The type of instruments applied depends on a number of factors: the agency's philosophy on how aid should be delivered, domestic institutional constraints, the level at which the intervention takes place (macro, intermediate, micro) and the willingness and ability of country partners to identify the most appropriate form of capacity development support.

Broadly speaking, we can distinguish four approaches to capacity development¹¹ which reflect the current discourse on development assistance and which have a bearing on the type of TA supplied. The approaches are presented to help frame the discussion and to identify where support programmes can be situated along a continuum of more "direct" versus more "indirect" engagement of development partners. They are not meant to portray any normative messages or judgement. Each of these broad approaches, as well as a mix of them, can have value depending on the country situation. They can be used by partner countries and development partners as a tool for policy dialogue, particularly in situations where a large number of stakeholders is involved, such as in sector policy reform. Given the scope of the study we present them here in brief.

At one end of the spectrum are donors who "*do*" the work themselves in order to achieve results on the ground as expeditiously as possible. This approach is mostly prevalent in emergency or reconstruction situations whereby local systems and procedures do not exist or are bypassed, or where local systems and governments are weak, skilled nationals in short

⁹ There are two recent written papers on TA and capacity development in Mozambique which are useful to consult in addition to this document, see World Bank (2005b) and Scanteam (2006).

¹⁰ Baser and Morgan (2002); ECDPM (2005); ECDPM/ ACE Europe (2006); Morgan (2002); Pavignani and Hauck (2002)

¹¹ With inputs from Morgan, Land and Baser (2005), see also: www.ecdpm.org/dcc/capacitystudy

supply and fiduciary systems failing or not developed at all. The underlying assumption, to the extent that it is there at all, is that capacity will somehow develop through replication, modelling or osmosis. Activities are generally implemented through parallel project structures.

A second approach is more participatory, to the extent that donors try to engage with country partners through consultation, participation in planning, on-the-job training and discussing pre-designed development options. In this so-called “*direct*” approach, donors supply resources, remain in control and plan the process of capacity development with the assumption that the partners will follow and eventually take over once the situation is mature enough for a handing-over in terms of procedures, organisational processes and thinking. This approach does not exclude that one works with government and country processes. Activities are implemented through projects or programmes that are linked to but separated from local institutions. Project implementation units (PIUs) would typically be established within a government department or agency.

Next on the spectrum is the “*indirect*” approach to capacity development which very much underpins the argument of the Paris Declaration. Development partners are supposed to work with country processes and support endogenous initiatives and ideas. State and non-state actors remain in charge of the change process with external partners facilitating and accompanying country participants in their learning, adaptation and self-organisation.¹² This approach is built on a full understanding of country processes, politics and culture. Donor control and direction is exercised with various degrees of intensity but with the objective of taking distance and putting country partners in charge. Programme approaches or free-standing TA would typically be used in this scenario where resources are channelled and managed through local institutions within the framework of programme agreements.

Finally, at the far end of the spectrum, is the “*hands-off*” approach whereby development partners limit their intervention to paying for proven, measurable or demonstrated progress on the part of country institutions, which is based primarily on independently audited statement reporting. At the extreme end, payments are not linked to the implementation of any particular policies, any other intermediate outputs, or “*tied*” to purchase from particular suppliers or companies (see Barder and Birdsall 2006). Whether this extreme should be considered a capacity development approach is debatable and depends on the perspective one takes. While partner countries might wish to benefit from this form of assistance, there are no indications in the current aid discourse that this form of assistance would be preferred.

While sketching these four approaches, we do not mean to understand them statically. There are many variations, because the country situation might demand flexibility. As we will see in this report, we have discovered some forms of assistance whereby – within the same development area – more indirect approaches are successfully mixed with more direct forms of assistance. This can help to create capacity among partner country stakeholders if undertaken with a view to create more discretionary say about resource use, local involvement, leadership and ownership.

We will now turn to the Mozambican context to explore where the country stands in terms of its general development, its interactions with external partners, the capacity development approaches in use or tested and what this all means for the use of TA personnel.

¹² For a detailed discussion of “*direct*” and “*indirect*” approaches to capacity development, see David Ellerman (2006)

2 Context of Mozambique

Mozambique, like many other low-income countries, is a state where a whole series of historical, political, economic and cultural factors intertwine to produce a context which is highly challenging to the Mozambicans themselves, as well as to external partners. What makes circumstances particularly difficult is the enormous aid dependency, officially around 50% of public expenditure, but likely much higher if one takes into account the unregistered aid that flows into the country. To describe the complexities of the country context, we set out point by point some major features regarding the general country background, and the situation of the public sector more especially. A third section sketches the "TA situation" in the country, to the extent that this is possible given the absence of a systematic government overview and registration by a range of development actors who pour assistance into the country.

2.1 *The country and its partners*

2.1.1 Country background

Since independence in 1975, Mozambican development can be divided into three broad periods. The first was the close liaison with the socialist world lasting up until the mid-1980s. During this time, the eastern bloc countries, in particular the Soviet Union, East Germany, Cuba and China, and to a certain extent the Nordic countries, Italy and solidarity movements in Europe supported a planned economy. The second period lasted until the early 1990s, which marked the ending of the Cold War as well as the civil war in Mozambique, the transformation towards a multi-party democracy accompanied by massive international assistance (De Tollenaere 2006), and the emerging dominance of the international financial institutions and some bilateral donors. For Mozambique, this meant a painful transition from a planned to a market economy resulting in a weakening of the state, partially caused by the departure of qualified staff to greener pastures. On the other hand, more than four million refugees returned after the war which, combined with a process of liberalisation, allowed for a rebuilding of the economy. During the third period, until the present, the country has become more aid dependent, a function of its privileged status among donors and of its having become a model for testing new aid modalities. The period also experienced a profound transformation of the political system, public administration and policy.

Mozambique is a republic with a 250-member parliament elected by popular vote every five years. The President is also elected every five years and is head-of-state and government. The President appoints the Prime Minister and Cabinet Members. In recent times, the Cabinet has consisted of the heads of about 24 ministries. The government system remains highly centralised although there is a firm commitment to a programme of gradual decentralisation. The country, 1.5 times larger than France, is divided into 11 provinces, whose governors are appointed by the President. District administrators are appointed by the governor, and heads of sub-districts by the district administrator. Despite the existence of 33 elected municipalities and the provision of development funds to provinces which can be used with a level of discretion, the system is more one of deconcentrated administration than of political devolution.

In terms of development ranking, Mozambique was cited as number 168 on the United Nations Development Programme (UNDP) Human Development Index in 2006 whereas it was number 150 in terms of its gross domestic product (GDP) per capita (data from 2004). The majority of Mozambicans work in agriculture and live below the poverty line. By 2004 the number of Mozambicans living in absolute poverty had been reduced to 54% from 70% in 1999. Yet the vast majority of the rural population still lives on less than US \$1 a day.¹³ The country is one of the largest recipients of foreign aid in Africa and according to the Development Assistance

¹³ Source: IFAD, 17 Jan. 2007, www.ruralpovertyportal.org/English/regions/Africa/moz/index.htm

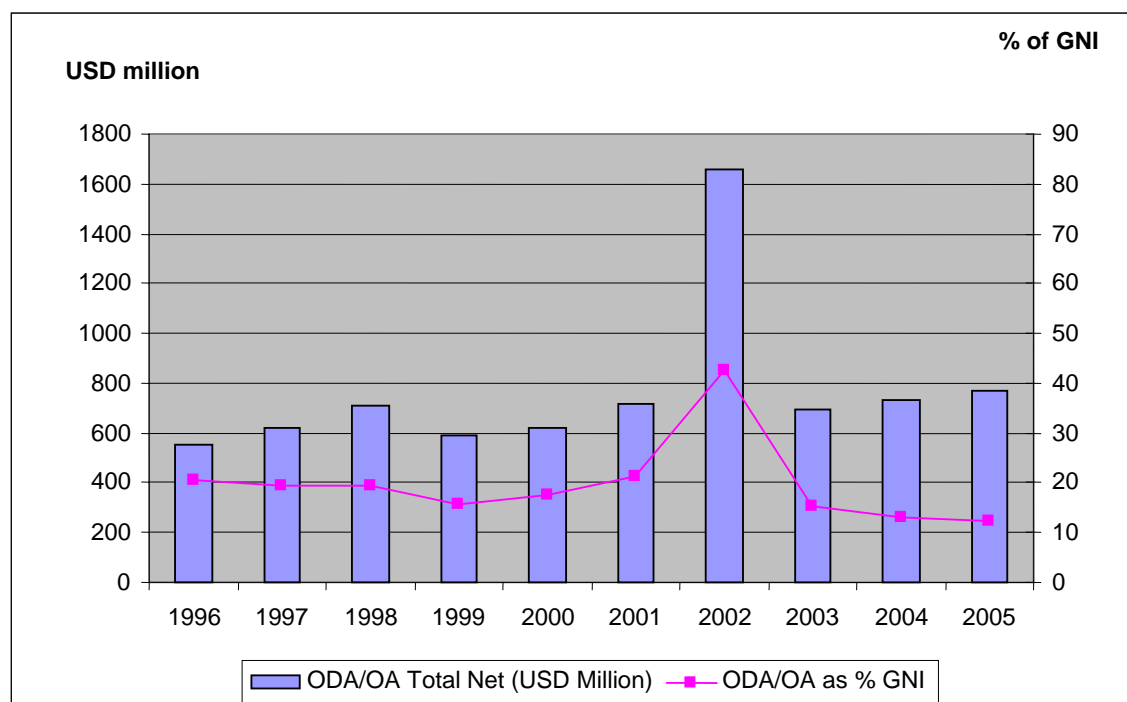
Committee of the Organisation for Economic Co-operation and Development (OECD-DAC) the world's eighth most aid dependent country. In 1992, donor support accounted for close to 90% of gross national income (GNI). This percentage fell considerably over the 1990s but rose again temporarily to above 80% in 2002 (see Graph 1, below). At the time of writing, more than half of total public spending and about two-thirds of public investment depended on donor support. The "top ten" ODA funding organisations to Mozambique are the International Monetary Fund (IMF) and World Bank, the EC, the United States, Denmark, United Kingdom, the African Development Fund (AfDF), Sweden, Norway, the Netherlands and Ireland (see Annex 8). The high levels of aid have resulted in relatively high growth rates and improvements in public service. They have unquestionably helped to rebuild Mozambique.

High aid dependency can, however, have serious negative effects. In a recent article, De Renzio and Hanlon (2007) suggested that high aid dependency creates disincentives for both donors and governments to change the rules of their engagement because of vested interests on both the donor and the partner country side. Furthermore, admitting that things are not working becomes politically more and more difficult.

Mozambique suffers from high levels of corruption (USAID 2005) and its government institutions are weak. These issues seem to receive less donor attention than policy reforms and, in one prominent case, may have been pushed aside. In the 1990s, two banks nearly went bankrupt after more than US \$400 million disappeared. The paper *Metical* suggested that a group of people connected to the highest echelons of the state were involved.¹⁴ Two Mozambicans, a journalist and the head of the Central Bank's banking supervision arm investigating the case, were murdered in November 2000 and August 2001, respectively. Despite these events, the Consultative Group meeting only two months later in October 2001 made aid pledges beyond what the government had requested. It is this kind of event that has led people like de Renzio and Hanlon to suggest that there is an implicit understanding between development partners and the government, "by which large-scale corruption was allowed to happen as long as stability was maintained and the neo-liberal economic policies of the IFIs [international financial institutions] and the main donors were implemented" (De Renzio and Hanlon 2007: 4).

Corruption is unlikely to decline as long as civil society and the parliament are not strong enough to exercise checks and balances on it. High levels of aid dependency work against this, with several authors suggesting that the government is more accountable to donors than to forces within Mozambican society (Hodges and Tibana 2005: 10).

¹⁴ Source: *Metical*, various articles 2001, www.open.ac.uk/technology/Mozambique/pics/d53732.doc

Graph 1: Aid to Mozambique, 1996 to 2005

Source: www.oecd.org/dac/stats/idsonline

2.1.2 Aid management

Mozambique's once substantial foreign debt has been reduced through cancellation and rescheduling under the IMF's Heavily Indebted Poor Countries (HIPC) and Enhanced HIPC initiatives, and is now at a manageable level. The implementation of the HIPC scheme was accompanied by the formulation of the Mozambican poverty reduction strategy, called PARPA, *Plano de Acção para a Redução da Pobreza Absoluta*. The PARPA aims to reduce absolute poverty to less than 50% by 2010. Its key areas include education, health, rural development, infrastructure, good governance, and macroeconomic and financial management.

A number of donors in Mozambique have moved towards alignment and harmonisation and increased use of budget support, convinced by the argument that a decisive shift from project aid to budget support needs to happen in order to increase the effectiveness of aid.¹⁵ Budget support accounts today for some 26% of total aid. Of this, 16% is provided through common funds and 48% via projects according to the statistics of the PAPs for 2007. It is estimated that two-thirds of Mozambique's aid stays outside the system and remains channelled directly to line ministries, provinces and districts as sector funds or under traditional project modalities. The government is estimated to have over 1,000 bank accounts due to donor requirements, and received 143 donor missions in 2004, excluding those from the World Bank (Menocal and Sarah 2006: 8-9). Observers, however, point out that the problem of bank accounts is rapidly dissolving with the introduction of SISTAFE, the new state financial administration system (see also Section 3).

This is partially caused by the donors' own limitations in harmonisation and alignment but also by concerns about funds being misused due to weak capacities, particularly in the area of

¹⁵ But there are doubts that this will indeed take place. Batley (2005) argues that the immediate effect of channelling aid through government into sector and national budgets may be neither to reduce the costs of aid nor to increase the ownership of government.

public financial management and a “likelihood that budget decisions would be shaped mainly by the elite interests in the absence of effective participation in political processes by poor people” (Hodges and Tibana 2005: 13-14). A few donors and government officials thus think that project aid is more appropriate, as it imposes fewer administrative demands on government, reaches targeted populations and keeps donors in touch with realities on the ground.

Mozambique has been a test case for harmonisation and alignment since 1998-99, when five donors started to coordinate general and sector budget support in an attempt to reduce the burdens on government and strengthen its planning and financial management systems. This has meanwhile grown to 18 general budget support (GBS) contributors and a number of “observing donors”, such as Japan, the United States, the IMF, the UNDP and the AfDB. Reasons for joining vary. There is the Paris Declaration which commits donors to harmonisation and alignment. It has also been suggested that a number of donors have joined with some funding to the general budget, in order to influence and “buy” a seat at the table, while continuing with parallel fragmented aid delivery practices (De Renzio and Hanlon 2007: 18).

The GBS contributors in Mozambique, called the Programme Aid Partners (PAP), have signed a memorandum of understanding (MoU) which is linked to a performance assessment framework (PAF). The PAF was agreed upon between government and donors in 2004. It is a joint assessment framework with one set of indicators relating to GoM performance and another set focused on donor performance. It builds on a number of underlying principles, e.g. good governance, democracy and responsible resource management.¹⁶ The GoM took a strong lead in negotiating the terms of the MoU. Initially, there were some 130 conditionalities proposed by development partners, but the government insisted on reducing these to 30 (Menocal and Sarah 2006: 8-9). The MoU spells out the terms under which donors are willing to provide aid as GBS, including a list of ‘exceptions’ to regulating individual contributions, and the arrangement of periodic performance reviews. An independent assessment of the performance of PAPs carried out in 2004 found that, overall, the situation was improving; more aid was coming on budget and more PAPs were aligned with government processes. The progress in harmonising bilateral agreements with the terms of the MoU had, however, been slow, and progress in reducing administrative burdens on government was limited (Killick et al. 2005).

In terms of accountability, the assessment report recommended that PAPs should adopt a more proactive strategy towards building mutual accountability to a wider range of stakeholders. However, the report states that parliament has decided not to participate in specific forums in which government, civil society and donors evaluate performance. One of the reasons mentioned is the position of parliament that the government should be held accountable to parliament, as defined in the constitution. Participation of civil society organisations (CSOs) in monitoring had been weak from the onset, but in 2005, CSOs participated in the joint review of the MoU for the first time. Views from GoM officials captured by the assessment reflect the asymmetrical relationships of this MoU in favour of donors and that negotiations are not taking place on an equal level. Yet, respondents recognised the value of the approach as it helps to point out where the government needs to do better (idem: 35-36).

Meanwhile, two more independent evaluations of the PAPs took place as part of the mutual accountability approach (Ernst Young 2005, Castel-Branco 2006). These evaluations were again carried out by consultants whose reports were commented on by the respective partners but did not necessarily reflect the opinions of the PAPs. Nor are commitments linked to the conclusions of the reports. The reports assess the performance of the PAPs against their respective PAF but state that it is a snapshot given the nature of the exercise and the dynamics

¹⁶ It builds on a number of underlying principles such as good governance, democracy and responsible resource management. The indicators relate to several areas of concern, including ‘predictability’, ‘alignment and harmonisation’, ‘administrative burden’, ‘transparency’ and ‘capacity building’.

of aid processes, flows and budget allocations. The most recent report observes that although there has been massive progress over the last three to four years, harmonisation between donors is still very fragile. It should be of particular concern that new PAPs may bring with them new and more exceptions to the MoU. There are, for example, PAPs which eliminate exceptions that other PAPs still maintain, and there are PAPs which are considering introducing new exceptions (Caselo-Branco 2006: 9). The report suggests that there be more reflection on the usefulness of these evaluations and that the PAPs learn from other experiences of mutual accountability in Africa and elsewhere to improve the process in the future.

The GBS study carried out under the aegis of the DAC¹⁷ was generally very positive about Mozambique and the collaboration on GBS between government and its partners, though it was clear that the increased provision of GBS was not the prime mechanism for the expansion of the total aid volume over recent years, as it had substituted on the whole for other aid flows (except for some individual donors). The study further noted that GBS had (i) substantially increased the resources that are on-budget; (ii) helped to develop a strong forum for dialogue with government on policy objectives and targeting priority objectives; and (iii) strengthened the planning and coordination process between 'core' government and line ministries. On the downside, GBS had only limited positive effects on service delivery and on the income and empowerment of poor people. Also of concern was that TA and capacity building remained the least harmonised and aligned element of the mechanism (Batley et al. 2006: S11-S12).¹⁸

Without any doubt, the comprehensiveness and organisational complexity of this new aid management approach seem to go beyond what the system can absorb. Transaction costs for both donors and government are excessive as noted by De Renzio and Hanlon:

The aid memoire is developed during a period of almost two months, and the one presented in April 2006 involved 24 working groups and hundreds of people. During that period, these people – many of them very senior government officials – did little other work. At the 13 April 2006 press conference, the Minister for Planning and Development complained about the number of sleepless nights for his staff in the weeks before the meeting, while the Swedish ambassador, whose embassy led the donor side, admitted she was shocked by the amount of work involved (2007: 18).

The GBS evaluation of Mozambique also makes this point. To attend a regular cycle of annual and mid-term reviews based on more than 20 working groups, combined with evaluations, formulation missions and other obligations which the bilateral work with the donor community brings with it, as well as attending to day-to-day government work, officials' capacities are highly stretched. Government staff often recount finding themselves outnumbered by ten or twenty to one (Batley et al. 2006: 26). While this criticism should be taken serious, it is important to note that the alternative would be the previous system whereby the government was drawn in different directions by diverse demands from development partners resulting in a continual drain on the government's administrative and decision-making resources throughout the year. This new way of working is a possible way out of an otherwise vicious circle and should help, over time, to reduce the burden on the various partners, in the view that some practitioners mentioned to us.

¹⁷ The Study looked at the use and effectiveness of General Budget Support (GBS), by drawing on the experience of seven countries over ten years: Burkina Faso, Malawi, Mozambique, Nicaragua, Rwanda, Uganda, and Vietnam. It was undertaken on behalf of more than thirty donor and partner countries. It was initiated and supported by the OECD's Development Assistance Committee's Evaluation Network (www.idd.bham.ac.uk/general-budget-support).

¹⁸ Donor representatives in Maputo expressed the view that it was too early to make a judgement on potential positive or negative effects of GBS on service delivery, income and empowerment of the poor at this stage as GBS, which is provided with a view to reduce poverty, is a young aid modality in Mozambique.

2.2 Public sector and civil service

2.2.1 Public sector reform

The GoM formulated the *Global Strategy for Public Sector Reform 2001-11* (GS) which sets out a comprehensive reform manifesto covering the rationalisation and decentralisation of state structures and processes for service provision, formulation and monitoring of public policies, professionalisation of public sector employees, improvement of financial management and accounting, and good governance and anti-corruption.

Implementation of this strategy has been problematic, as the Global Strategy itself was ambiguous as to whether the programme implementing this strategy was to be understood and managed as a single programme covering all areas of public sector reform (PSR), or as a coordinated set of sub-programmes. This loose definition of the PSR programme and lack of understanding of what should specifically be achieved caused several government institutions to simultaneously work on the reform without a proper coordination, communication and definition of core tasks for actors (GoM 2005: 13).¹⁹

A key element of the Global Strategy is the implementation of public finance management (PFM) reform. With the new government coming into power in December 2004, the former Ministry of Finance and Planning was split into the Ministry of Finance (MF) and the Ministry of Planning and Development (MPD). External partners expressed unhappiness with this decision as this new structure separated planning from budget preparation, processes which were already weakly integrated (Hodges and Tibana 2004: 4).

PFM reform received parliament's approval with the Law on Public Finance, a decree governing the state financial administration system (SISTAFE).²⁰ The MF is today responsible for the general budget, SISTAFE and the Mid-term Evaluation Framework (MTEF). The *Autoridade Nacional da Função Pública* (ANFP)²¹ is responsible for PSR and management of human resources and their development. The MPD is in charge of the annual Economic and Social Plan (PES) and PARPA, the Mozambican PRSP which is likely to be integrated with the government's five-year-plan after termination of PARPA II in 2010. Sector reform strategies are executed under the respective sector ministries.

None of these elements address strategically or consistently the issue of human resources and none provide clear guidance as to which of these 'instruments' would best provide operational priorities for the development of this crucial capacity of the government (Scanteam 2006: 15). Where this capacity issue has been addressed more systematically is in the area of PFM, although Killick (2005) and Batley (2006) have pointed out that the focus in this area should be broader and better, linked to development policy and strategy and to the quality of service delivery.

2.2.2 Civil service, human resources, training and pay

After the departure of the Portuguese in 1975, the country became dependant on skilled foreigners, provided through socialist bloc countries, or *cooperates* sent from Italy or Scandinavian countries. In parallel, thousands of Mozambicans were sent for training to Cuba, Russia, East Germany and other countries in the Soviet bloc.

With the structural adjustment programme of the 1990s, government cut spending severely,

¹⁹ See more on PSR in Section 3.2.1 which presents UTRESP, the technical unit supporting PSR

²⁰ See more on SISTAFE, and e-SISTAFE in Section 3.2.2

²¹ The ANFP (National Authority for the Public Service) was created in July 2006 by the President upon his criticism on progress recorded on Public Sector Reform.

resulting in the reduction of civil service salaries by more than 50%. The income of public nurses and teachers slipped below the level necessary to sustain their living standards (De Renzio and Hanlon 2007: 7).

