UN System Aid Effectiveness
in Mozambique

A Delivering as One pilot country experience

JUNTOS
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Foreword

Effectiveness in development cooperation is an issue that has long been on the agenda of the international development community. The Paris Declaration and the Accra Agenda for Action are important milestones in this quest providing new impetus, but were not the start of the quest for effective development cooperation.

In the same vein, the search for UN coherence has a long history, starting even before the Agenda for Reform of the nineties and definitely before the Delivering as One initiative, although these are very important schemes which helped to focus attention and build up momentum.

In the global and local context of a changing aid environment and as a result of the impact of the financial crisis on UN funding, Aid Effectiveness and UN reform have become even more important. Mozambique is one of the most aid-dependent countries; it is also a country where a group of nineteen donors (G19) have organized themselves to provide direct budget support and where the government is now leading a reform of its cooperation policy and architecture for more inclusiveness. At the same time, the UN in Mozambique has been repositioning itself in this context, now with the sense of urgency resulting from it being a pilot country in the Delivering as One initiative.

It is against this background that the UN Country Team in Mozambique decided to embark on a review of its performance in the area of Aid Effectiveness, with a particular attention to the principles of the Paris Declaration (Ownership, Alignment, Harmonization, Managing for Results and Mutual Accountability), the Accra Agenda and the framework provided by the Triennial Comprehensive Policy Review. The UN Country Team considered the following:

- How well are we supporting the government to conform to Paris and Accra?

- How well are we repositioning ourselves in the changing aid environment when it comes to aid effectiveness?

- What are our accomplishments and challenges regarding the UN's Aid Effectiveness commitments?

Most of this review focuses on the period of the preparation and implementation of the current UNDAF (2007-2009), which also includes the beginning of the Delivering as One initiative, of which Mozambique is one of the eight pilot countries. It is based on a desk review of key programming documents as well as interviews with key stakeholders from the government, the development partners, CSOs, and the UN itself. What emerges from this exercise is a mixed picture: the UN in Mozambique has come a long way on the road towards greater Aid Effectiveness; yet at the same time, much still remains to be done. This review has the merit to identify not only those areas where progress has been made and needs to be consolidated, but also those where progress is lagging and efforts need to be accelerated.

I wish to thank all of those who made this study possible either by providing documents, by participating in interviews, or by providing guidance or feedback. I wish to offer our many thanks to our government partners, development partners and CSOs. Likewise, I wish to thank the UNCT for providing the needed leadership, guidance and feedback, while participating in the interviews. Ramesh de Silva, Aid Coordination Officer at the Resident Coordinator's Office, who conducted the research and wrote the report deserves a special acknowledgment.

Ndolamb Ngokwey
United Nations Resident Coordinator
in Mozambique, Maputo, January 2010

(UNFPA)

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1. Acronyms and abbreviations

AAA	Accra Agenda for Action
AWP	Annual Work Plan
CCA	Common Country Assessment
CENOE	National Centre for Emergency Operations
CPAP	Country Programme Action Plan
CPD	Country Programme Document
CSO	Civil Society Organisation
DO	Development Observatory
DPG	Development Partners Group
ECOSOC	Economic and Social Affairs Council
ExCom	UNDG Executive Committee
FACE	Funding Authorisation and Certificate of Expenditures Form
FAO	Food and Agriculture Organisation
G19	Group of 19 donors providing budget support within the PAP framework
GA	General Assembly
GAS	Water and Sanitation Group
GSM	Global System for Mobile Communications
HACT	Harmonised Approach to Cash Transfers
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
HCT	Humanitarian Country Team
IAEA	International Atomic Energy Agency
ICT	Information and Communication Technology
IFAD	International Fund for Agriculture Development
ILO	International Labour Organisation
IMF	International Monetary Fund
INE	National Statistical Institute
INGC	National Institute for Disaster Management
IOM	International Organisation for Migration
ITC	International Trade Centre
JP	Joint Programme
MAE	Ministry of State Administration
MDG	Millennium Development Goal
MDG-F	Millennium Development Goal Achievement Fund
MDT-F	Multi-Donor Trust Fund
M&E	Monitoring and Evaluation
M&ERG	Monitoring and Evaluation Reference Group
MF	Ministry of Finance
MINEC	Ministry of Foreign Affairs and Cooperation
MPD	Ministry of Planning and Development
MoH	Ministry of Health
MoU	Memorandum of Understanding
mUNsa	Mozambique Union of Staff Associations
OCHA	Office for the Coordination of Humanitarian Affairs
ODA	Official Development Assistance
ODAmoz	Official Development Assistance to Mozambique Database
OECD/DAC	Organisation for Economic Cooperation and Development/Development Assistance Committee
OHCHR	Office for the UN High Commission for Human Rights
OMT	Operations Management Team

PAF	Performance Assessment Framework
PAP	Programme Aid Partnership
PARPA	Action Plan for the Reduction of Absolute Poverty
PAMS	Poverty Analysis and Monitoring Systems
PES	Economic and Social Plan
PMT	Programme Management Team
PROAGRI	Sector Reform Programme in Agriculture
PROSAUDE	Sector Reform Programme in Health
PRSP	Poverty Reduction Strategy Paper
RC	Resident Coordinator
RCO	Resident Coordinator's Office
RDT	Regional Directors' Team
SISTAFE	State Financial Management System
SWAp	Sector Wide Approach
TCPR	Triennial Comprehensive Policy Review
UN	United Nations
UNAIDS	Joint UN Programme on HIV/AIDS
UNCDF	UN Capital Development Fund
UNCT	UN Country Team
UNCTAD	UN Conference on Trade and Development
UNCG	UN Communications Group
UNDAF	UN Development Assistance Framework
UNDESA	UN Department for Economic and Social Affairs
UNDP	UN Development Programme
UNDG	UN Development Group
UNDOCO	UN Development Operations Coordination Office
UNDSS	UN Department of Safety and Security
UNEG	UN Evaluation Group
UNEP	UN Environment Programme
UNESCO	UN Educational, Scientific and Cultural Organisation
UNFPA	UN Population Fund
UN-HABITAT	UN Human Settlements Programme
UNHCR	UN High Commissioner for Refugees
UNICEF	UN Children's Fund
UNICRI	UN Interregional Crime and Justice Research Institute
UNIDO	UN Industrial Development Organisation
UNIFEM	UN Development Fund for Women
UNODC	UN Office of Drugs and Crime
UNSSC	UN System Staff College
UNTAM	UN Team on HIV/AIDS in Mozambique
UNV	UN Volunteers
UNWTO	UN World Tourism Organisation
WB	World Bank
WFP	World Food Programme
WG	Working Group
WHO	World Health Organisation

2. Executive summary

This report reviews the United Nations system experience regarding improving the effectiveness of its development and humanitarian support in Mozambique. The report has been prepared under the guidance of the UN Country Team as a tool to identify progress and challenges in the implementation of Aid Effectiveness commitments, to share lessons learnt as well as to develop criteria to measure the unique role and contribution of the UN system in strengthening national capacities for development effectiveness that go beyond the conventional assessments, such as the Monitoring Surveys on the Paris Declaration on Aid Effectiveness. It draws on many sources, including the UN's commitments with regard to the Triennial Comprehensive Policy Review of operational activities for development of the UN system (2007), as well as the Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008). On the basis of these commitments the review defines twenty UN specific criteria under the five parameters that have become the basis for any assessment of Aid Effectiveness: Ownership, Alignment, Harmonisation, Managing for Results and Mutual Accountability.

The experience in Mozambique highlights the challenges and opportunities the UN faces in a country with a strong donor presence and a government committed to enhanced coordination of development efforts. Focussing on the adjustments of the last five years, each parameter emphasises a different aspect of the shift from ad hoc humanitarian to coordinated development support and provides insight into the UN's experience with the introduced changes. These changes have considerably transformed the UN and produced an internal framework that allows all agencies, funds, programmes and organisations active in Mozambique to be perceived as One in the wider "aid architecture". The UNCT discussed the findings of this review and developed action points to further improve on these indicators which are presented in Figure 1.

OWNERSHIP was reviewed with regard to the extent to which:

I) the government leads the UN supported programmes and initiatives,

II) there is government ownership and leadership of UN Reform,

III) the UN's support is aligned with the country's operational development strategy,

IV) there is a coherent and coordinated UN approach to developing national capacity.

The 2008 Survey on Monitoring the Paris Declaration concluded that the Government needed to exercise greater leadership in the process of applying its operational development strategy. Ownership is not a status, but a process. While there is clear progress in most dimensions of ownership, there is variation among the aspects of government ownership (political, technical and coordination) as well as its levels (central, sector, provincial or local). In this process, development partners in general and the UN system in particular can offer strong support to their individual partners and government as a whole. One area where the UN will need greater focus will be achieving a coordinated approach to developing national capacity.

ALIGNMENT reviews the extent to which

I) programming documents respond to national priorities,

II) UN planning responds to national planning cycles,

III) aid is more predictable and better reported,

IV) national systems are jointly assessed, strengthened and used,

V) there is participation in joint funding modalities.

The 2008 Survey on Monitoring the Paris Declaration showed improvement in the quality of country systems and an increase in their use for the delivery of foreign aid. While the UNDAF and the One Programme, which is a sub-set of the UNDAF, are fully aligned with the national development strategy and with the national planning cycle, predictability of UN system support largely depends on the predictability of its donor contributions. With HACT, the UN has introduced a framework that harmonizes the UN's cash transfer modalities combined with a joint capacity assessment of its implementation partners. The UN system is not yet fully utilizing national systems, although some agencies are

more advanced than others. Efforts to use country systems for public financial management and procurement need to be increased. Providing and receiving joint funding has strengthened UN agencies' positions in the wider aid architecture.

HARMONISATION was reviewed taking into account:

I) the positioning of the UN system in the Mozambican aid architecture,

II) the institutional arrangements within the UN system,

III) the reduction of transaction costs,

IV) the division of labour among UN agencies and with development partners.

The 2008 Survey on Monitoring the Paris Declaration indicated that Harmonisation did not improve overall in Mozambique since 2006 during a time when the UN system improved its performance and increased its percentage of joint field missions and joint country analysis.

UN agencies are involved in nearly all development partner-wide working groups and in some cases actually leading them. They have set up an internal coordination structure inclusive of all agencies to coordinate their external engagement. The establishment of a common ICT infrastructure, common procurement actions and efforts at harmonizing business practices contribute to the reduction of transaction costs. Joint programmes have strengthened agencies complementarities and synergies.

MANAGING FOR RESULTS was reviewed by looking at

I) how the UN supports and links to national results based management,

II) the results based management system in the UN,

III) monitoring and evaluation (M&E).

The 2008 Survey on Monitoring the Paris Declaration concluded that the national M&E system in Mozambique had been further strengthened, while links to sector M&E systems required improvement.

The review indicates that UN agencies support the government at various levels in improving information systems, databases, data collection and progress monitoring. However, the assessment also shows that UNDAF outcome indicators are not sufficiently linked to the national development strategy in all pillars. Similarly, while the current UNDAF has introduced results based management at the UN level, it has too many and too ambitious indicators to be a practical management tool. Moreover while there is an M&E working group, overall M&E capacity is limited in most agencies.

MUTUAL ACCOUNTABILITY was reviewed with regard to the extent to which

I) the UN supports country accountability mechanisms,

II) the UN is accountable towards its constituents in Mozambique,

III) there exists agency, inter-agency and joint UN accountability mechanisms,

IV) there is harmonized accountability to donors.

The 2008 Survey on Monitoring the Paris Declaration concluded that the accountability system for general budget support, the PAF, had further been refined in Mozambique. However, it continues to be restricted to this aid modality.

The UN does not provide general budget support, although some agencies provide sector support, but contributes to the PARPA joint reviews as well as to ODAMOZ, although with uneven agency participation. Mutual accountability between the UN and the government is well developed and it is increasing with parliament and civil society. The implementation of the accountability structure of the RC system between agencies is ongoing, which has received new momentum through the Delivering as One initiative. Accountability to donors is strong, but there is need to improve communication with donors especially when it comes to UN Reform.

FIGURE 1: UN SYSTEM AID EFFECTIVENESS IN MOZAMBIQUE

PARAMETERS	CRITERIA	STRENGTHS	WEAKNESSES	ACTION POINTS
I. Ownership	**1.** UN support to the country operational development strategy	UN system gave strong support to government and CSOs to develop PRSP	Involvement of non-resident agencies difficult due to low human resources	Implement new strategy from Delivering as One Position Paper
	2. Country ownership of UN system reform	Delivering as One allows for one access point to UN system	With competing demands, partner priority is easily given to other matters	Provide incoming administration with information about Delivering as One (what it is, what it aims to achieve and why) and make advocacy of the Delivering as One part of regular dialogue
	3. Operation of UN supported programmes and projects under government leadership	UN supported projects and programmes operate under country leadership	Some agencies have not yet moved towards a more long-term engagement	Look for possibilities to combine agencies activities to common UN long term support
	4. Coherent and coordinated UN approach to developing national capacity	All UN supported activities include capacity development aspects	Lack of common UN capacity development support strategy targeting the government	Assess how agencies currently contribute to increase national capacities and indentify effective strategy to be supported by different agencies
II. Alignment	**1.** Programming documents that respond to national priorities	UNDAF is fully aligned with PARPA II	Delivering as One has added an additional layer of programming	Need to transition to all encompassing One Programme
	2. UN planning responds to national planning cycles	UNDAF is aligned with the government planning cycle	Not all agency programming cycles are harmonised	
	3. Aid is more predictable and better reported	Common funding projection of agencies to government included in the Mozambican budget	Predict ability of UN system support to Mozambique largely depends on the predictability of its donors contributions	Need to insist on timely particip ation of all agencies in common funding projections
	4. National systems are jointly assessed, strengthened and used	With HACT, the UN has introduced a framework that harmonises the UN's cash transfer modalities combined with a capacity assessment of implementation partners	UN system has not yet developed a fully effective way to utilise national systems	Increase efforts to use country systems for public financial management and procurement
	5. Participation in joint funding modalities	MDT -F and MDG-F provide new non--earmarked funding to joint programmes	Most agencies have still not looked into their participation in sector-wide and direct budget funding arrangements	Need a resource mobilisation strategy with increased non-earmarked funds to joint activities
III. Harmonisation	**1.** UN system in the Mozambican aid architecture	UN agencies are involved in nearly all development partner wide coordination fora	There is no common UN vision for participation in overall development partner coordination fora	Elaborate a code of conduct for UN membership in external WGs and set up a common workspace for exchange between technical of officials
	2. Institutional arrangements within the UN system	Introduction of Management and Accountability System for the UN Development System	Promotion of inclusiveness towards all agencies with different in country capacities has slowed down decision-making	Need to structure discussions so that all agencies can participate according to their capacity
	3. Reduction of transaction costs	First savings of transaction costs achieved through common services	Progress is slow as it needs headquarter involvement and dedicated managerial follow-up	Needs to stronger follow up on operational issues
	4. Division of labour among UN agencies and with development partners	Joint programmes have improved interagency awareness	Activities are still very much separate and need to be more interlinked	Need to strengthen joint programming in next UNDAF
IV. Managing for Results	**1.** UN support and link to national results based management systems	Many agencies support the national statistical institute on various issues	UNDAF not sufficiently linked to PARPA indicators	Ensure better linkage and harmonisation with research conducted in the country
	2. The results based management system in the UN in Mozambique	UNDAF introduced results based management at UN system level	UNDAF has too many indicators, many of them not measurable	Need to strike the right balance between implementation and results monitoring
	3. Monitoring and Evaluation in the UN in Mozambique	M&E reference group established and functioning	M&E capacity in the UN system is insufficient compared to the needs	Need central M&E support for all agencies and training for common M&E understanding
V. Mutual Accountability	**1.** Support to country accountability mechanisms	UN supports CSOs and parliament in their control function and participates in joint review of PRSP	UN insufficiently reports on its own performance in ODAmoz, Paris Declaration Monitoring at local level	Need to internalise reporting systems in all agencies
	2. UN accountability towards its constituents in Mozambique	Permanent accountability towards direct implementation partner	Not all agencies show themselves accountable to the Minister of Finance	Need to reflect UN support on budget
	3. Existence of agency, inter-agency and joint UN accountability mechanisms	First inter-agency structures have been set up through UNDAF and RC system	No clear accountability framework between agencies within UNDAF and resident coordinator system	Aspects of Delivering as One between Heads of Agencies, with agreed indicators as part of their performance assessment
	4. Harmonised accountability to donors	Agencies have elaborate reporting system to donors	Reporting lines are sometimes unclear between donors' country offices and headquarters, leading to a delay in dissemination of information	Need to harmonise reporting

(UNICEF)

The United Nations system is neither a traditional donor nor a recipient of aid. Rather, it acts as a neutral partner to governments and fulfils a normative role supporting countries in their achievement of internationally agreed development goals and human rights standards. (…) The UN contribution to the ongoing discussions on Aid Effectiveness is to foster solutions that reap the best development outcomes for all people in developing countries[1].

— UNITED NATIONS DEVELOPMENT GROUP

3. Introduction

Development cooperation is being continually transformed. Enhanced forms of coordinated support to developing countries are being tested in multiple countries around the world in order to address the issues surrounding a fragmented development community and in addition, to deliver improved and sustainable results. This new aid environment creates both opportunities and challenges for the United Nations (UN) system. It provides the opportunity to expose the need to better coordinate the development activities of the numerous development funds, programmes, agencies and other UN bodies and their sometimes overlapping mandates. The move towards programme based approaches and different funding modalities, including direct budget support, has further harmonised and aligned UN financial and technical support to countries. In an evolving aid environment, the UN is reviewing its strategic direction so that it can continue to contribute to the global development process in line with its Triennial Comprehensive Policy Review (2007), the document that provides policy orientation to the whole UN development system.

At both headquarter and country level, the UN development system has engaged in a reform process called Delivering as One. This process provides a framework for a unified and coherent UN structure at the country level to increase effectiveness and efficiency through the following four elements or Four Ones (One Programme, One Budgetary Framework, One Leader, One Office and Common Services) in eight pilot countries. In Mozambique, one of the Delivering as One pilot countries, a fifth element was added: Communicating as One.

Mozambique is currently one of the countries with the strongest donor presence in Africa, with Official Development Assistance (ODA) financing 56 per cent of government expenditure in 2008[2]. Despite the aid received, it remains one of the poorest countries in the world and was ranked 172nd out of 182 in the 2009 Human Development Index. The national Millennium Development Goal (MDG) progress report produced in 2008 indicated that only four - viable employment, hunger, HIV

prevalence and the external debt - out of 21 MDG targets are likely to be met without acceleration of efforts, while another eight have the potential to be met[3].

