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SCHOOL OF ENVIRONMENT AND DEVELOPMENT
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<th>Full Form</th>
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<tbody>
<tr>
<td>AAA</td>
<td>Accra Agenda for Action</td>
</tr>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>AE/NFE</td>
<td>Adult and Non-Formal Education (Tanzania)</td>
</tr>
<tr>
<td>AfDB</td>
<td>African Development Bank</td>
</tr>
<tr>
<td>AMP</td>
<td>Aid Management Platform</td>
</tr>
<tr>
<td>ARIES</td>
<td>Activities Reporting Information E-System (UK)</td>
</tr>
<tr>
<td>CAP</td>
<td>Country Assistance Plan</td>
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<td>CAS</td>
<td>Country Assistance Strategy</td>
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<tr>
<td>CDF</td>
<td>Comprehensive Development Framework</td>
</tr>
<tr>
<td>CIDA</td>
<td>Canadian International Development Agency</td>
</tr>
<tr>
<td>CIDC</td>
<td>Committee for International Development Cooperation (Korea)</td>
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<td>CoET</td>
<td>College of Engineering and Technology</td>
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<tr>
<td>CPE</td>
<td>country programme evaluation</td>
</tr>
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<td>CPIA</td>
<td>Country Policy and Institutional Assessment</td>
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<td>CSO</td>
<td>civil society organisation</td>
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<td>CSR</td>
<td>Current Spending Review (UK)</td>
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<td>DAC</td>
<td>Development Assistance Committee</td>
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<td>DBS</td>
<td>direct budget support</td>
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<tr>
<td>DFID</td>
<td>Department for International Development (UK)</td>
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<td>DIT</td>
<td>Dar es Salaam Institute of Technology</td>
</tr>
<tr>
<td>DPG</td>
<td>development partners group</td>
</tr>
<tr>
<td>DSO</td>
<td>Departmental Strategic Objective (UK)</td>
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<tr>
<td>EBRD</td>
<td>European Bank for Reconstruction and Development</td>
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<td>EDCF</td>
<td>Economic Development Cooperation Fund (Korea)</td>
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<tr>
<td>EC</td>
<td>European Commission</td>
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<tr>
<td>EFA</td>
<td>education for all</td>
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<td>EMIS</td>
<td>Education Management Information System (Tanzania)</td>
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<td>ELT</td>
<td>English Language Teaching (UK)</td>
</tr>
<tr>
<td>ESDP</td>
<td>Education Sector Development Programme (Tanzania)</td>
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<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>Exim Bank</td>
<td>Export-Import Bank</td>
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<tr>
<td>FINNIDA</td>
<td>Finnish International Development Agency</td>
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<td>FOCAC</td>
<td>Forum on China-Africa Cooperation</td>
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<td>GBS</td>
<td>general budget support</td>
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<td>GDP</td>
<td>gross domestic product</td>
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<tr>
<td>GoT</td>
<td>Government of Tanzania</td>
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<tr>
<td>HLF</td>
<td>high level forum</td>
</tr>
<tr>
<td>IADB</td>
<td>Inter-American Development Bank</td>
</tr>
<tr>
<td>ICT</td>
<td>Information and Communication Technology</td>
</tr>
<tr>
<td>IEFS</td>
<td>International Engagement in Fragile States</td>
</tr>
<tr>
<td>IFI</td>
<td>international financial institution</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<td>IMG</td>
<td>Independent Monitoring Group</td>
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<td>IPRCC</td>
<td>International Poverty Reduction Centre in China</td>
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<td>JAS</td>
<td>Joint Assistance Strategy</td>
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<td>JAST</td>
<td>Joint Assistance Strategy for Tanzania</td>
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</table>
JICA Japan International Cooperation Agency
JPD joint programme document
KOICA Korea International Cooperation Agency
MAIR MKUKUTA Annual Implementation Report (Tanzania)
MDF Multilateral Debt Fund
MDGs Millennium Development Goals
MiDR Managing for Development Results
MKUKUTA Mpango wa Kuondoa Umaskini na Kukuza Uchumi Tanzania
(Swahili version of NSGRP)
MKUZA Mpango wa Kukuza Uchumi Zanzibar (Swahili version of ZSGRP)
MMS MKUKUTA Monitoring System (Tanzania)
MFA Ministry of Foreign Affairs (Sweden)
MICS Ministry of Information, Culture and Sports (Tanzania)
MOE Ministry of Education (Tanzania)
MoEC Ministry of Education and Culture (Tanzania)
MoEVET Ministry of Education and Vocational Training (Tanzania)
MOFAT Ministry of Foreign Affairs and Trade (Korea)
MOFCOM Ministry of Commerce (China)
MoFEA Ministry of Finance and Economic Affairs (Tanzania)
MOSF Ministry of Strategy and Finance (Korea)
MoU Memorandum of Understanding
MTC medium-term programmatic changes (UK)
MTEF medium-term expenditure framework
NFTC National Foreign Trade Council (US)
NICs newly industrialised countries
NORAD Norwegian Agency for Development Cooperation
NPES National Poverty Eradication Strategy (Tanzania)
NSGRP National Strategy for Growth and Reduction of Poverty (Tanzania)
ODA official development assistance
OECD Organisation for Economic Co-operation and Development
OVI objective verifiable indicator
PAF performance assessment framework
PBA programme-based approach
PD Paris Declaration
PEDP Primary Education Development Plan (Tanzania)
PEFA public expenditure and financial accountability
PEFAR Public Expenditure and Financial Accountability Review
PEM public expenditure management
PER public expenditure review
PF Partnership Framework
PFM public financial management
PGBS partnership general budget support
PIU project implementation unit
PMS Poverty Monitoring System (Tanzania)
PRBS poverty reduction budget support
PRS poverty reduction strategy
PRSC poverty reduction strategy credit
PRSP poverty reduction strategy paper
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>PSA</td>
<td>Public Service Agreement (UK)</td>
</tr>
<tr>
<td>SADEV</td>
<td>Swedish Agency for Development Evaluation</td>
</tr>
<tr>
<td>SBS</td>
<td>sector budget support</td>
</tr>
<tr>
<td>SEDP</td>
<td>Secondary Education Development Plan (Tanzania)</td>
</tr>
<tr>
<td>SIDA</td>
<td>Swedish International Development Authority</td>
</tr>
<tr>
<td>Sida</td>
<td>Swedish International Development Cooperation Agency</td>
</tr>
<tr>
<td>SPS</td>
<td>sector programme support (Sweden)</td>
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<tr>
<td>SWAp</td>
<td>sector-wide approach</td>
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<td>TAS</td>
<td>Tanzania Assistance Strategy</td>
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<td>TAZARA</td>
<td>Tanzania-Zambia Railway</td>
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<tr>
<td>UK</td>
<td>United Kingdom</td>
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<td>UN</td>
<td>United Nations</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UNESCO</td>
<td>United Nations Educational, Scientific and Cultural Organization</td>
</tr>
<tr>
<td>UNFPA</td>
<td>United Nations Population Fund</td>
</tr>
<tr>
<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
</tr>
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<td>UPE</td>
<td>universal primary education</td>
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<tr>
<td>US</td>
<td>United States</td>
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<tr>
<td>USAID</td>
<td>United States Agency for International Development</td>
</tr>
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<td>USSR</td>
<td>Union of Soviet Socialist Republics</td>
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<tr>
<td>VfM</td>
<td>value for money</td>
</tr>
<tr>
<td>WP-EFF</td>
<td>Working Party on Aid Effectiveness and Donor Practices</td>
</tr>
<tr>
<td>ZEDP</td>
<td>Zanzibar Education Development Programme (Tanzania)</td>
</tr>
<tr>
<td>ZSGRP</td>
<td>Zanzibar Strategy for Growth and Reduction of Poverty (Tanzania)</td>
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</table>
Abstract

In an attempt to improve the effectiveness of aid, many of the stakeholders in the international aid regime agreed to commit to five key principles in the Paris Declaration (PD) in 2005. These principles of ownership, alignment, harmonisation, managing for results and mutual accountability were aimed at improving the effective delivery and use of aid, although the Declaration has been followed by continuing doubts over aid effectiveness, especially in the context of deficiencies in donor cooperation and coordination and weak recipient ownership. Since the PD, donors have made varying efforts when it comes to implementing the Paris requirements towards greater aid effectiveness. However, after two OECD DAC monitoring surveys, in 2006 and in 2008, donors and recipients found out that the overall result of the progress of the implementation has been slow and that donor behavioural change towards implementing the PD has differed. In the light of this, this research aims to examine how donors have implemented the PD and why there are such differences in donor behaviour based on a comparative study of Sweden, the United Kingdom (UK), South Korea and China in Tanzania.