The rapid change to liberalisation and economic restructuring as of the early 1990s resulted in a proliferation of bilateral donors and international NGOs with separately managed projects and accompanying TA, mostly bypassing central government. The declining public salaries and the “topping-up” practice by donors attracted civil servants or ex-civil servants to work on donor-managed projects at the expense of government capacity building (World Bank 2005b: 6).

Today, the public service still suffers a major deficit in terms of skilled staff and human resources management. It is estimated that less than 3% of ministry officials have university degrees (USAID 2004: 19) and a recent functional review of the then Ministry of Planning and Finance (MPF), one of the ‘core’ ministries of the current government, found that only 8% of its 2,738 staff held a university degree.

Civil service training is being addressed through the creation of regional training institutes of public and municipal administration (IFAPAs) and the Higher Institute of Public Administration (ISAP). TA is provided by different donors in each IFAPA, though enrolment is restricted, primarily due to delays in completing infrastructure (Scanteam 2006: 7). A training needs analysis is required, but has so far not moved up to a high place on the work agenda of the government despite attempts made by UTRESP, a technical unit for public sector reform, attached to the *Autoridade* (see also below).

While there are several initiatives under way to address the human resources deficit of the public sector, in particular in the area of PFM and decentralisation, an overarching “capacity development strategy”, which links civil service needs with the education system and private and civil society providers, is missing. The GBS study, for example, notes that capacity development in the MPF has remained fragmented and linked to projects (Batley et al. 2006: 26). The public sector suffers overall from a mismatch between training and tasks because human resources training programmes are not part of an integrated skills and career development approach (Scanteam 2006: 5).

Pay reform is an unwieldy reform of the government. Several high-level studies have been carried out since 2000 without resulting in concrete discussions and decisions by government on how to address this most crucial constraint to proper staffing and professionalisation.²² A continuing constraint to pay reform has been the poor quality of available data about the number and employment terms of public servants; the few records about the large number of contract staff, often financed off-budget through projects or sector-wide approaches (SWAPs); poor maintenance of data; and inconsistency between the Ministry of State Administration’s civil servant database, the payroll of the Ministry of Finance (MF) and the personnel records of the Administrative Court.

Not surprisingly, as a result of weak data and a failing human resources management capability, the payroll system has been prone to serious corruption.²³ But there is good hope that substantial improvements will be possible when SISTAFE (the Integrated System for State Financial Management) is used to integrate the civil servant database with the payroll system. On the downside, the system will not be able to capture the large number of contract government staff.

²² It is often argued that pay is not the only motivating factor for keeping qualified staff. This is true for certain categories which see for example benefit for professional development where opportunities arise, but looking at the human resources of a sector at large, as we will discuss in more detail below, a decent pay and benefit package is essential to bind qualified persons on a longer term with the state.

²³ Lawson, A., de Renzio, P. and M. Umarji. 2006. *Assessment of Public Finance Management in Mozambique 2004-5: Final Report*. Unpublished document, London: Overseas Development Institute (quoted in: De Renzio and Hanlon 2007: 14).

3 TA in Mozambique

In this section, we provide a broad overview of TA in Mozambique, with data on TA use and a discussion of what TA and technical cooperation (TC) mean to various stakeholders. The sections also provide information about the provision of TA to NGOs. We then introduce a number of cases which illustrate the diversity of TA experiences, on which we base our analysis in the subsequent sections. The selection of cases reflects a mix of experiences from the education and agriculture sectors and from public sector reform, including decentralisation and public finance management. We also include information about a new initiative in the area of technical and vocational training.

3.1 Some facts and trends

According to the OECD-DAC statistics in the table below, Mozambique received some US \$1.9 billion for TC between 2001 and 2005, which equals about 25.5% (without 2002 figures)²⁴ of the total ODA provided (see Box 1). These figures must be viewed with some caution as there is no uniform approach for tracking TC expenditures, and hence there is considerable variation among OECD members in the way they calculate their figures. While some donors, like Germany, make their TC contribution explicit, others include personnel as an integral part of project or programme-based approaches, including budget support, without breaking out TC or TA. This makes the personnel costs paid out of pooled funding and spent on short- and long-term consultancies, invisible. In addition, the funding channelled to international NGOs or TA providers who supply stand-alone TA is not always registered.

Table 1: OECD-DAC statistical data on technical cooperation, Mozambique

	2001	2002	2003	2004	2005
Total ODA/OA net (\$ million)	720	1660	697	731	771
Total technical cooperation	151.05	181.82	203.1	197.33	195.93
TC as % of ODA/OA	21	11	29	27	25
Average % over period 2001-04		19.5			
Average % over period 2001 & 2003-05		25.5			

According to the OECD-DAC, TC addresses skills and productive aptitudes available in a country, and comprises activities designed to increase the related capacities of a developing country. DAC statistics specifically record so-called "free-standing" TC, aimed at capacity development. "Investment related" TC, the supply of skills to support a physical project, is subsumed under project aid. The OECD-DAC statistical data are derived from aid activity data received from donors, including the 22 member countries of the OECD-DAC, the EC and other international organisations.

In Mozambique, the reporting of donors to the Department of International Cooperation of the GoM has been rather patchy until recently (Killick et al. 2005: 7). With the setting up of the ODA Moz-Database (www.odamoz.org.mz), recently transferred to MPD, reporting became increasingly standardised and has improved considerably. Specific information on TA or TC is not available, but there is awareness that a lot of knowledge and skills are brought into the

²⁴ 2002 should be recorded as an exceptional financial year. Some analysts mention that the floods in March 2000 created a need for massive investments for reconstruction which were recorded in the year 2002. Others say that debt relief has played a role as well.

country. Some rudimentary information from selected cases might shed light on the dependence on external expertise. The GBS study, for example, summarises several policy areas of donor support for “capacity building” in the MPF in 1995-2005 (see Annex 3). Information about the number of TA personnel assigned to policy areas or about financial investments are not available. The authors also suggest that the figures are probably incomplete given the high number of uncoordinated interventions provided to the sector over the years.

Within the donor community in Mozambique, TA for capacity development is considered highly relevant, although coordinated action towards development of a coherent approach to TA provision, including the “pooling of TA”, is at an early stage.²⁵ The general attitude seems to be that TA is a joint responsibility of the individual donor and the government, not one to be shared with others. The PAF matrix of the PAP, however, includes capacity building as an area of concern and contains indicators which measure advancement on the implementation of a TA strategy to increase the pooling of resources.²⁶ The new planning table for the MTEF also asks institutions to specify TA requirements and consultancy services as of 2007. These instruments are useful, as they provide a potential entry point for bringing more transparency into the TA discussion and for more systematic dialogue on TA needs and TA practices between donors and GoM.

The information provided in Annex 3 specifies which policy areas in the then MPF benefited from joint capacity building support. Most active are the Nordics and Switzerland, which started some TA pooling arrangements as early as the mid-1990s (Pavignani and Hauck 2002: 13). Other donors came gradually on board later on. There is also coordination on TA needs in the context of some SWAs, such as in education and agriculture. In addition, there are some promising pooling approaches emerging in selected intervention areas in the public sector which we will discuss in more detail later on.

Killick et al. (2005: 18) recommend that these TA pooling arrangements be extended, because *“technical assistance as an aid modality is not yet up to the standards of the Paris Declaration. Based on a GoM long-term vision, consideration should be given to the establishment of joint funding arrangements, such as a Common Fund for Technical Assistance.”* Donor representatives in Maputo, however, think that it is too early to move towards establishing such a fund in the absence of strong demand from the GoM given the overall situation of human resources management of the public sector. A similar discussion is gaining momentum in neighbouring Tanzania and will provide information for PAP’s dialogue with the GoM. Experiences from there will be closely monitored and taken account of in the context of PAP’s dialogue with the GoM.

The latest “TA trend” in Mozambique is the recruitment of TA by donors to support working groups in order to beef up their technical knowledge in specific areas, or to assist with the coordination of donor activities – simply because the workload has become too heavy for bilateral specialists employed in embassies or donor agencies. The donor sub-group on decentralisation and municipalisation, for example, has recruited such a person, who is expected to keep working groups informed about relevant developments and to organise periodic meetings in a well-informed manner.

²⁵ See Annex 7 for a framework for distinguishing five principal levels of “TA pooling”.

²⁶ The latest PAF matrix, measuring 2006 and beyond, has been updated with indicators to target the reduction of “parallel PIUs (in accordance with Paris indicator no. 6)” and to aim at an increase of “TC provided through coordinated programmes (in accordance with Paris indicator no. 4).”

3.2 Understanding of TA/TC

Within the GoM, there is no common understanding of “technical assistance”. There is no strategy, policy or guidelines on how to work with TA, although MPD officials acknowledge that it would be useful to have these. From the Mozambican side, most interaction with TA personnel is based on perceptions of what could be immediately useful for the organisation and less on formal planning and needs identification. According to one official, TA is seen as part of the organic growth of an organisation and determined by ad hoc requirements focusing on getting things done quickly. Different experiences and practices result in one official wanting more TA whilst another might fiercely reject TA. Some see the value of TA personnel mainly in the context of providing training, while others recognise that they can also be an asset for shaping systems, introducing new insights and even changing attitudes.

When TA personnel are proposed as a means of improving human resources planning and supporting organisational reform, reactions are often lukewarm. There have been examples where such exercises led to the discovery of organisational deficiencies and malpractices, like double payment and ghost employees which require a firm commitment by the leadership to overcome.

In most assistance programmes, the term *technical assistance* refers to the fielding of experts from outside the country, and *technical cooperation* is understood as where the provision of technical experts is part of a wider package of assistance to help build capacities. There is also the term *consultant* which donors use in the same context as TA (see, for example, use of this term in the MTEF planning matrix). The term “external expertise” therefore needs some qualification, which we have set out in Table 2 below. First, we must distinguish between international TA contracted by international development agencies or consultancy firms, and provided in-kind as part of a project or programme intervention, and international TA contracted by national institutions (mostly with “pooled” donor funding). Second, there is national, sometimes also called “local”, TA which is primarily contracted from the national labour market, but sometimes also contracted by an international agency locally and provided in-kind to local institutions or to project or programme implementation units.²⁷ Then there is administrative/support staff, not to be considered TA, who are either contracted and provided in-kind by agencies or consultancy firms, or contracted by local institutions.

Table 2: Main forms of external human resources inputs to local institutions

	<i>Contracted by international agency or consultancy firm</i>	<i>Contracted by local institution</i>
<i>International/ regional “technical experts”*</i>	<u>primary objective:</u> a mix of capacity development activities, combined with gap-filling	<u>primary objective:</u> provision of high-level expertise in the absence of government staff, advisory and gap-filling
<i>National “technical experts”**</i>	<u>primary objective:</u> a mix of capacity development activities, combined with gap-filling	<u>primary objective:</u> provision of high-level expertise in the absence of government staff, advisory and gap-filling
<i>Administrative/ support staff**</i>	<u>primary objective:</u> mostly a service function, related to a donor-funded project or programme	<u>primary objective:</u> provision of a labour force for routine operations in the absence of a government staff

* This high-level expertise generally helps to build new systems, provides policy-relevant analysis, evaluates processes, provides strategic advice, etc. This provides so-called “institutional capacity”. A key feature, however, is the absence of a government employee to whom the job can be handed over after the expert has left. Unfortunately, this situation is often the same for TA provided “in-kind”, or procured via tenders.

** This can be a Mozambican national or a person holding another nationality contracted from the local labour market.

²⁷ In some cases, these can show a considerable level of integration with the local institutions to which they are attached. We will discuss such cases later in more detail. See, for example, Danish assistance in the education sector to Tete Province (Section 4.3).

The widely used term “national” or “local” TA²⁸ requires some qualification as well. The traditional understanding of “TA personnel” in development cooperation is that a person contributes to the capacity development of an institution’s staff and system through the provision of (on-the-job) training, advice, counselling, sharing of knowledge and expertise. However, the reality of “national TA” in Mozambique – to the extent we could see from our cases – is that most of these persons are contracted to fill (relevant) gaps or new positions for which the government system cannot mobilise suitable persons, because of the unattractive conditions of service.

This also applies to “international TA”, sometimes also called “experts”, recruited by local institutions contracted to do work for which there is not (yet) a suitable person within the system. Such work can be highly relevant, as the institution might be in dire need of the expertise to function properly. But in the absence of a functioning human resources management and personnel development plan – a reality in most Mozambican institutions – the contribution of the expert will remain principally of a high-level or “strategic” gap-filling nature.

Regarding TA contracted by national institutions, there are various arrangements on how it is used. There are contracts made for specific *technical experts* working in line positions, but performing important advisory functions too, and there are *administrative/support staff* recruited by institutions (partially on a limited contract basis) to fill gaps for routine work.

Discussions taking place within the donor community in Mozambique reflect the ambiguousness of the term TA. Some of the donors participating in the education working group, for example, have built strong working relationships with key officials in the Ministry of Education (MoE) and engage in policy discussions through which they provide advice on technical as well as strategic issues. Some donors carry this out through specialised embassy staff, not registered as TA; others perform it through specialists contracted via a development agency or TA provider. Both groups do very similar technical work but only the latter are registered as TA. The situation is comparable in other working groups, where policy staff working in embassies or agencies have dialogue and advisory relationships with colleagues from national institutions. There is a feeling that the TA discussion should be more honest about this.

3.3 TA and the NGO sector

There is no systematic compilation of TA provision and use among national and international NGOs. Information is therefore only anecdotal. Similar to the public sector, TA personnel have a large input in the NGO sector. A wide variety of international TA agencies and NGOs provide expatriate TA personnel, or funding to recruit expertise locally. Expatriate TA arrives from neighbouring countries as well as from countries in the North and comprise well-educated and highly experienced technical experts as well as young and unexperienced volunteers. Finding the right persons for Mozambique is not easy, as some TA providers confirmed. The combination of Africa-experienced experts with good Portuguese language knowledge is rarely available from volunteer agencies and solidarity NGOs which cannot afford professional salaries. Such TA can easily take an entire year to start up, a second year to run on half-steam and a third year to show initial results. Quite often, young and inexperienced expatriate TAs do not make it to the end of a two or three-year contract.

Local NGOs with experience with provision of “in-kind” TA are increasingly critical and have started testing out different organisations operating in the “aid market”. Where performance is not good, as in one case which was brought to our attention, The NGOs terminated their

²⁸ When we use the term “national TA” we primarily refer to Mozambicans but also to expatriates residing in Mozambique and falling under the contracting and tax arrangements for nationals, without exemption, specific status, etc.

contacts with the partner organisation, not only with the individual TAs. A major problem is that much “in-kind” TA is provided on the basis of decisions at the headquarters of these organisations about which CV should go forward for acceptance or refusal, and usually there is only one. This contrasts with the policy of many organisations which stipulates that several CVs should be presented for NGO managers to make a choice.

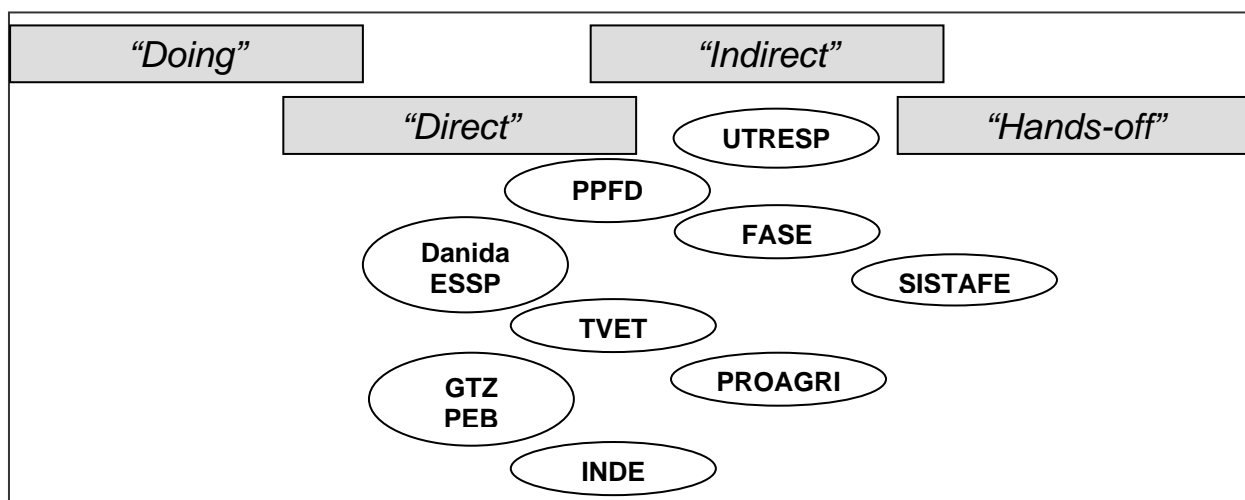
This desire for *choice* leads local NGOs to think they would be better off with funds provided for the procurement of TA. The decision to recruit a northern and more expensive expert as compared to local or regional TA staff would need to be very well thought through. Evidently, the person would be acceptable if he/she brought a value which could not be found locally. What makes TA providers attractive to NGOs, however, is that they are more knowledgeable on how to manage the recruitment and contractual side of human resources provision. Some providers are not bound to contract people from Europe, North America or Japan and are generally better aware of the variety of sources for international TA. Another advantage mentioned is that TA providers are generally less bureaucratic. If NGOs procure expertise with funds provided by development agencies, the administrative and managerial burden is generally much higher as compared with TA provided “in-kind”.

4 Analysing TA demand, intervention and management

The following analysis builds on a number of cases as well as the broader country context in which these TA experiences are situated. Some of the cases contain innovative or unusual approaches. Others are interesting because they highlight project approaches which have a long history, but which are now being implemented in a context of gradual harmonisation and alignment to better link with wider reforms.

We would like to analyse these TA experiences from the perspective of the spectrum of capacity development approaches presented in Section 1.3, which distinguished four basic approaches, ranging from “hands-off” and “indirect” to “direct” and “doing the work”. It would be wrong to see the various experiences as being “fixed” in one of the clusters. Some of them show overlaps; others consist of a mix of “direct” and “indirect” or are in the process of gradually evolving from one to another. In discussing the clusters, we also take note that some of the processes leading to the provision of TA personnel have been locally conceived, while others have been “imported” and subsequently “negotiated” between aid partners and the GoM. We also present insights on some TA experiences from the provincial level that are linked to wider macro-level reforms. To get an up-front overview before going into the detail of the analysis, we have mapped the cases examined in a non-scientific way along the continuum from “doing” to “hands-off” in the below figure.

Figure 1: Non-scientific mapping of cases



Abbreviations: UTRESP: Technical Unit for Public Sector Reform; PPFD: Planning and Financing the Decentralisation Reform; FASE: the education sector basket fund; SISTAFE: State financial administration system; ESSP: Education Sector Strategy; TVET: Vocational and Educational Training; PROAGRI: National Plan for Agricultural Development; PEB: Primary Education Project; INDE: National Institute for Educational Development.

4.1 Towards a “hands-off” approach

We call this section “towards” as we have not discovered a full “hands-off” approach. The extent to which such an approach is desirable and applicable is open to discussion and should be the subject of policy dialogue among the development partners. Obviously, a key principle of the Paris Declaration is mutual accountability, which would not fall at the extreme end of a hands-off approach. Several comments on this study underlined that some form of accountability towards the external partner needs to remain. There are different views, however, on whether this accountability should be at the higher and macro level, or remain at the level of specific interventions, such as the provision of TA personnel.

We discuss in this section the example of SISTAFE, the financial support to the state financial

administration system, because in this effort development partners stay at a considerable distance. This ‘letting go’ is interpreted differently among partners, with some retaining a close level of engagement while others are more comfortable with monitoring from a distance. One might argue that this case should not be classified as “hands-off” as it is not an integral part of the government’s plans and budgets. Funds are earmarked for a programme within the area of public finance reform. Despite this, we have decided to include the example here as it reflects a trend among several donors to take increasing distance and pay for demonstrated progress based on independent audits.

4.1.1 Discussion of cases

SISTAFE: Support to the financial administration system

SISTAFE came into being after senior government representatives and officials within the then MPF identified the need for a solid financial management system for the public service, based on modern technology. An *in-house development approach* was followed which was driven by local insights reflecting national priorities and which envisaged the development of local personnel for implementation. In the absence of sufficient in-country capacities, this required that a series of other changes needed to take place within the wider national education system, such as raising thresholds for acceptance to training institutions, changing curricula within higher education institutions and progressing with public service reforms. This initiative is further characterised by a donor community which supported the approach taken, pooled their funds into government-managed accounts and accompanied developments from a distance, some more “indirectly”, others through a “hands-off” approach.

The pooled funds have allowed for the contracting of international and national TA personnel, payment for the programming of an electronic system reflecting Mozambican priorities plus the purchase of accompanying systems, software and materials.²⁹ Additional costs have included the training of a group of national experts by an international company. This remains an expensive approach and for this reason has received considerable criticism from outside experts.³⁰ Notwithstanding this, the approach taken by the GoM and its partners is worth looking at more closely, as it has created a momentum for change in the Mozambican institutional landscape with the potential to stimulate wider reforms of the state and to broaden ownership. This momentum, according to some donor representatives, is important to recognise and is worth supporting.

Box 3: UTRAFE/SISTAFE – Public finance reform

Within the Ministry of Planning and Finances (MPF), UTRAFE³¹ is the unit providing technical and financial support to the state financial administration system (SISTAFE). UTRAFE heads one of the several reform areas that contributes to the goals set out in the earlier mentioned *Global Strategy*. SISTAFE covers public sector budgeting, accounting, fixed asset management, treasury operations and internal control. The heart of the reform is the development and implementation of an integrated financial management and information system. This e-SISTAFE is expected to connect all ministries, sub-national tiers and public enterprises by 2008.

A group of Mozambicans within the MPF were dissatisfied with the results of externally funded support

²⁹ There is a similar experience within the agriculture sector where PROAGRI funds have been used to recruit an international consultancy firm to set up the financial administration system. While the European Commission helped to find and recruit the firm initially, the work of the consultants has been contracted and directed by the Ministry thereafter. Donors did take a “hands-off approach” thereafter and all sources confirmed that the procurement approach worked well.

³⁰ According to critical observers, the system is likely to fail based on experiences from neighbouring countries implementing similar systems. They also believe the system could have been much cheaper and less centrally controlled.

³¹ UTRAFE = Unidade Técnica da Reforma da Administração Financeira do Estado (Project Implementation Unit for Public Financial Management Reform Programme)

for the overall financial management of the GoM and started to conceptualise SISTAFE, which was formally established in 2002.³² There was a conviction among this group that the system needed to build on national capacities in order to make it sustainable. This *in-house development strategy* has since received strong donor support through pooled funding, which includes the funding of TA for implementation and monitoring of progress. The common fund arrangement³³ is managed by UTRAFE, while the World Bank contributes through a grant. Broad donor support has made it one of the largest TA pooling arrangements in Mozambique.

Starting with some eight nationals, UTRAFE is today staffed by some 100 local TA (consultants) and some 17 expatriate TA, most of them from Brazil. SISTAFE is generally viewed as a successful TA pooling arrangement with positive effects on the overall functioning and capacity of the state system (SISTAFE 2005). There is widespread acknowledgement that the IMF has contributed substantially to progress of the SISTAFE reforms. Based on its overview and comparative knowledge of core government functions in public finance management, it gained legitimacy and support for reforms on structural and technical issues. Both the PAP and the Minister of Finance would now like to see a continuation of the IMF's assistance with a stronger focus on management, communications and organisational development to more broadly address capacity development in this area. The IMF has indicated, however, that it plans to discontinue its TA to the reform – a step which all partners in Mozambique feel would not be beneficial to the reform's further implementation.