Being a Delivering as One pilot country, the UN in Mozambique is put in the spotlight. The experience with the new coordination mechanisms in a country, which has made significant progress in developing an "aid architecture" including sector wide approaches and budget support structure, in conjunction with a government committed to aid reform and a wide donor and UN presence will provide lessons learned. It is important to assess whether the reforms undertaken mainly by the UN itself have improved the impact of the development work of the UN system in Mozambique. To determine the above, this review goes beyond the Monitoring Surveys on the Paris Declaration on Aid Effectiveness. It has adapted the underlying five partnership commitments of Ownership, Alignment, Harmonisation, Management for Results, and Mutual Accountability, to UN system operational activities and measures their performance accordingly in Mozambique.

This review introduces background information on the Mozambican aid environment, international discussions on Aid Effectiveness and the Delivering as One pilot initiative in Chapter 4. A presentation of the methodology follows in Chapter 5, and the body of the review is anchored in five parts along the partnership commitments in Chapters 6 to 10. Each chapter begins with the definition of parameters and criteria used to determine the UN's performance in Aid Effectiveness and a brief description on the general situation around development commitments in Mozambique. The chapters examine the status of the criteria before 2005, explaining both the progress and overall changes that have taken place since 2005 and how these contribute to the overall improvement of aid environment, as well as learning from the practical experience associated with the innovations. Each chapter concludes with a summary for the section with preliminary findings, and these preliminary findings feed into the conclusion in Chapter 11. Reference documents can be found in Chapter 12.

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4. Background information

4.1 EVOLUTION OF THE MOZAMBICAN AID ENVIRONMENT

Mozambique suffered low social and economic indicators during Portuguese colonisation and by the time of independence in 1975, the new state was deeply in need of external financial and technical support. The adoption of a centrally planned economy left it with development partners that could be grouped into the following three categories: socialist states, Nordic countries and the UN. In addition, neighbouring countries South Africa and then Rhodesia (today Zimbabwe) began financing an armed rebel movement in Mozambique, which contributed to internal war that continued until 1992. The social and economic infrastructure was weakened, leaving major parts of the country inaccessible and basic social services unavailable.

In the 1980s, Mozambique adopted a market-oriented policy prompting the US lifting its ban on bilateral aid and enabling both World Bank and International Monetary Fund (IMF) support. Consequently, there was a considerable increase of bilateral and multilateral donors and international and local Civil Society Organisations (CSOs) active in food and import aid programmes. However, failed structural adjustments increased the country's dependence on foreign aid and by the beginning of the 1990s it was declared to be one of the poorest as well as the most aid-dependent country in the world[4].

Following the end of the war, development actors in Mozambique began to move from executing ad hoc emergency support towards implementing development projects that addressed needs for reconstruction and development. Donors assumed responsibility for entire districts and provinces in the country, however this caused fragmentation of development planning. The government was unable to effectively coordinate the projects, and since limited information regarding donor contributions was provided to the national ministries they in turn, were unable to plan their own agenda.

In reaction to inadequate coordination, development partners launched a number of initiatives in sectors such as water and sanitation, agriculture,

education and transport. The health sector was at the forefront of these initiatives and essentially laid the foundation for the wider harmonisation efforts. For example, in 1996 a pooling arrangement for technical assistance was introduced, in 1999 a Provincial Common Fund was established, and in 2000 the Kaya Kwanga Agreement - a code of conduct to be followed by government and development partners - was signed. In 1998 a group of four likeminded donor countries (Denmark, Norway, Sweden and Switzerland), jointly evaluated their portfolio of balance of payment support to the Mozambican budget in order to harmonise their procedures, aiming at improving fiscal management and transparency and reducing transaction costs for themselves as well as for the Mozambican government. This joint activity was expanded and in 2004 the government and donors providing direct budget support signed a Memorandum of Understanding (MoU), formalising discussions between the government and donors providing general budget support, called Programme Aid Partners (PAP). In addition to a move towards budget support, existing project aid slowly began shifting from vertical, isolated initiatives to programme funding[5].

In April 2005, the Government of Mozambique adopted a Five-Year Plan (2005-2009) that grew from its election campaign programme and was approved by parliament. A second National Action Plan for the Reduction of Absolute Poverty (PARPA II), 2006-2009, was designed by the Government of Mozambique to make the objectives of the Five Year Plan operational. Civil society and development partners, including the World Bank and the IMF, also participated. The PARPA II sets out the country's medium term strategy to promote growth and reduce poverty, as defined through the three pillars of: I) Governance; II) Human Capital; and III) Economic Development. The annual Economic and Social Plans and the annual State Budget make PARPA II operational.

The Mozambican budget support structure has received considerable international attention, with several reviews and evaluations conducted by international organisations, as well as bilateral and multilateral donors[6]. Their findings indicate

that certain donors provide general budget support ranging from 10 to 50 percent, with the remainder being provided through sector support as well as traditional projects, technical assistance and support to the CSO and private sectors. The findings demonstrated that although budget support has strengthened overall ownership, harmonisation and alignment of donor practices in Mozambique, there is a need to improve accounting, financial control systems, and management of public expenditures and fiduciary risk[7].

4.2 GLOBAL DISCUSSION ON AID EFFECTIVENESS

In order to further enhance the effectiveness of aid in developing countries, a global discussion on Aid Effectiveness began on the basis of MDG 8, the global partnership for development. The Organisation of Economic Cooperation and Development's (OECD) Development Assistance Committee (DAC) furthered this discussion, in that it is based on the idea that two elements are instrumental when discussing how ODA can contribute to reaching the MDGs: more and better aid.

The commitment to provide more ODA to developing countries was demonstrated through the consensus reached at the 'Financing for Development' conferences held in Monterrey

(2002)[8] and Doha (2008)[9]. Better ODA is determined by the effectiveness of the systems that deliver and receive it. The High Level Fora on Aid Effectiveness held in Rome (2003), Paris (2005) and Accra (2008) resulted in three important documents for international reference on Aid Effectiveness.

The first, the Rome Declaration on Harmonisation argues that the operational policies, procedures, and practices of all institutions that provide development aid should be harmonised with those of the partner country system in order to improve the impact of development initiatives. With this in mind, an agenda and timeline for an international discussion on the improvement of aid was composed. The Paris Declaration on Aid Effectiveness is based on five partnership commitments (Ownership, Alignment, Harmonisation, Management for Results and Mutual Accountability) that are measured by 12 progress indicators. The last document, the Accra Agenda for Action (AAA), deepens the signatories' commitment to Aid Effectiveness and broadens the discussion to include development actors other than OECD/DAC donors, namely, the partner countries. Although the agenda was criticised from the outset (mainly by CSOs) for being too donor driven, it generated a broader understanding of how to overcome fragmentation within the development world through enhanced

FIGURE 4: UN AGENCIES, FUNDS, PROGRAMMES, AND ORGANISATIONS ACTIVE IN MOZAMBIQUE

The Paris Declaration on Aid Effectiveness is based on five partnership commitments (Ownership, Alignment, Harmonisation, Management for Results and Mutual Accountability) that are measured by 12 progress indicators.
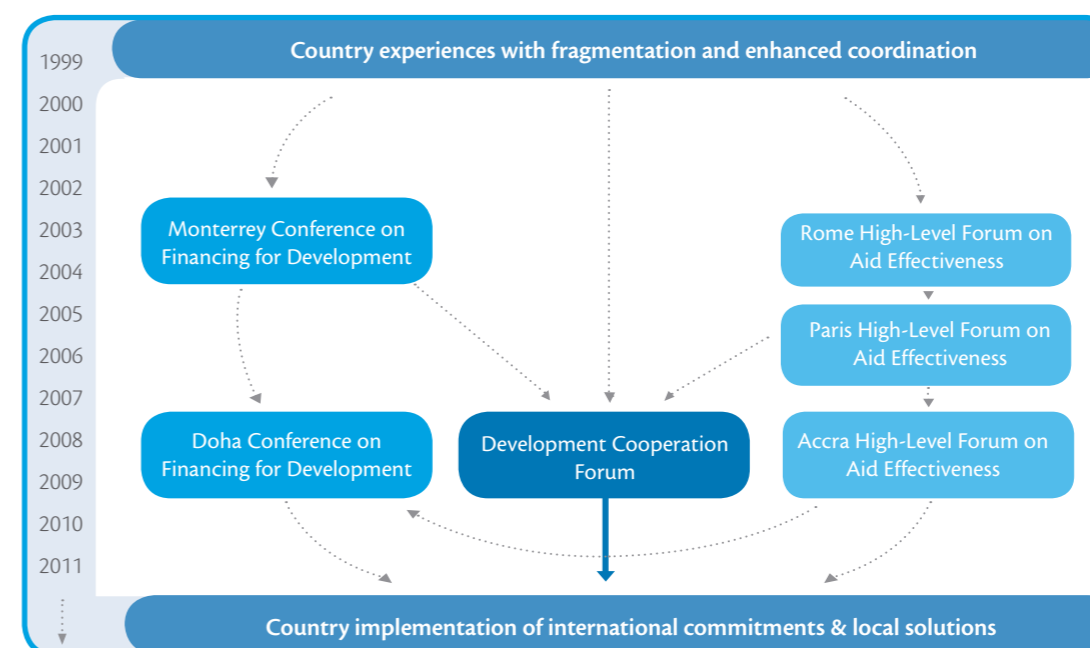
cooperation. Its commitments have fed into the wider international discussion on better aid in UN fora, such as the Development Cooperation Forum, attached to the UN Economic and Social Affairs Council (ECOSOC)[10]. The last two documents are discussed in further detail in Section 5.1. The international discussions on Financing for Development, Aid Effectiveness and within the Development Cooperation Forum as well as their interaction with the country level are shown in Figure 2.

These global initiatives communicated a commitment from participating countries. For example, in Mozambique, an increasing number of donors have engaged in the country's coordination structures and 19 currently provide direct budget support in the framework of the Programme Aid Partnership (PAP), alongside additional associate members, like the UN. This is an indication of how development support being provided in Mozambique has changed since the end of the 1990s.

4.3 UN DELIVERING AS ONE PILOT INITIATIVE

The UN is a key partner for all entities working in development and humanitarian assistance. It is composed of agencies that are founded by the UN member states, each with a specific mandate.

"The uniqueness of the UN system's operational activities for development is that it combines the legitimate articulation and representation of global mandates with knowledge, skills and other resources that can help developing countries design and implement their national development policies and strategies and achieve the Internationally Agreed Development Goals, including the MDGs, and adhere to treaty obligations and other internationally agreed instruments.[11]"

However, mission creep, unclear division of labour, capacity gaps, competition among the UN development entities, and "mixed messages from member states between capitals and representatives in various bodies"[12] show that there is room to increase effectiveness. A more coherent UN development system would considerably strengthen the unique role of the UN, underlining its added value to donor and partner countries alike while creating new synergies.

On 16th July 1997, UN Secretary-General Kofi Annan presented his report entitled "Renewing

FIGURE 3: DELIVERING AS ONE ARCHITECTURE

the United Nations: A Programme for Reform" to the UN General Assembly (GA). Its objective was to renew and revitalise the UN so that it could continue to fulfil its traditional mission of supporting member state's development while facing the imminent new and multiple challenges of a globalised world. The reform sought to create a new leadership and management structure in conjunction with an organisational culture that supports a greater unity of purpose, coherence of effort and agility to respond to the goals expressed in the major international conferences and the Millennium Declaration. The Secretary-General also established the UN Development Group (UNDG) that designs system-wide guidance to coordinate, harmonise and align UN development activities, uniting today 32 UN funds, programmes, agencies, departments and offices and five observers that play a role in development[13]. The group's common objective is to deliver more coherent, effective and efficient support to countries seeking to attain internationally agreed development goals, including the Millennium Development Goals. The UNDG is now one of the three pillars of the UN Chief Executives Board (CEB) chaired by the Secretary-General, which furthers coordination and cooperation on a wide range of substantive and management issues facing UN System organisations. UNDG members adhere to the Paris Declaration and coordinate UN participation in the OECD/DAC[14].

Following the January 2007 Delivering as One report by the Secretary General's High Level Panel on UN system-wide Coherence for which the Prime Minister of Mozambique served as one of three co-chairs, the Delivering as One initiative was launched in eight pilot countries: Albania, Cape Verde, Pakistan, Rwanda, Tanzania, Uruguay, Vietnam and Mozambique. The lessons learned from these pilot countries will feed into current discussions at the General Assembly and within the UN system regarding how to move forward with system-wide coherence that leverages the expertise and mandates of the wider UN family in support of national development priorities. The pilot will also inform the implementation of the Delivering as One approach in countries that rollout new United Nations Development Assistance Framework (UNDAF) cycles. The Delivering as One architecture is visualised in Figure 3.

At its 62nd session, the General Assembly of the UN adopted a resolution 62/208: Triennial

Comprehensive Policy Review of operational activities for development of the UN system (TCPR) which:

- acknowledges the ongoing reform efforts;
- reaffirms the need to enhance the relevance, effectiveness, accountability and credibility of the UN system;
- recalls institutional changes are prerequisite to support the new aid environment;
- calls for concrete, effective and timely action in implementing all agreed commitments on Aid Effectiveness;
- recognises the UNDAF as the common programming tool of the UN development system;
- stresses national ownership as the centre of the development process;
- acknowledges the value added by different UN development institutions;
- emphasises that pilot countries have proven there is no "one size fits all" approach to development;
- calls for an independent evaluation of the pilot initiatives[16].

4.4 UN SYSTEM IN MOZAMBIQUE

Currently, 28 UN system or UN affiliated agencies, funds, programmes, and organisations (referred to as 'agencies' in the rest of the document) work in Mozambique on issues such as clearing landmines, promoting human rights, to preserving sites of historic, cultural and of architectural interest[17]. They can be divided into resident and non-resident agencies. Resident agencies are duly accredited by the government with their own representative and full administrative capacity, whereas non-resident agencies are neither accredited by the government nor have a representative. Only some non-resident agencies have an administrative presence in the country. An overview of all agencies with activities in Mozambique can be found in Figure 4. The UN member states aim to ensure that all UN agencies can provide the necessary analytical and normative expertise to support development at the country level. To facilitate such coordination and exchanges, in 2008 the UN Country Team (UNCT) invited non-resident agencies to take part at every level of UN coordination in country.

A Resident Coordinator (RC) leads UN coordination

and this figure has a central role in the coordination of operations for UN development activities. His/her objective is to improve the UN response to the national development priorities and this includes speaking with one voice on behalf of the UNCT[18]. In addition, the UNCT in Mozambique agreed to work with a "Cabinet Model" in which the RC is a "Prime Minister" and the UNCT members are "Ministers" and under this structure, a number of inter-agency coordination mechanisms report to the UNCT[19].

Of the 32 UNDG members, 28 very diverse UN system or UN affiliated organisations have operational activities in Mozambique. The large funds and programmes have both significant staff and financial capacity. For example, WFP, UNDP and UNICEF combined have 75 percent of UN staff and resources and are active across multiple sectors or areas of expertise. There are also specialised agencies such as UNESCO and WHO that have a limited presence and operate in only one sector. Agencies such as UNCTAD and IAEA operate from their regional office or headquarters through missions, while agencies such as ILO, UNIDO, UNODC or IOM operate with a small presence in country and support from regional offices.

UN Reform and Humanitarian Reform processes have played a significant role in strengthening synergies within the UNCT and the wider Humanitarian Country Team (HCT) to prepare and respond to emergencies. The Cluster Approach, the primary mechanism for coordination of humanitarian assistance involving UN and non-UN humanitarian partners[20], was adopted in Mozambique in January 2007 to enhance humanitarian response, prevent duplication of activities and facilitate joint resource mobilisation efforts. The Mozambique HCT Working Group (WG), which includes Cluster Leads from UN Agencies and CSO partners and is co-chaired by two UN heads of agency designated by the UNCT, serves as the main information sharing and coordination mechanism for emergency preparedness and response at the inter-agency level. The Resident Coordinator plays a key role in the coordination of emergency response in Mozambique, supported by the co-chairs of the HCT WG. Finally, the Office for Coordination of Humanitarian Affairs (OCHA) supports the HCT with technical assistance for emergency preparedness and response[21].

FIGURE 4: UN AGENCIES, FUNDS, PROGRAMMES AND ORGANISATIONS ACTIVE IN MOZAMBIQUE IN 2009

ORGANISATION	RESIDENT PRESENT	UNCT	PMT	OMT	M&ERG	UNCG	UNDAF PILLARS	UNDAF OUTCOMES	JOINT PROGRAMMES	FINANCIAL RESOURCES[1]	HUMAN RESOURCES
FAO Food and Agriculture Organisation of the UN	●	●	●	●	●	●	I / II / III / IV	1 / 2 4 / 4 / 1 2 3	1 / 6 / / 8 9 10 11	24,300,000	71
IAEA International Atomic Energy Agency							III / IV	2 / 2		490,000	0
IFAD International Fund for Agricultural Development	●	●	●				IV	1 2 3	1 / 9	25,055,000	2
ILO International Labor Organization	●	●	●				I / II / III	1 2 3 ... 7 / 5 / 4 5	1 2 3 / 4 5 13 / 7 / 8 12	2,735,000	14
IOM International Organization for Migration	●	●	●				II / III	5 / 6		2,400,000	7
ITC International Trade Centre							IV	1 3	10	3,100,000	0
OCHA Office for the Coordination Humanitarian Affairs										0	1
OHCHR Office for the UN High Commission for Human Rights										0	0
UNAIDS Joint UN Programme on HIV/AIDS	●	●	●	●	●	●	III	1 5	7	400,000	2
UNCDF UN Capital Development Fund	●	●	●				I / IV	1 / 1	1 / 7 8	50,650,000 (together with UNDP)	2
UNCTAD UN Conference on Trade and Development							IV	2 3	10	750,000	0
UNDESA UN Department of Economic and Social Affairs										N/A	1
UNDP UN Development Programme	●	●	●	●	●	●	I / III	1 ... 7 / 5 7	1 / 6 / 8 9 10 11	50,650,000 (together with UNCDF)	81
UNDSS Department for Safety an Security	●									N/A	5

¹Necessary Resources for 2010-2011, UNDAF Extension Document

ORGANISATION	RESIDENT PRESENT	UNCT	PMT	OMT	M&ERG	UNCG	UNDAF PILLARS	UNDAF OUTCOMES	JOINT PROGRAMMES	FINANCIAL RESOURCES[1]	HUMAN RESOURCES
UNEP UN Environment Programme	●						I / IV	7 / 1	11	1,302,844	0
UNESCO UN Educational, Scientific and Cultural Organisation	●	●	●	●		●	I / II / III / IV	1 4 6 / 1 / 1 2 / 1 3	12 / 7 / 8	15,380,000	35
UNFPA UN Population Fund	●	●	●	●	●	●	I / II / III / IV	1 3 4 6 7 / 1 2 / 1 5 6 / 2	5 6 / 7	18,110,000	35
UN-HABITAT UN Human Settlement Programme	●	●	●	●	●		I	1 ... 7	1 / 6 / 11	4,950,000	11
UNHCR UN High Commissioner for Refugees	●	●	●	●	●	●	III	2	1 / 8	3,323,000	16
UNICEF UN Children's Fund	●	●	●	●	●		I / II / III	1 ... 7 / 1 5 / 1 4 6	12 / 4 5 6 13 / 7	125,018,000	120
UNICRI UN Interregional Crime and Justice Research Institute										0	0
UNIDO UN Industrial Development Organisation	●	●	●				I / IV	7 / 2 3	7 / 8 10 11	12,000,000	5
UNIFEM United Nations Development Fund for Women	●	●	●	●	●	●	I / III	1 / 5	12 / 6	825,000	6
UNODC UN Office on Drugs and Crime	●						III	1	6 7	240,000	2
UNV UN Volunteers	●									N/A	5
UNWTO UN World Tourism Organisation										N/A	0
WFP World Food Programme	●	●	●	●	●	●	I / II / III / IV	1 3 6 7 / 1 2 4 5 / 2 4 / 3	3 / 5 6 13	97,787,590	90
WHO World Health Organisation	●	●	●	●	●	●	II / III	1 3 / 1 3 ... 6	1 / 5 6 13 / 7 / 9 11	8,116,687	39
TOTAL: 28	10	19	14	18	7	11	9 → 21		9	391,5183,121	555

Children in a Village in Gaza Province, Mozambique. (UNAIDS/Eliane Beeson)

5. Methodology

5.1 CHOICE OF PARAMETERS

The UN system activities that relate to the Paris Declaration on Aid Effectiveness are covered by a much broader framework of intergovernmental agreements including the General Assembly's Triennial Comprehensive Policy Review resolutions, the Millennium Declaration, the Millennium Development Goals, the 2002 Monterrey Consensus, and the 2008 Doha Declaration on financing for development. Thus, by implementing the commitments detailed in the TCPR and reiterated throughout other UN documents and commitments, the UN development system is responding to requests of its member states through global, regional and country level support that are congruent with the Paris Declaration[22] .