This thesis reveals that there are key differences between advanced donors (Sweden and the UK) and emerging donors (Korea and China), particularly in terms of their levels of behavioural change in implementing the PD. While Sweden and the UK have shown greater progress in implementing many of the protocols of the PD, Korea and China have barely implemented the Paris requirements. The findings of this research highlight that the uneven responses and outcomes of the PD implementation are due to the design of the PD, which was based on the existing aid delivery mechanism of traditional donors at its top level, and the Paris requirements have not considered the bottom level reality of emerging donors who have different aid mechanisms from traditional donors. By examining seven major factors which inform the uneven donor performance (aid amount and number of staff, aid history of donors, political commitments, action plans and country specific strategies, aid management systems, aid modalities, and monitoring and evaluation), this study argues that the PD has been an ‘easy option’ for traditional donors such as Sweden and the UK, while it requires radical changes for emerging donors such as Korea and China. While this research relies on the public policy implementation theories to explain uneven donor behaviour in the PD implementation process, there has been less focus on the political economy and the self-interests and motivations of donors, which remains a main limitation of the study. Given this, this research has suggested conducting a further study on donor behaviour with a new methodological focus on the political economy and donor self-interests.
Declaration

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Sojin Lim
Chapter 1: Introduction

1.1. Background of this Study

Development aid has a history that goes back more than half a century. However, debates on aid effectiveness have been controversial as there are still some countries struggling with extreme poverty in spite of massive aid assistance while others have achieved self-sustainable development. Academics such as Sachs (2005) argue that aid is working, but more aid should be provided through a ‘big push’, while Burnside and Dollar (1997) and the World Bank (1998) have claimed that aid is effective but only under a sound policy environment. On the other hand, others have asserted that aid is not working, particularly in Africa (for instance, Boone, 1996; Calderisi, 2006; Easterly, 2006; Moyo, 2009). According to the World Bank Annual Report (World Bank, 2010), there is still a high percentage of population living below the international poverty line of USD 1.25 a day\(^1\) with sub-Saharan Africa being the poorest region. However, it is not appropriate to conclude that aid is not working just because it failed to bring development in Africa (Tarp, 2010). For instance, as the world observed the successful economic growth of the newly industrialised countries (NICs) in East Asia, such as Singapore and South Korea (hereinafter, Korea), it seemed that self-sustaining growth was achievable without depending on aid (Riddell, 1987). Aid does not fail in all cases, and there are some positive impacts of aid. Thus, it is sensible to ask what kinds of factors reduce the effectiveness of aid rather than ask whether aid is working or not, since it is too complicated and complex for the impact of aid to be assessed simply (Cassen, 1994; Morrissey, 2004; Bourguignon and Sundberg, 2007; Riddell, 2007). Accordingly, in recent years, the effectiveness of aid has been re-emphasised in the aid regime with a focus on contributing factors to aid consequences.

\(^{1}\)The international poverty line of USD 1 a day increased to USD 1.25 a day in 2009 (World Bank, 2009).
Based on milestones such as the United Nations (UN) Millennium Development Goals (MDGs) in 2000, the Monterrey Consensus on Financing for Development in 2002, the Rome Declaration on Aid Harmonisation in 2003 and the Marrakech Declaration in 2004, aid stakeholders eventually reached a consensus that foreign aid should be carried out with stronger ownership, alignment, harmonisation, managing for results and mutual accountability among donor countries, international institutions and recipient countries by the Paris Declaration (PD) on Aid Effectiveness in 2005. After the PD, the Accra Agenda for Action (AAA) was held in 2008 in order to evaluate progress of the PD implementation, and in 2011 the final evaluation meeting will be convened in Busan, Korea. In the light of this background, this thesis will examine this new dominance of aid effectiveness. This research project comes at a highly appropriate time by focusing on a concerted donor effort towards greater effectiveness of aid within the international aid architecture.

1.2. Aims and Objectives of the Study

This thesis will study varying donor behaviour in implementing the PD aimed at increasing the effectiveness of aid. This is based on a comparative case study of aid attributes from Sweden, the United Kingdom (UK), Korea and China. This thesis aims to analyse how donors have implemented the PD by looking at their aid policies and practices, and to examine why donor performance in implementing the PD is uneven. It assesses why some donors show positive progress in implementing the PD while the behaviour of others does not seem to have changed in line with the Paris principles. On the foundation of its aim, this study seeks to achieve the following objectives:

- To describe and analyse the PD implementation of donors and their different patterns in Tanzania
- To analyse donor behaviour change in aid policy and practice in their efforts to achieve greater effectiveness of aid within the PD context in Tanzania
To review and explain why donor behaviour change differs in Tanzania in respect of implementing the PD

To discuss uneven donor behaviour change within the context of research frameworks in order to deduce how this case study is commensurate with or detracts from expected results

1.3. Research Questions

This thesis conducts a comparative study of four donor cases (Sweden, the UK, Korea and China) in Tanzania in order to examine how donors have implemented the PD principles and why their behaviour change is uneven, based on the main research questions of:

- **How have donors implemented the PD in Tanzania?**
- **Why do donors implement the PD differently in Tanzania?**

In order to answer these questions, this thesis develops the following sub-questions:

- How have donors changed their aid policies, practices and institutional arrangements in order to implement the PD in Tanzania?
- What are the main factors which have contributed to donor behaviour change in implementing the PD in Tanzania?
- What are the main factors that have affected the lack of donor behaviour change in implementing the PD in Tanzania?
- What are the core challenges or obstacles for donor behaviour change in implementing the PD in Tanzania?

This study attempts to answer these sub-questions in order to explain the main research questions which focus on how the four donors in question implement the PD and why their behaviour change in the PD implementation is uneven.
1.4. National Development Strategies and Donor Cooperation in Tanzania

Since gaining independence from the UK in 1961, after previously being a German colony between 1887 and 1919 (Cameron and Dodd, 1970), the Republic of Tanzania has developed various national development policies, strategies and programmes for economic growth and social improvement in the country. Based on its effort, Tanzania has now retained average gross domestic product (GDP) growth of 5.8 percent since 2000 even though poverty is still predominant, especially in rural areas (MFA, 2006; URT, 2006b), with around 40 percent of the national budget financed by external resources (World Bank, 2006: 3). Initially, Tanzania pursued self-reliance and socialist approaches in its development reforms following independence as elaborated in the Arusha Declaration and Self-Reliance (TANU, 1967). However, foreign aid and donor consultation in developing Tanzania’s national economic and social policies and strategies have played an important role to boost progress, and thus Tanzanian development has continuously relied upon external support. Compared to other African countries, Tanzania has provided one of the ‘most favourable environments’ for economic growth and poverty reduction in terms of aid and donor cooperation (Sida, 2006e). Except the short break up with donors in the mid-1960s and conflicts with international financial institutions (IFIs) during the late 1970s (Crouch, 1987), the government of Tanzania (GoT) has been one of the most cooperative recipients for donors (Sida, 2006e).

With this in mind, the following sub-sections review the context in which the GoT has developed its national strategies and systems, and how donors have provided their supports to the GoT’s national development. This section focuses on Tanzania’s national policy development and national systems in recent years in line with the Paris initiatives. It is necessary to understand the government mechanism in Tanzania because the PD recommends donors to prioritise recipient national strategies in their policies and to use recipient national systems. It is important to give this background information in order to preface the analyses and discussions that emerge later in this study.
National Strategy for Growth and Reduction for Poverty

As donors enhanced their support to poverty reduction strategies (PRSs) in recipient countries, the first poverty reduction strategy paper (PRSP) of the GoT was published in 2000. Tanzania was the second country in Africa to initiate a PRSP, following on from Uganda (OECD, 2006b). On the back of continuous support by donors, Tanzania published its second PRSs: the National Strategy for Growth and Reduction of Poverty (NSGRP/MKUKUTA in Swahili); and the Zanzibar Strategy for Growth and Reduction of Poverty (ZSGRP/MKUZA in Swahili) in 2005. Both NSGRP/MKUKUTA and ZSGRP/MKUZA are developed as ‘home-grown’ and ‘outcome-based’ poverty reduction strategies based on a highly consultative process, and they were set to achieve goals by 2010 (URT, 2005; URT, 2006b; Revolutionary Government of Zanzibar, 2007).