4.1.2 Analysis: demand, intervention and management

Demand

The SISTAFE experience shows that considerable reform momentum can be created once the demand is locally generated and ownership is in national hands. From SISTAFE respondents at the central as well as provincial levels, we heard that things are changing fast – at a speed which is new to many government institutions. This local momentum creates new demands for technical assistance, be it via international experts or through backstopping mechanisms, such as experts working in helpdesk functions.

It also shows the importance of national commitment and the willingness to take risks. The choice for a locally generated approach for SISTAFE implied addressing a series of weaknesses within higher education in Mozambique and overcoming substantial blockages within central government institutions.³⁴ As such, it has created an endogenous demand for change which goes beyond the financial sector alone. Outside partners had tried to create this demand for some ten years preceding SISTAFE but never achieved a comparable pressure and momentum for change as this new approach realised.

Intervention

It is worth noting that this case relates to financial administration, an activity to which donors give high importance and elaborate support. Also note the *specificity* of the sector (a single issue and technical specificity), which allows institutional change to take place more successfully as compared to change in other sectors.³⁵ Questions need to be raised about the extent to which similar conditions and momentum for change can be created in less specific sectors or areas of work.

³² SISTAFE is established by Law 9/2002 of February 13, which is published in the GG (BR) N.º 7, 2nd Supplement.

³³ This is financed by Switzerland, Netherlands and the IMF Joint Fund, receiving contributions from Denmark, EC, Norway, Sweden, UK and Belgium

³⁴ Respondents indicated that the major bottleneck to change was the resistance from colleagues within the MFD. They were the first to understand what the implications were in terms of winners and losers of this reform and accordingly obstructed or supported it. Through highest government support and the formulation of a law, however, resistance was eventually overcome.

³⁵ This is old knowledge from the institutional development literature but still relevant to keep in mind when discussing institutional change and reasons for success today – see in particular Israel (1987).

The case also shows how important legitimacy is for creating a momentum for institutional change. Country as well as development partners acknowledge that the technical knowledge and experience of the IMF advisors, combined with a powerful home institution to back up their work with a partner, were essential in rallying the different partners behind the reform.³⁶ Their technical expertise, combined with their knowledge of the aid business was so convincing and of such added value that the MoF decided to extend contracts without external partners exercising any pressure.

The responsibility taken by government officials in the case of SISTAFE also resulted in in-depth reflection on sustainability and creation of a government-wide capacity to maintain the system. In the absence of qualified persons to be recruited from the labour market, young nationals had to be trained to gain a level of knowledge for the programming and maintenance of e-SISTAFE, as well as for proper accounting. In-house programmes had to be designed and implemented and curricula at the university had to be changed. All of these persons are under UTRAFE contract and receive a local consultant's salary ranging between US \$1,000 and \$3,000 per month.

Still, sustainability is not guaranteed.³⁷ The case shows that the procurement-based TA concept does not solve the key problem of successful institutional reform – proper human resources development embedded in a modern civil service reform. While all cases clearly demonstrate their contribution to building the organisational and institutional capacity of the government, the creation of sustainable individual capacities is absent or under question without a wider human resources and pay reform of the government. In the case of SISTAFE, it is clear that specialists would disappear if their conditions of service were to be harmonised with current public sector pay scales. Keeping the special agency status of UTRAFE, richly funded by national and outside sources, is therefore indispensable if the government wants to implement and run its new financial management system successfully.

Management

In terms of TA management, the system is straightforward, as it is in the hands of government institutions with salaries paid out of a pooled fund. Outside partners might chip in with a helping hand to find a suitable consultant but procurement, contracting and day-to-day supervision is with the national institution, to which TA personnel is also accountable. For donors, the arrangement is cheap, as there are no overhead costs to be spent on TA management. High investment costs for the initial policy dialogue can level off, once the government system has taken ownership and is convinced of the importance of mobilising human resources thereafter.

Donors have stayed at a distance, some more than others, and facilitated the work of the government's change managers. Where hesitation dominates, or where there is a lack of understanding, considerable dialogue might be necessary to put the train on the rails, but the donors step back afterwards. In the case of training young professionals for SISTAFE, lack of contacts and knowledge about outside expertise led to the brokering of a contract with an international firm which was facilitated by the IMF.

4.2 “Indirect” approach

A broad range of experiences analysed for this study fall into the “indirect” category whereby local actors remain in charge of the change process but are accompanied by external partners who also facilitate learning, adaptation and self-organisation through the provision of TA. Similar to the “hands-off” approach discussed above, there are divergent views and practices

³⁶ A similar argument, though at a smaller scale, is made by the finance advisors in the MEC which we discuss in the next section.

³⁷ The Joint Review 2005 of the GoM and the PAPs also raised concerns over the sustainability of capacity building and management in the SISTAFE working group (GoM/ PAP 2005).

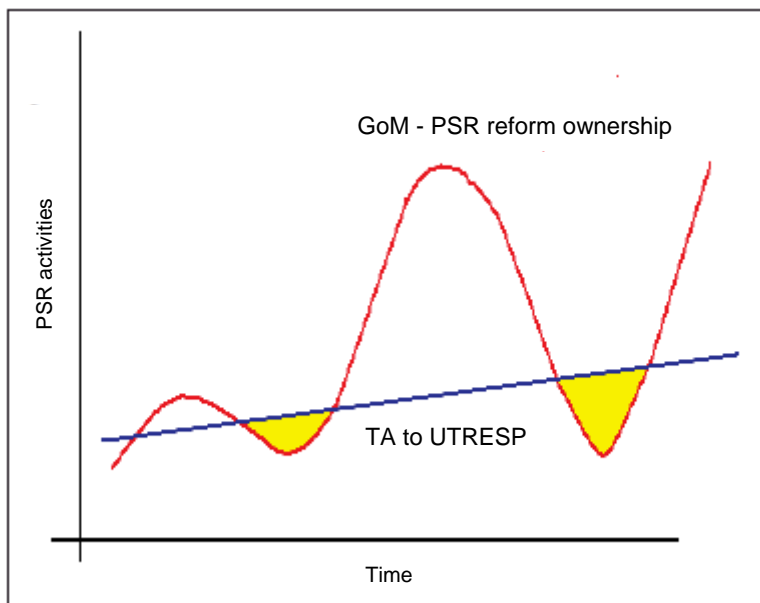
among donors as to the extent to which these change processes should be closely accompanied, or not. We discuss TA experiences in the context of public sector reform (UTRESP), the education sector basket fund (FASE), agricultural development (PROAGRI) and the new developments taking place in the area of decentralisation (PPFD). In addition, we draw out insights emerging from “indirect TA assistance” in the provinces, in particular that provided by Danida in the agricultural sector.

4.2.1 Discussion of cases

UTRESP: Public sector reform

UTRESP is a useful case for highlighting complex processes of institutional change which have been strongly motivated by external partners but which are gradually finding their way towards a locally driven reform agenda, supported with inputs provided by international TA. At first, there was no strong national leadership for the reform³⁸ and TA was supplied through parallel funding in an attempt to make the best of the situation – a rather traditional approach, one could say. But looking at the experience retrospectively, it turns out that this TA functioned as a kind of stabiliser to keep the reform going and to haul it through insecure waters (see Graph 2, below). This supply of TA resulted in genuine demand from within UTRESP. Two principal factors supported this process: (i) good professional performance, providing essential strategic and operational inputs, which shaped a broad legitimacy of the TA and (ii) a working relationship with a local partner which was built on trust, shared understanding about the path to follow and mutual respect. This was possible because TA was available full-time over a long period within the house.

Graph 2: Development of public sector reform



Another important element has been donor behaviour. A common fund set up by several donors and government in 2003 motivated other partners to follow, recently including Danida. The formerly bilateral and, as it was perceived by some, parallel resource supply to PSR for TA personnel is today channelled through the common fund out of which TA, procured via an

³⁸ To explain the absence of a strong local drive we were told that the current PSR (2001-2011) is based on a draft strategy produced by a group of international and national consultants in a belief that it would be submitted for discussion to stakeholders. Instead, the document was accepted by national leaders “without one comma being changed” and launched officially.

international tender, will be paid as of 2007. Tracing the path of this change process, the argument can be made that such complex change processes need to be given ample time to mature and to evolve, even though the road is bumpy and not always marked clearly. In the case of UTRESP, experienced external TA individuals, combined with a productive interaction with professionals from the country, became the instruments to overcome resistance to the reform and to create widespread acceptance among stakeholders of its relevance. Today, the *Autoridade Nacional da Função Pública* (ANFP) has been created to lead PSR. There is a plan to gradually integrate the functions of UTRESP into the ANFP to pursue the reform fully from within the GoM. The common fund, sourced by GoM and development partners, can help to support this move, but the essential element to make this exercise fully nationally driven will remain a strong national drive from within the system.

Another aspect to retain from this case is the importance of flexibility and space. The Danish embassy did not insist on a strict interpretation of the project document and allowed for considerable adaptations based on demands brought forward by the Mozambican partners during project implementation. This demand, combined with a too-loose definition of the programme, caused the exercise to venture into too many different directions as the evaluation of the PSR programme (2001-05) critically remarked (GoM 2005: 12-13). The critique was justified to alert UTRESP and its partners to not forget their core business. On the other hand, it allowed UTRESP and its partners to explore and test out new approaches, signal to other government structures the importance of “doing things differently” and to learn from mistakes. The donor’s mix of accompaniment from a distance and “letting go” seemed to have created change momentum and emerging ownership among national partners that a more “direct approach” – as respondents observed – most probably could not have achieved.

The case also counters the argument that private firms and their experts are not necessarily best placed to engage in institutional change processes, as their prime concern is the fulfilment of a contract for which they are paid.³⁹ The essential lesson from the TA support to UTRESP is that there was a donor which deliberately took a distance, despite bilateral project funding (“too much of a distance”, as some might argue), which allowed for changes to take place (“too many”, as some might argue) and which is now adapting its approach from direct funding towards a harmonised and aligned approach (“much too late”, as some might argue as well). The question remains whether a rather “hands-off” approach, as followed in the case of SISTAFE for example, would have helped. There is no clear-cut answer, but in the absence of a comparable national commitment to change, the insertion of TA personnel into the reform process and the gradual creation of a facilitating environment for broader change – in particular also through a focus on “changing minds and attitudes” – needs to be recognised as a decisive factor for change.

³⁹ This point is made as there is a discussion within Denmark about the ‘pros’ and ‘cons’ of Danida recruited advisers versus company employees. Mozambican interviewees acknowledge broadly that there is no difference to them whether the TA originates from Danida, or a Danish company. We contribute to this discussion in our Annex 6.

Box 4: UTRESP – Public sector reform

UTRESP⁴⁰ is the technical unit reporting to CIRESPP, the Inter-Ministerial Commission for Public Sector Reform, responsible for supporting and coordinating the implementation of the PSR and chaired by the Prime Minister. UTRESP was established in 2000,⁴¹ and the key reference for its work has been the *Global Strategy for Public Sector Reform 2001-11*. There are questions, however, regarding the extent of GoM ownership of the reforms. The process started with World Bank financing of several expert studies on how to implement the reform. The intention was that via consultation and dialogue between GoM, donors and non-state stakeholders a broadly agreed reform and implementation strategy would emerge whereby the GoM would have the final say on the way forward. This did not happen. Instead, in the absence of broader GoM leadership, technocrats within UTRESP started to gradually build up their areas of work and mobilised funding from various donors, of which Denmark had become the most important as of 2002, to fund the TA component of UTRESP.⁴² In 2003, a common funding mechanism for financing UTRESP was set up which channelled finances into the reform programme parallel to the Danish TA funding. Today, a single fund is operating to which a large number of donors contribute and out of which a “pooled” TA assistance component is expected to be financed as of 2007.⁴³

The road for UTRESP has not been easy given a considerable number of ambiguities on how the *Global Strategy* should be understood and implemented from the outset (see also Section 2.2.1). Despite this problematic start, UTRESP has managed to successfully support and work on a number of reform areas, such as the functional analysis and restructuring of state structures, provincial reform, ‘quick wins’,⁴⁴ change management training of government employees, salary reform and anti-corruption policy. The approach of UTRESP was a process of gradually opening doors for wider PSR, shaping space to manoeuvre in the absence of other players taking initiative and building networks and alliances. The result today is a broad recognition within the GoM and in the donor community of the importance of furthering PSR achievements using mechanisms and approaches that build upon the contributions of UTRESP. The strategic review of the PSR carried out in 2005 found that UTRESP had become an effective change agent overall and that the international TA working within this unit has clearly added value to Phase I of the PSR (GoM 2005: 39). A Phase II, 2006-2011, is currently being implemented (GoM 2006).

FASE: Basket fund for education sector reform⁴⁵

FASE is the education sector basket fund which supports the GoM’s education sector strategy (see Box 5 below). Six donors contribute to FASE at present,⁴⁶ which in 2006 had a budget of €54 million.⁴⁷ FASE funding has been on-budget from 2007, and has been used, inter alia, to recruit and pay for international TA personnel with financial management expertise. Other FASE money has been used to contract a Brazilian firm to set up a human resources database. When the abovementioned finance advisors were first procured in 2004, there was intense

⁴⁰ UTRESP = Unidade Técnica da Reforma da Reforma do Sector Público (Project Implementation Unit for Public Sector Reform)

⁴¹ UTRESP was created by Decree 6/2000 of April 4, 2000, which is published in the Government’s Gazette (BR) N.º 13, 5th Supplement.

⁴² TA is provided by the Danish Consulting Firm COWI. The firm operated on a bridging contract, financed by the UTRESP common fund, to accompany the change of PSR funding into a full pool funding mechanism. With the new mechanism in place, a tender might soon be launched for TA to assist UTRESP in further supporting the implementation of the PSR. This TA arrangement would then be procured and managed fully under the GoM whereby donors will accompany the process via the PSR Donor Working Group.

⁴³ As of 2007 the following agencies/ governments are expected to contribute financially to the UTRESP Common Fund: DFID; Irish Aid; Danida and SIDA. It is expected that Norway will sign the new MoU to support PSR but will not provide financial support through the Fund. The World Bank has by far allocated the largest amount for the Second Phase of the PSR (approx. USD 28 million) but is not a member of the Common Fund.

⁴⁴ These are actions to expedite state services and procedures without waiting for major restructuring and systemic reforms, such as business registration, vehicle imports, visa procedures, etc.

⁴⁵ Please see Annex 5 for a more extensive discussion of the TA provided in the education sector in Mozambique.

⁴⁶ The FASE basket donors are: Germany, the Netherlands, the UK, Canada, Finland and Ireland. Spain and Portugal have indicated their willingness to join from 2007.

⁴⁷ In addition to FASE, funds to the education sector come from the Government of Mozambique and other outside partners: In 2006, Government funding to the Education Sector Strategy (ESSP) was around 65 – 70% (including General Budget Support, while direct external funding to the sector was around 30 – 35%. Of this, some 40% were provided to FASE (Source: Donor Working Group, Education – March 2007).

dialogue between the donors and the Ministry of Education and Culture (MEC), which recruited and managed the personnel with FASE funds, on the importance of such TA positions.⁴⁸ Since then, however, the MEC has begun to value the TA provided and has extended the contracts of the advisors, while the donors observe progress achieved from a greater distance. The FASE example thus demonstrates that extensive dialogue may be necessary to 'create' and formulate a genuine demand for TA, which was largely absent in the beginning.

The interview partners consulted for this study confirmed that the direct contracting of the advisors by the MEC made a big positive difference in working relationships, as the advisors work entirely for the MEC and report to senior government officials. As a result, the external development partners see this approach as 'the way forward', for other TA positions as well, as it ensures the implementation of the sector assistance strategy with the full commitment of the national partners. MEC officials likewise express a strong preference for the 'integrated' TA provided, and advocate an increase in the contributions to FASE to enable the MEC to take on more such recruits. They also stress that it does not matter whether the TAs' contracts are held by the external development agencies, as long as the procedures stipulated in FASE are followed and decisions on recruitment are taken jointly and based on a demand formulated by the Ministry.

The example of these TA positions in finance also underlines that this approach to TA personnel procurement can work if the dialogue between the respective donors and government partners is based on a full understanding of country processes and of the national culture. The donors' proactive initial engagement, followed by their taking a distance, has worked well in this case, and is perceived as an effective process despite the fact that it was lengthy and tedious. Thus, while some observers highlight the high transaction costs of the approach, others point to the costs (to the GoM) of continued fragmented assistance.

Box 5 below highlights some key aspects of the Mozambican education sector, FASE and the TA recruited here, while Annex 5 provides some further points on TA in the Mozambican education sector.

Box 5: FASE – Education sector reform

The education sector in Mozambique has become a major testing ground for the Paris Agenda. Education sector reform is guided by the *Education Sector Strategy Plan* (ESSP II),⁴⁹ which sets out the MEC's sector priorities for the period 2006/7 to 2011. The strategy is funded via a mix of direct budget support, sector basket funding (FASE), project-like programmes and specific projects combined with short- and long-term TA. The direct budget support and basket financing (the latter is on-budget as of 2007) aim to strengthen the financing mechanism of the education sector and are closely linked to the SISTAFE reform of public financial management (see above).

Some 16 bilateral and multi-lateral development agencies contribute to the Mozambican education sector. Over recent years, they have increasingly started to coordinate their assistance. In addition, however, some 100 NGOs also support the sector, which makes coordination a challenge, in particular at the provincial level, although observers mention that the government is gradually beginning to get a tighter grip on NGO contributions.

Writing in 2005, Killick et al. (2005: 48) were rather pessimistic about the broad participation in education sector reform, which, they felt *"has been maintained in order to bring in donors who do not at present really subscribe to the harmonisation agenda [...] this strategy has so far brought few benefits."* Their assessment at the time was that progress in realising ESSP I and II had been slow partly because of weaknesses in terms of leadership and management in MEC, but also because of the insistence on different approaches by the respective donors.⁵⁰ However, there are indications that the approach might

⁴⁸ This has not been an easy process. It required intense policy dialogue combined with technical discussions about the necessity of such a position. Donors insisted that the procurement should be managed by MEC"

⁴⁹ Development partners call ESSP II today the PEEC, *Plano Estratégico de Educação*

⁵⁰ Different donor representatives in Maputo oppose this assessment. They argue that the "inclusive" approach with broad participation by many actors is very much appreciated by most donors, as it has led to a better understanding

in fact be ‘the way forward’, and international TA experts and international partners who have worked with the MEC over the past three years are less negative in their assessment: they feel that harmonisation and alignment have gained momentum, which has shaped a climate in which an integrated approach to TA provision can be realised more easily today than before.

Our Mozambican interview partners were similarly less pessimistic about the ‘participatory approach’: to them, it is ‘value for money’ and the realisation of tangible results within reasonable timeframes which count most. This results in an acceptance of costly bilateral TA cooperation projects, such as from the Japan International Cooperation Agency (JICA), as long as tangible outputs are assured in accordance with agreed quality standards and within set time limits. There is, however, also agreement that TA personnel could be used more effectively if it was better managed by the MEC. A promising approach in this regard has been the recruitment and management by the MEC’s finance department of the FASE-funded international experts (mentioned in the main text above), who have become pillars in helping to ensure the overall functioning of the institution. As such, they also contribute to strengthening the central capacity of the government. They work on behalf of the national government and report to the local structure, but have worked with donors in the past and are thus able to help bridge possible gaps in the policy dialogue.⁵¹

As regards the TA provided to the education sector more broadly, approximately 1% of FASE’s budget (according to the information received during this study) is spent on **contracted personnel**.⁵² The national and international consultants (or “TA personnel” to use the study term) do policy work, explore new approaches, undertake analysis and contribute to strategic reflections and decisions, and are indispensable for the functioning of the MEC apparatus. In fact, they have become the carriers of the sector reform, as the capabilities they bring cannot be found within the Ministry or – where they are recruited in the form of young staff – cannot be retained with an ordinary government salary. Thus, while the contracting of the TA personnel by the Ministry helps national decision-makers to take responsibility and ownership of this resource, questions need to be raised as to how far such TA arrangements can help to create sustainable individual, organisational and institutional capacity. Capacity at all of these levels is likely to decrease significantly after the departure of the national and international experts if no effective human resources development in the Ministry as part of a wider civil service reform takes place.

In parallel to contracted personnel, a multitude of TA arrangements are provided “**in-kind**” to bring in new knowledge, expertise and approaches. These are mostly part of particular technical cooperation programmes or projects and are rarely stand-alone. Most of the related project and programme documents express the expectation that national staff will be assigned to the TAs so that a transfer of knowledge, skills and attitudes can help to contribute to the build-up of individual capacities.⁵³ In reality, however, this is not often the case as the “counterparts” are not available – due to parallel work – or are heavily involved in a series of government or (parallel) donor-related activities. This situation is worsened by travel and related per diem payments, which provide opportunities to local staff to top up their meagre government salaries.

PROAGRI: Agricultural sector SWAp

Danida has provided a number of TA experts “in-kind” to the agricultural sector, which we consider worth looking into in this study, as they highlight experiences from supplied expertise, contractually bound to Danida and formally managed by the supplier, combined with the “indirect” approach.⁵⁴ The positions in agriculture are not linked to any project or programme funding, which allows the experts to work exclusively as advisors without having parallel management responsibilities. The positions were formulated between the Danida sector

and acceptance of each other as well as some division of labour.

⁵¹ An arrangement with a similar philosophy has been the technical support to the Gabinete de Estudos (MF) staffed with professionals from Harvard Consulting but fully reporting to the Minister. It has existed since 1997 (Pavignani and Hauck 2002: 15).

⁵² There are estimates, though, that a substantial higher amount of the MEC’s budget is spent on contracted persons, including ordinary employees doing routine work for the ministry. The discrepancy seems to reflect the fact that a substantial amount of TA continues to be procured with funds other than from FASE.

⁵³ We have compiled an overview of TA assistance provided into education based on information received from the major donors contributing to the sector.

⁵⁴ As we looked into a selected number of sectors, reference can be made to agriculture, only. The Danida TA positions we are referring to are two experts under the Provincial Directorate of Agriculture in Manica and one Finance Advisor working at the Ministry of Agriculture, Maputo.

specialist at the embassy in Maputo and the national authorities following a national request. Danida provides complementary funding to PROAGRI, but leaves decisions on priorities and allocation of funds to the Ministry. This is a new approach which attempts to hand over the responsibility for recruitment, day-to-day management and supervision of human resources to the national authorities. It mirrors the practice of channelling financial resources into a sector basket which are then allocated according to national priorities. It thereby aims to support the principles set out in the Paris Declaration.