The five partnership commitments contained in the Paris Declaration are commonly accepted to be the most relevant aspects associated with effective aid delivery, and they serve as parameters to measure the effectiveness of UN support to Mozambique in this document. For the purpose of this study, the Paris Declaration partnership commitments, Accra Agenda for Action and TCPR will be used to define the criteria to review the effectiveness of the UN system in Mozambique.

5.1.1 PARIS DECLARATION

While frequently recognised as a reference for Aid Effectiveness, the Paris Declaration was developed by donors in response to the challenges they faced such as fragmentation, politicisation of aid,

unpredictability and an imbalanced relationship with recipient governments.

As a result, the progress indicators used to measure partnership commitments often cannot be used to measure either the successes or failures of the UN system. The rationale is further reflected in the unique nature of the UN as a development partner of its member states, donors and programme country governments[23] .

- **Firstly,** the UN provides development assistance funded by member states and the private sector.
- **Secondly,** it is independent, neutral and impartial in that it has clear mandates but no agenda of its own in country where it operates.
- **Thirdly,** it has a normative role, as it heralds the norms and values endorsed by its member states.
- **Finally,** it is global and multilateral in nature, giving it a broad perspective and legitimacy.

The extent to which the UN, and its Delivering as One efforts in particular, will result in increased effectiveness can therefore not be measured in its entirety by the indicators of progress of the Paris Declaration alone.

A UNEG assessment report concludes, "While it has a role to play in supporting Aid Effectiveness, its mandates and resources are essentially meant to serve the broader framework of strengthening national capacities for development effectiveness.

The unique role and contribution of the UN system is to support countries in designing and implementing development policies and strategies and in achieving Internationally Agreed Development Goals, including the MDGs. The role of the UN system hence extends far beyond the commitments and objectives of the Paris Declaration and may include issues such as humanitarian assistance, peace and security, and the environment"[24].

5.1.2 ACCRA AGENDA FOR ACTION

To review the progress made on the Paris Declaration commitments and to address the document's limitations, a follow up mechanism of consecutive High Level Fora was agreed upon. Members of civil society noted that the Paris Declaration was not tailored to measure the effectiveness of UN development support, and that it did not reflect partner country and civil society concerns. Responding to this criticism, the elaboration of the AAA outcome document was more inclusive, fully involving developing countries and CSOs. The UNDG Chair led a common UN delegation, representing a total of 16 UNDG members, including heads of UNICEF, UNIFEM, UNAIDS, IFAD and WFP, the UN Peace building Support Office and the UN Development Operations Coordination

Office. The UN supported the Government of Mozambique, who presented its success stories and lessons learned in implementing the goals of the Paris Declaration at the conference's "Marketplace of Ideas" exhibition, focusing on "Improving Aid Management: Ownership and Managing for Results"[25] .

Endorsed by the participants of the forum, the AAA is a document containing timelines and specific action points for both donors and developing countries as they implement the Paris Declaration on Aid Effectiveness. While these concepts are continually evolving, the AAA elaborates on the latest international consensus of what constitutes partnership commitments and in addition, refers to the role of the UN in supporting the capacities of developing countries to effectively manage development assistance.

The five partnership commitments follow a logical structure that is often depicted as an inter-related pyramid, as shown in Figure 5. The first three principles, harmonisation, alignment and ownership are regarded as the broad steps needed to achieve effective aid, each building up to the next. Country ownership of development is placed at the summit of the triangle, building on the alignment of donors to country development priorities and on the streamlining of their policies, procedures, and practices through harmonisation. The fourth

FIGURE 5: AID EFFECTIVENESS PYRAMID

4. Managing for Results

1. Ownership
Partner Countries

2. Alignment
Donors   Partners

3. Harmonisation
Donors   Donors

5. Mutual Accountability

Partners' Set the Agenda

Aligning with Partners' Agenda

Using Partners' Systems

Establishing Common Arrangements

Simplifying Procedures

Sharing Information
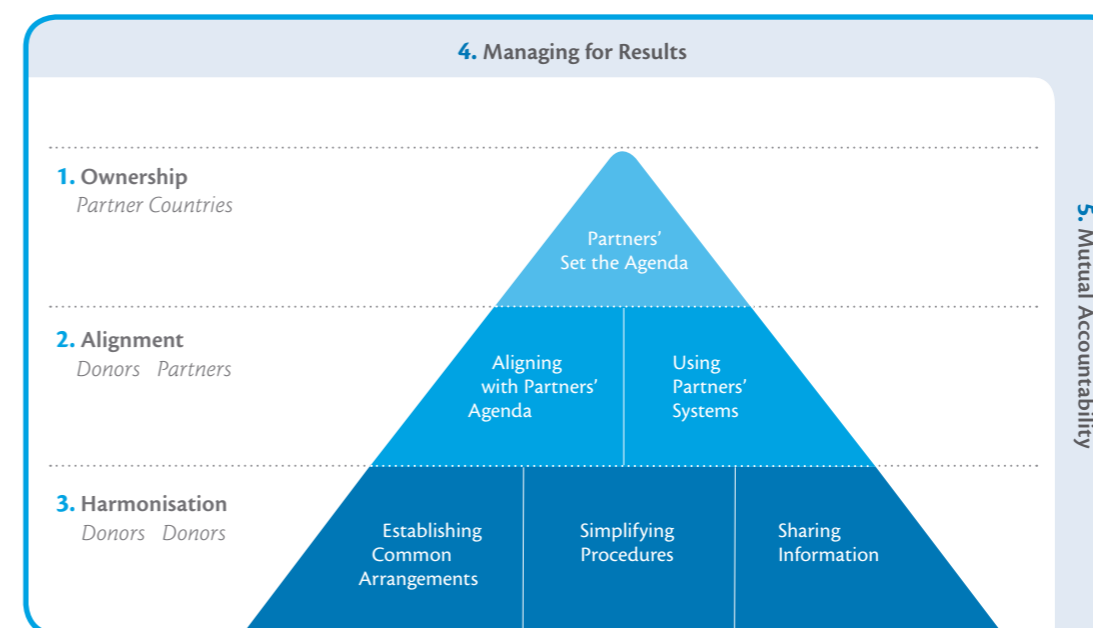
Source: OECD / DAC

FIGURE 6: **UN AID EFFECTIVENESS PARAMETERS AND CRITERIA**

1. UN support to the country operational development strategy
2. Country ownership of UN system reform
3. Operation of UN programmes and projects
4. under government leadership
5. Coherent and coordinated UN approach to developing national capacity

II. ALIGNMENT PARAMETER

1. Programming documents respond to national priorities
2. UN Planning responds to national planning cycles
3. Aid is more predictable and better reported
4. National systems are jointly assessed, strengthened and used
5. Participation in joint funding modalities

III. HARMONISING PARAMETER

1. UN system in the Mozambican aid architecture
2. Institutional arrangements within the UN system
3. Reduction of transaction costs
4. Division of labour among UN agencies and with development partners

III. MANAGING FOR RESULTS PARAMETER

1. UN support and link to national results based management systems
2. The results based management system in the UN in Mozambique
3. Monitoring and Evaluation in the UN in Mozambique

III. MUTUAL ACCOUNTABILITY PARAMETER

1. Support to country accountability mechanisms
2. UN accountability towards its stakeholders in Mozambique
3. Existence of agency accountability mechanism
4. Harmonised accountability to donors

principle, managing for results, is crosscutting and should guide the implementation of the first three principles. Mutual accountability between donors and partners is the overarching fifth principle[26] .

5.1.3 TRIENNIAL COMPREHENSIVE POLICY REVIEW 2007

The UN General Assembly, through the Triennial Comprehensive Policy Review of operational activities, presents key system-wide policies for programme orientation. "The move towards greater coherence and effectiveness across the United Nations system in fact long predates the High-Level Panel Report. A drive for greater coherence has been a feature of numerous, seminal resolutions of the General Assembly, including the TCPRs of 2001, 2004 and 2007"[27] .

TCPR Resolution 62/208, adopted on December 19th 2007, represents a solid consensus of member states providing policy guidance to the UN system's development activities. TCPR Resolution 62/208

- urges donor countries to increase their voluntary contributions on multi-year basis and in a sustained and predictable manner,

- recognises the importance of capacity development and ownership of national development strategies and encourages the UN funds, programmes and specialised agencies to strengthen national capacities,

- calls upon the funds, programmes and specialised agencies to further harmonise and simplify their rules and business practices and to reduce transaction costs associated with countries development programmes,

- encourages the UN development system to increase the use of national systems of support services, rationalise its country presence through common premises, where appropriate, and expand common services,

- underscores the ownership and leadership of national authorities to ensure that planning and programming documents respond to the national plan and strategies, and that the UN planning cycle is aligned with the national planning cycle[28] .

The 2007 TCPR welcomes initiatives that enhance the potential impact of aid and calls for concrete,

effective and timely action in implementing all agreed commitments with clear monitoring objectives and agreed upon deadlines. The TCPR thus provides potential and additional indicators by which the UN in Mozambique should be measured. The parameters and criteria used in this study are detailed in figure 6:

5.2 RESEARCH METHODS

In order to capture the current transition process, the review of the UN's involvement in Mozambique will cover the following three periods i) immediately before the signing of the Paris Declaration in 2005, focusing on the improvements introduced by the third United Nations Development Assistance Framework (UNDAF), ii) the innovations introduced by the Delivering as One initiative in 2007 and iii) the experience resulting from these innovations in 2007 until mid 2009.

Information for this study on UN operational activities was gathered in three ways: desk review and analysis of relevant UN, donor and government documents, semi-structured interviews, and review of study and discussion of findings by various stakeholders. The advantage of this approach is that it goes beyond existing quantitative data and adds a qualitative element. The study therefore, includes a review of the transformation process of the UN system in Mozambique but does not reference all measures that individuals or a group of agencies introduced to move forward the objectives of the Paris Declaration on Aid Effectiveness.

5.2.1 INFORMATION GATHERING

The desk review and analysis of UN operational activities in Mozambique covered the three Mozambican UNDAFs, the Operational Plan on the Implementation of Delivering as One initiatives, the joint programme documents of the One Programme and individual agency's annual work plans.

The qualitative data gathered from personal semi-structured interviews not only served to complement existing official data but also provided invaluable institutional memory regarding the evolution of the implementation process. For this purpose, interviewees were chosen from all

agencies present in Mozambique and represented a balanced cross section of the UN system in terms of operational and programme tasks, rank and gender. The interviews were based on indicative guidelines, allowing the interviewees to freely relate to their own professional experience with each partnership commitment in the UN.

75 interviews were conducted: 45 with UN staff and 5 with donors, 20 with government officials and 5 with CSO partners. Most interviews lasted for approximately 45 minutes and were conducted in person with one or more interviewees. The information gathered from the interviews was rich and has been used to corroborate data gathered from official documents and to highlight broadly shared perceptions. Quotes were used to either illustrate differences in perceptions or present a representative view on particular issues.

The last means of gathering information was through a review of the study by members of agencies, donors, government, and civil society involved with Delivering as One in Mozambique. The UNCT discussed the findings of the study and suggested concrete action points to improve UN system Aid Effectiveness in Mozambique, which are presented in the conclusion in Chapter 11.

5.2.2 CONSTRAINTS AND LIMITATIONS

A review of how the UN system adapts to international Aid Effectiveness commitments cannot represent all the measures that agencies introduced on an individual basis; instead a few examples from individual agencies were used to illustrate general trends. Furthermore, most written sources were mainly UN documents, since shadow reports, viable newspaper articles and other outside information on the UN activities in Mozambique were not easily accessible. Not only is agency documentation often limited to reporting on programme related activities, the absence of a UN archive in Mozambique also made it difficult to find information on interagency coordination structures and activities. The last information gathering constraint was that not all information provided by interviewees could be validated. It should be noted that methodological constraints, such as contradiction of sources or absence of data have been made transparent in the text.

Woman taking her produce to the market

6. Ownership

6.1 DEFINING PARAMETER AND CRITERIA

The Paris Declaration defines the first partnership commitment - Ownership – in the following way: "partner countries exercising effective leadership over their development policies, and strategies and co-ordinating development actions". The AAA deepens this commitment by stipulating "developing country governments will take stronger leadership of their own development policies, and will engage with their parliaments and citizens in shaping those policies." Donors committed themselves in Accra to support country ownership through stronger alignment, capacity building and increased predictability of aid flows.

The concept of ownership commitment is based on the premise that development activities are more successful when they have been initiated and managed by a country rather than being imposed from an outside entity. Ownership ensures that the initiative has the backing and active involvement of the concerned stakeholders, takes local circumstances into account when making decisions

and is sustainable beyond the life span of a project or programme[29] .

Indicator 1 of the Paris Declaration measures whether partners have operational development strategies and the UN system is expected to participate actively in the process of planning such a strategy – "as a platform to advocate for a more holistic human development approach and to highlight critical capacity gaps"[30] . The TCPR stipulates that "national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty."

Ownership does not exist unless there is capacity and as such, the Paris Declaration indicates capacity development as a "core function" of the UN development system. In order to determine the level of commitment to country ownership within

the UN, it needs to be determined how far the UN supports national ownership where it exists, how it strengthens ownership of its activities and how it responds to lack of ownership. The following criteria of UN support will be reviewed:

- UN support to the operational development strategy
- Country ownership of UN system reform
- Operation of UN supported programmes and projects under country leadership
- Coordinated approach to developing national capacity

6.2 COUNTRY CONTEXT FOR OWNERSHIP

Mozambique gained independence from Portuguese colonial rule in 1975 and then suffered a 12-year internal war which began in 1977. With such a historical context, local capacities to lead the development process in Mozambique were initially low and the coordination of development activities was limited to attempts at harmonisation between some of the development partners. In the mid-90s, agreements were made with the government to establish standardised common frameworks, introduce joint reviews, and allocate funds on a multi-annual basis. This was followed by the first alignment of donors to sector strategies in health, water and education at the end of the 1990s.

In 2001 the first Poverty Reduction Strategy Paper

(PRSP, or PARPA I in Mozambique) was approved by the IMF and the World Bank, and provided the formal basis for donor alignment in the period of 2001-2005. Donors perceived the PARPA I to be a government owned document which compiled already existing plans generated by line ministries. However, it involved limited public consultation, was not regularly updated, never became a key document of reference within the line ministries or provincial institutions, and its performance assessment matrix provided few clear targets as a basis for monitoring progress . In fact, interviewees recall that government staff used to refer to PARPA I and government interventions as two distinct things, instead of seeing them as one.

When the Paris Declaration was signed in 2005, the government had already begun preparations for a PARPA II that would make the government's Five Year Plan operational. This Plan was based on the government's electoral promises, linked to the long-term strategy Agenda 2025 and approved by parliament in 2005. The PARPA II was approved by the Council of Ministers and became the document of reference for all development partners during the period 2006-2009. In 2008, the government decided to extend the PARPA II until 2011.

Compared to PARPA I, the government pro-actively managed the development of the PARPA II with an important support role for the UN in the development process[32] . It was prepared by the government in consultation with civil society and development partners. For the first time, a comprehensive set of indicators for monitoring and evaluation was introduced and the government and the donors co-chaired working groups to discuss progress on these indicators every six months.

Mozambique's operational development strategy was assessed in the 2006 and 2008 Survey on Monitoring the Paris Declaration's rating on Indicator 1. In the underlying review of "Results-Based National Development Strategies: Assessments and Challenges Ahead," the operational value of a country's development strategy and policy against three criteria: i) the existence of an authoritative, countrywide development policy ii) clearly identifies priorities and iii) cost efficiency were assessed.

According to the survey, Mozambique received a C rating on a scale running from A (highest score) to E (lowest score). Although it had developed an operational development strategy within PARPA

II, those who took the survey did not feel that the government assumed full leadership and ownership in its implementation. At the same time that PARPA II was being finalised, the government was developing sector strategies and initiating the process of decentralisation. The linkages between these activities demonstrated that indicators needed to be further refined and that the government had yet to integrate all sector activities into the development pillars and to coordinate central and line ministries[33] .

Additionally, internal government coordination structures were strengthened and roles were clarified. The Ministry of Finance and Planning was split into a Ministry of Finance (MF) and a Ministry of Planning and Development (MPD). Whereas the MF was now responsible for the financial monitoring of the ODA and state budget, the MPD was the central unit for the planning of development in Mozambique. Initial contact with donors and drafting of cooperation agreements was now the responsibility of the Ministry of Foreign Affairs and Cooperation (MINEC). However, indicator 4 of the Paris Declaration shows that the coordination of capacity development within country programmes in Mozambique slipped from 38 percent in 2005 to only 27 percent in 2007 since not all sectors had mapped their individual capacity needs, nor had the government developed a common response to capacity gaps.