Prior to PRS, Tanzania produced the National Poverty Eradication Strategy (NPES) as a long-term strategy in 1998 (URT, 1998), and the GoT launched another long-term policy, the Tanzania Development Vision of 2025 in 1999, in order to end its status as a least developed country and to upgrade its status to a middle-income country by 2025 (see URT, 1999). In the Vision 2025, the need for a culture of self-reliance and a competitive development mindset is highlighted (URT, 1999). At the same time, the Vision 2025 emphasises education as a high priority sector when it comes to ‘bringing about the desired social economic transformation’ in order to achieve pre-defined targets (URT, 2001d: 2). The Vision 2025 is strongly aspired by the GoT in contemporary Tanzania. For instance, the NSGRP/MKUKUTA has been built based on the Vision 2025 as well as the first PRS, the NPES and the MDGs (URT, 2005).

Assistance Strategies for Tanzania

In between the first and second PRSs, the GoT introduced the Tanzania Assistance Strategy (TAS) in 2002. It is necessary to overview TAS because it is an important development process towards key elements in efforts to achieve the PD targets and aid effectiveness in Tanzania, particularly in developing NSGRP/MKUKUTA, medium-term expenditure framework (MTEF), public
expenditure review (PER) and Joint Assistance Strategy for Tanzania (JAST). The TAS was published as a framework for the delivery of aid to the PRS that was developed to reduce poverty in Tanzania (MoFEA, 2007). Between 2002 and 2004, the strategy for developing aid management was formalised through the TAS in Tanzania as it was a ‘coherent national development framework’ for managing external resources transparently and effectively based on the development goals and objectives stated in the NPES, the Vision 2025 and the PRS, and was a government initiative for restoring ‘local ownership and leadership’ based on partnership in development programmes (URT, 2002c: 1; MoFEA, 2007).

The TAS was also intended to promote strengthening donor coordination, harmonisation, partnerships and national ownership that were introduced later by the Rome Declaration in 2003 (DPG, 2006; MoFEA, 2007). It has been said that TAS presented ‘the national vision of how to strengthen national ownership and improve aid delivery’ (URT, 2004b: 8). At the beginning, a joint TAS Secretariat and a TAS/Harmonisation Group were created and chaired by the Ministry of Finance and Economic Affairs (MoFEA) of the GoT (World Bank, 2006). Currently, most of the aid flows and finance in Tanzania are coordinated and managed by the MoFEA (MoFEA, 2007). Over time, the TAS became related to issues in PERs and general budget support (GBS) processes, and the functions of the TAS secretariat were integrated into the Aid Coordination Section in the External Finance Department of the MoFEA (World Bank, 2006).

In 2006, the JAST was established as a national medium-term framework. Initially, the Joint Assistance Strategy (JAS) was proposed in the TAS Annual Implementation Report FY 2003 (URT, 2004b), and implemented later as a part of priority actions for mutual accountability based on the PD (OECD, 2007a). The JAS was designed to improve donor coordination by identifying ‘donors’ comparative advantage’ and introducing a ‘single review cycle’, and to ‘replace’ the individual country assistance strategies of donors (Menocal and Mulley, 2006: 12). In 2007, the GoT and the European Commission (EC) signed on the
Joint Programming Document/Country Strategy Paper and National Indicative Programme for the period from 2008 to 2013. According to this document, the JAST plays a central role in the process and to the commitments of the aid effectiveness goals and donor harmonisation (Government of Tanzania and European Commission, 2007). As the GoT introduced the JAST, development partners group (DPG) alignment has been reinforced through the JAST, and the DPG has produced a joint programme document (JPD) for the NSGRP/MKUKUTA and the JAST. JPD entails a common analytic framework used by the development partners and describes development achievements and challenges in Tanzania by providing a joint country analysis that is one of the PD indicators to be achieved.

In fact, the JAST has been intended to achieve the international commitments to aid effectiveness, such as the Monterrey Consensus on Financing for Development in 2002, the Rome Declaration in 2003, the Marrakech Memorandum on Managing for Results in 2004 and the PD in 2005 (URT, 2006a). The JAST emphasises the priorities discussed in the PD, such as high level dialogue, division of labour among donors that is led by the GoT, technical assistance, predictability, governance and corruption, and measuring and communicating progress (JAS Core Group, 2005b). Moreover, through the JAST, the GoT and donors have strengthened the national capacity of project management, and have phased out parallel project implementation units (PIUs), which is required by the PD (OECD, 2008a).

In addition, according to the NSGRP/MKUKUTA in 2005, Tanzania pursues the principles of the TAS and the JAST to increase effectiveness within the harmonisation and alignment of aid modalities (URT, 2005). Both TAS and JAST are a reflection of GoT’s efforts to strengthen national ownership and government leadership in the development process as well as aid effectiveness (World Bank, 2006). Hence, JAST has been important in Tanzania in order to improve the quality of aid effectiveness, and it has been also important for donors in Tanzania to achieve the PD targets.
Public Expenditure Management Reforms

The government adopted the PER instrument of the World Bank (Booth, 2005) because the GoT recognised the PER as a ‘key guiding process in implementing public expenditure management (PEM) reforms’ in Tanzania (URT, 2006e: 3). Both the GoT and donors have identified PER as an important factor, especially in carrying out the PD commitments in Tanzania because it links budgets to NSGRP/MKUKUTA (OECD, 2008a). This allows clear monitoring process and helps to achieve the PD targets through the joint and coordinated country analytic work (OECD, 2008a). Throughout the national PER process, donors and the GoT have achieved more joint and coordinated country analytic work based on the enhanced dialogue and the use of common implementation arrangements (Booth, 2005; URT, 2006e).

While implementing the PER, the GoT intended to promote more support from development partners and to bring a ‘fully-functioning’ MTEF with a ‘technically advanced’ financial information system (Booth, 2005: 5; URT, 2006e). At the same time, the GoT has linked PRS and NSGRP/MKUKUTA to the budget through participatory PERs and a three-year rolling MTEF (World Bank, 2006). The MTEF has been another core element that helps donors to implement the PD principles in Tanzania (OECD, 2008a). At the local level, the GoT created a database, the Local Government Planning and Reporting Database (PlanRep) for local government authorities to link their MTEF plans and budgets to NSGRP/MKUKUTA and to monitor their expenditure and implementation (World Bank, 2006).

Upon the GoT’s request for one form of assessment of the process, external PEM and fiduciary risk assessments have been operated within a single instrument, the Public Expenditure and Financial Accountability Review (PEFAR) (URT, 2006e). Previously, the external PEM and fiduciary risk assessments were managed independently by the development partners (URT, 2006e). According to the public expenditure and financial accountability
(PEFA) Secretariat, it aims to ‘strengthen the ability of recipient countries and donor agencies to assess the condition of country public expenditure, procurement and financial accountability systems, and to develop a practical sequence of reform and capacity-building actions’ (PEFA Secretariat, 2010). For instance, the UK has supported the use of PEFAR with other donors in order to diagnose recipients’ systems (Lee, 2010). The PEFAR also plays an important role in Tanzania in achieving the requirements of the PD for donors, since it has helped enhancing Tanzania’s procurement and financial systems (OECD, 2008a).