The main problem with this “indirect” approach is that the advisors in the provinces cannot be fully operational as funds are insufficient. The assumption that resources would be channelled through the national system and matched with human resources provision for capacity development was too optimistic.⁵⁵ Even with increased resource flows to lower levels of government it is questionable whether sufficient funds will ever be supplied to fuel the generally ambitious objectives set in the job description of the international experts. The practical implication is that the effectiveness of such (expensive) experts is at stake, or that the persons concerned address professional areas which have not been prioritised in their job description. However, there can be useful side effects as well. One Danida TA expert, for example, was able to establish linkages to a parallel “community land-use fund” through which (limited) financial support could be provided to activities of the provincial agricultural administration. Overall, however, questions need to be raised on whether this well-intended approach should be a model for the future, and whether it is advisable for other sectors to follow suit.⁵⁶

Box 6: PROAGRI – Agriculture

PROAGRI is a SWAp-like arrangement that supports agricultural development. Having started officially in 1999, it is the oldest experience of its kind for the GoM and the aid partners. Today, PROAGRI covers roughly 60% of the Ministry’s total budget, to which several donors contribute through a mix of arrangements ranging from budget support to earmarked contributions and individual projects which are outside the funding basket. PROAGRI has helped to implement structural and institutional reforms and lowered some transaction costs, notably in the areas of financial management and accountability. There is widespread acknowledgment, however, that the reform has not contributed to a notable improvement of agricultural capabilities and production. Rural development in the provinces, substantially funded through parallel projects and project-like programmes, is not part of PROAGRI and migrated with the institutional reshuffle after the elections in 2005 to the newly created MPD, a restructuring which – as observers state – will not help to boost agricultural production. Human resources management and development is one of the main deficient areas in the agricultural sector, as pointed out by several assessments and evaluations (Zucula and Owens 2004, Ramagem 2006).

While there is partial pooling in the sector, the fragmented donor contributions to the agricultural sector continue and lead to a double workload for the Ministry of Agriculture: the Ministry must attend to tasks deriving from the pooled agreement as well as the obligations emerging from bilateral agreements, nearly all of which are associated with supply of TA personnel. We illustrate this in Annex 4, which summarises TA personnel and technical cooperation contributed to the Ministry and planned according to data received in November 2006.

Of interest to our further analysis on new approaches in the PROAGRI case is (i) the mix of TA personnel funded out of the PROAGRI common fund and (ii) the fact that TA personnel is provided directly by the funding agencies within the common fund arrangement. In the latter category, a donor agency holds the contract for the TA personnel but leaves their day-to-day supervision to the Ministry or provincial authorities. There is no complementary project funding available to accompany the work of the TA, as is the case in traditional arrangements. Instead, funds for operations are channelled into the general basket managed by the Ministry, with the assumption that the TA will be able to work with funds allocated according to priorities defined by the national institution. We discuss the implications of this on the effectiveness of the TA placements further below.

⁵⁵ This observation matches experience information received from other agencies which have provided stand-alone TA to the agriculture sector as well.

⁵⁶ The MTR of the Danida education sector support recommends this path and officials from the MEC would like to see this integration of TA personnel take place as well. In the absence of enough funds being transferred to the provinces, however, the approach should be closely looked at. See also next section.

PROAGRI has been supported with a considerable amount of TA over recent years, in particular between 2002 and 2004. Since then, many international TA and nationally contracted experts have departed, and the development partners have realised that all of these inputs into the Phase I of PROAGRI have not resulted in a significant increase in capacity: “We now realise from Phase I that capacity is not there”, as one representative expressed it. In a mood of critical self-reflection, there was also acknowledgement during our interviews that the reform was realised under strong ‘persuasion’ from donors, with external TA added on to the process without increasing sustainability.

PPFD: Decentralised development planning and financing

PPFD – decentralised development planning and financing – is a young initiative in its current form⁵⁷ and nothing can be said about its implementation and management at this stage. The demand for the reform and the accompanying assistance, though, has been genuine, as it emerges from a committed government policy to address decentralisation. The international partners stand behind a harmonised approach and agree that the assistance provided to the PPF needs to be aligned with national priorities and procedures. Now that a pooled funding arrangement has been agreed the initiative has the potential to follow an “indirect” approach in support of endogenous reform ideas and motivations. But the devil is in the detail, and external partners still need to sort out how to combine the provision of TA “in-kind” that is followed by some agencies, with the tendering and procurement of TA under national leadership favoured by others.

Box 7: PPF – Decentralised development planning and finance

This decentralised development planning and finance initiative in the Mozambican aid landscape, which carries the preliminary name PPF, is interesting because it attempts to take up the Paris principles and gradually work towards a harmonised and aligned approach in supporting the deconcentration of the state towards provinces and further down to lower levels of government. The PPF is a work in progress, as its official launching will only be during the first part of 2008, though harmonisation will proceed in 2007, a transition year. We include it because it displays how fragmented interventions in the provision of technical cooperation and TA personnel provision can possibly be overcome and turned into a new direction. We should note, however, that overcoming the existing practice will take time as partners have agreed to follow a “*donor coordinated approach*”, as we would call it, at first with a view to subsequently build a fully owned and coordinated national programme over time.

In 2006, the support phase to decentralisation planning and financing of UNDP and GTZ to the six provinces in which they had been working came to an end and World Bank assistance to four provinces reached its mid-term.⁵⁸ Agreement was reached between these three organisations and the MPD to undertake a joint end-of-phase/mid-term evaluation and to compare the respective approaches, with a view to formulating a country-wide joint programme which would take into account the strengths and weaknesses of the various experiences to date. The evaluation’s ToR also asked for recommendations for the three agencies for how to make changes to their own practices in order to allow for a joint engagement in this area. The result is the new PPF, which is currently under formulation. A key feature of this programme is to build capacity at the central and decentralised levels whereby the provision of TA will play a key role. The four focus areas will be *planning, implementation of district plans and budgets, monitoring and control, and institutional development of the state*, all linked to different central ministries and supervised by a central commission under the leadership of the MPD.

The concept foresees the creation of a TA pooling arrangement whereby some advisors will be seconded “in-kind” by GTZ and UNDP, while others will be paid through the common fund. Additionally, short-term TA will be financed through a common fund. The planned four international TAs’ job descriptions to work at the national level will be issue-based and not relate to the objectives set by one particular agency. A similar arrangement will be used at the provincial level where support teams made up of national and international personnel will be employed to provide primary TA, with complementary

⁵⁷ One should note that both, UNDP and GTZ had supported PPF already since some 10 years, through under different approaches and not under a nation-wide coordinated programme.

⁵⁸ GTZ and UNDP each supported three different provinces and the World Bank four of which two were also supported by GTZ. The national programme is now going to cover eight out of 10 provinces with the expectation that the remaining provinces will be included over time.

funds for hiring consultants in specific areas not already covered by the long-term TA teams. The intention is that all TA personnel will be on-budget, though the precise arrangements still have to be clarified. This initiative, started by a small group of partners, has meanwhile attracted wider interest. The Netherlands, Switzerland, Sweden and Ireland have already confirmed, or have shown interest in contributing to the common pool fund.

4.2.2 Analysis: demand, intervention, management

Demand

The TA experiences from big government institutions such as the MEC and the Ministry of Agriculture show how closely TA provision is related to wider human resources planning and development and civil service reform. In both sectors, donors have made various attempts to discuss human resources strategically, based on an in-depth capacity assessment.⁵⁹ However, the issue is sensitive for obvious reasons and there is little political will to engage in a dialogue. The disappointing experiences from PROAGRI show development partners as well as Ministry officials that the different approaches to addressing the Ministry's capacity gaps have not really worked. Without a doubt, there is increasing pressure emerging from different sides to provide more fundamental solutions to the human resources issue. Resource pooling by government and development partners has the potential to increase demand throughout the government system to seriously address civil service reform.

In the absence of such reform, some development partners have shown reluctance to contribute to baskets such as FASE, because they are not convinced that priority needs will be sufficiently addressed in the absence of a ministerial human resources development plan. A key question then is how to break out of this vicious circle. Should there be a more proactive involvement in dialogue on the human resources of the institution, as some observers suggest? If there is no real commitment from local partners, the issue could become complicated. There is a risk of getting too immersed in the internal affairs and practices of the partners, and pressure for reforms might raise cultural sensitivities. This has led several donors to follow a different strategy, whereby resources are partially pooled in a basket which will allow partners to gain new experiences, combined with parallel project and TA personnel funding in the hope that these fragmented forms of assistance will eventually be mainstreamed into a wider Ministry-led strategy.

GoM officials, and some development partners on the other hand, hope that more resources can be pooled into a government-led fund so that there is more operational space for locally defined priority areas to be addressed. This would include the procurement of expertise which is considered relevant by the Ministry.⁶⁰ Such procurement of "pooled TA" would allow the Ministry to build up its own experiences in the area of human resources planning, procurement and management, while the wider civil service reform is under development and hopefully to be implemented gradually as soon as it is ready. This approach needs to be built on trust, accompanied by an intense policy dialogue about human resources between the Ministry and its funding partners.

However, there is also agreement that dialogue on pooling, financial pressure and conditionality alone will not help to get things moving. Enabling factors, strongly related to pay, come into play. The case of the National Institute for Educational Development (INDE) (Box 8 below) shows that the interaction between ownership, strategic thinking, the guarantee of a minimally decent salary to staff and predictable financing – possibly supplied via different modalities – can make a difference.

⁵⁹ See for example Zucala and Owens (2004)

⁶⁰ There are areas in the MEC, for example, which the Ministry considers a priority but which donors do not address.

Box 8: INDE – The National Institute for Educational Development

In terms of relevant TA-related developments taking place in the education sector, reference should also be made to INDE, the National Institute for Educational Development. One of its main tasks is curriculum development. As an institution with administrative and financial autonomy, as it is termed locally, INDE has a special agency status within the GoM which allows it to attract qualified national staff as well as expertise from abroad, if required. INDE receives funds from the national budget and from FASE, as part of the GoM budget. It also attracts bilateral funding and support from the United Nations, but it does not seem to suffer from “aid fragmentation”. INDE confirms that its experiences with the TA provided and contracted have overall been positive because it was the institution that determined the needs and was able to choose the inputs. In the meantime, the activities for which TA was provided in the past are being carried out by INDE on its own, although new TA is occasionally needed for specific areas. A big advantage in this case is that INDE has a reasonable good overview of the consultants it considers suitable – a capacity which it gradually built up over time through the exchange with various TA providers and development agencies.

An issue to be noted is the size of the institutions one is dealing with. While there are reasonably successful experiences with smaller institutional set-ups, like INDE, SISTAFE and UTRESP, which can formulate their demands precisely, the big institutions are much more difficult to work with. Exceptions are the rather specific areas like finance around which broad support from all partners can be mobilised because of the centrality and specificity of the issue. The question is whether such experiences can be replicated to other areas and sectors where views and interests of partners are less harmonised.

This latter point of divergent professional approaches and insights among donors on how things should work leads us to point out the positive start of the PPF, for planning and financing the decentralisation reform. The initiative brought different development partners and government together to compare which support approaches have worked in the area of decentralisation. Consequently, a broad initiative was started based on demands for a joint approach to be followed by the GoM. This experience could be replicated in other areas as well, for example, to compare different approaches to support (social) sector development at the provincial and district levels.

Intervention

Experiences from UTRESP in particular, but also from other sectors, show that the initial “direct” approach towards TA provision can lead towards country-driven and more harmonised processes as long as the original slant is undertaken with a view towards adopting a more “indirect” approach in the long run. In the case of UTRESP, the donor provided stakeholders space for experimentation and adaptation from the onset and kept its distance. The same method can be recognised in the first sketches for the PPF (support to decentralised development planning and financing) which is being undertaken with a clear view towards following an issues-based agenda whereby donor interests are kept at bay.

Allowing space for exploration and experimentation is essential, as experiences from all cases highlight. The support of donor headquarters to country representatives, such as in the case of PPF, is indispensable and should not be left out of the equation.

When an international advisor is recruited by a ministry one should check out what professional networks, peer support and institutional backing such an individual brings along. If these linkages do not exist, then an individually operating expert can become rather isolated. One of the advisors in the MEC underlined the need for such mechanisms because the job can become very difficult otherwise.

The placement of Danida advisors in provinces without direct project funding is courageous, as it was undertaken in the conviction that the new systems, implemented under PROAGRI, needed testing. But such TA postings risk losing their effectiveness without proper funding arriving at the provincial level. A key observation made during the study was that the provision

of limited complementary funds for such positions could be very beneficial to capacity development as long as there are not sufficient financial resources transferred through the government system. These so-called *capacity development funds* would allow the TA to accompany its partners more proactively, for example, through the execution of a small study, organising a workshop to help facilitate an exchange among partners, providing transport costs to help networking throughout the province, etc. We are fully aware that this proposal goes against the spirit of harmonisation and alignment, but the realities at the provincial level need to be recognised. The practice of temporarily installed capacity development funds is not new and is also practiced at higher levels in other countries which receive pooled funding for particular sectors.⁶¹ Interviewees at different levels recognised this as a valid temporary measure to help bridge gaps as long as the wider system remains deficient.

Management

When following the procurement approach to TA, the existence of proper procedures and systems to facilitate recruitment needs to be ensured. Capacities to manage the process cannot be taken for granted. Easiest is when internationally procured TA is already in the country and well known, as was the case of one finance advisor in the MEC. One of the biggest problems for national partners engaging in procurement for the first time is to know what selection criteria to apply when recruiting internationally, with many CVs crowding the table. Where national capacity is not sufficiently strong or experienced, a procurement agency can assist in short-listing candidates.

An alternative way of sourcing an initiative with TA personnel is through trusted TC/TA agencies, or NGOs, which are known for their expertise in particular areas. In the case of the Integrated Programme for the Reform of Professional Education (PIREP), for example (see Box 9), local partners expressed their preference for GTZ because the organisation is known for its track record in the area of vocational education. In such cases, the agency offers a short list of candidates from which partners can make their choice. In the case of INDE, there is a mixed system. Some experts are directly contracted by INDE while others are proposed to TA agencies for contracting which subsequently provide these persons “in-kind”. Based on its perceived needs and knowledge of the TA market, in both cases INDE is the leading agency in choosing who should be contracted. A useful side-effect is that the latter modality prevents INDE from spending precious resources on managing contracts while maintaining control of the assignment.

What decision-makers from different sectors underlined during interviews is that both approaches can make sense, as long as the national institutions can trust that the short list contains suitable candidates, and they have full ownership and say in the selection. The practice of flying suitable candidates for interviews into the country should be considered, at least for high-level positions. Where funding is restricted, a videoconference should be organised assembling the relevant persons on both sides of the cameras.⁶²

In terms of TA management, several respondents were very positive about Danida’s practice of formulating a performance agreement which is drafted upon arrival of the TA personnel in addition to the job description. It sets out the objectives to be realised over a year and can serve as an entry point for dialogue about the focus of the assignment, but also about related institutional issues and the need for change. The usefulness of these measures was confirmed by respondents working under “indirect” as well as “direct” approaches. In some cases, the performance agreement tool has helped discussions on refocusing assignments to adapt them to changing needs emerging from a department. The agreement is signed by the national supervisor, the TA and the embassy. That last generally takes a very low profile and only

⁶¹ In the health sector in Uganda, for example, such sector specific partnership funds are used to bridge temporary funding and resource bottlenecks, for example for the recruitment of short-term TA, execution of studies, etc.

⁶² Danida uses videoconferences for all its interviews, a practice which experts and their national partners value as a suitable alternative in the absence of funds for face-to-face meetings.

intervenes in case of an emergency, or based on a specific demand from partners.

Box 9: Between a direct and an indirect approach - Vocational education and training (TVET)

A principal idea behind TVET (vocational education and training) is to gradually work together across sectors and to step-wise merge and align initiatives into a wider reform of the vocational and training sector under full government leadership and management. TVET brings together the main education and training institutions which previously fell under the ministries of education and of labour. TVET is concerned with more than public interests, as it also includes the private sector as an important stakeholder. A supervisory *commission for the reform of vocational education* (COREP) brings together the main stakeholders, including representatives of the private sector, which leads the process. Under the current arrangement, the *Integrated Programme for the Reform of the Professional Education* (PIREP) supports an *executive secretariat* which reports to COREP.

TVET used to be a source of frustration to the GoM and several donors up until the early 2000s, resulting in some donors leaving this area of work entirely. With strong advisory and subsequent financial inputs by the World Bank, combined with TA inputs from GTZ, which had worked in this area before, a reform process was started in 2004. This led to a new institutional set-up that aims to create a national institution on vocational education over a period of five years. The transitional institutional arrangement, supported through PIREP, is today funded by a credit financed by the World Bank and the Netherlands, combined with bilateral funding from Spain, Italy, Portugal, Canada, the African Development Bank and Germany. To what extent these initial steps towards harmonisation will lead to a full institutional integration under government leadership and management will depend on the willingness and ability of individual partners to gradually over time give up fragmented aid approaches. A first step towards harmonisation and coordination was realised in March 2007 when a code of conduct was signed by all eight development partners and the ministries of education and labour.

4.3 “Direct” approach

Following our spectrum of approaches, “direct” refers to activities where the development agency engages with country partners but overall remains in control of the process of capacity development. The management as well as the conceptual orientation of a TA intervention is typically directed from a PIU in the absence of strong capacities and leadership from national institutions or organisations. In our examination of the “direct” approach, we have decided to focus primarily on the provinces, because various interviewees in Maputo indicated an interest in knowing more about what works and what does not work at this level in particular. The provincial level has also come into the limelight of the development discourse because of questions raised on how the harmonised and aligned approaches which are decided at the macro level can be rolled out to lower echelons of the administration.

The two principal cases we present are from the education sector, each being designed as a fully integrated assistance for realising the ESSP. The first is the “Danish Support to the Education Sector Strategic Plan for Tete Province” (DSESSP/T), funded by the Danish government; the second is GTZ support for “Promotion of Primary Education in Manica Province” (GTZ-PEB/M), funded by the German government. In both cases, activities are carried out in very close cooperation with local partners and in line with priorities set nationally and locally. The final responsibility for management of the assistance remains, in the case of GTZ, with the funding agencies. In the case of Danida, control over the use of funds was with the provincial authorities whereby Danida’s advisor endorsed that activities funded with resources from Denmark for the realisation of the provincial activity plan are in accordance with the decision of the programme steering committee which governs the Danish funding.⁶³

What makes these cases interesting is their relationship with sectors and pooling arrangements which have been initiated at the macro level. Capacities at the intermediate level are in Mozambique much weaker than at the national level. Moreover, the ownership of reforms

⁶³ The programme steering committee is composed of representatives of the Mozambican government and Danida

discussed between development partners and government at the macro level should not be taken for granted at lower government levels. There is weak communication about the relevance of reform and poor management of change processes.⁶⁴ One official in the MEC shared with us that for Nampula Province, which had received substantial funding for several years from the Netherlands, the transfer of projects into programmes was abrupt and not well prepared by central authorities, despite being announced and well-known at the central and provincial levels for many years.

While both projects are closely associated with the work of the provincial authorities and therefore seem to be rather similar when seen from a distance, the respective capacity development approaches followed are quite different and merit closer presentation and analysis. We compare these two examples together with the Danida TA provided under PROAGRI to the provinces.

The demand for support in the area of education originates out of the ESSP to which both donors contribute. The assistance has been discussed and designed at the national level, but builds on earlier long-term involvement of Danida and GTZ in Tete and Manica, respectively. The support of Danida is part of a national support programme with activities implemented at the level of the Ministry in Maputo and the three provinces Tete, Zambezia and Cabo Delgado. GTZ's support to primary education is equally national, with provincial support provided to Manica, Sofala and Inhambane. Both support programmes include in their assistance the micro level, principally the district level.

4.3.1 Discussion of cases

Danish Support to the Education Sector Strategy (DSESSP)

The DSESSP runs officially from 2001 to 2006 and supports education sector planning, basic education, post-basic education, teacher education, infrastructure and HIV/AIDS. Infrastructure (42%), basic education (26%) and teacher education (14%) consume the biggest share of the budget. The focus of the programme is on the three provinces (GoM/Danida 2001). In Tete, Danish cooperation assists the province in accounting for the resources through a PIU with its own bank account, staffed by two international TA persons (one is the team leader), one national TA staff member for finances and one person for secretarial support. The PIU is based within the Provincial Education Directorate and works closely with the administration in a semi-integrated manner. This is expressed, for example, through the work of the national TA staff member who works within the finance department of the directorate and provides much-appreciated inputs to work going beyond that of the DSESSP. While under the set-up of the DSESSP control over the use of funds had been with the provincial authorities, a more restrictive regime was temporarily adopted in all provinces as of late 2005.⁶⁵ The management set-up, as described in the DSESSP programme document, gives the education directorate considerable weight in the procedure, though the Danida team leader has an oversight role to ensure that the province implements the support programme in a cost-effective manner. The provincial administration is highly positive about this arrangement, as it is this combination of experienced TA personnel with the availability of sufficient funds at the provincial level which has enabled the directorate to implement its provincial development plan for education.⁶⁶

⁶⁴ Several provincial government officials we have talked to had no, or only a very incomplete information about the Paris Declaration, for example. One respondent called PROAGRI a 'polemic' without having a deeper insight on the rationale for this reform.

⁶⁵ This regime follows the discovery of a corruption scandal in Zambezia in late 2005. Pending a resolution of the case the implementation of the DSESSP is on halt. There are six persons who can sign for expenses, three from the Danida PIU and three from the Provincial Education Directorate. Two persons have to sign before a payment can be made. The two signatures can be made by staff of the Directorate. As all papers pass the eyes of the TA before action is taken, he retains the final oversight.

⁶⁶ See note above, about the current state of implementation. The experience of the Provincial Education Directorate with funding received from Maputo has been disappointing as a budget was made for 2006 of 60 million Meticaís, of

GTZ: Primary Education Project (PEB)

GTZ support to primary education started in 2003 and is now in its second phase. In Manica, it supports the Provincial Education Directorate in organisational development and administration, planning and monitoring, teacher training and pedagogic supervision, linkages between schools and community and literacy and non-formal education. It also assists on cross-cutting themes, like gender equality and HIV/AIDS. The programme moreover attributes an important place to supporting communication and coordination between the national, intermediate and micro levels (GTZ 2006). The lion's share of the funding for primary education is part of the overall German support provided to the Education Sector Strategy Plan (ESSP) and extended through the pool fund mechanism FASE at the national level (BMZ 2006). The German contribution to FASE is €6-8 million per year, and is provided through KfW, the German Development Bank. In addition, a comparatively small amount is reserved for support activities at the provincial level, for Manica Province this amount is some €100,000 per year, and is administered by the GTZ project office which is situated in the provincial capital. There is one international TA staff member working at the project office (the team leader) and there are five positions for national TA.

The rationale for this arrangement is that funds channelled at the national level will help to reinforce the financial administration of the MEC and, as it will be administered through SISTAFE also strengthen the overall financial system of the GoM.⁶⁷ The funds at provincial level are primarily used to pilot projects, test approaches and assist in bringing coherence between operations at the different levels. These *capacity development funds* are programmed and spent in close cooperation with the Provincial Education Directorate and accompany the implementation of the ESSP of the GoM at the provincial level. Being primarily situated at the provincial level with strong ties to Maputo and the districts, the programme is well placed to link and coordinate between policy and operations. Two observations made during interviews with provincial officials are worth noting. First, there is frustration that the amount of funding for education, channelled through the national system, is insufficient and not timely (although the situation is improving slowly, as interviewees confirmed). Second, officials are highly satisfied with the quality of TA provided though there is frustration that the funds, which have been generous in the past through GTZ's direct assistance to Manica are now only available for a selected number of capacity development activities. The province, as far as the comments indicate, would like to benefit more from substantial direct funding.

