

Workshop on Sector approaches in Context of the
EU integration Sarajevo, 22-24 March 2010

Governance of sector approaches
- a general overview



06/04/2010

1

Part I – Programme Based Approaches



06/04/2010

2

Why is there a trend to move from project to sector approach in development cooperation?

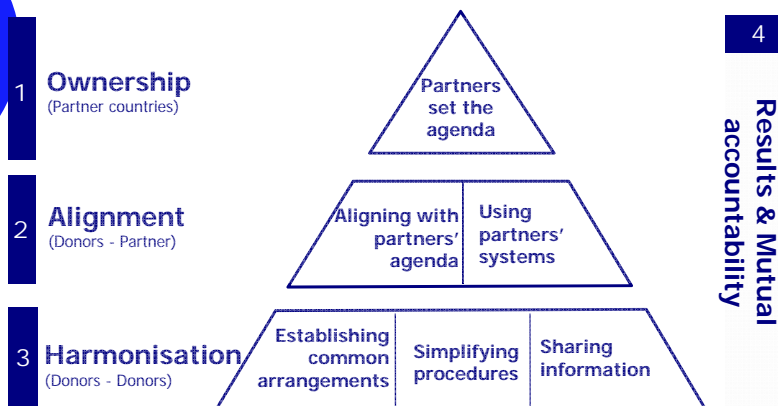
- Focus on overall development results and their sustainability (rather than the results of smaller, donor-led projects)
- Promote ownership in practice – take the starting point in existing policy, plans and structures
- Facilitates coherence by working with one (sub)sector set of results and including all actors
- A means to reduce fragmentation and thereby transaction costs



06/04/2010

3

Paris Declaration - From donorship to ownership



06/04/2010

4

Programme-based approach – the DAC definition

*"A way of engaging in development cooperation based on the principle of **co-ordinated support** for a **locally owned programme** of development, such as a national poverty reduction strategy, a sector programme, a thematic programme or a programme operated by a specific organisation"*

06/04/2010

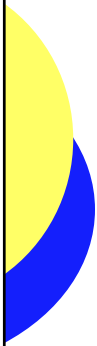
5

Part II – Governing a SWAP



06/04/2010

6



Do the countries in South Eastern Europe need SWApS

- The respective Governments will have to decide, if the answer is yes
 - it will most probably increase efficiency and effectiveness
 - improve chances of sustainable development
 - donors will have to change their behaviour

06/04/2010

7



A SWAP is not another project

- The SWAp is a tool to enhance (or restore) the Government's ownership of its sector policy
- No more project or donor individual priorities
- No more project agendas!
- Dialogue with donors financing the sector to take place in a common forum
- Priorities between sectors and within the sector decided by the Government

06/04/2010

8



Definitions

- A SWAP is NOT a funding mechanism
- A SWAP is a planning tool for co-ordination of sector policies, plans and activities integrated as part of the Gov's regular planning procedure

06/04/2010

9



Criteria

- Sector Wide
- Coherent Policy Framework
- Government ownership and decision-making "power"
- General (broad) donor participation
- Common planning, monitoring, implementation and reporting mechanisms. Works without common funding mechanisms but it is a preference.
- All financial resources at the disposal of the Government

06/04/2010

10



INSTRUMENTS to GOVERN a SWAP

- A Code of Conduct which regulates the acceptance of the SWAp AND THE GOVERNMENT'S PROGRAM to all actors and how to behave in this process.
- A Memorandum of Understanding. Regulates roles and regulations of a possible common funding mechanism
- A special institutional set-up for decision-making and implementation of the SWAp

06/04/2010

11



DOCUMENTS TO SUPPORT THE SWAP

- sector policy
- multiyear sector strategy and plan coherent to national development planning
- MULTIANNUAL OPERATION PLAN
- annual work plan
- multiannual and annual budgets consistent to plans
- base line study
- one funding arrangement and agreement

06/04/2010

12

The Albanian example

- The Government has policies needed in place but is still not implementing SWAPs
- IPS – a unique tool which is good enough to export
- MTBP
- Annual budget
- Annual work plan
- Consistency?

06/04/2010

13

SECTOR PLAN & LINKED RESULTS FRAMEWORK

Ideally, the following frameworks should be in place:

Planning Framework	Budgeting Framework	Result-Monitoring Framework
National Development Plan, other longer-term, national policies	Medium Term Expenditure Framework (MTEF) (3-5 years)	Performance Assessment Framework (PAF) (3-5 years)
Strategic Sector Plan (3-5 years)	Sector's MTEF (3-5 years)	Sector's PAF (3-5 years)
Sector's Annual Plan of Operations (1 year)	Sector's Annual Budget (1 year)	Sector's Annual Indicators (1 year)

06/04/2010

14

A SWAP is INSTITUTIONALISED

- A focal point under ministry leadership and management:
The Planning Entity of the ministry responsible for all planning and implementation of the sector plan. INTEGRATED WITH Finance/Budget.
- A decision-making Working Group with donor representation
- A high-level steering group under political leadership
- An Annual Review where everybody is invited to participate

06/04/2010

15

CONSEQUENCES as agreed in the Code of Conduct

- No more bilateral funding to the sector without consultation
- No more bilateral missions without consultation
- No more bilateral TA without consultation
- Common planning, monitoring, implementation, reporting and evaluation procedures and occasions

06/04/2010 ○ No more PMU:s/PIU:s!

16

EXECUTION OF FINANCIAL SUPPORT

- As with Government domestic resources for all on-budget money
- All money available to the sector must submit to the activities of the sector plan irrespective of how money is provided as stipulated in the Code of Conduct
- Effective execution (and consumption) of resources pre-supposes a programme based budget

06/04/2010

17