6.3 UN SUPPORT TO THE COUNTRY OPERATIONAL DEVELOPMENT STRATEGY

The UN's responsibility is to support a country's government in developing an operational development strategy consistent with agreed international commitments on gender equality, human rights and environmental sustainability, while ensuring the government continues to lead the programmes.

While operational planning was not centralised, the UN development support was based on bilateral contact between each agency and their respective government counterpart. When the new millennium began, support by individual agencies in the sectors slowly moved from technical assistance on specific national challenges towards more upstream support for the formulation of sector policies on which UN agencies based their support.

In 2004, the UN agencies' position as central government interlocutor was affected by the fact that some of their donors become active in Mozambique themselves, placing their financial support into common funds at budget and sector levels. This had immediate implications for the UN system as it needed to adjust to an increase in donors' technical staff engaging with the government at policy level. Although funding for UN supported activities was increased, the 2008 State Budget Execution Report showed that only 4 percent of ODA in Mozambique were provided by the UN system[34] .

The UN moved from being a key government partner to one among many development partners and therefore, at the 2005 UNCT retreat the Agencies decided to reposition themselves at the country level. The repositioning included:

- supporting the government as it prepared itself for the upcoming Paris Declaration,

- focussing UN agency activities on a limited number of thematic areas,

- suspending UN centric documents including the Common Country Assessment,

- providing the government with all the data collected for UN purposes used the development of the PARPA II,

- aligning the third UNDAF on the PARPA II,

- engaging in Sector Wide Approaches (SWAps).

This new philosophy of engagement in country development strategies had major implications for the UN. As PARPA II and UNDAF were being elaborated in parallel, all the UN activities that were not foreseen in the PARPA II would eventually have to be abandoned. The only exception, according to the agencies mandates, was normative and emergency support. Therefore, if an agency identified a need for government involvement it would have to lobby the government in advance for support.

The experience of specialised, small and non-resident agencies in Mozambique has shown that it can be challenging to convince their counterpart line ministries to place their respective issues on the central government's agenda. In a country where the development strategy becomes the main document of reference and basis for raising and allocating funding, an agency that does not have its principal

activities reflected in the PARPA II could be limited in implementing its work in a country.

As the PARPA II is evaluated and the next PRSP developed, the UNCT has drafted a Delivering as One Position Paper to strengthen the joint engagement of its technical staff in the processes by advocating for the universal values represented by the UN. This is meant to ensure that the UN's technical contribution and impartiality are included in the PARPA II assessment and new strategy development processes and in addition, that the UN is positioned to leverage these qualities and play its key functions in the development and implementation of the new PRSP[35] . This common strategy is particularly important for strengthening the attention received by cross-cutting issues, such as gender or disaster risk reduction, and emergency response throughout all agency support activities towards the next national development strategy[36] .

6.4 COUNTRY OWNERSHIP OF UN SYSTEM REFORM

In 1998, all UN agencies and the Mozambican government signed the UNDAF. The purpose of this first version was "to orient, rationalise, and encourage increased programmatic collaboration by coordinating the contributions of the various UN Agencies in Mozambique towards the achievement of the UN mission" and "to summarise what the UN system aims to achieve over the 1998–2001 period"[37] . The second UNDAF, which was signed in 2001 for the period of 2002-2006, aimed at ensuring "enhanced collaboration and coordination of all UN Agencies working in Mozambique by constructing a mutually reinforcing framework of development assistance which supports national poverty strategies and national commitments to international human rights standards"[38] .

However, there was limited contact between central government representatives and the UN system as a whole to discuss the progress of UN system support as well as government strategies. Annual reviews of UN system support were mostly an "internal exercise" and joint programmes were developed between agencies with respective government counterpart participation.

The signature of the Paris Declaration and the composition of PARPA II also coincided with the

preparation of the third generation of the UNDAF in Mozambique (2007-2009). This offered a window of opportunity to the UNCT to align the new UNDAF with government planning cycles, concerns and priorities while more strategically engaging the UN system in Mozambique. To enable these activities, the UNCT agreed upon strategic and well-coordinated participation:

"A UN PARPA II Task Force analysed the working groups´ activities, identified the groups/areas most relevant for the UN and selected lead and associate agencies, representing all of the UN, to participate in the targeted groups. It was envisaged that this approach would also address the concern raised by many bi-lateral donors that the UN Agencies are too diverse in their scope of intervention and sometimes overrepresented in various donor fora." [39]

Government and donors were invited to participate in a two-day seminar to discuss where UN focus would be targeted.

The Delivering as One initiatives offered the UN a further opportunity to improve. The government showed leadership at an early stage by participating in the high-level panel on system-wide coherence and hosting a first inter-governmental meeting on the Delivering as One pilot initiative for the eight pilot countries, and those countries which had indicated voluntary adoption of the Delivering as One approach as "self-starters". The seminar agreed on the Maputo Declaration, which provided a critical contribution to the UN General Assembly consultation on system-wide coherence, co-chaired by the Irish Ambassador and Tanzanian High Commisioner[40] . At the follow-up meeting in Kigali in October 2009, the Government of Mozambique stressed that "there is no going back to doing business in the manner prior to the Delivering as One initiative"[41] . In Mozambique a high level steering committee composed of several government and UN representatives was established to oversee the One Operational Plan.

In addition, the formulation of the joint programmes created technical review committees that combined various line ministries under the leadership of the Ministry of Foreign Affairs and Cooperation (MINEC) to oversee the planning and implementation process. Further, each joint programme was signed by MINEC as well as any agency involved in a single document.

The UN's responsibility is to support a country's government in developing an operational development strategy consistent with agreed international commitments on gender equality, human rights and environmental sustainability, while ensuring the government continues to lead the programmes.

The government showed leadership at an early stage by participating in the high-level panel on system-wide coherence and hosting a first inter-governmental meeting on the Delivering as One pilot initiative for the eight pilot countries.

The government's leadership in the technical implementation has grown as Mozambique transitions from a need for emergency support to longer-term development engagement.

6.5 OPERATION OF UN SUPPORTED PROGRAMMES AND PROJECTS UNDER GOVERNMENT LEADERSHIP

Government leadership includes political, technical and coordination aspects.

Through cooperation agreements with the UN, the government has traditionally assumed political leadership of UN supported projects and programmes at a macro level, and all interviewees insisted that they are in constant dialogue with government and respect their leadership. For example, Agencies ensure that UN donors conducting evaluation missions of their projects may only be conducted with ministry consent. As a result of this collaborative attitude, government counterparts repeatedly refer to the UN as a trusted partner.

The government's leadership in the technical implementation has grown as Mozambique transitions from a need for emergency support to longer-term development engagement. In the wake of national reconstruction after the civil war, programmes and projects were still primarily led and implemented by the UN agencies or their CSO partners despite responsibility having been transferred to the government. In the mid 1990s the national execution modality was introduced, through which the government and local partners implemented UN supported projects themselves. Interviewees recall that after an initial training phase of government counterparts on programmatic and operational procedures regarding this modality, the government was able to lead the implementation by itself. Increasingly, the Mozambican government designs programmes and asks for specific UN technical assistance to support governmentally implemented activities.

However, even national execution does not guarantee government leadership and development programmes often need parallel implementation units in order to function. Such units are normally led by a project coordinator designated by the government and while this links the project to government priorities, additional administrative and finance support is often needed. Nevertheless, interviewees claim that technical assistance is no longer regarded as a means of providing assistance to marginal issues but is now linked to ministerial priorities and its' impacts are measured by the PARPA indicators.

Effective technical leadership is greatly influenced by the implementation partners. Interviewees pointed out that positive results are easier to achieve when the lead is taken by a strong, rather than a weak ministry. For instance, a Chief Technical Advisor at the Ministry of Justice was asked by the Minister to teach the planning department how to integrate long-term planning for the support he provided to a specific unit. Although this delayed project implementation, it created sustainable capacity to own the process.

The main impediment to coordinated leadership is the uncoordinated interaction of individual agencies with individual government ministries. The new coordination structures in the UN joint programmes of the One Programme facilitate internal dialogue so that issues can be discussed before approaching the government. This forum not only brings together UN agencies but also various line ministries in technical review committees. The Millennium Village project showed how various ministries come together in the Steering Committee to agree on a common strategy at the community level. In the decentralisation joint programme, MPD and Ministry of State Administration (MAE) devised a common strategy demonstrating that coordinating ministries can result in a more holistic leadership over the long term. However, the emergence of multiple coordination structures has created new challenges of parallel structures, which will be discussed in Chapter 8 on harmonisation. Nevertheless, interviewees expressed concerns about the government's capacity to meet the increasing demands of coordination efforts.

6.6 COHERENT AND COORDINATED UN APPROACH TO DEVELOPING NATIONAL CAPACITY

Both the first and second UNDAF highlight the importance of capacity development. Prior to the third UNDAF, people working in government and civil society were mainly trained in individual programme and project implementation within the context of service delivery. However, with the emergence of a new aid environment, capacity development has slowly shifted to building managerial and operational capacity at sector level.

Capacity development remains a key UNDAF programming principle with an underlying

common inter-agency understanding and consensus. The UNDG issued a Position Statement on capacity development in 2006 and launched a Capacity Assessment Methodology in 2008[42] . The updated 2009 CCA/UNDAF Guidelines approved by the UNDG in January 2009 also provide guidance[43] . UN System Staff College (UNSSC) and UN Development Operations Coordination Office (UNDOCO) coordinated Common Country Programming Processes and UNDAF Workshops provide standard training materials. Formulated in 2005 and predating this guidance, the third UNDAF in Mozambique had not yet fully formulated common UN capacity development strategies and priorities. While some agencies still see training components on service delivery in their projects as a capacity development priority, other agencies have a strong upstream approach in which capacity development strategies are aimed at strengthening general planning capacities. The 2008 UNCT capacity assessment indicated that some donors and governments wanted the UN to provide more upstream technical assistance and advisory support.

A shift towards the latter type of assistance is seen across all UN agencies. For example, the UN has gone from ad-hoc capacity support in the field of coordination to developing a strategy for MINEC in training senior coordination officials and supporting participation of the Mozambican government in international coordination fora such as the OECD/DAC. In addition, the relevance of strengthening parliament's oversight function has grown and is reflected in capacity development support to the assembly and its administration. The introduction of gender responsive budgeting in government will further strengthen the planning process.

Agencies have shifted from only providing technical advice on health policies to coordinating the government's health sector human resource strategy with donors. They developed training planners to integrate cross cutting issues into long term planning documents (such as PARPA) for CSO and government and have come together in a joint programme developing civil society capacity on a human rights based approach to programming, for 13 large civil society partners and over 150 national CSOs.

Although individual agencies are beginning to provide up-stream capacity development support,

a coordinated UN approach to create system-wide capacity development strategies in Mozambique is still at the initial stage. The government has more coordination work as a result of the processes installed by the PARPA II and the PAP, such as the joint reviews. The complex structures in Mozambique need a strong government to lead the process. However, most interviewees pointed out how this task stretches government official's limited resources and capacities.

An example is disaster management. After the 2007 floods, several UN agencies joined together to strengthen the coordination capacity of the National Centre for Emergency Operations (CENOE) in setting-up a chronological disaster database. A chief technical advisor gave technical support on data collection and the use of the database, whereas the director of the CENOE was strongly involved in guaranteeing political, technical and coordination leadership of this combined UN capacity development effort.

6.7 OWNERSHIP SUMMARY

Ownership was reviewed with regard to the extent to which i) the government leads the UN supported programmes and initiatives, ii) there is government ownership and leadership of UN Reform, iii) the UN's support is aligned with the country's operational development strategy, and iv) there is a coherent and coordinated UN approach to developing national capacity. The 2008 Survey on Monitoring the Paris Declaration concluded that the Government needed to exercise greater leadership in the process of applying its operational development strategy.

Ownership is not a status, but a process. While there is clear progress in most dimensions of ownership, there is variation among the aspects of government ownership (political, technical and coordination) as well as its levels (central, sector, provincial or local). In this process, development partners in general and the UN system in particular can offer strong support to their individual partners and government as a whole. One area where the UN will need greater focus will be achieving a coordinated approach to developing national capacity.

The 2008 Survey on Monitoring the Paris Declaration concluded that the Government needed to exercise greater leadership in the process of applying its operational development strategy.

7. Alignment

7.1 DEFINING PARAMETER AND CRITERIA

According to the Paris Declaration, alignment is the process by which "donors base their overall support on partner countries' national development strategies, institutions and procedures." The AAA defines the use of country systems to include amongst others, the use of national "systems for public financial management, procurement, audit, monitoring and evaluation, and social and environmental assessment". Alignment should help overcome fragmentation of development by structuring individual interventions so that they contribute to a common goal within a coherent strategy.

Seven of the twelve Paris Declaration indicators relate to Alignment. The indicators are as follows:

INDICATOR 2: Partners have reliable public financial management and procurement systems.

INDICATOR 3: Aid flows are reported on partners' national budgets.

INDICATOR 4: Capacity development is provided through coordinated programmes.

INDICATOR 5: Country public financial management and procurement systems are used.

INDICATOR 6: Parallel implementation structures are avoided.

INDICATOR 7: Aid becomes more predictable through annual or multiyear disbursements.

INDICATOR 8: Bilateral aid is untied.

Some of the fundamental elements of Aid Effectiveness include reporting aid flows on national budgets, using public financial management and procurement systems, avoiding parallel implementation structures, disbursing according to multiyear frameworks and untying aid. A number of indicators are tailored to measure progress related to direct budget support.

It is difficult for the UN to report on these indicators since they are not tailored towards the activities conducted by most of its agencies. One of the reasons is the difficulty to include activities such as technical support, policy advice and capacity development under these indicators. In addition,

since the UN both receives donor funds and disburses funds as a funding agency akin to a donor, it must adhere to strict accountability mechanisms that are monitored by its donors. Therefore, the UN is limited in the degree in which it can use national systems.

The TCPR commits the UN system to "align all planning and programming documents to respond to national development priorities," to "align UNDAF to national planning frameworks and budget cycles," and to "strengthen and use public financial management and national procurement systems." National systems in this context are all mechanisms related to the implementation of activities, such as planning, payments, procurement etc. Therefore, measuring UN progress on alignment needs to follow the following criteria:

• Programming documents respond to national priorities

• Planning responds to national planning cycles

• Aid is more predictable and better reported

• National systems are assessed jointly, strengthened and used

• Participation is active in joint funding modalities

7.2 COUNTRY CONTEXT FOR ALIGNMENT

The civil war considerably delayed the development of well functioning country systems for planning, financial management or procurement in Mozambique. The first step towards the use of country systems began in the early 1990s when individual donors began to channel their support and implementation through province and district health authorities and as a result, specific sector strategies and common fund structures were developed in the fields of health, education, HIV/AIDS, agriculture, road, water and justice. These developments resulted in sector wide approaches (SWAps) in the transport, education, water, health and agriculture sectors. "A SWAp is a single comprehensive sector plan, driven and coordinated by government, adopting common approaches across the sector, and progressing towards the use of government procedures for planning monitoring,

reporting and evaluation. It often includes basket funding or sector budget support."[44]

Another development was that different financial support arrangements were increasingly being brought on budget by development partners as direct budget support. This method finances a partner's country budget by transferring resources from a donor to the partner government's national treasury and as such, the transferred funds are managed in accordance with the recipient's budgetary procedures. There are two modalities: general budget support and sector budget support. Within the context of sector budget support, increasingly pooled funds for specific uses were grouped into common funds for general sector use. The funds of the agricultural and health SWAps (PROAGRI and PROSAUDE) were earmarked for those sectors but held in a central bank account in the name of the MF and disbursed according to a plan agreed upon with MPD[45]. With the development of the PARPA II, the Government of Mozambique introduced a strong national tool that

identified specific development priorities.

The results gathered from the Surveys on Monitoring the Paris Declaration for Mozambique are mixed. In both the 2006 and 2008 Monitoring Surveys Mozambique received an "Average" rating on indicator 2 of its financial management and country procurement systems. Accordingly, indicator 5 showed that only 44 percent of aid used national public financial management systems and 54 percent of aid used national procurement systems in 2008. On reporting of aid flows on partner's national budgets Mozambique showed 83 percent of ODA being reported on budget but this did not improve in 2008. Indicator 6 showed that in 2007 there were only 26 parallel implementation structures in Mozambique. The measuring of predictability of aid flows in indicator 7 in 2008 showed that 74 percent of aid flows were on schedule and recorded on budget. The UN had 13 percent of its aid recorded on budget whereas the average donor ratio was 51 percent. Finally, 93 percent of aid in Mozambique was untied or not conditional on any terms [46].

7.3 PROGRAMMING DOCUMENTS RESPOND TO NATIONAL PRIORITIES

As the preparation of the PARPA II took place concurrently with the elaboration of the third generation of the UNDAF, the UNCT decided to align the UNDAF with the PARPA, both in terms of content and cycle.

As the preparation of the PARPA II took place concurrently with the elaboration of the third generation of the UNDAF, the UNCT decided to align the UNDAF with the PARPA, both in terms of content and cycle. The guiding principles of the new UNDAF outcomes were:

1) structural alignment between the UNDAF and PARPA II pillars,

2) clear reference to the PARPA II priorities,

3) involvement of at least two, and preferably more UN agencies in all UNDAF outcomes,

4) introduction of tangible/measurable results with corresponding baselines for each priority,

5) complementary linkage of outcomes to contributions made by other development partners[47] .

The alignment of the UN programming documents to country strategies has greatly improved. The UNDAF, which contains the majority of UN development activities in Mozambique, has the same pillars as the PARPA II. In accordance with the eight identified areas of UN comparative advantage in Mozambique (advocacy for UN core values; normative and technical advisory services; strengthening of national capacity; scale-up of evidence-based programmes; implementation services; support to national humanitarian response; bringing the voice of civil society to the table; and building partnerships between all stakeholder) the UNCT decided to focus on two - governance and human capital - of the three UNDAF pillars, while also introducing a specific pillar for combating HIV/AIDS, an area with a particularly strong concentration of agency activities[49] .

The UNDAF was the first successful attempt to reposition the UN system as a whole in Mozambique. With a move to increase inclusiveness, the UNDAF was revised to include economic development, the fourth pillar, which incorporated activities of specialised and/or non-resident agencies that had not yet been included.

A further revision took place through the UNDAF extension process. Following the government's decision to extend the PARPA II until a new government elaborated a new PRSP after the 2009 general elections, the UN extended the UNDAF to match with the government cycle. The UNDAF

was extended until 2011 and updated, including nearly all UN system development support to the PARPA II.