Other experiences

There is a third experience of provincial TA support which we were unfortunately unable to look at. It concerns the Irish and Swedish assistance to Niassa Province where funds are transferred into the accounts of the provincial administration, combined with the recruitment of national and international TA personnel to assist in diverse sectors, including education and private sector development. From the fragmented information we received about this approach, the success seems to be mixed. It could be useful to include this experience in a comparative evaluation of support approaches to provinces, with a focus on the education sector (but not excluding other areas, if stakeholders wish). The approach could be similar to the one taken by partners with regard to decentralisation (see our discussion on PPF above).

which 28 were promised and 15 million received. Following the experiences with PROAGRI, which has not let to substantial transfers into the province, there is little trust that enough funds will be transferred timely through the government system, if Danida would finance its support in the future through FASE.

⁶⁷ This is accompanied at the national level through policy dialogue and reinforced at the provincial level through TA directly deployed to the Provincial Education Administration, the Direcção Provincial de Educação e Cultura.

4.3.2 Analysis: Demand, intervention, management

Demand

Without a doubt, there is big demand for assistance throughout the country. But demands differ. While the provinces and district administrations ask for “direct” assistance, the national level looks at things differently. Policy-makers in central government clearly see a need to strengthen the overall system whereby funding should be provided through the proper government channels. And parallel practices, such as in Tete, even though they are integrated to a considerable extent, should be abandoned as they do not provide incentives for reform from within. Policy-makers further argue that where funding is perceived as “insufficient”, as provincial officials noted, incentives should be created to make the systems work in order to gain more resources. TA personnel should then be provided freestanding without being linked to project management. The DSESSP’s mid-term evaluation recommended this approach (ADPESE 2005) which central officials underline and would like to see happen.

An unresolved question is how long it will take to get government systems in shape. The PROAGRI reform so far has not led to an improvement of agricultural production. Developments in other poverty sectors might result in similar disappointments, as policy-makers and officials at the provincial level fear. They advocate that, if the Millennium Development Goals (MDGs) are to be achieved, much more direct involvement will be necessary in order to get a basic level of “capacity” off the ground – for example, by training a critical mass of teachers or construction of a substantial number of schools. The long-term direct involvement of Danish cooperation in different areas, with a substantial amount of TA provided over many years, is seen by provincial authorities as an important contributor to development in the province.

In the absence of a properly functioning system, the need to accompany processes with limited funding is recognised and is also accepted by national policy-makers as long as the assistance provided is fully in line with government priorities. The question then raised, however, is what the adequate level and type of accompanying funding and TA of the reform should be. No formula exists. Therefore, the only way forward is to test, share and compare experiences and draw lessons. The approach of GTZ’s primary education project (PEB), which envisages linking this piloting of their technical cooperation in the area of primary education into an ongoing learning and knowledge-sharing process at a wider national level is therefore recommended.

In conclusion, perspectives on demand clearly differ, and need to be dealt with carefully when deciding on particular TA approaches, as one should not risk losing the different levels along the reform process. A much more proactive sharing of a systems perspective to reform might be necessary to keep stakeholders interested in the reform and then to define what kind of TA might be adequate in a particular situation.

Intervention

In terms of implementation, there are many different views on how TA personnel should be provided. Some government officials fiercely oppose a model whereby the assistance is placed inside an institution. Others are rather relaxed and recognise that various approaches can work. Where an agency, like GTZ in Manica Province, accompanies the government very closely in a “parallel” manner a certain distance can be guaranteed which avoids the donor being drawn too much into the internal affairs of the partner. Officials in the Provincial Education Directorate valued, some even insisted on, this approach. We can therefore observe that working “in parallel” can be positive, as long as the partner prefers it and as long as the agency does so in an appropriate manner. This model also allows the TA to be proactive at certain moments, whereas it can take distance – and provide space for the local structure to take initiative – at other moments. This arrangement, as argued by GTZ, also saves experts

from being drawn into other priorities and possibly diverted from the original purpose of the assignment.

This argument is countered by those who think that a TA should “go with the flow” and that being placed inside the institution gives it the opportunity to adapt to changing circumstances. Working closely with colleagues within an institution allows the TA at the same time to exercise a certain influence on priority setting in case the direction of the reform risks diversion into too many directions – these experiences from being placed inside, for example, emerge from UTRESP, which we discussed above. A minimal funding is however required to assist in this. Otherwise, TA personnel risks being underutilised because of lack of resources, as the examples from the TA placed under the Provincial Agriculture Directorates bring forward. This is underlined in the case of the complementary *capacity development fund*, discussed above.

To sum up this discussion, both approaches – TA placed inside and that in an accompanying mode outside – can work and depend on the preference and concrete demand of the partner, and the results sought. A more essential issue is that of funding and TA inputs at the provincial level. Where these aspects are direct and dominant, as in the case of Tete, the implementation of poverty reduction activities can steam ahead while leaving overall system development behind. Where funding is unavailable, in the absence of a functioning system, there is a risk of TA not being sufficiently utilised.

Management

In the case of GTZ, management of the intervention is done by the TA agency and accountability for results is mainly to the funding agency, though GTZ reports on all its activities to the national authorities. This risks surpassing and undermining local structures. With the project being situated outside of the structure, this risk is obviously higher than when it is based inside. The approach is most valued when undertaken in a spirit of sharing and with a view to gradually integrating, harmonising and aligning the actions taken into the wider system. The activities paid for by Denmark under DSESSP are inscribed in the GoM Plan of Action and reported on as part of the national authorities reporting on activities within education overall, through progress reports on the Economic and Social Plan. Advisors report to the provinces and performance interviews are conducted under the leadership of the provinces.

The DSESSP is thus implemented in a semi-integrated manner and helps to strengthen the organisation from within and by directly working with government officials. The services of the national TA are shared with the finance department which provides advice and inputs into activities beyond the confines of the DSESSP. This flexibility is highly appreciated by the directorate, as it is perceived as a willingness to share burdens while transferring knowledge at the same time. This can help to create wider legitimacy for the inputs, trust and effectiveness. We noted the relevance of building professional legitimacy before. It is a factor which emerges throughout the cases as a relevant factor for success.

4.4 “Doing the work”

We will keep this section short as we can see a number of trends but no real innovative practices. The “doing the work” approach is prevalent among TA agencies, NGOs and faith-based organisations working in remote and partially cut-off areas, where there is little or no presence of the government and a notable absence of skilled nationals. It was also the dominant approach during the emergency and reconstruction period of Mozambique. With the implementation of government’s decentralisation policy and stronger presence throughout the country the situation is gradually changing.

The demand for external assistance through technical cooperation projects and the accompanying TA personnel is enormous, in view of the large need for services, individual capacity gaps and an absence of functioning systems and finances at the district and commune level. Briefly put, there is shortage of almost everything.

Where outside actors, such as TA agencies or NGOs, search for ways to engage with local leaders and government, responses are generally absent in such “low-capacity areas”, which drives organisations back into the “doing the work” mode of operation. It is a vicious circle which can be overcome only through a proactive participatory approach and investments, combined with involvement of and liaison with government structures and NGO networks situated at higher levels, i.e. within districts or higher, at the provincial level.

Implementation and management of TA at this level is obviously done by the external organisation, often with independent private or church-based funding received from outside the country. Needless to say, the population is highly appreciative of this approach as it brings relief to their day-to-day misery. It creates quick wins and helps to create a basic level of sustenance for the society’s excluded or isolated.

Over the past 15 years or so, many of these initiatives have established liaisons with the wider government system, national and international NGOs and their networks or other organisations working in the area of pro-poor service delivery. This has helped them to come out of isolation and establish linkages to district authorities and international NGOs.

With the focus on decentralisation of the state structure, combined with project and programme funding, as discussed in the previous sections, there is now a chance that throughout the country those approaches can be gradually phased out.

5 Key trends and innovations in TA

We summarise here some key trends and innovations with regard to TA personnel at two levels. First, we highlight the different roles of TA in a changing aid context to shed light on the factors which are important in TA personnel performance. Second, we bring out some broader trends in Mozambique relating to the provision of TA personnel in terms of demand, implementation and management. Dialoguing on those can help to set new orientations and policies.

5.1 How does TA work?

5.1.1 The different roles of TA personnel

During this review, we came across various roles which TA personnel might be required to perform, though we acknowledge that there might be others too. None of the TA staff we spoke to perform exclusively one role and the related tasks. But generally one role dominates. Some TA personnel are of an exclusive controlling nature while others are more process facilitators or a mix of both. All of them perform a certain level of gap-filling. We distinguish seven “types” of TA below.

- *Controlling.* These are experts working in the area of finance, or experts who have a project management role to perform, usually combined with the provision of technical advice.
- *Engaging in policy dialogue.* These are mostly active at the macro level, accompanying sector reforms or wider institutional change. They operate from within key government institutions or out of embassies and development agencies. With decentralisation gaining momentum in Mozambique, there is an increasing demand for policy knowledge within provinces to help translate institutional reform initiatives to lower administrative levels.
- *Providing technical advice.* The provision of technical advice is in high demand. Advisors confirmed that their sharing of technical knowledge in a particular discipline shapes legitimacy and is a precondition for performing a function effectively.
- *Facilitating organisational change and reform.* Advisors often have a task to facilitate organisational reform and to help adapt an organisation’s work environment to a continuously changing institutional landscape. Where this task is not explicitly formulated, their presence as technical adviser or innovator often provokes the organisation to restructure or change.
- *Innovating/exploring.* We came across advisors whose primary task is to test new approaches or to explore a new field of work. But innovation and exploration is also part of the work of advisors who function in an environment where regulations, orientations or procedures are commonly absent or not applied.
- *Protecting/buffering.* TA personnel can help to protect the host organisation from harmful outside influences, such as new policies which might not be suitable or institutions which might impact negatively on the organisation or draw its attention into a wrong direction. The protecting and buffering function of TA personnel becomes particularly relevant for young or inexperienced organisations that are loaded with new tasks and responsibilities.

- *Gap-filling/implementing.* Partners often want specialist assistance to help them to produce results quickly, as there is great pressure from government and development partners for results on the ground. Where there are no suitable nationals to be exposed to the presence of the expert, which is quite common in the Mozambican context, TA personnel are commonly drawn into (high-level) gap-filling positions. Many work in line positions.

5.1.2 National technical experts

There are programmes and projects which try to address the human resources side of their interventions in a more sustainable manner by using national TA. Some of these are promising; others have delivered rather mixed results as our cases highlight. The often-heard argument that technical expertise can be found on the local labour market and that experts from abroad are not required could not be confirmed from our interviews. In view of such generalisations, the situation in Mozambique merits a closer look.

Some examples

As for many other reform initiatives, PROAGRI has been a testing ground for the insertion of locally recruited TA personnel into the reform process. Along with pooled resources provided into the accounts of the GoM, the World Bank and the International Fund for Agricultural Development (IFAD) provided earmarked financing during the early 2000s to recruit *accountants, procurement specialists and economists* to help standardise processes and procedures at the provincial level. Each province received a set of three different national TA staff.⁶⁸ The experts were recruited locally for a period of two to three years, receiving a payment between US \$700 to \$1,000 per month. It was the intention that these people would integrate into government services thereafter and continue to work at the provincial level. However, most left when the contract terminated because of the low pay on offer. In the absence of a broader pay reform, the Ministry of Agriculture will now follow another approach whereby young university graduates are recruited to pursue the reform.⁶⁹ This young workforce will be motivated but evidently be inexperienced at first.

Experiences with technical backstopping services operating from the centre or being temporarily placed in the provinces, have been promising in the case of SISTAFE and were highly valued by our interviewees (see also SISTAFE, above). The sustainability of this helpdesk function, however, is a concern to central government officials, as the experts are paid out of a special scheme which can be maintained only with continued supplementary funding by government, or by donors.

In UTRESP, there is a temporary service to stimulate change within provinces. Relatively young local consultants with a relevant university degree and having worked in government before are posted with provincial administrations for two years. Their task is to share information about new regulations and decrees, to help with planning and to create a culture of change through workshops, dialogue with colleagues on the job about public administration reform, explaining administrative processes, etc. This has been piloted in three provinces and today is executed in seven provincial administrations. The results of these postings still have to be evaluated.

⁶⁸ It is arguable, whether such positions should be considered "TA". Technical experts were recruited to fill crucial gaps at the provincial level, which can be described as "strategic gap filling". This is similar to the nationally recruited TAs working under FASE – see above. The expectation that such TA would integrate, however, was unrealistic.

⁶⁹ The good news is that young graduates start coming out of training institutions in increasing numbers, in particular also for financing and accounting. There is confidence that these can be attracted to government positions at lower government levels. Finance training and access to ICT provide certain incentives to join government services, as some government officials hope.

Experience to date

A key argument for being cautious with the procurement of national TA for specialised positions is that the overall labour market does not currently offer the required know-how, experience and quality in sufficient numbers. This is particularly the case at the provincial level and below. Moreover, the market has no working quality assurance mechanisms and standards, like licensing and monitoring systems. This makes the approach of procuring TA nationally still ‘music for the future’, according to one official who confirmed that in the foreseeable future, there will be a continued demand for external expertise.

Locally recruited TA, though, can have clear advantages in terms of cultural awareness, experience in working with national organisations and language proficiency. But this does not automatically result in a more efficient labour force where qualifications beyond technical knowledge are required, like facilitation and negotiation skills, experience with change processes and systems functioning – in other words, all that is also necessary to make complex institutional and sector change processes successful. To communicate new ways of working within public institutions requires complementary skills which are difficult to find and which cannot easily be taught. This might make a helpdesk, or a “trouble shooting service”, staffed by experienced (national) TA relevant. But experiences on how to supervise and accompany human-related change processes from the central level are still limited.

Different interviewees confirmed that provincial officials often show irritation when relatively young national experts with a better pay enter their institution and explain that things should be done differently. Being accustomed to foreign experts, perceived as having a better education and many years of experience, some officials refuse to believe that national experts can do a similarly good job. There is also a political side to be considered. Foreign experts have the advantage of not having a political affiliation, whereas local experts might have.

Experiences with national TA are now being gathered more systematically in public administration and shared within the system by UTRESP. For its work at the provincial level, UTRESP has learned from its previous experiences and has managed to integrate the provision of local TA into the provincial development plans. Where the provincial administration supports the arrival of the TA actively and adopts ownership, an important step is taken in making such input a useful exercise.⁷⁰ While testing new approaches in working with national TAs, the long-term aim should be integration of new and relevant knowledge into the national and sub-national government services, run through an efficient civil service administration, as several interview partners underlined.

5.1.3 Performance of advisors

The effectiveness of TA personnel very much depends on the objectives and expected results set for an intervention. Depending on the circumstances and *what the TA is supposed to do*, one can judge whether the advisor’s input was effective or not. In certain contexts, a *direct* approach is required, whereas in others an *indirect* or even *hands-off* approach is advisable. Given the current aid reform and capacity development discussion in Mozambique, the wish of national decision-makers to gain more control over the use of TA resources and first positive experiences with nationally managed TA financed from pooled funds, a principal objective should be that TA be more aligned where possible. This implies that development agencies undertake their support with a view to gradually *letting go* and *handing over* responsibilities to national partners for managing TA. With regard to this line of thinking we make a number of observations.

⁷⁰ In Manica Province, the Permanent Secretary underlined the importance of the local TA upon his arrival to other officials, requested full cooperation and thereby shaped the round for the TA to work in a fully integrated manner.

National demand and ownership is decisive

A principal criterion which determines the effectiveness of TA personnel is the level and concreteness of demand and ownership expressed by the partner. The inputs provided can be linked to a *capacity development strategy* of the organisation and its environment. Such a strategy spells out the quantity and quality of the national expertise to be created, system requirements (e.g. entry levels for young trainees), the role and functions of an expert with regard to the creation of national expertise and the building of systems to be gradually handed over to trained nationals. In SISTAFE, such a strategy implicitly exists which allows the expatriate TA personnel to provide timely inputs to close resource gaps through a mix of training, (policy) advice, on-the-job mentoring and facilitation. The development partners recognised the national commitment to this home-based capacity development strategy and now support it through an approach which keeps a distance. Without national commitment and leadership, international partners would not have pursued this path.

From “direct” to “indirect”: The changing performance requirements of advisors

Where commitment, leadership and managerial capacity does not exist, a more *direct* approach might be required, resulting in a different assessment of the inputs and effectiveness of TA personnel.⁷¹ Under such “project” approaches, the expert will be required to create some basic conditions which one can build on in subsequent development steps. Such projects, or project-like programmes, might require a proactive management or co-management exercised by the expert in addition to providing technical advice. The expert’s performance will then be evaluated against the (tangible) outputs of a project, like the number of schools constructed or the increase of school enrolment. Where more “indirect” approaches are pursued⁷² with TA personnel not having any management responsibility and aligned to national systems and procedures, the advisor’s role will need to be assessed differently. The realisation of “process results” of a TA intervention, such as local partners taking leadership, then become more relevant.

Where possible, avoid management responsibilities

Most national interviewees in our review underlined that TA personnel are more effective when *not* carrying out simultaneous project management responsibilities. The focus should be on transferring specialist knowledge and skills. Neither should TA personnel be recruited primarily to provide advice and to facilitate, and then be used informally by development agencies for monitoring and control of resources. When resource management and controlling functions are to be performed by an expert, these should be clearly spelled out to avoid that person being drawn into potentially conflicting situations.

Gaining legitimacy: Key to effective advisory work

There is a great need for specialist assistance, training and the accompanying of processes and individual growth at different levels without dominating an organisation’s agenda.⁷³ This can be done through a mix of on-the-job training and formal training, mentoring, facilitation of change processes, setting up systems and provision of technical and policy advice. All TA personnel we interviewed stressed that these activities should be combined with a certain level of gap-filling, in order to gain legitimacy for the TA personnel’s presence. Showing solidarity with national colleagues, who are often under high pressure to perform, also helps to shape collegiality, to “open ears” for advice and to generate a general receptiveness and trust through which advisory work becomes more effective.

⁷¹ These types of intervention are particularly appealing for particular regions or provinces where capacities are low and where there is a strong pressure to achieve the Millennium Development Goals within a reasonable time-span.

⁷² These can consist of a mix of indirect basket funding, combined with selected direct TA inputs where a fully aligned TA provision is not yet possible.

⁷³ Evidently, experts need to have in addition appropriate language skills, cultural sensitivity and a sound understanding of the country – a combination which is not easy to get for Mozambique as several sources indicated.

Stimulate ownership through the transfer of accountability

TA personnel are more effective in a context of full ownership and where the expert is accountable to national partners or steering committees under national leadership. Where national ownership is emerging but still too weak to manage the process, mixed forms of accountability might be required whereby representatives of development agencies accompany this emergence from a distance but remain in a position to intervene when necessary. Such double accountability arrangements, however, need a good debriefing and accompaniment of TA personnel and their national partners by the third party. Otherwise there is a risk of confusion. To gradually shape ownership over this resource, Mozambican interviewees stressed the need to follow national recruitment and procurement procedures and to fully participate in the design of the TA position and the selection of candidates – preferably via face-to-face interviews.

Effective implementation requires peer and backup mechanisms

To make pooled arrangements for the procurement of TA effective, support and peer-exchange mechanisms need to be in place to back up implementation, in particular when reforms are rolled out into the provinces. The same is true for technical experts who are placed within institutions on their own and who risk being isolated from professional networks. Such mechanisms fulfil important *integrator functions* and can be of importance for technical backstopping, facilitating the link-up between capital, provinces and districts, bridging cultural barriers, helping with the gradual transfer of responsibilities and shaping understanding of the necessity of reform.

5.2 Reviewing demand, implementation and management

Drawing on the case material, we extract a number of observations and issues for discussion to feed the policy dialogue. We grouped these in the three main areas: demand, implementation and management. Nonetheless, we realise that there are overlaps which need to be taken into account when finding appropriate answers in this highly contested policy area.

5.2.1 Demand

There is genuine demand for TA personnel from Mozambicans

While there is a growing discomfort within Mozambican society with foreigners flooding the country, decision-makers at different levels of government as well as Mozambican NGOs realise that the country needs expertise to build capacities. Attempts in several areas to fully take over without utilising technical expertise have failed. The demand is for TA personnel who are able to feed into development processes for which priorities have been set at the country level. This expertise can be from within the country or from outside, as long as the quality of services provided is in line with the requirements. Officials argue that money to accompany the work of the expert should preferably be made available from pooled government resources. Decision-makers express unease with funding provided upon the acceptance of TA personnel. They indicated, however, that in many cases they have no choice other than to agree to such arrangements.

Lack of human resources management prevents articulation of specific TA demands

The new aid paradigm provokes government institutions to seriously look at the overall human resources situation within their organisation and to determine the type of TA needed. However, as human resources management and planning is little known within the Mozambican civil service and primarily understood as pay and personnel administration, demands for TA are not

very specific. There is thus little capacity to formulate needs and to programme the contribution of outside expertise into a development process. Only a small number of institutions have more specifically formulated demands for TA.

Emergence rather than planning and design for TA is the way forward

Given the weak partner capacity in Mozambique to formulate and plan specific TA demands, there is a need for demands to emerge gradually. In *indirect*, or hands-off, approaches to TA provision, the focus is not so much on technical problems and gaps to be addressed but rather on opportunities, making use of the energy and commitments of groups of people within the system (as was the case in SISTAFE), seeding ideas and providing space for “organic” development. There is value in this approach, as it creates possibilities for building internal constituencies for change that are so crucial to sustainability. In the absence of such “energies”, the supply of TA resources can work as an intermediate solution until national demand is more clearly formulated, as was the experience of UTRESP.

The development of an “overarching capacity development strategy” for the public sector to determine the amount and the methodology for integrating TA, as some development partners have suggested, appears unrealistic in the context of Mozambique. More promising seems to be an approach based on policy dialogue, whereby the emerging experiences from TA of different sorts are brought into and discussed between the Government and development partners in a broader exchange on human resources development and civil service reform in the public sector.

Pooling for TA personnel: The preferred path ahead

The harmonisation and alignment debate and practice in Mozambique has created momentum for pooling resources for the provision of TA personnel which is the preferred path ahead as perceived by a number of Government representatives and PAPs interviewed for this study. There are several small-scale pilots and some broader experiences which have mobilised support for this approach among central government officials as well as PAPs that actively support the Paris Declaration. They see pooling for TA personnel as the way forward, whereby development partners take an increasing distance from managing the provision of experts and gradually hand over responsibilities to national partners. This has also created peer pressure and motivated traditional TA providers to proactively link with and search for meaningful contributions to support national development agendas.

Demand for home-based development approaches

There is an emerging demand for home-based, or in-house, development approaches which has also reached the discussion around pooling TA. Such exercises can be costly and carry risks of failure but are important for shaping ownership. They also provide space for experimentation, testing and innovation, as in the case of SISTAFE, which is supported through pooling. Such initiatives shape ambitious demands to their national environments and help to provoke wider endogenous change within the government system, but even beyond. Such pilots even have the potential to function as a *modern organisational role model* for the country as is the case with Ethiopian Airlines, which boosts the country’s national confidence and pride.