**Monitoring and Evaluation Systems**

In 2007, the GoT published MKUKUTA Annual Implementation Report (MAIR) in order to contribute to the government’s reporting system for its second PRS, the NSGRP/MKUKUTA (URT, 2007b). The MAIR is ‘one of the outputs of the government’s monitoring system’ (URT, 2007b: 7). Prior to the MAIR development, the GoT revised the original monitoring system of Poverty Monitoring System (PMS) to strengthen the reliability of data and for the outcome-based results in 2005, and created the MKUKUTA Monitoring System (MMS) in 2006 (URT, 2006b; URT, 2006c; World Bank, 2006). The PMS was originally developed for the first PRS monitoring and evaluation in 2001, and generated reports and data used in the preparation of the NSGRP/MKUKUTA (World Bank, 2006: 13). While reviewing the PMS, the National Survey Plan was also updated in 2005, the year-by-year timeframe has been scheduled for the national surveys, and data produced in the new national surveys have been applied into the MMS (URT, 2006b). The MMS was established as a ‘part and parcel of overall government planning and reporting systems’ and ‘complements of the strategic planning and budgeting and the PER’ (URT, 2006c). The GoT aims to provide a transparent performance assessment framework (PAF) for the NSGRP/MKUKUTA throughout the MMS (OECD, 2008a).

Along with the MAIR, the GoT and development partners created the JAST Action Plan and Monitoring Framework Matrix which is structured under
specific objectives of ‘strengthening national ownership and government leadership of the development process’, ‘aligning development partners support to the GoT priorities, systems, structures and procedures’, ‘harmonising government and development partners processes’, ‘managing resources for achieving development results, in particular on NSGRP/MKUKUTA and ZSGRP/MKUZA’ and ‘strengthening domestic and mutual accountability’ (URT, 2007a: 5). Based on these objectives, the matrix is arranged into JAST commitments (URT, 2007a). Recently the matrix has been revised due to the suggestions made by the AAA, while the GoT and development partners, along with non-state actors, review their performance on implementing JAST each year (URT, 2007a).

As will be seen in Table 1.1 later in this section, the GoT and development partners were required to jointly commission the Independent Monitoring Group (IMG) during the mid- and final-term of the implementation process of the PD in order to conduct a comprehensive evaluation of the implementation performance of the GoT and its donor partners (URT, 2007a). For instance, during the first PD monitoring survey in 2006, it was seen necessary to integrate the IMG process with aid strategy development (OECD, 2007c). According to the *Helleiner Report* in 1995, which redefined development cooperation relations in Tanzania, the assessment of received information was problematic in Tanzania because of inconsistencies in statistics from both donors and the GoT (Helleiner, Killick, Lipumba, Ndulu and Svendsen, 1995). On the basis of this, the IMG was proposed under the TAS, and the GoT and development partners agreed to establish the IMG to institute monitoring and evaluation mechanisms for progress in the aid relationship, particularly for mutual accountability (ESRF, 2002; ESRF, 2005).

The proposal of the IMG suggested that the GoT, donors and civil society organisations (CSOs) should begin to include their information resources as well as to conduct workshops and conferences for better analysis (URT, 2002b). The IMG has evaluated the GoT-donor relations biennially since 2002. The IMG
Report of 2005 is the final TAS review, and it has continued to review the implementation progress of the JAST (World Bank, 2006). The IMG report provides its analysis based on seven categories: 1) government leadership and ownership in the development and policy process; 2) ownership, policy dialogue and harmonisation with sectors and local governments; 3) development partners and dialogue processes; 4) participation of broader constituencies, budget process and public financial management (PFM) and accounting systems; 6) aid delivery in efficiency and effectiveness; and 7) technical assistance and challenges of capacity building (ESRF, 2005). According to the IMG report, the national ownership and government leadership in the development process have been strengthened, and relationships of development cooperation have been improved in Tanzania (URT, 2006a).

Development Partners Group
In line with the TAS, the DPG\(^2\) has been organised in order to improve the harmonisation process in Tanzania. The DPG has worked in Tanzania in response to rising concerns on coherence, efficiency and effectiveness at the country level and to avoid fragmentation, duplication and competition among donors. The DPG emerged out of an informal local Development Assistance Committee (DAC) in 2004. As stated by the Terms of Reference in 2007 of the DPG Tanzania, ‘the DPG was formally established in 2004 in order to build a coordinated development partner response to the government’s TAS, within the overarching framework of the PRS’, and later it was revised to ‘promote the implementation of the Paris principles on Aid Effectiveness in Tanzania in order to support national efforts to achieve Tanzania’s growth and poverty reduction goals’ (DPG, 2007: 1).

Currently, there are two chairs in the DPG as co-facilitators in Tanzania: a permanent facilitator (the UN Resident Coordinator) and a rotating bilateral

\(^2\)The overview in this section about DPG is elaborated based on the context provided by 1) the DPG Tanzania website (http://www.tzdpg.or.tz); and 2) the Tanzania National Website (http://www.tanzania.go.tz), which is developed by the GoT. Not only the contents in websites, but also the documents provided in these websites are used in this section. These websites are where detailed information of DPG is officially uploaded, including documentations.
facilitator. Based on routine data from the official development assistance (ODA) commitments and projections for the coming financial year provided by the development partners, the MoFEA circulates the ODA data of donors for a review and implements it into the preparation of the MTEF and the national budget estimate. About 15 percent of DPG assistance has been channelled through common arrangements and procedures, including pooled and basket funds, and commitments to budget support and basket funds are further emphasised by the DPG. In addition, the DPG’s strategies are aligned with the NSGRP/MKUKUTA led by the GoT.

Based on its strong cooperation with donors, Tanzania has been one of the leading recipient countries in terms of improving the quality of aid, especially based on the Paris principles as shown in Table 1.1 below. This result in Table 1.1 is developed by progress appraisals in Tanzania against each indicator of the PD as detailed in Appendix 1.1.

Overall, the international aid programmes in Tanzania are organised around stronger partnerships with donors when compared to those pertaining in other recipient countries, and the GoT has developed its own national targets to eradicate poverty, albeit within a strong relationship with the donor community. Tanzania has ‘largely developed’ medium- and long-term operational development strategies such as the NPES, the Vision 2025 and the NSGRP/MKUKUTA, especially for ownership improvement, along with the PER, the MTEF and the PEFAR. The GoT has implemented the JAST that has played an important role in improving alignment, harmonisation and mutual accountability in Tanzania, and with donor support, has developed the national MMS to manage aid for results. The IMG has worked in Tanzania for stronger accountability mechanisms (OECD, 2008a), and the DPG has supported harmonisation process in Tanzania based on strong coordination and coherence among donors (DPG, 2005; OECD, 2008a). Based on this background in Tanzania, this thesis will discuss uneven donor behaviour change in the implementation of the PD in Tanzania.
### Table 1.1. DAC Monitoring Survey Results in Tanzania by Paris Principle

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Challenges</th>
<th>Priority Actions</th>
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<tbody>
<tr>
<td></td>
<td>2005</td>
<td>2007</td>
<td>2005</td>
</tr>
<tr>
<td>Ownership</td>
<td>Strong</td>
<td>Strong</td>
<td>Limited capacity, in particular at local level</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Limited capacity, in particular at local level</td>
</tr>
<tr>
<td>Alignment</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Continued use of parallel PIUs</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Integrating aid on budget and improving aid predictability</td>
</tr>
<tr>
<td>Harmonisation</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Continued use of poorly coordinated project modalities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Limit use of joint missions</td>
</tr>
<tr>
<td>Managing for Results</td>
<td>Strong</td>
<td>Strong</td>
<td>Lack of up-to-date development data</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lack of up-to-date development data</td>
</tr>
<tr>
<td>Mutual Accountability</td>
<td>Strong</td>
<td>Strong</td>
<td>Need to integrate IMG process with ongoing aid strategy development</td>
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Source: Merged from Box 30.1 in OECD, 2007c: 1; Box 49.1 in OECD, 2008a: 1

### 1.5. Structure of the Study

This thesis contains six chapters including the introduction. Chapter 2 reviews existing knowledge on aid effectiveness, including the definition of aid effectiveness, critique of donor behaviour and the international aid effectiveness milestones such as the PD. In Chapter 3, the methodology of the study is elaborated upon. This chapter presents the rationale of donor cases, and develops a research framework for the study. An empirical analysis is presented throughout Chapters 4 and 5. Chapter 5 especially examines the main factors.
for uneven donor performance based on the conceptual framework drawn in Chapter 3. Finally, Chapter 6 discusses the findings from Chapters 4 and 5 and concludes the study with research implications, limitations and suggestions for further study.