The Delivering as One pilot experience provided a new opportunity for the development of the One Programme. The UNCT paved the way for a reformed UN under the next cycle by focusing on a strategic sub-set of UNDAF outputs that best illustrate the added value of the UN in the new aid environment and in the overall development context of Mozambique.

The One Programme therefore gave a strategic emphasis to four of the eight areas identified under the UNDAF: policy and advocacy; normative/technical support; capacity development; and civil society partnerships. The new joint programmes (JPs) funded by the One Fund that make up the One Programme should demonstrate how the UN system would work together more coherently and effectively in four focus areas in order to achieve results by building on existing activities/programmes, addressing a number of UNDAF outputs, getting a minimum of one third funded, and including three or more agencies with the potential to achieve a quick and visible impact[49]. For an overview of UN programming through UNDAF and the One Programme see Figure 7.

7.4 UN PLANNING RESPONDS TO NATIONAL PLANNING CYCLES

It is easier to incorporate the contributions of the UN into national plans when the UN planning cycles follows national planning cycles. Until the third UNDAF, all agencies had their own planning cycles and greatly varied modus operandi. For instance, specialised agencies such as UNESCO and WHO had biennial-planning cycles determined by the member states, contrastingly UNDG Executive Committee agencies (ExCom) had three to five year country programmes that could be broken down into individual components. Agency activity was then negotiated with government counterparts and linked to the implementing partner's or sector planning, meaning they were independent of national planning and budget cycles.

As part of the aim to achieve harmonisation and simplification, former ExCom agencies introduced 3-5 year Country Programme Action Plans (CPAP) in a common format that linked the

FIGURE 7: UN PROGRAMMING STRUCTURE IN MOZAMBIQUE

national strategy and the UNDAF, and prepared an annualised work plan that supported CPAP and CPD. In 2009 the agencies that follow annual work plans aligned their planning cycle to that of the government cycle which starts in May and ends in April, consequently the alignment of budget cycles has begun to improve.

Notwithstanding these changes, specialised agencies still follow their two-year planning cycles, regional plans or individual project plans. As interviewees from these agencies point out, the biennial programmes are more aligned to specific government policy documents and regional and global plans agreed to by the Mozambican government than to the UNDAF. Agencies that work on a project basis with their government counterparts plan according to the project duration and not to national planning cycles.

For the third UNDAF, agencies are committed to providing one third of core resources themselves and mobilising another two third of non-core resources.

7.5 AID IS MORE PREDICTABLE AND BETTER REPORTED

The UN relies on funding received principally from its member states, but it also encourages private sector stakeholders to provide development and humanitarian assistance to programme countries. Some agencies are funded by the

assessed contributions of the member states or a combination of assessed contributions and voluntary contributions, while others are 100 percent funded by donor countries' voluntary contributions. Since the amount of annual voluntary contributions is not generally predictable, available resources for development operations and financial stability of agencies vary considerably. In addition, since very few donors pledge beyond their current fiscal year the agencies ability to provide predictable and/or multiyear pledges of support to programme country governments is limited[50] .

For the third UNDAF, agencies are committed to providing one third of core resources themselves and mobilising another two third of non-core resources. Some agencies work through the UNDAF to obtain additional funds by referencing agencies expected contributions to a UNDAF outcome. However, not all agencies have been successful in resource mobilisation. The new joint programmes funded by the One Fund have especially encountered new difficulties in meeting timely funding. Once donors make funds available, the allocation of funds to joint programmes is made by the Steering Committee decision.

It is difficult to improve 'predictability' for the UN alone, as it relies on donor funding. Therefore, the

(UNDP/Eeva Parviainen)

UN's move towards better aligned planning will focus on better reporting of aid to the government. In 2004, the UN system in Mozambique created a common UN project database to share a more comprehensive overview of its projects with the government. This was merged with a EU pilot Initiative that centralised and published information on the activities of all EU member states operating in Mozambique. In 2006, a common donor database was launched with the EU called ODAmoz and was made accessible on the Internet.

ODAmoz enabled the Mozambican government and general public to track the donor and UN agency projects and programmes that had been implemented in the country. It allows users to view detailed information about the projects such as location, financing sources and implementation leaders. Development partners submit information on their development activities to ODAmoz four times a year. This allows the government users, the Department for Monitoring and Evaluation in the Directorate of Investment and Cooperation at the Ministry of Planning and Development, to improve planning and monitoring.

Not all UN data is being submitted to ODAmoz correctly and on time; as of July 2009 only 12 agencies had submitted the necessary data. Involvement in the ODAmoz system is very time consuming and complex, and it is difficult for the UN to submit their mainly government projects into the system. Small agencies lack staff to submit the data, while large agencies struggle to compile the data. Also, there is no harmonised standard to enter data into the system since the website is not linked electronically to the government's State Financial Management System (SISTAFE). Some agencies opt to report additionally to the MF. The majority of the UN support is therefore either not recorded or not recorded correctly in ODAmoz but the current improvement plan of ODAmoz will address some of these gaps.

7.6 NATIONAL SYSTEMS ARE JOINTLY ASSESSED, STRENGTHENED AND USED

In both the 2006 and 2008 Monitoring surveys, Mozambique received an "Average" rating for its financial management and country procurement systems. Their move to budget support increased the use of national systems since national budget

funds are subject to national rules and regulations, and as a result, an ongoing collective dialogue ensued between the Government of Mozambique and its development partners as the PAP became necessary.

The UN operates within a defined accountability framework that binds the governing bodies, executive and senior management staff, regional and country office management and all staff. Since donor countries entrust the UN with their funds, the UN needs to follow strict international standards, UN rules, regulation and procedures and comply with audit recommendation from both internal and external auditors. The use of national systems requires prior assessments and high quality standards and consequently alignment to Mozambican country systems is no better than in other programme countries[51] . The TCPR "encourages the UN development system to make increased use of national public and private system for support services…" and "encourages it to avoid and significantly reduce the number of its parallel project implementation unit in programme countries as a means of strengthening national capacities and reducing transaction costs"[52] .

The UN's internal rules, regulations, business models and business practices differ slightly according to agency and this affects the way they cooperate with the government in Mozambique. The Survey on Monitoring the Paris Declaration showed that the UN system faces difficulties in reporting correctly on the use of national systems.

As for individual projects and programmes the implementation partner may request that the UN assume responsibility for a project's financial management. For example, the government requested that, for a Disaster Risk Reduction programme, the UN operates under direct implementation modalities that require UN financial and procurement rules. This approach allows the partner to concentrate its resources on developing and managing the project, while outsourcing its financial operation. In such cases government policy and implementation partner requests may not be the same. However, these cases are an exception and only a temporary solution until capacity can be built up at all levels to allow the use of country systems. However, in sectors where the UN works entirely through national partners, the implementation partner systems are used for the

Since donor countries entrust the UN with their funds, the UN needs to follow strict international standards, UN rules, regulation and procedures and comply with audit recommendation from both internal and external auditors.

entire implementation process, as in the water and sanitation infrastructure. The UN's main focus for the moment is therefore on harmonising agency procedures and supporting capacity development related to the country systems.

In terms of financial project management, the former ExCom agencies implemented the Harmonised Approach to Cash Transfers (HACT) in 2007. The HACT shifts from managing cash transfers through a system of rigid controls to a risk management approach of national systems. Implementation partners are externally assessed during programme preparation to determine which levels of risk and capacity gaps need to be addressed. The higher the risk, the more UN specific surveillance activities are added, while the lower the risk, the less monitoring and control is recommended. During programme implementation, assurance activities such as audits and spot checks are conducted according to the assessment result and partner's risk profile.

The main aim of HACT is to unify agency systems to reduce government transaction costs.

HACT was adopted by many specialised agencies in 2008. Implementing partners use a harmonised format, Funding Authorisation Form and Certificate of Expenditures Form (FACE) to request funds and to report on their disbursement. This methodology harmonised the various reporting approaches of agencies that shared similar objectives.

The main aim of HACT is to unify agency systems to reduce government transaction costs. In Mozambique, even specialised agencies such as the FAO have been participating in HACT, although this is limited to their activities in joint programmes. However, the HACT working group identified five compatible implementation partners in 2009 and is preparing a single contract with an auditing firm.

In 2008 the Government of Mozambique responded to the HACT stakeholder survey, emphasising its request to further expand the implementation of HACT, as it had resulted in a substantial reduction of transaction costs, which is in line with the principles of Paris Declaration in Aid Effectiveness. The impact of HACT can only be maximised by close monitoring of funds disbursement and project implementation in accordance with the approved Annual Work Plans. Experience so far suggests that there is a need to ensure that requests for funds are made with close linkages with Annual Work Plans (AWPs), and to acknowledge the fact that capacities can differ between different departments within the

same Ministry. Therefore, a micro-assessment needs to be done per implementing partner, and not per Ministry.

Harmonisation of the UN procurement practice is limited to procurement for agency requirements, while all agencies have their very own approach to using national systems in procurement. Most procurement is still done according to UN agencies regulations but Mozambique passed a procurement law, 64/2005, in 2005 that largely corresponds to UN rules and regulations. All interviewees concurred that while this law has greatly improved the use of national procurement systems in UN supported projects and programmes, the correct application of the law is still not guaranteed. The main difference between the country law and UN rules governing procurement is that the country law requires local and not international tendering. Interviewees also pointed out that agreements with government on the use of procurement rules in projects as well as guidance from headquarters are blurred on this point. A consultant is currently harmonising general agency procurement procedures so that they are flexible enough to allow for agency specificities.

7.7 PARTICIPATION IN JOINT FUNDING MODALITIES

With the emergence of sector strategies at the start of the new millennium, UN agency interventions were aligned with the respective government sector plan and partner capacities to formulate policies, coordinate support and implement strategies. However, in terms of contributing to joint funding, UN agencies have been both restricted and reluctant since the donor could provide directly and without additional transaction costs arising from UN intervention. A donor report concluded that UN budget support could "undermine their impartiality, is outside of the UN agencies added value to development and would be a misallocation of scarce resources"[53] .

To participate in donors and government dialogue, the agencies are re-evaluating their respective roles and possibilities in relation to budget support. In fact, donors called upon the UN in Mozambique to join the Programme Aid Partnership (PAP) and to consider providing budget support. Until an inclusive structure can be established, the UN is an associate member of the PAP in 2009 in order

to be more closely involved in the relevant forums of discussion at country level towards establishing more inclusive aid architecture.

In 2005, the UNDG agreed to amend the rules and procedures that inhibit individual agencies from participating in sector-wide and direct budget funding arrangements. However, there is no clear consensus whether, or to what extent, UN agencies should provide their own funding via joint funding mechanisms[54] . Since 2008, the only active participation of UN agencies in direct budget support in Mozambique has come from two agencies: UNICEF, which provides 1 million USD to the education sector and 1.2 million USD to the health sector, and UNFPA, which provides 500,000 USD to the health sector.

The specialised agencies, in particular, have neither the funds nor the financial and administrative means to contribute to and process budget support. Instead, they are defining the comparative advantages that they can offer to sector oriented donors. This can be in the form of technical, policy and independent advisory services or the introduction of new methodology, technology and knowledge.

Joint funding or pooled funding within UN agencies has been taking place in the context of joint programmes but agencies can also contribute funds individually to a common purpose. Some joint programmes, such as the Millennium Villages, receive specific funding from one or more donors. In addition, there are global joint programmes that focus on specific commonalities, such as environmental issues shared between UNEP and UNDP, which includes a Mozambique component.

The Delivering as One approach has brought a new modality of joint funding to Mozambique. To support the temporary additional coordination effort of the One Programme before it yields results and to provide an additional financial incentive for UN agencies to cooperate, the UN created a common development fund called One Fund to which donors could contribute additional funding at headquarter or local level. This is managed under the leadership of the Resident Coordinator, and the UNDP's Multi-Donor Trust Fund (MDT-F) Office in New York in conjunction with the UNDP country office in Mozambique is the Administrative Agent. Several donors, such as Norway and

Sweden, contribute additional funds locally to the One Fund and UN agencies contributed one third of their own resources to the 10 joint programmes. Further three joint programmes receive full funding from the Spanish Millennium Development Goal Achievement Fund (MDG-F). An initial global assessment of this new type of joint programming shows that they promote the principles outlined in the Paris Declaration and the AAA and further, have "increased the coherence and effectiveness of the UN system's operations at the country level and contributed to the UN reform objective of Delivering as One"[55] . The UN agency's participation in joint funding was also welcomed by the pilot countries in the Maputo declaration[56] .

7.8 ALIGNMENT SUMMARY

The alignment parameter reviews the extent to which:

I) programming documents respond to national priorities,

II) UN planning responds to national planning cycles,

III) aid is more predictable and better reported,

IV) national systems are jointly assessed, strengthened and used,

V) there is participation in joint funding modalities.

The 2008 Survey on Monitoring the Paris Declaration showed improvement in the quality of country systems and an increase in their use for the delivery of foreign aid.

With HACT, the UN has introduced a framework that harmonizes the UN's cash transfer modalities combined with a joint capacity assessment of its implementation partners.

While the UNDAF and the One Programme, which is a sub-set of the UNDAF, are fully aligned with the national development strategy and with the national planning cycle, predictability of UN system support largely depends on the predictability of its donor contributions. With HACT, the UN has introduced a framework that harmonizes the UN's cash transfer modalities combined with a joint capacity assessment of its implementation partners. The UN system is not yet fully utilising national systems, although some agencies are more advanced than others. Efforts to use country systems for public financial management and procurement need to be increased. Providing and receiving joint funding has strengthened UN agencies' positions in the wider aid architecture.

8. Harmonisation

8.1 DEFINING PARAMETER AND CRITERIA

The Paris Declaration refers to harmonisation as a point when "donors' actions are more harmonised, transparent and collectively effective." The AAA emphasised that development partners should strengthen country led complementarities and division of labour between partners. By developing standardised formats for procedures across agencies, partner countries' capacities will be able to redirect their efforts to the strategy and implementation of projects. For the purpose of the Monitoring Survey of the Paris Declaration, indicators 9 and 10 measure donors' use of programme-based approaches and joint analysis during joint missions and joint reviews.

The TCPR reaffirms the role of the Resident Coordinator in harmonising the UN system to enhance coherence, coordination and harmonisation. Cost effectiveness could be improved through the harmonisation and simplification of business practices whereas the number of joint missions, analytical work and evaluations at the country level could be increased.

The UN system's progress on harmonisation therefore needs to take into account the following criteria:

- The UN system in the Mozambican aid architecture
- Institutional arrangements to ensure coordination within the UN system
- Reduction of transaction costs
- Division of labour between UN agencies

8.2 COUNTRY CONTEXT FOR HARMONISATION

As in the Aid Effectiveness pyramid, harmonisation amongst development partners was the first step taken in Mozambique to align government systems and eventually, country ownership. The enhanced coordination mechanisms in Mozambique have produced a complex aid architecture, which is constantly being developed and improved. Until 2004, the most senior level dialogue took place in the Development Partners Group (DPG) between Heads of Mission and was chaired by the World Bank and the RC.

The second coordination platform, the PAP, was created in 2004. Today, it consists of 19 donors providing budget support (also referred to as G19), the IMF as an ex-officio member, and other associate members, including the United Nations. It consists of groups for Heads of Mission, Heads of Cooperation, an economists working group and a governance platform[57]. Technical working groups are organised according to the pillars of the PARPA II and crosscutting issues. These working groups are all co-chaired by the government and a representative of the development partners[58] and the UN is very involved in this process through agency representatives at all levels. An overview of the UN's participation in the Mozambican Aid Architecture can be found Figure 8.
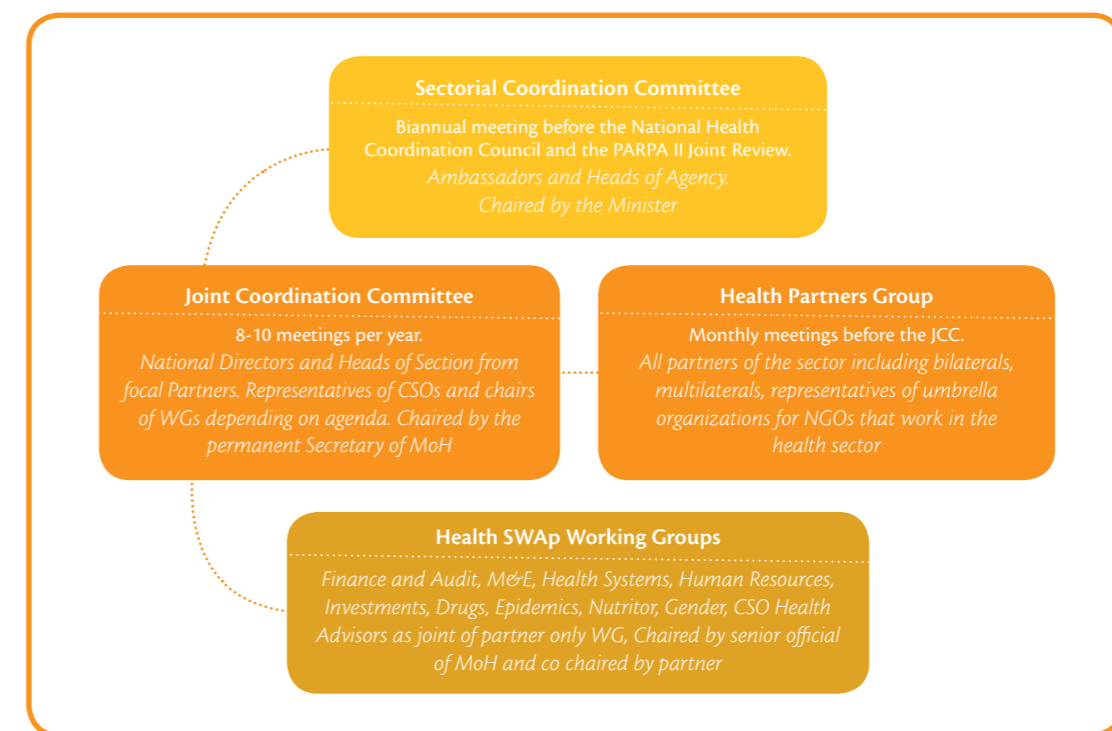
The third group of coordination formations are those that have emerged from sector support. Thus far this Sector Wide Approach (SWAp) structure only exists in Transport, Education, Water, Health and Agriculture, and each is organised in three levels. A biannual Sector Co-ordination Committee chaired by the responsible Minister is the highest level of coordination in the sector. A Joint Coordinating Committee is chaired by the

Permanent Secretary of the responsible ministry, meets eight to ten times a year and provides the opportunity for members to discuss issues and make decisions. Finally, a number of working groups provide a structured forum for information sharing and discussions on technical matters. In the case of the Health SWAp (Figure 9), participation is open and inclusive to all partners, including CSOs and this SWAp has considerably reduced the number of individual meetings with the health ministry, leading to a reduction in the government transaction costs.