TA needs at the provincial and district levels: An overlooked topic

The debate on the provision of TA personnel focuses very much on the macro level, whereby an economic perspective, derived from the general concern about harmonisation and alignment of financial resources, prevails within the donor community. There is very little attention to what type of TA provision is demanded outside Maputo in order to transform the macro-reforms into sense-making operations at the provincial levels and below. There are development partners that do not see this as their concern, as it is government’s responsibility, despite evident

capacity gaps among provincial administrations which are as yet unable to direct reforms towards lower levels. Where central government owns a reform initiative, development partners often assume that provincial administrations will show ownership automatically and that the government system will regulate itself over time.

Less demand for “changing minds and attitudes”

The fielding of personnel by TA providers, NGOs or faith-based organisations is often justified by the argument that experts can make important contributions to “changing minds and attitudes” of individuals who have little exposure to different cultures or working approaches. The underlying philosophy is that cooperation is about more than just funding; it is about mutual learning and can help to bring different societies closer to one another. While there is profound value in such approaches, we recorded few demands for this type of TA personnel. Government officials and NGO representatives want expertise to help them quickly produce tangible outputs, as there is pressure from government and development partners for results on the ground. They also expressed the view that most staff who work with TA personnel have completed higher education and have already been exposed to other cultures and working habits through globalisation, family ties abroad and training outside the country.

5.2.2 Implementation

A broad approach with different implementation arrangements prevails

The process towards pooling TA personnel is fairly young, which results in very different types of approaches and sub-approaches, in particular those being practiced “indirectly” and those with more “direct” control but with a view to gradually letting go and handing over responsibilities. For example, we saw *earmarked pooled funds* for the procurement of TA personnel, as well as *parallel project funding* to recruit experts who are then *assigned to a sector strategy* funded through a basket. Then there are the agencies providing TA personnel “in-kind” as their contribution to a basket arrangement. This landscape of approaches features varying degrees of trust and confidence in the managerial capacities of national partners, but also the institutional interests of TA providers whose role will be questionable once procurement-based approaches prevail.

Linking macro, intermediate and micro levels: What role for TA?

Few agencies have taken the linking challenge seriously and started to test different approaches closely aligned to sector reforms. Other agencies continue funding traditional projects or project-like programmes to NGOs and lower government levels, often accompanied with tied TA and the aim to contribute to service delivery or governance development in a particular sector or area. There is growing concern about this linking and bridging, as there is no evidence that pooled arrangements at the macro level have led to sustainable capacity and performance in poverty sectors at lower levels. Some development partners suggest that pooling arrangements need to create space for pilot approaches aiming to better link and coordinate across the different levels. There is also scope for comparing different TA approaches and experiences whereby one discusses whether there is a role for TA to play and, if yes, what type of role it could be to help transform reforms in a reasonably manageable and gentle manner.

A plea for flexible approaches in TA personnel provision

The capacity situation in Mozambique varies enormously between and within sectors, as well as between the macro level and lower echelons of public administration. Similarly, NGO capacity differs markedly from one organisation to another. This diversity, according to interviewees from both the donor community and government, requires different approaches for

the provision of TA personnel be used. Where the policy dialogue reveals that TA should be procured out of a basket fund under government leadership, pooling for TA personnel should be pursued. Where capacity is too low to define demands and manage experts nationally or where the local market is too weak to offer the required expertise, “in-kind” TA provision might be appropriate. But the latter should be applied with a view to gradually building up national capacities, which will eventually enable the donor to take a distance and ultimately to leave the procurement and management of expertise to the partners.

A focus on finance: Neglect of human resources

The harmonisation and alignment process in Mozambique has focused on the financing of a system transformation of the institutions benefiting from pooled funding. The issue of national human resources management and development has so far hardly been pursued in policy dialogue, while partners acknowledge that human resources is important. An often-heard argument is that such a dialogue would draw development partners more deeply into the heart of government affairs and increase transaction costs, which the harmonisation and alignment agenda precisely aims to prevent. Despite this risk, there are donors that view the wider human resources issue as having been neglected in policy dialogue and in implementation, treated as an *annex issue* to finance. There should be more attention to this topic throughout sector working groups, closely coordinated with initiatives that target the reform of the civil service.

Tangible outputs matter

The broad trend is towards systems change, “letting go”, stimulation of ownership and encouraging endogenous development processes. PROAGRI’s experiences, however, show that too much focus on wider reform and capacity development at the expense of realising tangible outputs risks losing important partners along the reform process. It can make sense to accompany such processes with strategically placed long-term TA which can facilitate the realisation of intermediate results. Where the national system is not sufficiently mature to source TA with funds for operational expenses or for basic activities, a budget, or a so-called *capacity development fund*, has demonstrated benefits for TAs and made their efforts more effective.

Local procurement capacity and practice determines mode of TA delivery

The robustness of partner country procurement systems for TA is of concern to development partners. International standards are not always followed, and there are many examples of subtle corruption practices, often linked to party membership. Critics of TA pooling arrangements refer to these and the possible loss of effectiveness when opting for “in-kind” provision of TA personnel. Others are more nuanced and vote for a case-by-case approach whereby local procurement is accompanied by policy dialogue to ascertain whether international standards and procedures have been followed. In our cases, we found innovative approaches to the recruitment of experts through pooled funds which have paid off.

Need for “new-type” advisors and facilitators

To accompany processes, to facilitate, to mentor and to advise without dominating the development agenda of an organisation is a specialisation. “Old style” advisors who used to manage and run projects are increasingly being required to take on a different role. Not all are capable, or willing, to do so. Some might feel less motivated and little challenged. Others might have difficulty in witnessing mismanagement of resources without being able to intervene. This shapes a demanding capacity development agenda for agencies to retrain experienced experts, to find new people on the market and to build up a young stock of “new style” advisors who are able to fit the bill.

5.2.3 Management

TA personnel under local leadership: A qualitative difference

The more choice given to national decision-makers in the selection, recruitment and management of TA personnel to fill a clearly formulated demand, the more likely it is that the resource provision will be effective. International experts having worked under traditional projects and who now work under local leadership in an integrated manner underline that there is a qualitative difference in terms of ownership when TA personnel is recruited out of pooled and harmonised arrangements.

Efficiency gains through TA pooling

Representatives of development agencies point out that TA is the least aligned and harmonised part of aid in Mozambique which levies high opportunity costs for the country as well as for development partners. Initial experiences in selected areas show that the integration of TA into the government's planning, budgeting and monitoring can lead to efficiency gains and allow strategic decisions to be taken on resource use and allocation. Obviously, real gains can be made only where local capacity is in place to manage resources effectively. Development partners stress, however, that low capacity should not be used as an excuse to refrain from pooling and point to the need for the adoption of differentiated, or mixed, approaches across sectors.

Comparing what works and what does not

Effective pooling of resources for the procurement and management of TA in the area of finance should not lead to technocratic optimism with a view to easy replication in other areas. Finance is an area of high specificity and of common interest to government and development partners. The joint interest in proper accounting and accountability can mobilise pooled support more easily than areas that are less tangible in nature and more process oriented. To overcome doubts about what works and what does not in "soft areas" with less tangible outputs, joint evaluations can be undertaken comparing different aid mechanisms to help decide how resources for TA can best be pooled. The new initiative to support decentralisation reforms, PPF, could usher in promising practice in this regard.

Joining resources for TA is no guarantee for sustainability

There are several experiences of pooled funding for the recruitment of international and national TA which are under national management. Experts are recruited under contracts which remunerate according to market rates. These contracts are also attractive because of accompanying training and other professional development opportunities. Schemes, such as that for SISTAFE, help to strengthen national management capabilities and can reduce management costs for TA mobilisation on the donor's side. But where funding for TA is withdrawn after a limited intervention period, as was the case of national TA recruited to support the implementation of PROAGRI in the provinces, the system collapses. This experience points again to the need to understand capacity development more widely and focus not only on what works, but also on what lasts.

National management of TA personnel: Not a key priority

For government officials as well as NGO leaders, participation and decision-making power in the procurement of TA is essential. Whether the contracts are managed nationally or by agencies is of secondary importance, as long as procedures are aligned with national practice. Most appreciated is when TA providers function as a recruitment and human management agency which can do the search, leave decisions to the national partners and manage the contractual aspects thereafter. This goes against the views of some of the development

partners advocating pooled funding. They would ideally like to see the procurement and management of TA done by national institutions, because it could reduce management costs on their side and prompt the receiving organisation to strengthen its human resources management system.

Induction of TA personnel and their national partners

Most TA personnel recruited for senior advisory positions have solid experience working in different cultural contexts and environments. They feel, however, that their national partners are not always sufficiently informed and prepared for their arrival. There is a need for newly arriving advisors to Mozambique to be fully introduced to international developments in aid modalities and how these are translated into sector policies and strategies, and what the implications are for the advisor's expected role and functioning. Some development agencies provide highly appreciated debriefing sessions to NGOs on the changing aid relationships in Mozambique. Such simple knowledge-sharing instruments could easily be applied for wider participation. Another innovation in Mozambique are field visits organised for embassy staff dealing with development matters, to enhance knowledge of realities on the ground outside Maputo. These familiarisation visits were also highly appreciated.

Changes in accountability relationships

With the changing aid relationships, accountability for the use and results of TA personnel inputs is increasingly with government. The emergence of national accountability for TA is a gradual process which is evidently more prevalent where aid is provided *indirectly*. Where interventions are moving from direct to indirect approaches, mixed forms of accountability exist whereby the development agency stays at a distance but is still able to intervene in case something goes wrong. Danida's *performance agreement* for TA personnel, which is signed by the national partner, the expert and the embassy, is the most obvious example. If managed carefully and constructively, such tools can help to gradually take national partners into account. Growing national accountability does not require procurement and management of TA personnel to rest fully with government from the onset. We saw examples whereby development agencies provided a helping hand in finding adequate TA, after which subsequent procurement and management were taken over by national authorities.

6 Conclusions

Over the past 15 years or so, Mozambique has undergone a substantial transformation from a post-conflict country to a parliamentary democracy. External financial and technical assistance, including the massive influx of long-term TA personnel, has been instrumental in making this change happen and reinforcing the state. The focus in the early to mid-1990s was on moving from so-called *doing approaches*, whereby development agencies implemented activities themselves during periods of high instability, towards more *direct approaches*, characterised by engagement with country partners in a participatory manner but remaining in control of planning and resources. This approach remained dominant throughout the 1990s and is still widely used in Mozambique today. TA personnel perform both managerial and advisory functions under such a direct approach, simply because national capacities to implement activities are weak. The latter 1990s saw the gradual appearance of more *indirect approaches* in selected areas, whereby development partners increasingly responded to, stimulated and fed country-led processes. Those are more broadly used today in the context of programme-based approaches and budget support. A number of development partners have moved a considerable distance towards *hands-off* approaches and have established programmes that disburse against proven, measurable or demonstrated progress on the part of country institutions. TA personnel under *indirect* and relatively *hands-off* approaches play facilitating and advisory roles, respond to endogenously formulated demands and are accountable to the country partners.

Taking into account these developments and the results of the various mini case studies, we make the following concluding observations:

- ***Policy dialogue on human resources.*** TA personnel are normally addressed at the level of projects and programmes and are seldom linked to a wider policy dialogue on human resources development in the public sector. Several comments made by interviewees indicate the need to address civil service reform more vigorously and for development partners and partner countries to give more prominence to higher level policy discussions and joint reviews. The quality of human resources planning and development in the public sector helps to improve the effectiveness of the programming and design of TA personnel.
- ***Pooling of resources for TA personnel is the way ahead.*** There is a clear move among central government institutions and a significant number of development partners towards pooling of funding to provide TA personnel. The Paris Declaration, with its agenda of harmonisation and alignment, is being used as a guide by decision-makers in the GoM and in development agencies to rally an increasing number of actors behind national development priorities.
- ***Relationship between TA pooling and empowerment.*** Pooled funding for the recruitment of TA personnel can empower the partner organisation to take decisions on strategic priorities and resource allocations in order to realise endogenously formulated development strategies. But for an independent and capacitated organisation, the pooling of resources for TA provision becomes of lesser importance. Where an organisation has a clear idea about the added value of a TA provider, focused demands can be formulated for which a trusted TA provider might be a better choice for undertaking a search on the (international or regional) labour market.
- ***Too much fragmentation in TA provision persists.*** TA and the personnel provided as part of overall TA assistance remains the least aligned and harmonised part of aid to Mozambique. The weak decision-making process and insufficient organisational capacity of the partner are arguments for increasing the pooling of resources for TA to eventually help partners strengthen their capacities and take more leadership on this important resource. More pooled funds would also allow national partners to recruit staff power at lower costs from the international labour market and thereby help to reduce opportunity costs. There

are estimates that TA in Mozambique represents roughly half of the public sector wage bill, an expenditure that an increasing number of Mozambican decision-makers and some development partners consider inadequate value for money.

- ***Pooling of resources for TA as a transitional measure.*** There is awareness on all sides that national resources eventually need to replace donor provision of resources for common funds. Development partners supporting budget support indicate that they are prepared to make the bulk of resources spent on TA available and to pay for the transitional costs of public sector reform and other central reforms, as long as there is an effective policy dialogue about these reforms and the subsequent institutional reinforcement.
- ***Moving from “direct” to “indirect” TA approaches.*** Several interviewees commented that more partners need to be brought into the programmes supporting reforms and that they should change their assistance to more “indirect” approaches, but the question remains how this should be done in practice. Strong government coordination is needed to lead an effective policy dialogue on how TA should be provided to complement a host of accompanying central-level reforms of the government machinery. Strong national leadership can also help to rationalise the number of TA providers and NGOs per sector and push development partners to change their ideas about how cooperation should be done. Besides that, experience from different sectors has shown that effective coordination and complementarity can help to encourage more coordinated approaches and alignment. Where government leadership is not sufficiently strong, peer pressure might help to get partners on board that are able and willing but have been undecided so far. Nonetheless, it is important to leave space for new partners to pilot new approaches. A one-size-fits-all prescription will not work.
- ***Mixing “indirect” and “direct” approaches can make sense.*** Direct provision of TA personnel and accompanying assistance has validity if embedded in a wider reform strategy that leads to growing country leadership and ownership. A mix of different approaches can be beneficial as long as they are oriented by policy priorities set at the national level. While “direct” TA personnel provision might be costly, in some circumstances, the needs may justify the costs. The spirit of the Paris Declaration is that such decisions be taken in dialogue involving the partner country and the various stakeholders in the sector but under national leadership. A focus on only one, or the other, makes no sense.
- ***Recognise differences in capacity between central and lower levels of government.*** Contexts are markedly different between the macro, or “Maputo-level”, and the provincial level and below. *Indirect* approaches are reasonably feasible where there is a good supply of qualified people; but this is more often the case in capitals than in provinces. Development partners and government need to carefully assess capacity at the provincial and municipal levels and design support accordingly. It is also important that activities be designed to support the development of capacity to link the different levels in terms of policy awareness and policy coherence.
- ***Use TA personnel as strategic tools for change.*** The provision of TA personnel – either as pooled resources or delivered “in-kind” – needs to be seen as a strategic input for capacity development by the Government and not exclusively as an economic resource to fill gaps for purely technical jobs. Such personnel can play important roles in accompanying change processes, providing inputs for “changing minds and attitudes” and encouraging institutional transformation. Where TA is provided “in-kind” to a reform process, the person needs to be deployed with a mandate to serve the local reform process and not the agenda of the TA provider. Joint mechanisms, such as working groups for development partners and dialogue with government on human resources development and civil service reform, can help to identify needs and encourage the effective use of TA.

- ***Different approaches require different TA personnel profiles.*** Today's development cooperation demands professionals be even more flexible than in the past. There is a need for well-qualified and experienced staff, who are able to do jobs technically but who also have interpersonal skills and solid experience. They need to be fully aware of the capacity development requirements in a given situation and able to accompany the partner in a transformation process through a repertoire of roles and change techniques. The expert needs to protect the partner from being overwhelmed and therefore must "let go" where possible, but also ensure that tangible goals are realised for which a more proactive involvement might be required. Such multi-talented advisors, able to manage relationships productively, are scarce. Where the international labour market does not permit the identification of adequate candidates, specialised TA providers might be better placed to identify, train and recruit TA. To stay competitive, TA providers must retrain experienced experts, find new people on the market and build up a stock of "new style" advisors who are able to fit the bill.
- ***"Indirect" approaches require a change in accountability relationships.*** "Indirect" approaches imply that the partner government manages development programmes and is accountable for them. This is a return to the original concept of labour relationships, where a patron purchased technical advice for their own use and the "expert" was accountable directly to that patron. Shifting responsibility for TA from the donor to the partner country requires a degree of risk-taking on the part of the funder, which loses control over the direction of the programme. The rationale for shifting the accountability is that the country can only be helped to take charge of its own programmes if it has the opportunity to develop the appropriate capabilities. It provides a learning opportunity for partner organisations to develop their own management skills and to build their sense of commitment to the programme over the long term. But most importantly, if mechanisms for ensuring transparency can be established, they can be a means to improve accountability between government and citizens and to build the checks and balances in society that eventually will be able to control the corruption that is all too common in Mozambique. Where the partner is not sufficiently strong to manage the resource input effectively, temporary dual accountability mechanisms might be justified, such as the ones we found in some of our cases for this study.
- ***Context may influence the mode of TA personnel delivery.*** In a poor country like Mozambique, with weak control systems, perverse incentives and much corruption, the political economy needs to be factored into any decision on resource provision, including for TA personnel. In the case of obvious misuse, there might be reasons to turn to more "direct" approaches, or even to stop the assistance entirely as a temporary measure. The risks involved in moving to "indirect" provision of resources should, however, not be invoked as a reason to stick to one approach. Several interviewees confirmed that effective and coordinated policy dialogue opens space for change which development agencies should use.

We present these concluding points with a view to stimulating dialogue on TA and capacity development between development partners and the partner country as well as among development partners. Dialogue amongst those latter, in particular, will be a challenge, as there are fundamentally different views amongst development agencies in Mozambique on how the issue of TA should be approached. Some opt for a more *direct* involvement, others advocate far-reaching *indirect* approaches. We got a taste of these divergent views from comments on an earlier draft of this paper. These ranged from *the report is too much in support of the view that general budget support should be maximised instead of finding the right mix of aid modalities and we find it an unrealistic assumption that accountability of the TA personnel should (or even could) solely be towards the partner institution*, to *the report is too supportive of a gradual approach to alignment of TA and we like your points on accountability, where the accountability of TA performance must be clearly with government rather than the mixed and confusing forms of accountability we often have now*. Though there is certainly no easy answer, we hope that the above points can provide a base for this dialogue. They need to be discussed under government leadership to find an appropriate way ahead.

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Annex 1: Terms of Reference

Provision of Technical Assistance Personnel – What can we learn from Promising Experiences?

Proposal for a Mozambique Country Study

Background

The European Centre for Development Policy Management (ECDPM) was asked to carry out a study on the Provision of Technical Assistance Personnel, on behalf of AusAID, BMZ, and Danida (see full TORs at www.ecdpm.org/dcc). A Steering Committee comprising the three funding agencies and DfID, which participated during the last Steering Committee meeting as an observer, will oversee the execution of the study. The overall objective of the study is to gain a better understanding of the future demand for technical assistance, and to recommend how technical assistance personnel can best be mobilized, used and managed to strengthen national capacity.

Mozambique has been identified as one of three country studies for the proposed study along with Vietnam and the Solomon Islands. Each of the country studies will identify and explore examples of innovative practice in the design, delivery and monitoring of technical assistance personnel - lessons from which can be of wider interest to the development cooperation community. This initiative should therefore not be seen as an evaluation of country experiences but very much as a wider study to generate learning opportunities. Secondly, this initiative will seek to provide an input in the development of guidelines on TC modalities that is currently underway.

In the context of international commitments to increasing levels of aid and to achieving the MDGs, there is particular interest in seeing how innovative approaches can contribute to current concerns to improve aid effectiveness and capacity development, as expressed in the Paris Declaration. The study is particularly interested in drawing out practical lessons of experience on what works and why.

The Proposed Mozambique Study

Recent initiatives taken by the Government of Mozambique and a group of 18 development partners (PAP) to improve aid effectiveness and to overhaul the provision of TA offers a valuable opportunity for further learning, and to build on the findings and recommendations of the recent study of ScanTeam on Strengthening Capacity Development Support Programmes in Mozambique.

The proposed guidelines on technical cooperation modalities and associated PAP indicators that have now been developed in Mozambique provide the basis for addressing the objectives of the Paris Declaration and in particular, the indicators on capacity development. The guidelines, which build on the recommendations of the ScanTeam report, aim at harmonizing and aligning the provision of TA around GOM development priorities, through pooling arrangements.

Approach

The proposed country study sees the proposed guidelines as a starting point for a deeper sector-level analysis of the opportunities and constraints for adopting the proposed guidelines, and to identify other factors that contribute to the effectiveness of TA..

The study will therefore aim to explore TA experiences in two or three different sector/thematic

areas, and will, in relation to each, gather information on the processes through which:

- capacity needs were identified. (eg: to what extent was an assessment / diagnosis of capacity needs carried out, and by whom and with what conclusions; was there an assessment of the level of development of a sector in terms of harmonization, dialogue structures, state of strategy development, sector-wide work with donors, etc.; were the needs identified in the sector-wide plan)
- TA inputs were formulated. (eg: what justification for TA was made, what options were considered and who was involved in the process; was there a consideration of the opportunity costs of TA, was TC integrated in Government's budget proposal; were the pre-requisites for joined-up TA assessed)
- TA was procured (eg: the extent to which the process was country led, and the process followed in identification, selection and appointment of personnel)
- TA was deployed (eg: the factors that have helped/hindered implementation of TA responsibilities)
- TA was monitored and appraised (eg: the structures, processes and mechanisms for monitoring, reporting and learning)

Across the different areas, the study will focus on assessing the potential scope and pace for integrating TC in existing sector planning, budgeting, and monitoring processes through joint planning, implementation and monitoring mechanisms and sector-wide common funds or sector budget support instruments.

In relation to each of the above, emphasis will be placed on understanding the processes, and in particular, the roles and contributions of the different stakeholders involved. Attention will be given on how stakeholders judge the effectiveness of the various processes in terms of ownership, participation and consequent capacity results/outcomes. Stakeholders will be asked to assess the factors that they believe to have impacted either positively or negatively on the entire TA experience.

Experiences will be drawn from on-going sector (SWAP) or multi-donor funded public service/governance programmes. In addition, the study will look at opportunities and pre-requisites for graduation processes from stand-alone TA to more harmonized levels of TA in contexts where pooling arrangements may not yet be feasible and in such circumstances to identify how (and the conditions under which) TA can contribute effectively to capacity development.

Dissemination

The findings and recommendations of the three country studies will feed into a synthesis report that will be discussed in an international workshop in March 2007, and published thereafter for broader dissemination. The results of the study are expected to inform the wider discussions on aid effectiveness and capacity development as well as to contribute to the policy and practices of the three funding agencies. It is also expected that the results can be of use to the development partners of the three countries where fieldwork is planned. For Mozambique, the findings will be used to inform the development of guidelines on TC modalities looking at and working towards proposed scenario(s) for the future and proposed steps towards reaching the scenario(s). The consultants will provide the Development Partners Task Force on Capacity Building in Mozambique with a complementary document to their field report of some 5 to 10 pages which will highlight findings and proposals relevant to the finalization of the TC guidelines.