Chapter 2 defines aid effectiveness, reviews the debates on aid effectiveness by focusing on the critique of donor behaviour, and illustrates how donors and recipients have reached collective agreements such as the PD. This chapter also reviews the normative framework of the PD and the critiques of donor responses, practices and outcomes in implementing the PD. At the same time, components for the conceptual framework design are developed at the end of this chapter. This chapter contributes not only to the understanding of existing aid effectiveness debates but also to current progress of the PD implementation and donor behaviour.

In Chapter 3, the reasons behind the selection of the donor cases of Sweden, the UK, Korea and China are given. Then, in the following section, the interpretive framework of this study is provided to preface the analysis in Chapters 4 and 5. In the next section, the conceptual framework is drawn up with theoretical underpinnings for the analysis of the study. The data collection strategy of the case study is also delineated in this chapter along with the research methods of document analysis and interviews. The methodological limitations of this research are discussed in the conclusion of Chapter 3.

Chapter 4 predominantly analyses the differences between donors in implementing the PD in Tanzania. This chapter is related to the first research question of this thesis as provided in Section 1.3, and investigates differing donor response and practice in line with the PD in Tanzania. In order to analyse donor policy and practice towards the PD dimensions, this chapter is organised into seven sections excluding the sections on introduction and conclusion. The five sections are comprised of the normative framework of the PD (ownership, alignment, harmonisation, managing for results and mutual accountability), and
the remaining two sections deal with specific examples of donor aid performance (budget support and aid to the education sector). This chapter analyses whether the four donors have changed their aid policies against the PD principles, and how they are delivering aid assistance in practice in Tanzania to achieve the PD targets.

Chapter 5 returns to the central objective of the study to explore why donors’ engagement with the PD has differed in policy and practice. Based on the findings from Chapter 4, this chapter explains the reasons why the PD implementation varies among donors in Tanzania, and each section provides factors that attribute to donor behaviour. Based on the conceptual framework of the research, this chapter looks at whether the variables for donor behaviour change are similar to those reviewed in Chapter 2.

Chapter 6 provides an overall discussion of the findings from Chapters 4 and 5 based on theoretical accounts. This research project contributes not only to filling gaps in existing knowledge, but also discusses current aid regimes and the international aid architecture that are led by the traditional donors. This thesis also discusses the uneven PD implementation between advanced donors and emerging donors explained by the policy implementation models. After the discussion of the findings, this chapter provides brief policy implications as well as theoretical implications of the study. Finally, this thesis concludes by providing suggestions for further research, following the section providing the inherent limitations that exist in this study.
Chapter 2: Aid Effectiveness and the Paris Declaration

2.1. Introduction

The impact of aid remains a major issue in the aid regime even after more than a half century of official aid history, and the new millennium has seen a renewed emphasis on the importance of promoting aid effectiveness in efforts to eradicate poverty. The first widely recognised aid effectiveness conference was held in Rome in 2003, and following the Rome Declaration, 2005 was earmarked as the year to review aid effectiveness and all partners in the aid regime began to focus on a new framework of the aid effectiveness agenda and development for poverty reduction. Donors collectively agreed to implement the PD on Aid Effectiveness, establishing five principles and twelve indicators. However, the agenda of aid effectiveness is contested and the variability of understandings is reflected in the disappointing donor results in implementing the PD during the AAA in 2008 towards its target of 2010.

Accordingly, this chapter focuses on recent donor behaviour in implementing the PD for the effectiveness of aid. Section 2.2, therefore, provides a definition of aid effectiveness, while a review of the existing literature on aid effectiveness with a particular focus on donor’s side follows in Section 2.3. Section 2.4 examines how the PD arrived in the aid regime, which prefaces a review of the normative principles of the PD in a detailed context in Section 2.5. In Section 2.6, this study explores the results of donor monitoring surveys during the PD implementation and further investigates some existing critiques of the PD implementation progress. The final section concludes and emphasises the need for research on understanding different donor behaviour change with regard to implementing the PD.
2.2. Definition of Aid Effectiveness

A widely used definition of aid effectiveness can be found in evaluations of the aid impact on growth and poverty reduction (see Burnside and Dollar, 1997; World Bank, 1998; Collier and Dollar, 2001; Hansen and Tarp, 2001; Riddell, 2007; Tarp, 2010). Therein, aid effectiveness is often defined as ‘the effect of aid on development, notably accumulation and growth’ (Doucouliagos and Paldam, 2006: 227). Morrissey (2004: 155) explains that the meaning of aid effectiveness can be found in the analysis of ‘where a positive significant coefficient on the aid variable is interpreted as evidence that aid was effective in increasing growth performance’.

However, this definition focusing on the connection between aid and economic growth seems to ignore the complexity of the link between aid and final developmental outcomes (Bourguignon and Sundberg, 2007). Not only is there often an attribution problem between an aid intervention and the outcomes sought from it, in that other variables also play a part, but the criteria on which effectiveness is judged appear as economistic and limited. When investigating aid effectiveness there is more to consider than a simple approach to economic growth and poverty reduction. For example, the Organisation for Economic Co-operation and Development (OECD) DAC defines aid effectiveness as about ‘improving the management, delivery and complementarity of development cooperation activities to ensure the highest development impact’ as entailed by DAC members (OECD, 2006a). In other words, aid effectiveness is not only about ‘aid amount and growth’ but also about ‘how aid is given’ and ‘how far objectives are accomplished by aid’ especially within a new approach in the effectiveness of development cooperation in the 21st century (OECD, 2010h). Aid effectiveness means that aid ‘effectively meeting the needs of the people by having a positive impact during the following project implementation’ (Roberts, 2009: 2) or ‘how far aid project objectives have been achieved’ (Cox, Healey and Koning, 1997: 61).
It is also important to acknowledge that historical context affects the definition of aid effectiveness since paradigms, perspectives and theoretical approaches change and mutate over time. For instance, during the 1950s and 1960s economists such as Rostow and Chenery-Strout justified aid, and saw it as effective at micro and macro levels, as a stimulant for economic growth (Riddell, 1987; Desai and Potter, 2002). However, by the 1970s the concept of social development began to be reflected in the aid effectiveness analysis (Browne, 1990; Allen and Thomas, 2000; Tarp, 2000; Desai and Potter, 2002), and in the 1980s ‘impact of stabilisation and structural adjustment’ was embedded in the definition of aid effectiveness (Roland-Holst and Tarp, 2004: 47). In the late 1990s dominant understandings of aid effectiveness were framed by aid’s impact on economic and social growth or impact on development by growth (Tarp, 2010). Finally, in the new millennium and especially with the PD in 2005, there is a tendency to define aid effectiveness as ‘maximising aid benefits to the population’ (Roberts, 2009: 2). As the PD focuses on aid management and the targeting of objectives, it includes a more specific definition as the ‘arrangement for the planning, management and deployment of aid that is efficient, reduces transaction costs and is targeted towards development outcomes including poverty reduction’ (Stern, 2008: vii). Accordingly, this thesis defines aid effectiveness as: aid maximising achievements of outcomes based on its defined purposes for development and poverty reduction.

2.3. Aid Effectiveness Debates

Aid skeptics contend that aid is more harmful to the poor than helpful, and aid does not seem to be working because it failed to stimulate economic growth or to eradicate poverty. Donors have provided a high volume of aid for a long time, but it has not successfully helped growth in some recipient countries (Calderisi, 2006; Easterly, 2006; Moyo, 2009). However, the issue of how far the level of aid and the overall level of development are related remains somewhat contentious. Aid may not be successful because other factors can also affect
growth, such as conflicts or corruption in recipient governments. Problems are often exacerbated if countries are landlocked by neighbours or depend on natural resources (Collier, 2007). In other words, the seemingly minimal impact of aid on economic growth is not entire or even principal because of the level of aid or its implementation. While some authors further argue that there is little empirical evidence of relationship between aid and development (Raffer and Singer, 1996; Wood, 1999; Sogge, 2002; Easterly, 2006), others argue that aid has brought economic growth in many cases (McGillivray, 2004; Dovern and Nunnenkamp, 2007). Thus, it is not easy to conclude whether aid works or not in terms of its effect on growth, not least because of the difficulty of testing the counterfactual case of what would have happened had it not been supplied. Besides, it is observed that the relationship between aid and outcomes is often ambiguous because policymakers and economists tend to ‘squeeze’ data into simplifying answers without considering different links in the causality chain of aid (Bourguignon and Sundberg, 2007). Various different circumstances and factors should be considered when analysing aid effectiveness to go beyond the simple question of whether aid ‘is or is not working’. As implied in the OECD DAC definition of aid effectiveness provided in the section above, it is not only the outcome of external aid which needs to be measured, but the process of aid provision should also be taken into consideration when evaluating aid effectiveness.