The Monitoring Survey of the Paris Declaration shows that aid disbursed using standardised arrangements such as SWAps and budget support between 2006 and 2008 was constant at 46 percent. Of 125 million USD spent in Mozambique in 2007, the UN provided 21 million USD or 17 percent in the form of programme aid, with the rest disbursed according to UN rules and regulations. Although there are fewer joint field missions and joint country analysis in general, the UN has improved on these two indicators. Better tracking of individual and joint missions and a clearer definition of the term "joint mission" could support these improvements.

The Paris Declaration refers to harmonisation as a point when "donors' actions are more harmonised, transparent and collectively effective."

The Monitoring Survey of the Paris Declaration shows that aid disbursed using standardised arrangements such as SWAps and budget support between 2006 and 2008 was constant at 46 %.

FIGURE 9: HEALTH SWAP STRUCTURE IN MOZAMBIQUE

Sectorial Coordination Committee
Biannual meeting before the National Health Coordination Council and the PARPA II Joint Review.
Ambassadors and Heads of Agency.
Chaired by the Minister

Joint Coordination Committee
8-10 meetings per year.
National Directors and Heads of Section from focal Partners. Representatives of CSOs and chairs of WGs depending on agenda. Chaired by the permanent Secretary of MoH

Health Partners Group
Monthly meetings before the JCC.
All partners of the sector including bilaterals, multilaterals, representatives of umbrella organizations for NGOs that work in the health sector

Health SWAp Working Groups
Finance and Audit, M&E, Health Systems, Human Resources, Investments, Drugs, Epidemics, Nutritor, Gender, CSO Health Advisors as joint of partner only WG, Chaired by senior official of MoH and co chaired by partner

Source: Health SWAP TOR

FIGURE 8: UN PARTICIPATION IN PAP WORKING GROUPS

PILLARS	WORKING GROUPS	UN AGENCY PARTICIPATION	TOTAL
Development in General	Development Partners group	RC (co-chair)	33
	Code of conduct task force		
	WGs and division of labour task force	UNDP	7
General Budget Support	Heads of Mission (HOMs)	RC	21
	Heads of Cooperation (HOCs)	RC	21
	Economists	UNDP	23
1) Poverty and macro-economic pillar	Growth/ Macro-economic Stability		4
	Poverty Analysis/ Monitoring Systems (PAMS)	UNICEF, UNDP	23
	Public Finance Management		1
	Budget Analysis Group (BAG)	UNICEF	18
	Tax Reform		7
	Procurement Reform		7
	Audit		10
	SISTAFE		7
2) Governance pillar	Governance Platform	UNDP, ILO, UNFPA	13
	Public Sector Reform	UNDP	7
	Decentralization	UNDP, UN-HABITAT, UNICEF, UNFPA	12
	Justice	UNDP (co-chair), UNICEF	8
3) Economic Development pillar	Financial Sector		4
	Microfinance (IPRM)	UNDP	14
	Private Sector	UNIDO, UNDP	16
	Trade	UNIDO	6
	Agriculture (Proagri)	FAO, IFAD	14
	Financial/ planning	FAO, IFAD	6
	Extension	FAO, WFP,IFAD	3
	Road Sector		7
	Energy		9
	Fisheries	FAO	5

PILLARS	WORKING GROUPS	UN AGENCY PARTICIPATION	TOTAL
4) Human capital pillar: (lead: unicef)	Health SWAp Group	WHO, UNICEF, UNFPA, UNAIDS, WFP	16
	Drugs	WHO, UNFPA	3
	Health System	WHO	6
	Endemic Diseases	UNICEF (chair), WHO	3
	DSRH New-Born Child Health and Nutrition	UNICEF, WHO, UNFPA, WFP, FAO	2
	Human Resources	WHO (co-chair)	8
	Monitoring/ Evaluation	UNICEF, WHO, UNFPA, WFP, FAO	5
	Finances and audit		9
	HIV and AIDS in Health (Sub-group endemic diseases)	UNICEF, WHO	3
	CSOs	WHO	2
	Education	UNICEF (chair)	16
	Basic Education	UNICEF, UNESCO	4
	Secondary Education		4
	Technical and Vocational training		9
	Higher Education		6
	Adult and Non Formal Education	UNESCO	12
	Teacher Training	UNICEF (chair)	5
	Cross Cutting Issues	UNICEF, WFP, UNFPA, FAO	3
	Culture	UNESCO (chair)	5
	Planning/ Financial Management (FASE)	UNICEF	11
	Construction	UN-HABITAT, UNICEF, ILO	11
	Institutional Development		11
	Water sector group	UNICEF (Chair), UN-HABITAT	8
	Water and Sanitation	UNICEF (chair), UN-HABITAT	7
	Social Action	UNICEF (chair), ILO, WFP	3
5) Cross-cutting issues pillar: (lead: unfpa)	Gender	UNFPA (chair), ILO, WFP	7
	Environment	UNDP (chair), UNICEF, ILO, UNIFEM	13
	Conservation Areas	FAO	2
	HIV/ AIDS	UNAIDS (chair), UNICEF, UNFPA, IOM	10
	Common Fund	UNAIDS	6
	Institutional development/ joint planning	UNAIDS (chair), UNICEF, UNODC, UNFPA, ILO	4
	Monitoring and Evaluation	UNAIDS (chair), UNICEF, UNODC, UNFPA	4
	Communication	UNICEF (chair), UNFPA, UNAIDS	1
	Disaster Risk Management	UNDP (chair), WFP, UNFPA, WHO, UNICEF	5
	Demining	UNDP (chair)	2

Source: Task Force on Working Groups and Division of Labour, 22nd of December 2009

8.3 UN SYSTEM IN THE MOZAMBICAN AID ARCHITECTURE

The original Development Partner's Group working groups, which had supported the government in preparing the PARPA, transformed into PAP working groups in 2004. In the past, due to the specialisation of each UN agency, they engaged in policy discussion as independent units rather than as consolidated parties representing the overall UN structure.

A lead agency of the sector represents the whole UN system in Mozambique and speaks on behalf of all agencies in the donor and government coordination structures. Interviewees pointed out that a distinction needed to be made between policy and technical issues: for policy discussions, one agency should be encouraged to represent the UN system as a whole, while for technical discussions multiple agencies should be encouraged to share their specific expertise. For example, one agency represents the UN in the task force on aid architecture and another in the poverty analysis and monitoring systems working group; however there are eight UN members in the working group for disaster risk, each representing a specific

area of expertise. Figure 10 highlights the UN's engagement in donor wide coordination efforts.

Management level discussions on how to proceed with reform are challenging and this impacts upon the respective technical aspects. A common representation in the wider aid environment in Mozambique needs to be based on mutual trust and a common understanding among agencies on how the UN system should be positioned. A good example of a common UN response to the issue of rising food prices can be found in Figure 11.

8.4 INSTITUTIONAL ARRANGEMENTS WITHIN THE UN SYSTEM

Until 2004, the UN system had created a large number of thematic working groups that facilitated dialogue on various programmatic issues between agencies working in the respective field. The only regular forum of inter-agency exchange under the UNCT was the Operations Management Team (OMT) that dealt with common services issues, such as the UN dispensary or the Service Centre.

With the creation of the PAP working groups in 2004, the UNCT decided to abolish the large number of internal UN thematic working groups

The UN is actively involved in nearly all partner-wide coordination groups. UN agencies chair or co-chair 9 of these working groups, and the RC co-chairs the Development Partners Group. The UN is engaged in the Development Partners Reference Group, as well as in the Task Force on Aid architecture. The latter is developing a new Code of Conduct that includes the localised commitment statements in line with Paris and AAA, the new aid structure, and the Performance Assessment Framework (PAF).

The code of conduct's main objective is to improve the effectiveness of foreign aid by consolidating the government's leadership and ownership, the partners' alignment with government objectives, plans and systems, reducing transaction costs, increasing harmonisation among partners for better coordination, centralising management of results, and establishing a mechanism for mutual responsibility covering the largest number of partners possible.

The introduction of a code of conduct also arose from the need to include all cooperation partners in a systematic dialogue on both foreign aid and the government's polices and programmes. The Code follows the partnership commitments of the Paris Declaration and the indicators of progress, breaking them down into local commitments for the government, the development partners and their joint commitments.

In 2008, the UN provided technical and financial support to the government in preparation for the Accra High-Level meeting on Aid Effectiveness[59] .

and engaged more strategically at the technical level. The UNCT reinforced the PMT and directed all internal programme discussions to it. Over time, the PMT became the platform for the heads of programmes. The PMT could harmonise programmes, reporting procedures and information flows, and problem solving mechanisms, whereas the UNDAF established agency pillar and outcome leads in the various areas of UN focus. The latter are particularly important for the coordination of planning and annual reviews[62] . The only additional inter-agency programme group, a United Nation Team on HIV/AIDS in Mozambique (UNTAM), was created according to a global model (Figure 12), since the HIV/AIDS pillar had a particularly strong UN presence that justified additional inter-agency working group.

A new level of technical exchange was created through the Delivering as One approach. The Operations side formed several sub-groups on specific topics related to financial, human resources, ICT, common premises and procurement issues within the context of the Delivering as One initiative. The programme and operations clusters were supplemented by a Communications and a HACT working group[63] . To be more inclusive, the UNCT as well as all other inter-agency bodies opened to non-resident agencies in 2008.

A capacity assessment was conducted externally in conjunction with the UN Global Change Management Team. Its overall findings were that the UNCT had adequate capacity to deliver on the current UNDAF and the One Programme, but that Policy Advisory and Technical Assistance capacity needed to be strengthened, a more structured strategic NRA engagement had to be defined, a consensus on the role of RCO staff in inter-agency mechanism had to be developed, and the M&E work plan and capacity gap should be reviewed[64] . The UNCT integrated the recommendations into the Change Management Plan in 2008, and this plan introduces a set of activities organised into the following five areas:

1) Building Common ICT,
2) Infrastructure and Services,
3) Establishing Common Premises,
4) Harmonising Business Practices,
5) Increasing Capacity,
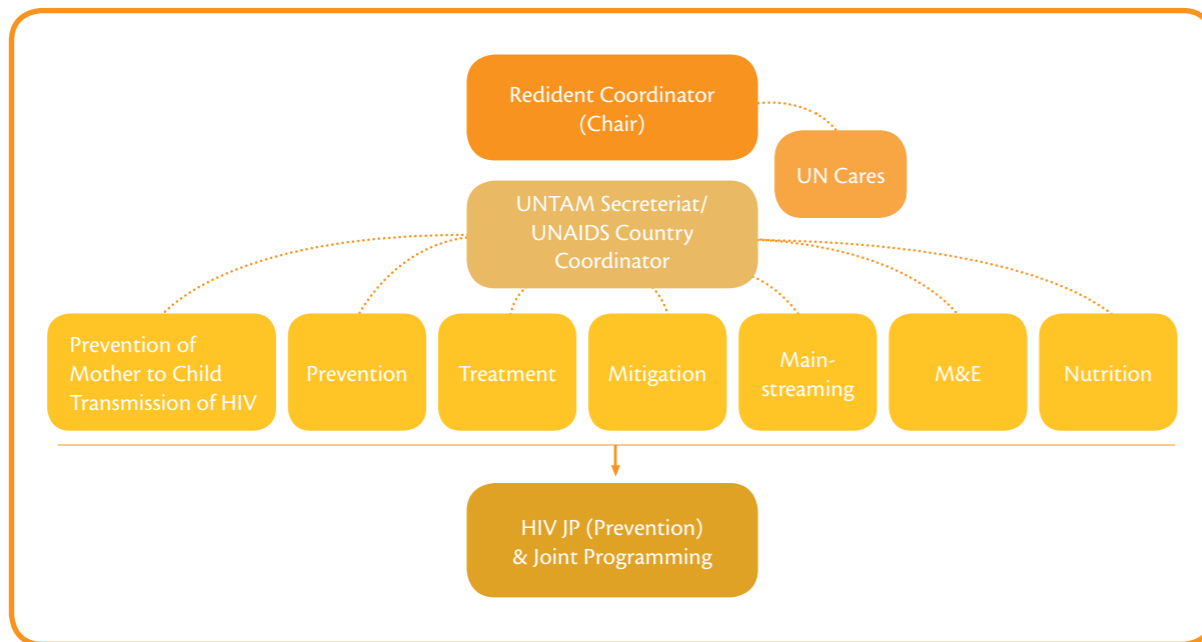6) Ensuring Staff Inclusion, Training & Welfare[65].

At the request of the President of the Republic of Mozambique, the UN Country Team was asked to advise the government on a possible response to rising food prices. Through a consultative process with line Ministries, the UN team developed a Concept Note entitled "Outline for a National Response to the Rising Food Prices in Mozambique" and finalised it in May 2008. It includes measures to enhance food production and trade, as well as measures to mitigate the negative impact of the rise in food prices on the most vulnerable groups through social safety nets.

Support for the implementation of the food production component was started under the auspices of FAO through the provision of technical assistance to enhance cassava production and processing. In addition, as part of the Delivering as One Programme, a Joint Programme on Building Capacities for Effective Trade Policy Formulation and Management was formulated, involving UNDP, ITC, UNCTAD, UNIDO and FAO[60].

A group of key partners (World Bank, IMF, DFID, the Netherlands Cooperation, UNICEF and ILO) engaged in high-level advocacy with the government to discuss the need to scale up an existing cash transfer programme to subsidise both poor families in urban areas and, in the medium term, to all households which have elderly people nation-wide. In addition, complementary social assistance schemes were implemented that focused on food assistance to highly vulnerable groups not directly targeted by the cash transfer programme with the support of agencies such as WFP. In the area of nutrition, UNICEF and WFP - in partnership with the Ministry of Health - developed a joint funding proposal to scale up nutrition interventions to reach acutely and moderately malnourished children and pregnant women[61] .

FIGURE 12: UN TEAM ON AIDS IN MOZAMBIQUE STRUCTURE

Source: UNAIDS 2009

normally not able to attend all meetings due to time constraints. A 2008 analysis of working group's support to the UN system in Mozambique showed that coordination mechanisms between groups to achieve further efficiency in both communication and coordination could still be improved.

8.5 REDUCTION OF TRANSACTION COSTS

Resident agencies built up their own offices, while non-resident agencies received office space as well as administrative support from UNDP for activities such as procurement and banking services.

Before the Delivering as One initiatives were launched, the OMT managed common services, such as the UN dispensary and travel agent. Since the One Operational Plan emphasised the One Office and Common Services issues, OMT finalised several long-term agreements and 22 long term agreements are in the making for 2010. The OMT also negotiated a dedicated UN bank branch and the outsourcing of health services[68] .

The OMT is composed of the various agency heads of operation and meets bi-monthly. It and its sub-groups also have annual work plans that feed into the UNCT work plan. However, the Lessons Learned from Delivering as One Pilot Countries document, which included staff representation from Mozambique, showed that insufficient capacities and incentives for operations' staff, is slowing down possible advances[69] . Interviewees pointed out that the reason for such insufficiencies could be the lack of commitment, interest or follow-up by the managers of agencies with respect

to progress made in operations.

The majority of operations staff feel that their work concerns are not being taken as seriously at the UNCT as programme issues. The establishment of common premises, introduction of cultural changes and elaboration of recommendations to review the structures are all complicated procedures often involving headquarters. Many of the common services and most of the cost reduction will only occur once common premises have been set up, but progress on this issue has proven to be slower than expected. Some concrete advances have been made including: joint negotiation of security services by UN agencies reduced security costs from an initially proposed 55 percent increase (US$1,025 per month) to 18 percent (US$780 per month), and joint negotiation of a HACT audit reduced costs by 15 percent[70] . Notable advances were also made in the areas where individual agencies have taken the lead role.

The Mozambique UNCT is a front-runner in the ICT common network, infrastructure and services within the Delivering as One pilot. There have been a number of accomplishments on a common ICT platform: a common Minimum Operating Security Standards (MOSS) compliant communication system for all agencies was set up, the process for the set up of a common IT infrastructure initiated, and provision procedures for technical equipment and GSM services are being unified. All these fields required substantial harmonisation of rules and procedures among all agencies and of course, this required significant involvement from headquarter ICT groups.

The majority of operations staff feel that their work concerns are not being taken as seriously at the UNCT as programme issues.

Within the Resident Coordinator system, the UNCT and its subgroups are tackling issues relevant to all agencies and driving all aspects of the Delivering as One approach locally.

In the humanitarian field, the Humanitarian Country Team (HCT) was established in 2007. Its nine clusters cover emergency issues and follow a global agreement based on Inter-Agency Standing Committee guidelines to determine which agency will lead in each cluster. Their work is closely coordinated with the government's emergency preparedness structure. The Cluster approach encourages cooperative ethos between agencies and this results in improved coordination and information sharing while providing a more coherent link to the government[65] .

The new structure was leveraged for the first time in response to the February 2007 Zambezi river floods and Cyclone Favio. A Real Time Evaluation of the response carried out in April 2007 found that humanitarian reforms contributed to the success of the response. The cluster approach also facilitated the collaborative process of submitting a request to the UN's Central Emergency Response Fund (CERF) and was found to be generally inclusive of both the UN and its NGO partners.

The increase in inter agency working groups also needed a larger support structure. In response, the Resident Coordinator's Office (RCO) brought on officers for general coordination, the coordination of non-resident agencies, humanitarian activities, aid architecture involvement, development activities,

communication, and change management.

Within the Resident Coordinator system, the UNCT and its subgroups are tackling issues relevant to all agencies and driving all aspects of the Delivering as One approach locally. While colleagues in larger agencies have specialised staff to work with inter-agency groups, officials from smaller agencies do not have the capacity to participate in most of groups and meetings. Furthermore, staff members who are not in involved in inter-agency groups are often unaware of the issues being discussed. The Mozambique Union of Staff Associations (mUNsa) plays an important role in promoting an inclusion of UN staff from various agencies and the UN Communications Working Group (UNCG) articulates the UN Reform process of a unified UN also to internal audiences[67] but neither can serve as a substitute for awareness raising of UN staff within the agencies.