Annex 2: List of persons met

Government Officials

↻ Maputo

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Mr. Victorino Xavier	Director	UTRESP (Mozambique)

↻ Provinces

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Mr. Mário Inácio Omia	Permanent Secretary	Manica Province
Mr. Francisco Tomo	Director	Nhamadjessa School
Ms. Leonor Frederico Mojana	Provincial Director for Education	Prov. Education Directorate/Tete
Mr. José João	Provincial Director of Planning and Finance	Province Government of Tete (Mozambique)
Mr. Antonio Vasco Digue	Head of Rural Extension Department	Provincial Directorate of Agriculture / Tete
Mr. Antonio Junio	Provincial TA UTRESP	Provincial Government (Tete)
Mr. Valgy Bernado	Provincial TA UTRESP - Training	Provincial Government Manica
Mr. Ildefonso R.D. Muanantatha	Governor	Provincial Government of Tete
Mr. José Diruai	District Director for Education	Sports, Youth and Technology

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Ms. Deirde Watson	Adviser	UNICEF

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Other informants Mozambique

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Annex 3: Donor support for Capacity Building – MPF 1995-2005

Policy areas of donor support for capacity building in the Ministry of Planning and Finance 1995–2005		
Policy Area	Capacity building through ...	
	... individual donors	... joint support arrangements
Improvement of budgeting process (FOPOS)	UK	
Overseas Development Institute (ODI) Fellowship scheme	UK	
Accounting and auditing	Sweden, Switzerland, Portugal, France	
Monetary and exchange rate policies	IMF, African Development Bank, Denmark, UK	
Debt management	Switzerland	
Tax reform	IMF, UNDP, Switzerland, Denmark, France, Portugal, UK	
Customs reform	UNDP, IMF, World Bank, DFID	
Administrative Tribunal	Sweden	
PARPA monitoring	UNDP	
Poverty analysis and monitoring – pooled since 1999		Switzerland, Denmark, UK and recently EC
SISTAFE		Switzerland, Netherlands, IMF Joint fund: Denmark, EC, Norway, Sweden, UK and Belgium
Statistical capacities	World Bank, UNDP, Germany (CIM)	Norway, Denmark, Sweden, later joined by Portugal and Italy
Macroeconomic management and policy analysis		Funding from Switzerland, Norway and Sweden, with TA from Harvard University
Decentralised planning	World Bank, GTZ	UNCDF, UNDP, Netherlands, Ireland, Norway and Switzerland
Coordinated capacity building for financial management at decentralised level (municipalities)	Coordination among separate donors: Switzerland, Ireland, Sweden, Netherlands, Norway, UNCDF	
Financial sector reform	IMF, Sweden	African Development Fund, IDA/World Bank, Germany (GTZ/ KfW), UK and Sweden (the FSTAP due to start in 2006)

Sources: African Development Fund (2005), Byiers B. (2004), MPF/DNPO (1998), MPF/DNPO (2004), Gerster and Harding (2004), Jorgensen and Aarnes (1999), Killick et al (2005), MPF (1999), World Bank (2005a).

Annex 4: TC & TA personnel in the Agricultural Sector

1) Assistance Personnel funded by PROAGRI common Fund

- One long-term technical assistance in Directorate of Human Resources, MINAG, Maputo
- Contract with consultancy company Luis Berger for capacity building in Financial Management System, Arco-Iris, Maputo
- In addition, a number of national staff is recruited on contracts and funded by programme funds (external investment budget).

2) Technical Assistance Personnel funded directly by partners within the common funding arrangement

- Sweden, Canada and Ireland have no TA personnel
- European Commission:
 - One international adviser in MINAG, Maputo
 - One national adviser in CEPAGRI, Maputo
- Danida, four international long-term advisers:
 - Senior Adviser - MINAG/ PROAGRI Coordination, Maputo
 - Senior Financial Adviser, MINAG, Maputo
 - Natural Resource Management Adviser, Manica Province
 - Research Adviser - Sussendenga Zonal Research Centre, Manica Province
- IFAD, 86 man-months of advisers funded by IFAD under ASP over the next 4 years:
 - Implementation Management Adviser
 - Coordinator of district farmer consultation
 - Agricultural planning system adviser
 - Service contracting specialist
 - District agricultural reform adviser
- Austria, one advisor planned in Sofala Province

All the above EC, Danida and IFAD advisers and the possible Austrian adviser will be funded directly by the respective agencies, but the funding of their activities is through PROAGRI common basket.

3) Other Partners in the sector

- World Bank: funding, but no advisers
- JICA: approximately 2 long-term positions are planned for a coming irrigation project (not confirmed)
- Finland: Rural Development Project (under MPD) in Zambezia with 4 long-term TA, 2 associate experts (planned) and several short-term consultancies.
- USAID: current funding for projects, see below. The provision of TA personnel is not specified
 - FEWSNET, support to SETSAN in vulnerability assessment and capacity building in response to emergencies.
 - Michigan State University, support to MinAg/DE and IIAM at both central and zonal center levels.
 - Competitive Grant Fund for Agricultural Research, open to scientists working at the zonal research centers countrywide
 - Agricultural Input Market Strengthening project, based in Beira, covering all markets, but focused on those in central and northern Mozambique.
 - EMPRENDIA Alliance with Technoserve, CLUSA and ACDI/VOCA: business development services to farmers groups and rural enterprises involved in the

- following value chains: cashews, macademia, sesame; horticulture and fruits; animal feed (maize, cassava, soybean) and forestry.
- Scholarships for training in agribusiness related disciplines
 - Development Credit Authority with BCI, a 50% risk-sharing of their eligible agricultural portfolio.
 - Food security private voluntary organizations (NGOs)—(this is a combination of dollar resources and local currency generated from the sale wheat donations): Nampula - CARE, Save the Children US; Zambezia - World Vision; ADRA; Sofala: Food for the Hungry; Manica: Africare
 - **FAO:** is providing TA to MINAG and other government institutions with national and international long term technicians and short term consultants in the following areas. In most of these, FAO is a service provider. In some cases, they also fund:
 - Formulation of PARPA II: mainly cross cutting issues on food security and nutrition, HIV-AIDS mitigation, and gender
 - Formulation of Rural Development Strategy
 - Formulation of Territorial Planning Policy and Law
 - Food Security and Nutrition policy: evaluation of FSNS, revision of FSNS, technical support to SETSAN and Provincial SANs
 - Food Security Information system
 - Nutrition Education
 - Crop production and agricultural diversification
 - Agricultural Extension: introduction and expansion of Farmer Filed Schools
 - Agricultural marketing
 - Marketing information system
 - HIV-AIDS mitigation: establishment and promotion of Junior Farmer Field and Life Schools and micro-projects
 - Creation and promotion of School Gardens
 - Integrated Pest Management
 - Conservation Agriculture
 - Small scale irrigation: rehabilitation and construction of new schemes
 - Aquaculture
 - Promotion of agricultural Input Trade Fairs
 - Community Based Natural Resources Management
 - Community Forestry
 - Afforestation
 - Man-wild animal conflict
 - Formulation/introduction of food security and nutrition component of District Plans
 - Prevention and disposal of obsolete pesticides
 - Research on land conflicts
 - Research on gender issues in the framework of land and HIV/AIDS
 - Capacity building for the implementation of the land law, the environment law and the forestry and wildlife law
 - Control of African Swine Fever
 - Detection and Prevention of avian influenza
 - Transboundary Animal Disease Information and Management System
 - Development of small-scale fisheries
 - Human Resources Development
 - Gender

Source: Donor Working Group on Agriculture, November 2006

Annex 5: TA in the education sector in Mozambique

This annex is written in response to a request by the Development Partners Task Force on Capacity Building in Mozambique. The study team has taken up this task in addition to the TOR for the overall study as we want to make this work useful to stakeholders in Mozambique as well. Some of the information requested by the Group is already contained in the main report, such as the typology of TA, information about the type of TA prevalent in the education sector (modalities), how TA is being contracted, paid and assessed, to whom TA is accountable and what type of factors contribute to strengthening capacity in the sector. This annex provides more in-depth insights on current TA trends in the sector, and on how TA is used in the context of **FASE**, the education sector basket fund, and the **Education Sector Strategy** more broadly. At the request of the Donor Working Group we have also included a number of comments on how to move forward with the use of TA personnel in the education sector. We hope that they can contribute to the further formulation of the proposed **Guidelines on Technical Cooperation Modalities** which were originally formulated by DFID and which are now under discussion by the Group.

General overview and trends

What kind of TA and associated personnel is provided by whom and how to the education sector? What seemed to be a straight forward question turned out to be very difficult to answer. Most bilateral and multilateral agencies have invested considerably over the recent years to better harmonise and coordinate their support to the education sector, and according to observers the situation is much better than it was five years ago. Nevertheless, the complexity of the support provided to the sector via a multitude of channels, and the partially inconsistent information and statistics available from donors and Government, made gaining and overview of the TA provided a challenge, despite the improvements made. The dispersed support provided through NGOs especially makes good coordination almost unachievable, though the issue is being addressed through improved coordination within some provinces.

The situation is difficult to assess for a number of reasons: Over 110 international organisations and NGOs working in Mozambique support the education sector in one way or another, through TA personnel or funding which is used to finance the procurement of national and international expertise.⁷⁴ Only some of these keep good track of the TA personnel they mobilise or which is procured through the funding they provide. The Government was also not in a position to provide us with more detailed information about the human resources of the education sector, including the number of persons mobilised from outside (either provided by agencies or procured with national and international funding). Finally, not all organisations were eager, able or willing to share the information they have. We have collected an overview of TA and how TA is managed by a number of principal agencies active in the sector, including some detailed information on TA personnel as far as this was available, in the tables below (Tables 3 and 4)

The overall trend among the principal donors in the education sector is to reduce their involvement in projects and project-type programmes and to progressively step up their engagement via programme funding⁷⁵ into FASE, the education sector basket fund. Along with this shift, the number of TA personnel provided to the sector has been reduced, in particular in the provinces where fewer international TAs are working nowadays. However, the decline has been gradual, and does not seem to have resulted in a *major* reduction in TA numbers. One should note that there are many NGOs working in the education sector with funding from donors who are additionally providing budget support through FASE. These NGOs recruit many national experts for their work, which is complementary, but often also parallel, to what the

⁷⁴ We have compiled a broad overview of these organisations and cooperation agreements in Box 10 below. An overview of partner support to the MEC per area of intervention at the national and the provincial levels is listed in Table 3 below.

⁷⁵ Commentators on this draft annex stressed that one should only call this “budget support” once the funding will be transferred to the single treasury account.

Government does. It is noteworthy as well, that there are relatively few activities in the sector carried out by companies. Last but not least, the reform of the education sector has also resulted in the presence of more donor expertise at the national level to accompany the reform through policy dialogue, planning and monitoring. One should consider this type of support as a form of TA as well.

In terms of TA needs, the GoM increasingly asks for the specialised knowledge and skills which the traditional multi-lateral and bi-lateral TA providers are able to provide. As the MEC (the Ministry of Education and Culture) does not always have the networks to identify suitable candidates, such provision of TA is valued highly as long as the inputs are fully in line with its needs. Some organisations within the education sector, such as INDE (the National Institute for Educational Development), which over several years have had the opportunity to build up their international networks with the assistance of international agencies are now in a position to identify whom they need and where to get the expertise from themselves.

Box 10: Broad overview of support to the Mozambican Education Sector

- 13 bilateral cooperation agreements for programme support and projects ranging from Euro 65,000 to several millions contributions per year (Brazil, UK, Netherlands, Denmark, Japan, Germany, Belgium, Canada, Spain, Finland, Ireland, Italy, and Portugal and Cuba)
- Bi-lateral agreements to exchange experiences about the education sector (South Africa, Angola, Tanzania, Zambia, D.R. of Congo and Swaziland - without any information about funding,
- Scholarship programmes (Sweden, World Bank and the Netherlands are mentioned as the principal providers, others are Canada, Spain, Italy, Portugal and the Commonwealth).
- Credits from World Bank, AfDB, OPEC and the Arab Development Bank
- Some 97 international and national NGOs working in the education sector in areas addressing areas such as 'adult training', 'school construction', 'provision of teachers', 'school health', 'research', 'pedagogic supervision' and 'provision of equipment' with funding from agency country offices or from agency headquarters (USA, Portugal, UK, South Africa, Germany, Spain, Netherlands, Norway, Canada, Ethiopia, Mozambique, Switzerland, India, Italy, Sudan, France, Denmark, Austria, Thailand, Australia, Ireland, Sweden, Algeria, Congo)

Note: Multilateral organisations, like UNESCO, UNICEF, WFP and FAO are also active in the sector but we could not get further details.

*Compiled by: International Cooperation Department of the MEC (September 2006)
and inputs provided by the Education Sector Working Group.*

TA under FASE

Today, the Netherlands, Germany, the UK, Canada, Ireland and Finland are paying into FASE, while Spain and Portugal are preparing to join. Throughout the donor community, including those agencies operating exclusively through projects, the GoM is seen as increasingly able to gain control over the implementation of the Education Sector Strategy. In 2004, when concern about financial management was high on the agenda of the external partners in the Education Sector Working Group, an intense dialogue with the Ministry about procurement of TA was initiated. This led to the successful recruitment of finance experts under Government leadership and management with funding from FASE. There are expectations that the experience gained from this will lead to the wider use of the practice of national procurement and management of TA personnel.

According to the information received from the MEC's Department of Administration and Finance (DAF), the following national and international TA are recruited with funding under

Table 3: Cooperating Partner Support to MEC, Mozambique in terms of direct funding (Year: 2006)

Areas of Intervention (Components according to PEEC 5/2006)	National level	Provincial level
1. Early childhood education		
2. Primary Education	DN; IT; UN; UC; GC; CAN;	DN; IT; UN; GC
3. Adult literacy	UN; NL; GC	
4. Secondary education		
5. Technical vocational education (TVET)	DN; ND; IT; GC; SP; P; AfDB; CAN; WB	P; SP; GC
6. Teacher training (CRESCER)	DN; ND; UC; IT; GC; J; CAN	DN; J; ND; UC; GC
7. Tertiary education	ND; WB; S; IT; SP; P; IRE	
8. Distance education		
9. Special education		
10. Gender	DN; UC; IT; UN; CAN; IRE	DN; GC; UC; WF; UN
11. School sports		
12. School health		
13. School production	WFP; FAO; UC	
14. Information technology	UN	
15. Cross-cutting issues	DN; UN; UC; GC	DN; UC; WF; GC
Basket Funding FASE	ND; DF; GC; CAN; F; IRE	

GC – German Cooperation

ND – Netherlands

IT – Italy

UC – UNICEF

DF – DfiD

UN – UNESCO

DN – Denmark (Danida)

WF – WFP

AfDB – African Development Bank

S – Sweden

IRE – Ireland

F – Finland

J - Japan

CAN – Canada

Sp – Spain

P – Portugal

FAO – Food and Agriculture Organisation of the UN

WB – World Bank

PEEC = *Plano Estratégico de Educação*, Education Sector Strategic Plan

As the sector dialogue currently focuses at the implementation of the PEEC, it is difficult to distinguish between levels of intervention, particularly where it concerns general education. The education group has created a number of working groups at technical levels and appointed focal points per group. The WGs aim to be a platform for policy dialogue and channelling of TA in a more coherent and structured way. These focal points have the responsibility to keep the rest of the interested partners informed and to ensure a division of labour.

The information in this table is incomplete as not all donors have provided information on their area of funding (focus on direct funding only). Blank areas means that there is no information available although some donors do support these.

Source: Compiled based on interviews with donor representatives in Maputo

FASE:⁷⁶

- Total Budget for FASE in 2006: 1,528,019,000 MZN⁷⁷
- Of this, the budget for TA was: 13,789,200 MZN (0.90%). This was spent on 14 positions:
 - o Advisors to the DAF: 2
 - o Financial Controller: 1
 - o Accountant: 1
 - o Procurement Specialist: 2
 - o Procurement Assistance: 2
 - o Engineers: 6

Complementary to this, there are several donor agencies which provide project funding to accompany the implementation of FASE. The following are some examples:

- Germany funds the implementation of the education sector strategy in three provinces with some Euro 100,000 each per year. The money is primarily spent on TA, including three TAs working to improve public financial management in the provinces. Recruitment for these positions was done using MEC's procedures.
- In addition to its basket funding, the Netherlands supports the Ministry with short-term consultancies to undertake studies or to help integrate Higher Education into the MEC through its NUFFIC programme.
- Ireland gives direct budget support to two provinces, out of which mainly national TAs are financed to help with the implementation of the Education Sector Strategy.
- Denmark used to support three provinces through the ADPESE programme. This is currently on hold, but there are plans to continue with the funding of the sector after the resolution of a corruption scandal in Zambezia province.

The table below (Table 4) provides an overview of what the principal donors to the education sector support in the area of TA and how TA is identified, provided and managed. Some orient their assistance very closely towards the aims of the Government's Education Sector Strategy, while others take this Strategy as a broad orientation and provide TA according to their own insights and experiences with less intense coordination with the Government. One can see, however, that there is a general trend to more closely harmonise and align interventions with those of other donors and the aims of the GoM. Where funding is provided to NGOs for education support, one should note that weak monitoring of these organisations risks activities to be undertaken in a rather uncoordinated manner to what the Strategy foresees. This risk of disconnect is particularly true for donors who have little direct contact with what happens outside Maputo.

How to move forward – a contribution to the formulation of TA guidelines in Mozambique

In this section we provide comments on the proposed *Guidelines on Technical Cooperation Modalities* formulated by DFID and currently discussed in the Capacity Development Working Group in Mozambique. Our understanding is that the *Guidelines* can only be developed through further internal exchange among donors and through policy dialogue with the Government. This needs to be a process based on mutual learning of what works and what does not. Recommendations would be misplaced as the solution has to emerge through an internal process and not from outside views on what should be done. In our comments we do not repeat the points raised in the main document, but rather refer to key elements and cases which can be noted and taken on board. The main document, in all its detail, can serve as a reference to develop comprehensive and adapted guidelines of what should be done at a

⁷⁶ We could not trace any information about the percentage of contracted staff in the education sector which is recruited for routine work in line positions. According to the information received, those positions are procured with GoM funds outside FASE. It should be noted that a number of these TA was originally hired under the ESSPI/ WB credit.

⁷⁷ USD 1.00 = 26.00 MZN

certain moment for which area of work. Our time and resources do not permit to work this out in more detail.

The proposed *Guidelines* state centrally that “moving incrementally from donor-driven projectised TC towards a SWAP approach where a pooled source of predictable longer-term financing allows Ministries to prioritize and source TC in accordance with sector objectives” should be the way ahead. This is also a key message emerging from our interviews with Senior Government representatives and can be taken as a guiding principle on where TA provision in the future should lead to.

We have offered in the main document a pragmatic tool which can help development partners to locate their activities on a continuum reaching from “doing” to “hands-off” and to exchange with Government and other donors on how to move away from projects to coordinated programmes with an increasing use of multi-donor arrangements. Using this tool, however, requires an honest look at existing capacities in particular areas of work and its organisations and an assessment to what extent more “indirect” approaches have a chance to succeed. The flexibility of applying different types of modalities is therefore required which allows a “testing out” and “letting go” combined with a continuous process of accompanying and dialoguing with all relevant actors.

These modalities can range from “direct” project-type arrangements, whereby TA is close to the reform process, to “indirect” whereby more distance is taken. Of key importance, however, is a *strategic orientation* towards a change of accountability relationships and an eventual “handing over” which needs to be programmed into the design of the interventions already. The most difficult part is then, indeed, the *jump* from “direct” to “indirect” as it requires not only a move into pooling of resources,⁷⁸ but a shift in mentality as well on how cooperation is done. Taking distance, allowing for failure and accompanying processes “indirectly” with much less direct supervision of what happens on the ground asks from donors and their partners to interact differently and – on the donor side – to work with TA personnel which is able to accompany and support this shift flexibly. For this work, experts with a profile and experiences to support capacity development processes are needed.

While we point out the need for a fully shared *strategic orientation* towards “handing over” we would like to underline the need for *gradualism* and want to highlight this from two examples.

The *Guidelines* suggest that the approach to procurement highlighted in the FASE case (see section 4.2.1 and box 5) needs to be prioritised: “Government ownership and leadership implies that contracting of TC services is done by Government.” Our interviews do not support this thinking. While at the very end of a development process this might be true, there is a need for external partners to respect what the Government finds most appropriate and to be complementary to what the Government needs. This means that the support needs to be inserted fully along national priorities and be accountable to national partners. This could imply that the priorities for TA, e.g. the type of specialisations, are identified by the national partner but that a TA provider who has the networks, the knowledge of where to find the expertise and the systems to recruit and to contract the experts is invited to help. While going this path, however, activities should be undertaken to enable the partner to build procurement capacities and to link up to networks of expertise. Where the partner is not able to procure and where TA providers are not considered the right channel for identifying and providing expertise, a procurement agent could be involved as well. The Government, however, should take the decision which “instrument” should be applied in order to reach the objectives set. Opportunity costs should be respected, in addition. Where a TA provider can supply what is needed based on solid knowledge of the sector, previous involvement and trust, then own procurement and

⁷⁸ There are different levels of “pooling”, see our Annex 7, whereby TA personnel could also be provided in-kind and being accountable to national structures where conditions are not yet appropriate for procurement. Whether personnel should be provided in-kind or procured from the market is a decision which the national partner needs to take.

contracting, or working through a procurement agent, might be a lesser priority to the receiving organisation. The experiences of INDE – see the main document – would fall into this category and is a case to learn from.

A second observation from the cases discussed in the main document is that there are big differences in capacities between the Centre, provinces and districts. Engaging in intense policy dialogue at the Centre without having any direct engagement with what happens at lower levels within a sector risks that the need for a possibly necessary gradual approach is overlooked. The *Guidelines* suggest that “*a single predictable funding source should be used to ... prioritise TC ...*” We agree that this can help to enhance coordination and alignment. SISTAFE is a good example and there was enough evidence that this approach was justified. Where conditions do not permit, however, complementary activities might be necessary. An example on how to work through *gradualism* could provide our case of supporting PROAGRI at the provincial level. While systems within the Ministry of Agriculture are not mature enough to channel appropriate resources to lower levels of government, some accompanying small capacity development funding under the discretion of the TA and its partner could allow to undertake complementary research or systematisation, to engage in policy dialogue, to test small pilot activities and to disseminate results to other stakeholders. While this *transitional activity* would be a project-like arrangement, it would be fully integrated into the wider reform, could benefit the sector as a whole and contribute to making the implementation of the Ministry’s Sector Strategy more effective. One should guard, however, that these transitional arrangements do not become the rule and are undertaken with a view to “taking distance” and “phasing out” over time.

These examples lead us to a key observation on the *Guidelines*. The issue of *Technical Cooperation Modalities* should not only be addressed only from a procurement approach which we see as the underlying perspective of the current proposal. Attention needs to be given to a complementary capacity development perspective which goes beyond the mere provision of funding, the setting up of HR management systems, or procedures. Obviously, capacity development activities need to be addressed through coordinated programming consistent with national development strategies (as the Paris Declaration, Indicator No. 4 suggests). This coordinated programming requires an understanding of the partner institution, to react to its needs and to accompany and facilitate the reform process through knowledge creation, sharing, exchange and learning among the different partners so that capacities can be built over time. Stakeholders can then decide on the speed of the reform, the use of modalities and when to move towards more “indirect” approaches.