Rather than dwelling on an overall answer to the link between aid and growth, this research focuses on different factors and will instead explore some more direct relationships between the types of aid delivered, processes adopted and outcomes. The factors which reduce aid effectiveness are grouped in two main ways herein: factors relating to the context at recipient’s end; and factors attributable to the context of the other at donor’s side. Briefly, problems impinge on the effectiveness of aid from the perspective of the recipient can be identified as: 1) weak aid management capacity of recipients, including a lack of skilled manpower and capacity for aid management (Cassen, 1994; Burnell, 1997; Carlsson, Somolekae and Van de Walle, 1997; Lancaster, 1999; Arndt,
2000; Lancaster, 2007a); 2) lack of good economic policy (Burnside and Dollar, 1997; World Bank, 1998; Collier and Dollar, 2001; Collier and Dollar, 2002); and 3) corruption (Degnbol-Martinussen and Engbert-Pedersen, 2003; Hanlon, 2004; Sachs, 2005; Collier, 2006). It is argued that these weaknesses in recipient countries can be improved by donor cooperation and coordination, for instance, and by enhancing the recipients’ capacity building and reinforcing recipient ownership (for instance, Riddell, 2007). According to recipients, difficulties with donor procedures, uncoordinated donor practices and demands beyond their national capacities as well as donor centric priorities and systems have been major issues (Amis, Green and Hubbard, 2005).

From the perspective of donors, most debates on the factors that negatively impact on aid results fall into two pillars: 1) weak donor coordination and cooperation; and 2) donor-driven priorities and aid allocation. First, it is argued that poor donor coordination and cooperation trigger constraining factors to aid effectiveness, and therefore, it is important to improve donor coordination and cooperation. Second, it is criticised that aid is too much donor centric, and this results in reducing recipient ownership. This critique of donor-driven aid practice can be again divided into two specific areas of conditionality and selectivity. Donor efforts to improve the performance of the aid recipients through applying and attaching conditionality are criticised because policy changes in recipient countries did not occur as desired by the donor. In addition, conditionality is often viewed as undermining ownership, and this provides the proximate reason for non performance of conditionality. As donor efforts at conditionality failed, donors began to allocate aid selectively based on the policy environment in the recipient countries. This section attempts to review these three main critiques of donor behaviour (donor coordination and cooperation, donor conditionality, and donor selectivity). At the same time, this section attempts to interpret analyses of aid ineffectiveness based on a macro level approach, which draws on the political economy of aid, and differential power relationships between recipients and donors and the inequality between them.
2.3.1. Donor Coordination and Cooperation

It seems that a link exists between donor coordination and cooperation and aid effectiveness. The poor coordination and cooperation among donors is continuously criticised because they have thwarted the positive impact of aid (for example, Browne, 1990; Edwards, 1999; Lancaster, 1999; Tarp, 2000; Morse and McNamara, 2006; Banerjee, 2007; Carbone, 2007; Riddell, 2007). This is strongly related to donor activities in practice in the context of donor multiplicity and the different motivations and interests of each donor.

First, it is identified that systemic problems of aid caused by a multiplicity of donors limit the effectiveness of aid. Donor competition, proliferation and redundancy of projects, and the burden on local staff caused by the multiplicity of donors in a single recipient country have reduced aid effectiveness (Little and Clifford, 1965; Cassen, 1994; Amis and Green, 2002; Degnbol-Martinussen and Engberg-Pedersen, 2003; Ranis, 2006; Banerjee, 2007; Lancaster, 2007a; Riddell, 2007; Carlsson, Schubert and Robinson, 2009). Increasing donors and, further, their lack of coordination and cooperation have caused more transaction costs and competition between donors that result in the proliferation and duplication of projects and administrative burdens for the recipient. By contrast, budget loss in terms of expenditure on staff and procurement can be decreased by enhanced coordination (Morse and McNamara, 2006; Riddell, 2007). Indeed, recipients can diminish their burden in aid projects and programmes by donor harmonisation. For instance, recipients’ burden from redundant project proposals and reports for donors can be reduced by systemic coordination of donors (Banerjee, 2007; Riddell, 2007). While government administration systems in most developing countries are weak, donor requirements exceed recipients’ capacity when it comes to managing aid inflows (Burnell, 1997; Degnbol-Martinussen and Engberg-Pedersen, 2003; Ranis, 2006). At the same time, this situation brings more complexity in aid management, and therefore, it leaves a lack of accountability of aid outcomes among donors, including the absence of a central monitoring system (Browne, 1990; Burnell, 1997; Edwards, 1999; IDA, 2007). This is a view which was powerful in leading directly to the
problem of aid effectiveness that emerged during the discussion informing the PD, which will be discussed in further detail later in Section 2.4.

Another problem from the context of donor behaviour relates to the primacy which is often given to their own views of what to prioritise and which areas to spend money on, independently of consultation or consideration of the recipients’ views or context. Individual donors decide their aid projects and programmes, mostly without concerning recipients’ needs or other donor’s behaviour (Lancaster, 1999; Degnbol-Martinussen and Engberg-Pedersen, 2003). Donors have not sufficiently coordinated domestic policies and national standards and regulations of recipients (Schiff and Winters, 2003), and they often fail to consider recipients’ national priorities and systems (Amis and Green, 2002). In accordance with this, studies suggest that individual donors need to work more closely by coordinating and harmonising their individual supports and aligning their aid endeavours with recipient strategies (Cassesn, 1994; Riddell, 2007). In addition, some studies have found that the division of labour in developing countries, as a means of coordinating donors, has been disappointing because the process tends to be led by donors and lacks the ownership of recipient countries in the process (Martin, 2008). Regarding to this, however, it can be questioned whether donor coordination and cooperation are always beneficial for recipients to achieve poverty alleviation. For example, although these processes can directly contribute to the impact of aid, it can be anticipated that there might be further problems of perverse effects, such as those related to the monopoly effect caused by donor cooperation in the political economy of aid. At the same time, while donor fragmentation can cause more burdens for recipients, on the other hand, donors can increase innovation and learning out of the increase number of donors (Evans, 2007).

The third aspect of donor behaviour which affects aid effectiveness is more related to the cause of poor coordination and cooperation of donors. Various donor motivations and self-interests have reduced donor coordination and cooperation, and thus, the effectiveness of aid (McNeil, 1981; Riddell, 1987;
Browne, 1990; Cassen, 1994; Raffer and Singer, 1996; Burnell, 1997; Sogge, 2002; Degnbol-Martinussen and Engbert-Pedersen, 2003; Lancaster, 2007a; Riddell, 2007). There are many donors with varied interests, and thus each donor tends to design aid contracts based on their own interests that can conflict with those of other donors, which has caused unwillingness of recipients in managing aid flows (Sobhan, 2002). It is found that cooperation and coordination are difficult due to recipients’ unwillingness to work with donors or due to the lack of capability of recipients in coordination (Herfkens, 1999; Lancaster, 1999). The problems are generic to systems of performance management where results are recorded based on selected indicators and where administrative capacity is weak. Thus, the different objectives of many different donors or one donor’s multiple objectives in one country tend to be negatively associated with aid outcomes (Dijkstra, 2002). However, the politics of aid have an effect in context specific ways which change the implementation procedures and commitments by stakeholders to cause a variety of results in practice. This political power game between donor agencies and recipient governments can be seen in the following debate on ownership and conditionality.