Both the UNCT and the PMT have a large membership and the profile ranges from accredited Representatives of agencies with more than 100 staff to unaccredited Heads of Office with very limited human resources, as well as representatives of the staff association. While representatives of resident agencies attend UNCT and PMT meetings, representatives of smaller agencies (where the Head of Office also runs the individual programmes) are

Mothers and their children are being tested and checked if they have HIV so that mother to child transmission can be prevented at a public pre natal clinic in Xai Xai. It's a UNICEF supported activity leading to the joint UN result of prevention of HIV and linked to the national poverty reduction strategy PARPA II. (UNAIDS/Eliane Beeson)

The main lesson learnt was that the complexity of ICT harmonisation has been underestimated. Although the technical possibility for a wireless common ICT system was established relatively quickly, the draft Long Term Agreement between the participating agencies and lead agency took time to be finalised. Nevertheless, the common ICT infrastructure will lead to significant saving potential in transaction costs for each individual agency, as it offers comparably cheaper connectivity costs than bilateral agreements, significantly reduces individual agencies' transaction costs and allows for relatively easy projections and financial controlling through a flat rate per user/month, as shown in Figure 13.

Since early 2009 advancement has been made in the area of procurement by the creation of a uniform contract for local UN supply. The procurement working group introduced a supplier profiling form and a market survey to create a common UN market database for provincial and national suppliers. In addition, the UN website is being expanded to include calls for proposals, to create more transparency on contract awards, and to provide lists of suppliers and contracts on the intranet. A Business Process Harmonisation analysis showed how a harmonised procurement process

would save 10 – 15 percent on the transaction cost of every item procured and up to 10 percent on staff hours while improving agency coordination. It also demonstrated that long-term agreements with vendors following the same procurement methodology would save nearly $700 and 17 staff hours per transaction. In light of the potential gains, the OMT is currently identifying opportunities for creating new long-term agreements and harmonising procurement procedures.

8.6 DIVISION OF LABOUR AMONG UN AGENCIES AND WITH DEVELOPMENT PARTNERS

The third UNDAF was the first successful attempt to divide responsibilities and strengthen the UN system response to national priorities. Development partners and government collaborated to determine where the UN agencies should continue being involved, allowing for a first division of labour between UN agencies and development partners. The third UNDAF also specified the areas of activity for each agency but since not all agencies where fully reflected in the UNDAF, this internal division of labour remained incomplete. In line with the Delivering as One initiative, coherent response and

FIGURE 13: COMPARISON OF ANNUAL RECURRING ICT COSTS PER AGENCY
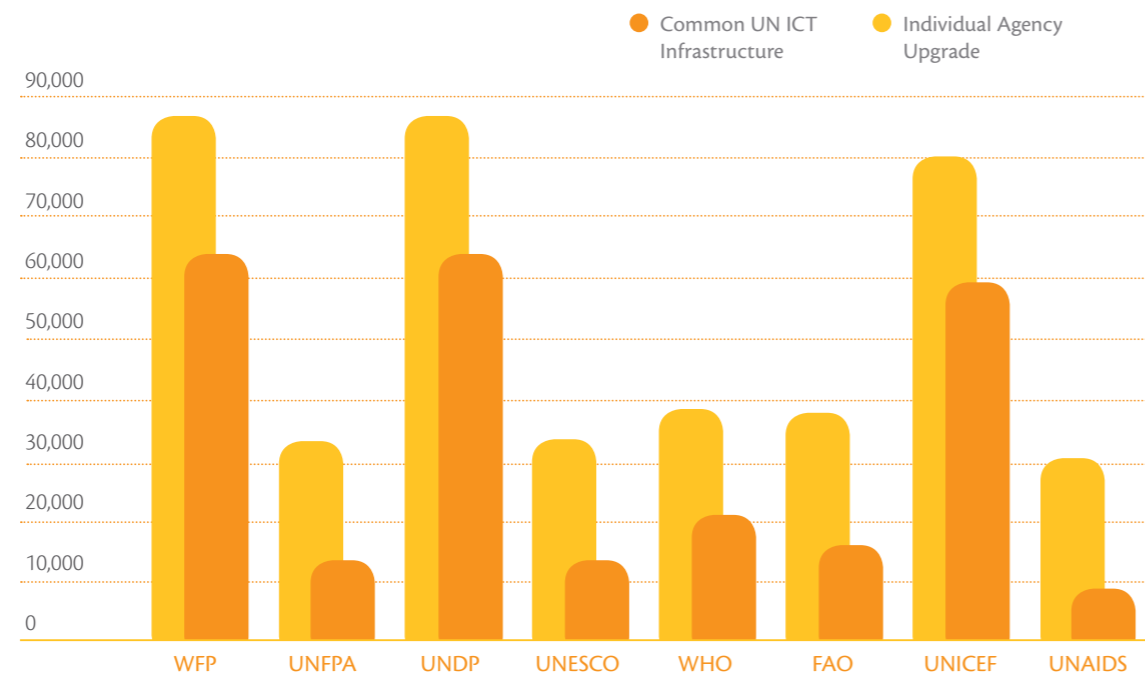
Source: Change Management Project, 2009

FIGURE 14: MDT-F FUNDED JOINT PROGRAMME STRUCTURE
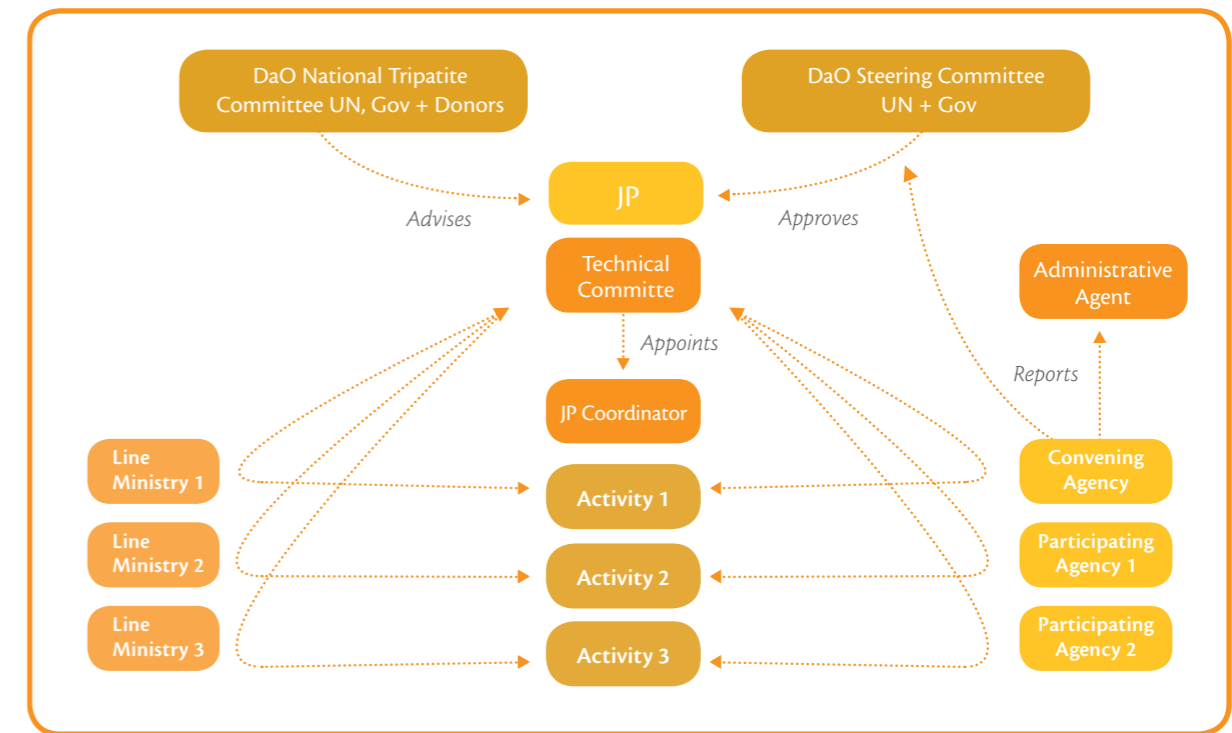
better coordination among agencies was prioritised but agreeing on the allocation of roles and division of labour proved challenging for the UNCT.

The in-country division of labour among UN agencies is determined by their mandates, available expertise, capacity and resources. However, there can be areas that overlap and, as a pre-emptive measure, international initiatives, like the International Health Partnership, the Harmonisation for Health in Africa, the Global Business Plan for MDG 4 & 5 or the Joint UN Team on AIDS have set up a global division of labour among agencies on specific topics. During the process of joint programme planning, agencies discovered many more possible areas of synergies. Figure 14 shows a model for the structure of an MDT-F funded joint programme

However, many interviewees were frustrated with the joint programmes. The joint programmes created a number of new parallel UN coordination bodies that increased, rather than reduced, fragmentation and government transaction costs, and led to a significantly increased workload. All interviewees agreed that new joint programmes should involve fewer agencies, be granted more preparation time and focus on particular geographic and thematic areas.

8.7 HARMONISATION SUMMARY

Harmonisation was reviewed taking into account:

I) the positioning of the UN system in the Mozambican aid architecture,

II) the institutional arrangements within the UN system,

III) the reduction of transaction costs,

IV) the division of labour among UN agencies and with development partners.

The 2008 Survey on Monitoring the Paris Declaration results on Harmonisation did not improve overall since 2006, while the UN system increased its percentage of joint field missions and joint country analysis.

UN agencies are involved in nearly all development partner-wide working groups and in some cases actually leading them. They have set up an internal coordination structure inclusive of all agencies to coordinate their external engagement. The establishment of a common ICT infrastructure, common procurement actions and efforts at harmonizing business practices contribute to the reduction of transaction costs. Joint programmes have strengthened agencies complementarities and synergies.

9. Managing for Results

9.1 DEFINING PARAMETER AND CRITERIA

The fourth partnership commitment of the Paris Declaration centres on "managing resources and improving decision-making for results." The AAA engages development partners in unlocking "the full potential of aid in achieving lasting development results through improved information systems, impact assessments of development policies, strengthening of developing countries' national statistical capacity and information systems and addressing legal or administrative impediments to implementing international commitments on Aid Effectiveness." Achieving positive results requires result oriented reporting and creating an assessment framework. The Paris Declaration Indicator 11 measures whether partner countries have results-based monitoring frameworks.

The TCPR obliges the United Nations to support the development of specific frameworks aimed at enabling programme countries to design, monitor and evaluate results as they improve capacity to achieve their national development goals and strategies. It demands that they engage in strategic planning, development of better information sharing systems, and the measurement of capacity development initiatives.

For the purpose of this study, the criteria to establish whether the UN supports the managing for results process at the country level will be as follows:

- UN support and link to national results based management systems
- Implementation of a results based management system within the UN in Mozambique
- Functioning Monitoring and Evaluation system of the UN in Mozambique

9.2 COUNTRY CONTEXT FOR MANAGING FOR RESULTS

Before PARPA II, results based management in Mozambique was not easy. There were frequent changes in budget allocations while line ministries and provinces received considerable funding through project aid directly from donors, and since

PARPA I only had a very limited set of indicators to measure progress it was not easy to control results[71].

The move towards general budget support as well as the move of individual development partners to introduce results based management systems more systematically, led to a change of attitude in Mozambique. The government responded to this new development in PARPA II, which became the first attempt at constructing a national results-based monitoring framework. All outputs in the document were linked to a list of regularly measured and further refined indicators. In addition to the framework, a national statistic development strategy was developed and used to conduct regular household surveys.

Mozambique overcame some of the barriers associated with insufficient dissemination of information on statistics, strategies, budgets and policies. The 2008 Monitoring Survey on the Paris Declaration concluded that the country had a largely developed results-based monitoring framework, and that monitoring and evaluation systems had been strengthened through a more comprehensive Progress Report on the Economic and Social Plan. However, sector ministries needed to feed into the latter more effectively. The Performance Assessment Framework (PAF) now allowed donors and the government to track progress in implementing PARPA and the effective management of aid.

The PARPA II greatly improved results-based management in Mozambique and has a large number of specific indicators that are measurable and specific. In addition it boasts an M&E system that consists of annual joint assessments by sector and a final review of the agreed PRSP results.

9.3 UN SUPPORT AND LINK TO NATIONAL RESULTS BASED MANAGEMENT SYSTEMS

Since 2000, and before PARPA II introduced a systematic national results based management system, UN agencies agreed and reported on results within the well-developed sectors since. In positioning itself for PARPA II, the UN agencies began to play an important and active role in

The move towards general budget support as well as the move of individual development partners to introduce results based management systems more systematically, led to a change of attitude in Mozambique.

Delivering as One in the emergency response during the Zambeze floods in February 2008. The Cluster approach in humanitarian coordination is seen to encourage improved coordination and information sharing between agencies and CSO partners and provides a more coherent link with Government.
(WFP/ Karen Barsamian)

the joint reviews conducted in the PAP working groups where the development partner community supports the government in measuring progress on the agreed indicators. With their technical focus and broad research, UN agencies are particularly well placed to engage in this process.

The results based management system in the PARPA II is also supported by the third UNDAF. The second UNDAF already had a results matrix but the alignment of the third UNDAF to PARPA II created a link between the UNDAF results framework and the Mozambican results based management system. The UNDAF M&E framework is subject to a mid-term review and a final evaluation. While the outcome level of the UNDAF results matrix is still closely aligned to the PARPA M&E framework, the UNDAF output indicators are not sufficiently aligned to the country indicators in the PARPA as they were introduced by all agencies to measure specific agency contributions. The practice of managing for results within each agency varies greatly according to its management policies.

UN agencies also provide coordinated support to the National Statistical Institute (INE) and use the data generated by this institution for their own reporting. UNICEF's Multiple Indicator Cluster Survey (MICS) programme assists Mozambique in filling data gaps for monitoring the situation of children. It also supports the National Demographic and Socio-Economic Database (ESDEM), which was launched in 2002 and is based on DevInfo technology, a database system for monitoring human development, endorsed by the United Nations. FAO provides technical and financial support on agricultural statistics, UNDP provides software and training on measuring foreign trade, UNIDO provides support on tracking of imports and exports and UNFPA supports the population census. In addition INE benefits from training through UN Economic Commission for Africa support to SADC.

Individual agencies support the government in various sectors to improve on measuring results in their respective fields. UNDP, for instance, supported the government in setting up a database to measure indicators in 2008, and the database is currently being supplied with data. UNAIDS has an M&E advisor who works with the national coordination authority on HIV/AIDS, and provides

technical advice on measuring results. The support on data collection is still completed individually by the agencies and their respective counterparts.

9.4 THE RESULTS BASED MANAGEMENT SYSTEM IN THE UN IN MOZAMBIQUE

Various elements of results based management have always been used within the UN agencies. However, the concept of results based management only began to be promoted in the 1990s. While agencies still have different approaches to managing for results in practice, UNDG UNDAF guidelines are clear on results based management[72] .

The UN in Mozambique introduced a results based planning for the first time at the UN system level through the third UNDAF, and it linked the monitoring and evaluation matrix to PARPA II. Nevertheless, some interviewees viewed it as no more than a collection of agencies' individual cooperation framework agreement indicators and as a result, the UN's results based management was not closely linked to the governments system.

In addition, many of the UNDAF indicators lack proper baselines and targets. While eight months were spent on UNDAF programming, the UNDAF M&E framework received less attention. Interviewees pointed out that in their respective fields, baseline figures were defined under extreme time pressure and were often overambitious. It was also pointed out that the definition of output indicators needed to be improved. A review of the M&E framework through the RDT revealed that there were too many outcome indicators, of which many were not measurable as consequently, not regularly used. Another criticism was that the UNDAF database for measuring progress on the indicators is not regularly updated and that the UNDAF M&E framework did not include risks and assumptions.

9.5 MONITORING AND EVALUATION IN THE UN IN MOZAMBIQUE

The introduction of results based management in the agencies did not result in a comparable increase in M&E capacity. Although officially an integral part of UN planning, UNDAF evaluations demonstrate that there is limited specialised M&E expertise in most agencies[73] . Mozambique

(UNICEF)

is no exception. Programme officials cover M&E requirements as well as they can under time and capacity constraints throughout the planning and implementation process. Comparatively limited resources are spent on system wide M&E and all interviewees suggested that increased resources should be allocated to finance additional research and data collection as well as to formulate and follow up on projects and programmes.

Only the RCO, UNICEF and UNAIDS have specialised staff working on M&E issues related to their own project implementation, whereas all other agencies have assigned a part-time Programme Officer to satisfy their M&E needs. These M&E focal points are the backbone of the UN system's M&E capacity in Mozambique. Some agencies have pointed out their need for staff who work exclusively with M&E to headquarters.

With limited capacities within the agencies for even agency M&E work, there are insufficient resources to fulfil UN system wide M&E requirements. In 2006, an M&E Reference Group was formed. It is in charge of providing technical support to all M&E joint efforts in the country, such as the Delivering as One initiatives, the UNDAF mid-term review and joint programme review, the UNDAF extension, RCO annual work plans and the PARPA II evaluation.

Like all other inter-agency working groups, the

M&E Reference Group has an annual work plan and meets monthly. Eight agencies are part of the M&E Reference Group: WHO, WFP, UNICEF, UNESCO, UNIFEM, FAO, UNFPA, UNAIDS and the RCO.

9.6 MANAGING FOR RESULTS SUMMARY

Managing for results was reviewed by looking at i) how the UN supports and links to national results based management ii) the results based management system in the UN, and iii) monitoring and evaluation (M&E). The 2008 Survey on Monitoring the Paris Declaration concluded that the national M&E system in Mozambique had been further strengthened, while links to sector M&E systems still left room for improvement.

The review indicates that UN agencies support the government at various levels in improving information systems, databases, data collection and progress monitoring. However, the assessment also shows that UNDAF outcome indicators are not sufficiently linked to the national development strategy in all pillars. Similarly, while the current UNDAF has introduced results based management at the UN level, it has too many and too ambitious indicators to be a practical management tool. Likewise, while there is an M&E working group, overall M&E capacity is limited in most agencies.

10. Mutual Accountability

10.1 DEFINING PARAMETER AND CRITERIA

According to the Paris Declaration, the commitment on Mutual Accountability obliges both donors and partners to be accountable for their particular programme as well as overall agreed upon development results. The AAA specifies that this accountability extends to outcomes of mutually agreed development efforts and engages development partners to "publicly disclose regular, detailed and timely information on volume, allocation and, when available, results of development expenditure to enable more accurate budget, accounting and audit by developing countries."

Mutual accountability aims at ensuring the proper and transparent use of development resources to achieve results. Governments, development partners and implementation partners should be more transparent in the use of development resources and results, and on the reasons for initiating, interrupting, terminating or completing interventions. Indicator 12 of the Paris Declaration asks whether partner countries undertake mutual assessments of progress in implementing agreed upon commitments on Aid Effectiveness, including those in the Declaration.

In this context, the UN is accountable to programme country governments, donor countries, member states in general and governing bodies of respective agencies. The UN should also support strengthening the government's accountability to the parliament, civil society, taxpayers, the beneficiary population. Consequently, within the Delivering as One approach, agencies must be accountable towards each other.