Needless to say that *gradualism* can be used as an excuse by some donors to avoid a change in practice. Peer pressure might be necessary, but most of all a government which is able to lead and to ensure that development partners take their responsibility in supporting the national priorities. Some clear target setting on how TA personnel should be provided is needed to ensure that a change can be pro-actively supported so that an *indirect* approach can be pursued eventually.

Relating these observations back to the Mozambican education sector, it could be useful to jointly engage in an evaluation of what works at the provincial level and what not with the aim to design a nation-wide programme on how to support the transition of the education sector reform at the Central level towards the provinces. This path was constructively followed in the area of decentralised development planning and financing (PPFD) and constitutes – in principle – good practice for other areas and sectors to take on.

Table 4: TA in the Education Sector, Mozambique – an overview of activities and approaches of some principal donors to the sector⁷⁹

Donor	Area of work	TA provision	Identification of needs/ demand	Procurement	Management/ Financing	Accountability	Remarks
JICA	<ul style="list-style-type: none"> • CB of teachers • Education infrastructure • Teaching 	<ul style="list-style-type: none"> • 20 Japanese technicians working in Gaza (teacher training) • TA to build education infrastructure • Volunteers to teach technical subjects (maths, biology, etc.) 	<ul style="list-style-type: none"> • Between donor and government • Aligned with PASE • GoM/ MEC participates in development of TORs 	<ul style="list-style-type: none"> • GoM is consulted during the identification of service providers; no direct participation in selection of candidates 	<ul style="list-style-type: none"> • Financial control with JICA • No local consultants can be hired; no funds for top-up; no pay of per diems 	<ul style="list-style-type: none"> • Japanese TA providers report to both, the GoM and JICA in equal terms • Annual appraisals done by JICA and GoM, JICA takes the lead 	<ul style="list-style-type: none"> • Due to its specific characteristics, the JICA may pursue its project approach for a longer period of time • Sees a growing trend of GoM control of TA
Italian Cooperation (IC)	<ul style="list-style-type: none"> • Vocational education and training (TVET): (tourism, agriculture, general professional education) • Support to higher education 	<ul style="list-style-type: none"> • TA for short term inputs, incl. teaching for specific technical subjects • Twinning of institutions (higher education and TVET) 	<ul style="list-style-type: none"> • Between donor and government • GoM consulted in formulation of ToR • Sector Strategy was broadly taken into account 	<ul style="list-style-type: none"> • IC takes the lead in mobilising TA; • GoM consulted in deciding on suitable CVs 	<ul style="list-style-type: none"> • Experience is that TA is used for gap-filling when deployed long-term • Encouragement of short-term TA • Financial control with IC 	<ul style="list-style-type: none"> • Accountability to both, GoM and IC; though not done very systematically 	<ul style="list-style-type: none"> • Focus on introducing new courses and applied research; aim to make better use of nat. capacities • Sees a growing trend of GoM control of TA
Irish Aid (IA)	<ul style="list-style-type: none"> • Supports FASE • Budget support to Inhambane and Niassa provinces 	<ul style="list-style-type: none"> • Provides budget support to FASE, also for fund. TA • For provinces, funding earmarked by sector, including TA in education, water, HIV/ 	<ul style="list-style-type: none"> • Between donor and GoM, the government taking the lead • All support closely aligned with national strategies • Identification 	<ul style="list-style-type: none"> • Short-term TA procured by GoM; • Liaison officers procured by embassy, can be Mozambicans (are Irish 	<ul style="list-style-type: none"> • GoM decides how funds should be allocated • GoM is leading the process and more and more projects are transferred to FASE 	<ul style="list-style-type: none"> • Liaison officers report to Irish Government; other TA report to both, GoM and Irish Government 	<ul style="list-style-type: none"> • View of IA is that GoM is gradually more capable of managing TA • Sees a growing trend of GoM control of TA

⁷⁹ Our team was able to talk to the donors listed in the table within the time available. The table was sent to all the agencies listed for verification, but only the German, Dutch and Japanese cooperation provided comments. Not having heard from the other agencies, we assume that the information reflected is correct.

Donor	Area of work	TA provision	Identification of needs/ demand	Procurement	Management/ Financing	Accountability	Remarks
		AIDS, agriculture, PSR, financial TA <ul style="list-style-type: none"> • Most TA are nationals, long-term TA with a focus on policy dialogue and planning; short-term for specific assignments like studies 	originating out of dialogue with government	Government employees)			
Danida	<ul style="list-style-type: none"> • Support to Education Sector Strategy (via ADEPSE) for: Planning and Admin; Teaching & Learning; Post Basic Education; Awareness Train. (HIV/ AIDS); • Infrastructure; Teacher Training 	<ul style="list-style-type: none"> • 9 TA in the provinces Tete, Cabo Delgado & Zambezia for pedagogic issues, infrastructure (international TA) & finance (national TA); 1 Chief TA at nat. level and 1 nat. TA ; 1 curriculum dev. expert ; 2 HIV/ AIDS experts & short term cons. 	<ul style="list-style-type: none"> • GoM indicated a long list of needs in all 6 areas which are part of the Education Strategy of Moz. • Support to provinces a continuation of previous Danish assistance • GoM reviews TORs for TAs 	<ul style="list-style-type: none"> • Outsourced by Danida to a private company, GoM reviews CVs and participates in interviews 	<ul style="list-style-type: none"> • The ADPESE document and TORs for TA provides the framework for managing the intervention • Joint decision about allocation of funds; final financial control under Danida, 	<ul style="list-style-type: none"> • Advisers report to provincial directors for education or heads of depts. • There is a tripartite annual assessm. (GoM, Danida and ext. consultant) 	<ul style="list-style-type: none"> • Danida sees difficulties of GoM carrying out activities with pooled funding in provinces but is prepared to move into this direction • Due to a corruption scandal, Danish funding to the education sector currently on halt
CIDA	<ul style="list-style-type: none"> • Support to primary, secondary and adult education 	<ul style="list-style-type: none"> • CIDA finances CDN company to implement; TA to improve procurement • Marginal funding of NGO for creation of 	<ul style="list-style-type: none"> • GoM identified based on specific needs; refined through mutual dialogue • Support is part of Education Strategy (no 	<ul style="list-style-type: none"> • Both, GoM and CIDA worked together, though CIDA did most of paper work • GoM participated in interviews 	<ul style="list-style-type: none"> • Annual plans are used to assess progress • Executed as a project; GoM & TA decide jointly on allocation of funds 	<ul style="list-style-type: none"> • TA reports to CIDA on a monthly basis 	<ul style="list-style-type: none"> • Sees a growing trend of GoM control of TA • foresees that funding will be integrated fully in Common Fund by 2009

Donor	Area of work	TA provision	Identification of needs/ demand	Procurement	Management/ Financing	Accountability	Remarks
		libraries & reading in local language <ul style="list-style-type: none"> • Marginal supp. for twinning of in TVET 	support to Education before)		<ul style="list-style-type: none"> • Financial control by CIDA • Timeliness in provision of material of key importance; Common Fund arrangement currently does not provide this expeditious mechanism 		<ul style="list-style-type: none"> • there had been problems with the timely provision of funds by CIDA which makes some argue that funding should go through FASE
Portuguese Cooperation	<ul style="list-style-type: none"> • Support to TVET, culture, secondary and tertiary education 	<ul style="list-style-type: none"> • Short and long-term TA & local consultants for pedagogic TA in TVET; building a platform for ITC supported education; TC between universities in Mozambique and Portugal; scholarships 	<ul style="list-style-type: none"> • GoM suggests, identification and formulation of ToR interactively • Follow-up to past involvement, in particular in secondary educ. and TVET • Use of studies done by others (e.g. WB) and along policy as set out by GoM in education strategy 	<ul style="list-style-type: none"> • In most cases, TA is provided on the basis of projects agreed between Portugal and GoM 	<ul style="list-style-type: none"> • TA is integrated in projects which are aligned with sector strategy • Joint decision on allocation of funds, final control by donor • Central levels, provincial and district might require different types of TA to manage change process 	<ul style="list-style-type: none"> • TA reports in equal terms to GoM and donor 	<ul style="list-style-type: none"> • Cooperation is embedded in a continuous dialogue between the partners with the aim of reaching the best harmonisation and alignment possible • In future more need for TA with facilitation than implementation capabilities & twinning of inst.
Spanish Cooperation (SC)	<ul style="list-style-type: none"> • Primary, secondary education and TVET • mainly in-service training of teachers, 	<ul style="list-style-type: none"> • Implementation primarily via Rede Salesiana (NGO); full time trainers based in Mozambique (currently one 	<ul style="list-style-type: none"> • Today efforts are made to identify needs via dialogue between GoM, NGO and SC (earlier only by 	<ul style="list-style-type: none"> • NGO takes lead in providing TA, little GoM involvement 	<ul style="list-style-type: none"> • Spanish NGOs as implementing agencies, SC provides financing and backstopping • NGOs are 	<ul style="list-style-type: none"> • NGO reports to SC; performance appraisal done by donor 	<ul style="list-style-type: none"> • Starting in 2007 the funding of NGOs will be combined with SC funds being allocated directly to GoM

Donor	Area of work	TA provision	Identification of needs/ demand	Procurement	Management/ Financing	Accountability	Remarks
	<p>focus on Niassa and Cabo Delgado provinces, inputs in Maputo for policy dialogue and planning</p> <ul style="list-style-type: none"> • Production of some teaching and learning materials 	<p>expatriate to 11 national TA)</p> <ul style="list-style-type: none"> • part-time trainers (during summer break) from Spain 	<p>NGO)</p>		<p>responsible for managing TA and finances</p> <ul style="list-style-type: none"> • Decision on allocation of funds by donor, as of 2007 combined with direct control by GoM for certain portion of funds 		<p>basket, done on a sub-sector basis (e.g., primary, etc.)</p>
The Dutch Embassy	<ul style="list-style-type: none"> • Support to education sector throughout • including a focus on “Higher Education after transfer of this sector to MEC in 2005 	<ul style="list-style-type: none"> • Embassy phasing out all projects by 2006/2007 and integration into nation-wide programmes (e.g. teacher training OSWELA into CRESCER) • Provision of budget support to FASE, from where TA needs are funded • Funding of specific studies, e.g. on secondary education reform 	<ul style="list-style-type: none"> • Embassy lets GoM identify and decide on needs, joint dialogue to support process • Previous involvement in Nampula served as background to understand needs more widely at sector-wide level • GoM Education Strategy to guide assessment of needs 	<ul style="list-style-type: none"> • In the past, e.g. under OSWELA, GoM and Embassy jointly involved; one int. expert and nat. experts identified in country • Today strongly supporting MEC procurement via policy dialogue 	<ul style="list-style-type: none"> • Embassy is integrating support into common funds • GoM decides on allocation of funds; today possible as there is increasing capacity inside GoM to manage the process 	<ul style="list-style-type: none"> • TA reporting to GoM, with Embassy doing a general follow-up of strategic issues 	<ul style="list-style-type: none"> • While GoM is gaining more capacity, TA will remain necessary to target specific areas, such as statistics, pre-school education, secondary educ. (specialised TA providers such as UNESCO or UNICEF can be helpful for this)
German Cooperation (GTZ & KFW)	<ul style="list-style-type: none"> • Support to primary education, adult literacy, teacher 	<ul style="list-style-type: none"> • A mix of budget support into FASE & project support to 	<ul style="list-style-type: none"> • Identification jointly with GoM based on policy dialogue 	<ul style="list-style-type: none"> • Provision of TA personnel by GTZ, CIM and in context of 	<ul style="list-style-type: none"> • Budget support to FASE, managed under GoM control 	<ul style="list-style-type: none"> • Reporting to partner and GTZ in equal terms 	<ul style="list-style-type: none"> • Sees growing capacity of GoM to manage which allowed

Donor	Area of work	TA provision	Identification of needs/ demand	Procurement	Management/ Financing	Accountability	Remarks
	training and TVET	accompany development of sub-sectors and 3 provinces in education; TA provision with inputs (8 intl. & 12 national) at national and provincial levels (Manica, Sofala and Inhambane)	<ul style="list-style-type: none"> • Closely aligned with GoM Education Sector Strategy 	NGO support to education sector <ul style="list-style-type: none"> • InWEnt training for TVET 	<ul style="list-style-type: none"> • Accompanying projects and TA managed by GTZ and partners; GTZ has final control over project funds 	<ul style="list-style-type: none"> • Follow-up on budget support implementation through policy dialogue 	Germany to fund into FASE <ul style="list-style-type: none"> • TA personnel provision into education sector via German TA providers

Annex 6: Danida advisers versus company employees

At the request of the Danish Ministry of Foreign Affairs we compiled the following overview. It contains perceptions by different stakeholders on advantages and disadvantages of Danida advisers vs company employees as expressed during interviews in Copenhagen, Maputo and the provinces:

	Advantages	Disadvantages
Danida advisers	<ul style="list-style-type: none"> • Can be used for exploratory work, to test out approaches; companies less willing to invest in the unknown and in small scale operations (TA/ MoFA) • Contractual flexibility: TA can be transferred to other post if problems (“within the house”), company can insist on fulfilling contract (MoFA) • higher scrutiny in recruitment process; personalities are better assessed (CO) • Danida can follow (political sensitive) processes more closely (TA; CO) • Advisors are more embedded in Danish cooperation (TA) • Easier to recruit for work in Eastern-Africa (MoFA) • Advisors are regularly taken as a reliable source of information; the name Danida is well known, suggests more trust/ reliability (TA) 	<ul style="list-style-type: none"> • lesser pay, as compared to some companies (MoFA) • no career development and planning; no particular human resources (MoFA) management capabilities • Ownership: recruitment decision is more with embassy (MoFA) • Danida-name implies closer relationship with Government of Denmark (CO) • Accountability lines not always clear, in particular with regard to financial oversight (CO) • Danida culture does not ‘permit’ early termination of contracts, “I have never seen a Danida advisor being fired” (MoFA)
Company advisers	<ul style="list-style-type: none"> • more flexibility: companies are generally bigger, or work in consortia – can accommodate upcoming demands from clients more easily, can mobilise a wide network of expertise (CO; TA) • bigger distance from embassy, recruitment decision is more shared among partners, supports building ownership (CO; MoFA) • less administrative burden for Danish embassies (CO; MoFA) • better able to recruit and work in Western-Africa (MoFA; CO) • Sometimes better pay (MoFA) • Companies can be held accountable for TA personnel they provide (TA; MoFA) • Overall, lines of accountability are better defined (TA; CO; MoFA) 	<ul style="list-style-type: none"> • not suitable for political sensitive and institutional development jobs; good for technical assignments only (TA) • company works for profit, has less development objectives in mind (TA) • needs to run its business and is often re-using existing consultants (CO) • company advisers have less ties with the embassy, are sometimes more isolated (CO)
<ul style="list-style-type: none"> • There is no difference between Danida advisers or company advisers; both are not seen as closer, or being at more distance to the embassy (CP) • Company advisers as well as Danida advisers can function as informants (MoFA) 		

CO = consultants, comprises COWI and Mercuri Urval interviewees

MoFA = Danish Ministry of Foreign Affairs, Headquarters and Embassy;

TA = Danida Adviser in Maputo and provinces

CP = country partners interviewed in Maputo and provinces

Comment VH/ MS: From our work in Mozambique, we could see one real advantage of a Danida adviser versus a company advisor (see bold/ italic above) - two advisers working in the agriculture sector in Manica Province serve as the base for this. The fielding of personnel under a new financing arrangement is an exploratory work to be tested on a small scale, for which a company could likely not be recruited as easily. However, the experience of UTRESP shows that testing and exploration can be undertaken by a company if embedded within a larger framework contract which allows for certain flexibility and adaptation.

Annex 7: A framework for “pooling” of TA

The following framework builds on earlier ECDPM work on pooling of TA (Baser and Morgan 2002). It distinguishes five principal categories of TA pooling:

- *Full TA pooling*: resources and control are transferred to the national partners to the greatest extent, who both contract and direct TA personnel.
- *Advanced TA pooling*: national authorities manage the TA personnel day-to-day & strategically, but the contracting is done by one of the IDOs providing financing. Country procurement and contracting is sometimes done through procurement agencies, instead of IDOs.
- *Loose TA pooling*: the strategic direction of TA personnel is shared between the government and IDOs. Personnel are normally contracted individually by one or more IDOs, often on a tied basis.
- *Emerging TA pooling*: the strategic direction of TA personnel is principally done by IDOs in the absence of country capacity to manage strategically. The day-to-day management and supervision is done by government. Personnel are normally contracted individually by one or more IDOs, often on a tied basis.
- *No TA pooling*: TA is unilaterally contracted, deployed and directed by IDOs without government involvement. Occurs often in emergency and rehabilitation situations.

Characteristics of five types of TA pooling					
	Full pooling	Advanced pooling	Loose Pooling	Emerging pooling	No pooling
Untied	X	X	(X)	(X)	
Tied		(X)	X	X	X
Country procurement and contracting	X	(X)	(X)		
IDO procurement and contracting		X	X	X	X
Country role in day-to-day management	X	X	X	X	
Country role in strategic management	X	X	Shared with IDOs	Minimal involvement	
IDO role in strategic management			Shared with country	Principal role	X
Non-scientific mapping of the mini-cases reviewed during this study according to the different types of TA pooling (1)	*SISTAFE; *FASE Advisers (MoE); *Short-term TA to INDE	*PROAGRI Danida Advisers;	*UTRESP Adviser (2); *PPFD (planned); *TVET	*Danida ESSP	*GTZ- PEB/M (3)

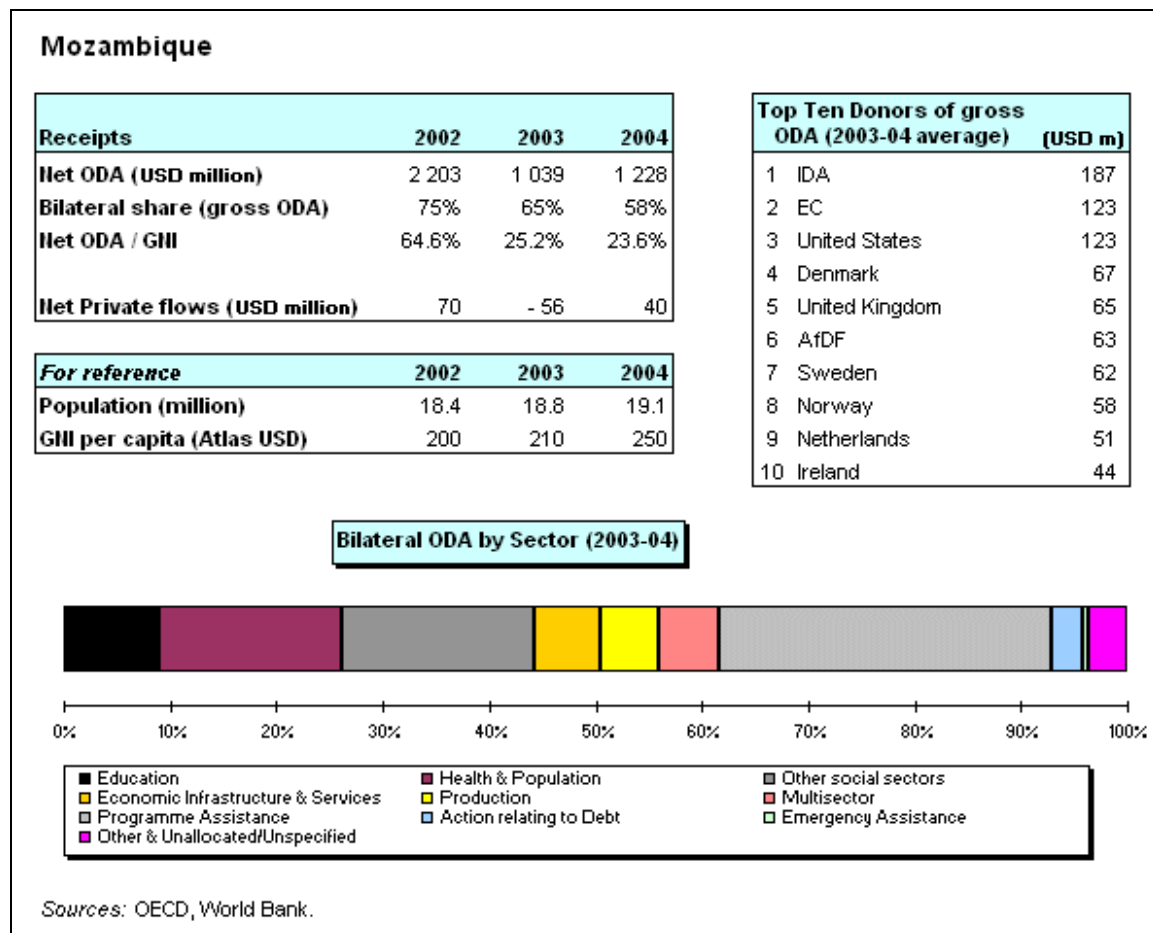
X = applies / (X) = possible

(1) = The mapping reflects information as of December 2006. It was done at the request of the funding partners to this study. The mapping is, like all mappings, debatable but can serve as a tool for exchange among partners, e.g. about options to moving towards advanced or full forms of pooling.

(2) = Arrangement has now ended. There is a plan to recruit consultants out of a pooled fund under government leadership.

(3) = TAs are approved by GoM before fielding.

Annex 8: Aid at a glance – OECD website



The European Centre for Development Policy Management (ECDPM) aims to improve international cooperation between Europe and countries in Africa, the Caribbean, and the Pacific.

Created in 1986 as an independent foundation, the **Centre's objectives** are:

- to enhance the capacity of public and private actors in ACP and other low-income countries; and
- to improve cooperation between development partners in Europe and the ACP Region.

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- Development Policy and International Relations
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The Centre collaborates with other organisations and has a network of contributors in the European and the ACP countries. Knowledge, insight and experience gained from process facilitation, dialogue, networking, infield research and consultations are widely shared with targeted ACP and EU audiences through international conferences, focussed briefing sessions, electronic media and key publications.

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The ECDPM Discussion Papers report on work in progress at the European Centre for Development Policy Management. They are circulated among practitioners, researchers and policy-makers who are invited to contribute to and comment on the Discussion Papers. Comments, suggestions, and requests for further copies should be sent to the address below. Opinions expressed in this paper do not necessarily represent the views of ECDPM or its partners.

This is one of three country reviews in the study "*Provision of technical assistance personnel: What can we learn from promising experiences?*" Other reviews are Vietnam and the Solomon Islands. The Mozambique case offers an examination of a variety of TA personnel practices in an environment which is willing to change, poor on capacity to lead the development process and overwhelmed by a large number of development partners. Estimates suggest that the amount of TA provided is roughly half of the public sector wage bill. This report provides an overview of different TA personnel experiences in five sectors in Mozambique and analyses to what extent the so-called more *indirect approaches* to cooperation, supported via pooled funding, are perceived as more or less effective by stakeholders than the more *direct approaches*. Concluding points are presented to stimulating dialogue on TA personal and capacity development between development partners and the partner country as well as among development partners.

ISSN 1571-7577

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