2.3.2. Donor Conditionality for Performance Change

As mentioned, one of the main discussions on aid and donor behaviour in terms of aid effectiveness can be found in the conditionality regimes of donors. Aid conditionality has been defined as the ‘setting of conditions for policies, both economic and other, that the government would not carry out in the absence of this aid’ (Dijkstra, 1999: iii), while it has also been argued that conditionality was ‘important for the efficient use of aid monies’ (Killick, 2002: 481). It was known that conditionality could improve domestic policies in recipient countries, and it brought positive outcomes along with policy reforms in some countries (Killick, 2002: 482; Morrissey, 2004). Thus, donor governments increasingly considered policy reforms in the context of good governance in recipient countries by imposing conditionality in their aid allocations since ‘domestic political imperatives’ negatively influenced aid programme results (Killick,
In most cases, aid conditionality is criticised as it was carried out continuously ‘in vain’ (Herfkens, 1999: 483), or much aid was wasted by conditionality (Killick, 2002; Bourguignon and Sundberg, 2007). In many cases, aid conditionality ‘evidently failed’ (Morrissey, 2004: 155).

In fact, a number of studies have criticised the ineffectiveness of conditionality which is also seen to have led to a lack of ownership in recipient countries. Studies have shown that recipient ownership is a key factor in effective implementation of aid conditionality as well as aid inflow management (for example, Cassen, 1994; Raffer and Singer, 1996; Carlsson et al., 1997; Killick, 2002; Sobhan, 2002). Especially in regard with aid conditionality, recipient ownership is critical to accept and implement policy reforms in achieving greater aid effectiveness, but donor conditionality reduces the effectiveness of aid by losing recipient ownership. In other words, the actual practice of donors has reduced recipient ownership by imposing policy conditionality against recipient countries’ wishes and along with donor pressure, and thus, programmes have not been fully implemented and many conditions have remained unfulfilled (Raffer and Singer, 1996; Killick, 2002; Sobhan, 2002; Lancaster, 2007a).

In addition, it is argued that donors did not consider the political and cultural environment in recipient countries and instead imposed ‘standard’ policy conditionality (Raffer and Singer, 1996; Chang, 2002; Morrissey, 2004; Lancaster, 2007a). Donors, especially IFIs, provided almost identical policy recommendations and imposed policy reforms in many recipient countries (Chang, 2002; Morrissey, 2004). However, the supposedly good policy recommended by donors has not been beneficial for all developing countries (Chang, 2002; Morrissey, 2004). Since donors did not consider recipients’ differing environments, it was more likely that donors ‘dictated’ recipients in terms of choice of policy reform during negotiation rather than ‘supporting’ the reform process (Raffer and Singer, 1996; Morrissey, 2004). In the end, this also caused a lack of ownership on the recipient side, and therefore, a lack of
willingness to commit to donor policy conditionality. Again, due to unwillingness to implement policy reforms by recipients, aid conditions tended to be unfulfilled. Even though a recipient government implemented policy reforms, the outcomes of conditionality were not often guaranteed because the guidelines of policy reform were not designed based on recipients’ domestic environments, but set by donors (Morrissey, 2004).

The lack of ownership and the unwillingness of recipients caused by donor conditionality, as discussed above, can be understood better by a principal-agent model (P-A model), especially under the aid relationship mechanism between the donor and the recipient (Steer, Wathne and Driscoll, 2009). P-A theory can be used when multiple parties ‘require some forms of cooperation action’ but at the same time hold different objectives (Killick, 1997). Originally, ‘the principal (P) wants the agent (A) to do something but cannot have full information about A’ (Dijkstra, 1999: iii). This can be interpreted as that P (donor) cannot sufficiently judge A (recipient)’s environment because P cannot acquire enough information necessary from A, and thus, it is optimal to allow A to choose policies and implement reforms (Killick, 1997; Bourguignon and Sundberg, 2007). However, in reality, donor (P) applies conditions to aid delivery in an attempt to improve the recipient government (A)’s policies (Steer et al., 2009). This can be understood as a power imbalance in the aid relationship since P monitors A based on ‘fairly unilateral approach’ and with ‘contractual obligations’ that were given as preconditions for aid (Steer et al., 2009: 6). In addition, P experiences a so-called ‘monitoring dilemma’ because P cannot identify ‘how much work output is due to work effort’ from A’s side (Bourguignon and Sundberg, 2007: 8). In other words, since P cannot have full information about A, P is not able to monitor A’s commitment or implementation process which is necessary to achieve greater effectiveness of aid (Killick, 1997; Dijkstra, 1999; Bourguignon and Sundberg, 2007).

From the perspective of the political economy of aid, donors sometimes induce unwilling recipients to policy reforms when allocating aid, and at the same time,
donors used aid conditionality as an attempt to improve good governance in recipient countries. However, this also ‘competes with recipients’ preferences’ since recipients tend to protect their existing privileges in the political negotiations, which can be seen as a political power game (Hopkins, 2000: 423). On the contrary, even though a recipient is willing to accept and implement policy reform, it can be questioned whether donor recommendations and guidelines are suitable to the recipient’s domestic conditions and environments. Based on this experience, donors began to change their aid allocation strategy from imposing conditionalities, which sought policy reforms, to selectively allocating aid to countries already deemed to have sound policy environments.

2.3.3. Donor Selectivity and Performance-Based Aid Allocation

As has been shown, donors introduced conditionality for policy change in recipient countries. However, recipients have rarely conducted policy reforms, and rather the conditionality resulted in weakening the ownership of recipients. Empirical evidence has shown that conditionality was ineffective with selective aid allocation proposed by Burnside and Dollar in their 1997 paper, *Aid, Policies and Growth*. According to them, aid is effective for growth but only in a good fiscal, monetary and trade policy environment. In fact, selectivity was not a new practice, but it was boosted by Burnside and Dollar and the World Bank in the 1990s (see Easterly, 2003; Federico, 2004; Lancaster, 2007a). In 1998 the World Bank introduced a report *Assessing Aid: What Works, What Doesn’t and Why* by analysing the relationship between aid and growth, which found that aid is only effective alongside good economic policies. It claimed that aid conditionality does not influence policy improvement. Both of these landmark publications demonstrated that aid conditionality failed to promote policy reforms, and therefore, more donor selectivity in practice should be encouraged in aid allocation to recipient governments which have sound economic policies to avoid waste of resources and to maximise the positive effect of aid. A few academics have supported Burnside and Dollar’s model by arguing that poverty could be cut in half if aid were allocated to countries with ‘severe poverty’ and
'good policies' (Collier and Dollar, 2001; Collier and Dollar, 2002). Since then, donors seem to have increased selectivity based on good policy and good governance when allocating aid to recipient countries (Bourguignon and Sundberg, 2007).

However, while donors began to use selectivity in their aid allocations, perhaps based on the analysis of Burnside and Dollar (1997) and the World Bank (1998), a number of critics have disputed these works. First, Burnside and Dollar (1997)’s argument that aid is effective only under good policy environment is not robust when re-analysing the same data set by filling in missing data and using additional data (Hansen and Tarp, 1999, cited in Lensink and Morrissey, 1999: 3; Hansen and Tarp, 2001; Easterly, 2003; Easterly, Levine and Roodman, 2003). Hence, aid can have a positive impact on growth under ‘poor’ policy environments as well. Second, both the World Bank (1998) and Burnside and Dollar (1997) suggest that aid has no impact on policy, but this view is far from robust (Lensink and Morrissey, 1999; Chauvet and Guillaumont, 2004). Analysis has shown that aid can have an influence on policy (Chauvet and Guillaumont, 2004), while at the same time, some academics argue that selectivity can be a ‘punishment’ for recipients which have so-called unsound policies (Tarp, 2000).

On top of that, it seems that selectivity is not fundamentally different from conditionality, and even though donors provide aid based on ex-post selectivity as a result of the critiques of ex-ante conditionality, they still rely on a standard policy set that is called ‘good policy’. In other words, donors tend to selectively allocate aid to countries which have ‘good policy’ environment. At the same time, donors still perform within a framework of what might be called ‘herd behaviour’. That is, donors tend to adopt and heavily rely on one approach produced by a single entity, which is the Bretton Woods system of the World Bank and the International Monetary Fund (IMF), without having a full consideration over time. Furthermore, there is little evidence from existing studies that the problems which stem from conditionality, such as lack of
recipient ownership by donor-driven activities and poor coordination and cooperation, have decreased after adopting the selectivity approach. Nevertheless, the legacy of sound policy and good governance continues to remain in the recent aid initiatives, such as the PD.