The TCPR specifies, "Accountability and transparency of the United Nations development system are an integral part of sound management"[74]. The following four criteria can be applied to explore the UN system's commitment to mutual accountability:

- Support to country accountability mechanisms
- UN accountability towards its constituents in Mozambique
- Existence of agency, inter-agency and joint UN accountability mechanisms
- Harmonised accountability to donors

10.2 COUNTRY CONTEXT FOR MUTUAL ACCOUNTABILITY

As in many countries that receive ODA for development priorities, accountability for development results in Mozambique consisted of the government's accountability to donors alone until 2004, when the national results based monitoring system of the PARPA II introduced joint progress evaluation of mutually agreed results. Accountability of donors towards the government on predictability for disbursements, as well as accountability of the partner country government for ODA financed development results towards the population had both been weak, too. This was because a large part of the support was off budget and projects were executed by donors, therefore subject to neither comprehensive parliamentary

scrutiny nor national audit procedures but only accountability mechanisms responding to donors' requirements.

The 2006 Paris Declaration Monitoring Survey concluded that Mozambique had a well-developed system of mutual accountability covering all aid flows from the general budget support provided by donors. At this point government and donor performance was independently measured against a range of performance criteria drawn from the Paris indicators, and there is some evidence that this has positively impacted the performance of both donors and government. At the time, budget support accounted for 27 percent of aid to Mozambique.

The performance indicators were further refined until the 2008 Monitoring Survey and the number of donors providing budget support has continued to rise. However, the well-developed mutual accountability system in Mozambique continues to be restricted to budget support donors of the G19. No general accountability mechanism was in place for monitoring aid from non-general budget support donors[75] . The need to develop a more

comprehensive mutual assessment framework that would engage all donors and cover all aid modalities is closely linked to the need to develop a more comprehensive aid architecture.

10.3 SUPPORT TO COUNTRY ACCOUNTABILITY MECHANISMS

UN agency support to the government has not been based on any conditions and this was reflected when working either with or through the government on most of its development projects and programmes, or when involving civil society and the beneficiary population in the planning process. Instead projects were based on mutual agreements and regular consultation since the UN agencies had individual reporting frameworks with the government written into their respective cooperation agreements.

Towards the end of PARPA I in 2003, the government requested that the UN support its efforts to ensure they were accountable with both their civil society stakeholders as well as their development partners. As the UN was already engaged with civil

UN agency support to the government has not been based on any conditions and this was reflected when working either with or through the government on most of its development projects and programmes, or when involving civil society and the beneficiary population in the planning process.

The CSO Kuvumbana teching school children not to discriminate orphans with AIDS. This HIV awareness programme is one of the UNICEF supported mitigation activities in the framework of a coordinated UN response of the UN team on AIDS in Mozambique (UNAIDS/ Eliane Beeson

society though consultative mechanisms at a local level, it supported the government in setting up national and provincial development observatories. For the first time, government officials were able to present the development results and demonstrate government accountability before members of civil society. The inputs from these discussions were fed into the PARPA II formulation. The government further developed these observatories and the UN began supporting a secretariat at the MPD responsible for sharing documents and agendas with participants.

Meanwhile, the UN became an active participant in PARPA joint reviews, where development partners and the government contribute their and coordinate their country analysis, review the joint progress

made against the terms of PARPA and discuss what additional inputs are needed in order fulfil the objectives. This process has produced a single country analysis that is for use by all development partners.

It was, however, not a member of the PAP and therefore not subject to the PAF, a review based on Aid Effectiveness as stipulated in the Memorandum of Understanding "that take into a consideration MDG 8, the Declaration of Paris 2005, the Accra Agenda for Action 2008, and any later adopted instrument setting goals and targets for Aid Effectiveness purposes"[76] .PAF's challenge will be to integrate non-budget support donors in general and the UN in particular, while maintaining its commitment to evaluate all participants with the same criteria. For the time

Launched in 2003 as a government initiative to establish a permanent mechanism for hearing the concerns and aspirations of CSOs, the Development Observatories (called Poverty Observatories until 2006) gradually grew into a forum of government, development partners and local CSOs. These members are organised in a formation called G-20, drawing its name from the 20 CSOs who participated in the first Poverty Observatory. The UN has been providing technical assistance to the Development Observatories (DO) through the Ministry of Planning and Development since 2003. In 2005, this consultation mechanism was extended to some and in 2008 to all provinces.

The DO's objective is to contribute to the collection of data and information in relation to the indicators of the PARPA, to determine ways in which these indicators can be improved upon, produce critical commentaries and recommendations regarding the governments efforts on poverty reduction, assess and debate the results of the annual reports, and disseminate the PARPA, its results the anti-corruption strategy among the CSOs in Mozambique. As such the DOs have become the most important forum of exchange between government and civil society on the results of Mozambican development policies.

An independent study commissioned by the UN in 2009 pointed out the potential of the DOs as a mechanism for strengthening citizens' participation in monitoring PARPA and other public policies and programmes. It recommended the institutionalisation of DOs as relevant sources of opinion in the PARPA formulation, implementation and monitoring process and in public policies in general.

It also recommended that District Consultative Councils should be included in the monitoring road map for the PARPA and, along with the Provincial Observatories, linked more closely to the Central Observatory with preparatory sessions to introduce civil society participants to the reports and topics to be discussed in a single planned plenary session[77] .

Some of these recommendations are included in the Guide to Development Observatories that was recently concluded by the Ministry of Planning and Development.

being, they will measure their progress through a separate baseline for the newly joined associate members, like the UN. This is another step towards developing a national accountability framework, inclusive of all development partners and all aid modalities, to appropriately measure progresses in aid effectiveness.

A UN system tool to reinforce accountability capacity has already been mentioned in the context of alignment. As it strengthens implementation partners' accountability structures, HACT is an important support to strengthening national accountability structures, along with other capacity development activities in this field.

10.4 UN ACCOUNTABILITY TOWARDS ITS STAKEHOLDERS IN MOZAMBIQUE

Whereas agency activities immediately after the end of the civil war supported the Mozambican population, most agencies currently support the government in delivering necessary services to the Mozambican population. As such, all agencies work closely together with the government by funding their activities, providing specific services within a government programme or giving policy and/or technical advice. UN interventions are an integral part of government implementation and subject to continuous scrutiny and consideration within government structures, and the same applies to agency support to local and international CSOs providing specific services.

The accountability mechanisms used largely depend on the specific support provided. When an agency supports direct government execution, feedback on progress and challenges is given on a regular basis within the agreed management structure. In other cases regular platforms for exchange are established among the agencies and their counterparts. For instance, the agencies active in the health sector organise a platform of exchange with the Ministry of Health every six months. The UN not only shares information with its counterparts but also serves as a link between the health partners group and the HIV partners' forum for which it serves as secretariat. In addition, the UN, in its secretariat role to the health partner's group, shares all documentation of its activities with the development counterparts active in the health sector.

Another UN system wide accountability tool has

already been mentioned in various contexts, and the UNDAF is itself an advanced information-sharing tool on future aid flows in the country. This UN three to five year commitment includes financial commitments, partly subject to successful fund-raising and is transparent to implementation and development partners alike.

UN system reporting to the government has improved over the last few years. Since 2005 efforts have been made to publicise all UN support to the government's central planning and standardised financial reporting to the Ministry of Finance was introduced, even though only a few - mainly resident agencies - manage to get their inputs regularly included. Further, the UN is committed to reporting its overall financial contributions to ODAmoz, and reporting on the joint programmes is done collectively in the joint programme steering committees and on UN system reform in the Delivering as One Steering Committee on a biannual basis.

Since 2002, the UN has supported the parliament in strengthening its capacity to hold the government accountable. Currently, this support is mainly for budget oversight and through it, the UN has helped the state reach internal accountability. This kind of long-term support involving a chief technical advisor who works closely with the parliament is considerably different from the ad-hoc approach taken in the past. The trust built through this relationship has allowed the Chief Technical Advisor to become a common entry point for all UN agencies working with the parliament on issues related to its legislative capacity and power, and policy issues.

UN support to civil society has undergone a major shift over the last years. Some agencies still work through CSOs to provide services, especially where there are no state structures. Civil society organisations increasingly receive support to participate in the policy dialogue with government, as in the joint programme on civil society capacity building. Poverty observatories and consultative mechanisms at a district level have strengthened the population's capacity in making their concerns heard, and individual agencies have targeted their specific beneficiaries in strengthening that capacity. For instance, they are providing support to farmers unions so that farmers can hold government accountable[78] .

In addition, four UN-CSO exchange fora were created:

1) the MDG Campaign Steering Committee,

2) the UN Volunteer Group comprising CSOs and major Volunteer Organisations,

3) the CSO group on donor alignment and harmonisation

4) a CSO group on assessing of capacity development needs.

Although these committees differ in composition and objectives, they continue to meet with their counterparts and follow agreed working plans. The UN system formed a joint Advisory Committee in 2007. This committee follows HQ guidelines for the Civil Society Advisory Committees to promote dialogue with the UN Country Team about the role of Civil Society, and how better UN programming can accelerate empowerment, capacity development and increased participation in the development arena as full-fledged development partner[79] . However, interviewees pointed out that meetings are not as frequent as anticipated and insufficient information and facilities are being provided to facilitate a strategic dialogue on UN system activities and reform.

10.5 EXISTENCE OF AGENCY, INTER-AGENCY AND JOINT UN ACCOUNTABILITY MECHANISMS

The third UNDAF has facilitated clearer agency accountability: each agency is accountable for their programme and financial activities while they contribute to UNDAF outcomes.

The third UNDAF has facilitated clearer agency accountability: each agency is accountable for their programme and financial activities while they contribute to UNDAF outcomes. Lead agencies of each UNDAF outcome organise the reporting on all activities within the outcome in cooperation with other agencies. The One Programme with 11 joint programmes is a subset of UNDAF and has its own reporting mechanism per joint programme organised by a Convening agency. This includes financial reporting on joint programmes that receive allocations from the One UN Fund, a multi-donor trust fund. All joint programme outcomes contribute to respective UNDAF outcomes.

However, Lead and/or Convening agencies do not command authority over other Participating agencies within the UNDAF outcome or joint programme and there is no organisational accountability relation between Lead/Convening agencies and Participating agencies. Both Lead/Convening and Participating agencies are mutually accountable for their pre-determined outputs. The main reason for this is that it is difficult to attain authority over other UN agencies within the UN system since there are no reporting and supervisory relationships among the officials of UN agencies but rather, a functional and collegial one.

Progress in the UNDAF outcomes and joint programmes are jointly reviewed through both structured and informal mechanisms as well as through self-assessment. Interviewees pointed out that although one of the criteria of the One UN Fund allocation is performance based, performance assessments do not necessarily provide the entire picture.

In 2008, the UNDG signed the "'Management and Accountability System for the UN Development System and Resident Coordinator System" and subsequently its implementation plan. In order to assist UNCT operations in country, the UNDG also agreed on "RC System Management Framework", "Guidance Note on Resident Coordinator and UN Country Team Working Relations", "Dispute Resolution Mechanism, RC Job Description, Terms of Reference[80] .

In Mozambique, the UNCT members operate under an agreed 'cabinet model' decision-making and representation arrangement with an agreed Code of Conduct that governs members' accountability. The UNCT has established necessary inter-agency mechanisms and working groups - each reporting to UNCT, PMT or OMT - and implements an annual work plan approved by the UNCT. The work plans of the UNCTs and RC's annual reports are submitted to the Regional Directors' Team (RDT), which is accountable for the quality of UNDAFs and UN programmes of the UNCTs in the region to UNDG Chair. The RDT annually appraise RCs and UNCTs in the region.

10.6 HARMONISED ACCOUNTABILITY TO DONORS

The accountability structure of UN agencies to their stakeholders, the donors and the general public has been focused on financial measurements. Each agency has its established reporting structure. Even within one agency, individual donor requirements make it difficult to harmonise the report requirements, although thematic reports have facilitated harmonisation of reporting requirements. In 1996, WFP introduced Standard Project Reports (SPR) accepted by all donors. Country Offices prepare one annual SPR per operation and the headquarters makes it available via a website secured by a password. The former ExCom agencies agreed to use SPR as inter-agency standard report.

In addition, many agencies have very specific internal reporting needs. FAO, for instance, provides very technical reporting to headquarters that enables its 2000 technical experts to support their colleagues, who are generalists working at the country level. Project based agencies submit report to the donors of each respective project.

The reporting requirements of the Delivering as One initiatives are additional. The reporting on joint programmes is simplified, as only one report per joint programme to all donors is accepted. All donors to the One UN Fund receive the same one set of progress and financial reports. The governments and UNCTs of Delivering as One pilot countries have been asked to prepare Joint Stocktaking Reports for the last two years and pilot countries also prepare reports on the coordination process. In addition, donors and the government of Mozambique are informed of all the efforts, internal and external, of the UN system in Mozambique in order to create more coherent development activities. Contributing to common reports is an additional challenge for agencies.

The reporting on other joint programmes outside of the One Program, such as the Millennium Villages follows timelines, structure and specifications that differ from agency reporting requirements. Considering that many joint programme activities were already included in the UNDAF, these same activities are reported on several times according to different timetables and rules. Interviewees have pointed out that their contributions to common reports have not led to reduced reporting and that significant time was spent responding to requests for information for various common reports that have less predictable timelines and specifications compared to agency reporting.

Nevertheless, all country level donor interviewees claimed not to have received sufficient information on the Delivering as One process. This however, is mainly due to the reporting line which travels from the UN system in Mozambique via headquarters in New York, to member state representatives, to who then pass on the information to UN member states and their capitals and finally, to their representatives in Mozambique. A donor interviewee suggested that reporting therefore did not lack quality, but speed.

In the absence of these reports, donors felt that insufficient information on the coordination process was passed to them and expected a more proactive attitude of the UN towards information sharing. At the same time, some interviewees saw that they also needed to increase efforts to improve information flows within their systems between their representatives at UN headquarter and country level. This could also improve the coherency of their positions at either level.

10.7 MUTUAL ACCOUNTABILITY SUMMARY

Mutual Accountability was reviewed with regard to the extent to which:

I) the UN supports country accountability mechanisms,

II) the UN is accountable towards its constituents in Mozambique,

III) there exists agency, inter-agency and joint UN accountability mechanisms,

IV) there is harmonized accountability to donors.

The 2008 Survey on Monitoring the Paris Declaration concluded that the accountability system for general budget support, the PAF, had further been refined in Mozambique. However, it continues to be restricted to this aid modality.

The UN does not provide general budget support, although some agencies provide sector support, but contributes to the PARPA joint reviews as well as to ODAmoz, although with uneven agency participation.

The UN does not provide general budget support, although some agencies provide sector support, but contributes to the PARPA joint reviews as well as to ODAmoz, although with uneven agency participation. Mutual accountability between the UN and the government is well developed and it is increasing with parliament and civil society. The implementation of the accountability structure of the RC system between agencies is work in progress, which has received a new momentum through Delivering as One. Accountability to donors is strong, but there is need to improve communication with donors especially when it comes to UN Reform.

11. Conclusion

To review the UN's advances on Aid Effectiveness agenda in the context of UN reform, this study reviewed its progress in five partnership commitments of the Paris Declaration: Ownership, Alignment, Harmonisation, Managing for Results and Mutual Accountability. Criteria suitable to measure the UN system progresses were defined and, taking into account historical development, the country context and the UN actions were analysed. Based on the findings of this review, the following recommendations were elaborated by the UNCT.

OWNERSHIP

The UN system reform directly impacts how agencies carry out their development activities in a country. Agencies repositioned their support activities towards a central development strategy, going beyond engagement with traditional counterparts. However, to allow for ownership of this process it needs to continually increase awareness of all implementation partners regarding any changes. The general elections in 2009 provided a window of opportunity to launch a series of activities whose aim is to give parties such as the Government of Mozambique with specific information regarding Delivering as One. In addition, updating all CSO and government counterparts on Delivering as One should be a constant point on the agenda during regular interaction. To further strengthen ownership, the UN should also assess how it currently contributes to increasing national capacities and identify effective strategies to be supported by different agencies, since this could lead to the elaboration of a comprehensive national capacity development strategy to structure and replace existing sector approaches.

ALIGNMENT

Since it supports the national development strategy, the UN system is aligned to the national priorities of the national systems. However, its ability to align to national systems is strongly determined by the quality of such systems. On the other hand, country systems (e.g. public financial management, procurement, M&E or reporting) related to the implementation of this strategy require deeper UN system involvement. Addressing capacity gaps that have prevented such involvement thus far should be at the heart of UN support to government and this can be furthered by the UNCT requiring timely participation of all agencies in common funding projections and public reporting.

HARMONISATION

Better coordination between UN agencies should reduce transaction costs for their partners and eventually for themselves. Moving towards a One Programme that becomes a single UN document to make development activities operational as shown in the experience of jointly elaborating the joint programmes is important. Currently, the UN is drafting a Delivering as One position paper in preparation of the next PRSP containing concerns from all agencies and

is pressing for inclusive aid architecture. It will also need to review its resource mobilisation strategy insisting on more non-earmarked funds to joint activities. However, the central element will be to put these elements into practice within the development partner community. Elaborating a code of conduct for UN membership in external working groups and setting up a common workspace for exchange between technical officials will be critical towards achieving the objectives of the Delivering as One approach.

MANAGING FOR RESULTS

The global UN gap between M&E needs and M&E investment, to which Mozambique is no exception, impedes the UN results based management system from reaching its potential. An essential corollary of an inclusive One Programme is a common understanding of basic concepts of results based management throughout UN staff. A system of in-service training for newcomers and a central M&E support to all agencies could significantly improve the results based management of the UN system in Mozambique.

MUTUAL ACCOUNTABILITY

Since it is neither a donor nor an aid recipient, the UN system has a multitude of stakeholders to whom it is accountable. Internal accountability among agencies could be strengthened by dividing responsibilities of implementing the Delivering as One pilot initiative between heads of agency who, as in a true government cabinet, report back to the UNCT. Indicators of success for example on the improvement of UN working group protocol reporting requirements, common financial reporting to the government's national budget or timely M&E interventions could be part of their performance assessment within the UNCT.

The implementation of the aforementioned measures would improve UN system performance on all five-partnership commitments. Such Improvement would partly precede the formulation of the next poverty reduction strategy in Mozambique in 2010, a strategy providing an opportunity to engage all agencies from the beginning in a UN wide joint planning and programming process. The process is not without its challenges and a primary one is to convince stakeholders that UN system reform has been beneficial but that further action is necessary. It is recommended that agencies further adapt the way in which they operate and headquarters increase their involvement through consistent and constant engagement. The Delivering as One pilot initiative provides the UN in Mozambique with the opportunity and the obligation to further test these grounds for the entire system and in turn, make its country support more effective.

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