Having learned some of the lessons cited above, donors and other aid stakeholders began to discuss how they can change or how they can show aid can be more effective by changing their own behaviour. Issues of weak donor coordination and cooperation and weak recipient ownership by donor-driven priorities have been core agendas since the late 1990s. With evolvement of several initiatives and milestones addressing these issues, the PD was created at the end of the whole process in which aid donors were adjusting and attempting new approaches in order to enhance the effectiveness of aid.

2.4. New Approaches for Effective Aid since the Late 1990s

Weak donor coordination and cooperation as well as the lack of recipient ownership were previously pointed out as the main factors that negatively influenced aid outcomes. As a result, major donor countries began to enhance the idea of ‘partnership’ in the late 1990s, although the concept of partnership was not a new. For instance, the Pearson Commission report in 1969 already recognised partnership as the core of aid relationship (Selbervik, 1999; Helleiner, 2000). However, it was re-emphasised as a new agenda in a discussion of aid conditionality and effectiveness during structural adjustment processes. This concept of partnership, brought into discussions during the late 1990s, was an expanded concept which included recipients within donor coordination and cooperation processes, and gave a new prominence to poverty reduction in development policies (Desai and Potter, 2002). Donors have included recipients as their aid partners who should be involved in aid policies and practices. For example, the World Bank pinpointed the ‘partnerships for development’ in 1998 in order to promote coordination and cooperation of donor aid activities ‘with
recipients’ (Edwards, 1999: 142; King and McGrath, 2004: 26-30). Indeed, Goal 8 of the MDGs, introduced in 2000, is to ‘develop a global partnership for development’. Aid is now supposed to be provided based on a partnership, and further in the context of greater policy and practice harmonisation and alignment with the recipient involvement in terms of public expenditure (Riddell, 2007). While there is a new emphasis on aid effectiveness, negative outcomes resulting from donor behaviour have been considered in designing new principles and modalities in aid delivery. In other words, aid stakeholders began to seek a new model of aid activities for greater aid effectiveness on the basis of the experience of the 1990s and before.

Considered as a shifting point with various changes in aid history, the late 1990s strongly affected the trends at the beginning of the new millennium, especially in terms of the re-recognition of the aid effectiveness agenda. A series of globally harmonised initiatives were developed within the aid regime. In 1996, the OECD published the report titled *Shaping the 21st Century: the Contribution of Development Cooperation*, and the World Bank introduced Comprehensive Development Framework (CDF) in 1999 with PRS. In September 2000, the UN declared MDGs to halve poverty by 2015, initiated by the DAC’s *Shaping the 21st Century*. Starting from the UN MDGs, milestones in aid effectiveness have followed: the Monterrey Consensus on Financing for Development in 2002, the Rome Declaration on Aid Harmonisation in 2003 and the Marrakech Declaration in 2004. Building on these new attempts and the lessons learned from these initiatives and milestones, the PD was eventually constituted in 2005, representing a momentum for aid stakeholders to reach a consensus that foreign aid should be carried out on the basis of ownership, alignment, harmonisation, managing for results and mutual accountability in partnership among aid stakeholders. In other words, the PD was a result of long-term debates surrounding aid effectiveness and development cooperation. As a follow-up session of the PD implementation progress, donors and recipients gathered again in Accra, Ghana, in 2008, and they will discuss the final evaluation result of the

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3 UN MDGs ([http://www.un.org/millenniumgoals/ goals.html](http://www.un.org/millenniumgoals/goals.html))
PD and its impact on development during the Busan meeting in Korea in 2011, as mentioned in Chapter 1. The following sub-sections review the history of those initiatives and milestones that have led the endorsement of the PD, and the PD design including its principles and indicators.

2.4.1. The Evolvement of International Initiatives to the Paris Declaration

*Shaping the 21st Century: the Contribution of Development Cooperation* expanded the policy statement of the DAC meeting in 1995 so as to build a consensus among donors, and it provided a ‘road map’ which covered some of the social, economic and political aspects of development (OECD, 1996). It was the first platform in global scope agreed among donors, including bilateral countries, IFIs and UN agencies, which were not previously united when it came to thoughts or operations (Thérien and Lloyd, 2000). This report became a benchmark for aid ministries and international organisations as it set up plans for collaboration with external partners like CSOs (Edwards, 1999). This DAC report has set basic concepts of aid effectiveness, and further, the industrialised country representatives agreed to commit themselves ‘to a real and effective partnership in support of efforts to reform, to develop and to reach the internationally agreed goals for economic and social development’ at the Birmingham Summit in 1998 (Selbervik, 1999; Thérien and Lloyd, 2000: 25).

As briefly mentioned above, following the DAC’s 21st Century Strategy, the World Bank introduced CDF in 1999. The CDF was initiated for economic development and poverty reduction by a means of effective strategies (Wolfenslön and Fischer, 2000), and the PRSP was created as the action plan of the CDF (Stern, 2008). The PRSP approach has been central in aid assistance especially since 2000. According to the IMF definition, PRSPs are ‘prepared by member countries in broad consultation with stakeholders and development partners’ (IMF, 2006). They are ‘updated every three year with annual progress reports’, which ‘describe the country’s macroeconomic, structural and social policies in support of growth and poverty reduction as well as associated
external financing needs and major sources of financing’ (IMF, 2006). Given that PRSPs are seen to have played an important role in aid effectiveness and poverty reduction (Driscoll and Evans, 2005), they are employed in the PD implementation process for stronger partnership and ownership. While PRSPs predate the PD, it was the PD which fully incorporated them into the aid effectiveness architecture.

2.4.2. The Millennium Development Goals

In 2000, 189 member countries of the UN adopted the MDGs based on the main goal to halve the proportion of the world’s population living below international poverty line by 2015. The MDGs consist of eight goals and 18 concrete targets with 48 indicators for improving human living conditions. However, it has been argued that the goals are ambitious not only because all national development strategies should develop national policies required to achieve the goals, but also because progress against the targets has not been evenly achieved (Maxwell, 2003; Chakravarty and Majumder, 2008). Even though some goals such as education and health have achieved a greater credibility than before on the basis of poverty reduction strategies at the country level, regionally uneven progress of the MDGs is evident especially in sub-Saharan Africa, and the proportion of people living below international poverty line has been increasing, not reducing (Maxwell, 2003; Addison, Mavrotas and McGillivray, 2005a). The reasons why aid has not worked better in accordance with the MDGs can be because of ‘fungibility, insufficient alignment between donor and recipient government policies, commercial tying, proliferation of donor activities within recipient countries, and insufficient policy coherence within and among donor activities’ (Addison et al., 2005b: 820). The effectiveness of aid will be questioned once again if countries do not meet the goals by 2015, and the international organisations and bilateral donor countries might eventually face ‘donor fatigue’ (Akiyama and Kondo, 2003: 11). In the light of this, the PD was endorsed in a way to support the MDGs to reach the target of 2015 (OECD, 2005b).
2.4.3. The Monterrey Conference on Financing for Development

The goals of the MDGs were reaffirmed at the Monterrey Conference on Financing for Development held from 18 to 22 March 2002 in Monterrey, Mexico. Participants in that conference committed themselves to increasing financial and technical cooperation for development, enhancing the coherence and consistency of the international monetary, financial and trading, while the importance of sound policies and good governance based on a new partnership between developed and developing countries and effective participation were also highlighted (United Nations, 2002). The importance of partnership between donors and recipients to make aid more effective was once again emphasised in Monterrey (OECD, 2003). With donor efforts to increase country ownership and partnership, the principles of mutual accountability and harmonising operational procedures were highlighted to share responsibilities of aid outcomes among donors, especially in achieving the MDGs, by the Monterrey Consensus (OECD, 2003; United Nations, 2003; OECD, 2005a; Menocal and Mulley, 2006).

After Monterrey, the OECD DAC organised a task force team to investigate the good practices of donors in order to identify ‘how donors can enhance their operational procedures with a view to strengthening partner country ownership’ and to ‘improve the overall effectiveness of aid and reduce the cost of managing development assistance’ (OECD, 2003: 3). Based on this, the first high level forum (HLF) was held in Rome in 2003, known as the HLF on Aid Harmonisation, and donor governments began to accelerate more collective actions to achieve greater effectiveness of aid. Starting from the Rome Declaration on Aid Harmonisation, the PD on Aid Effectiveness in 2005 and the AAA in 2008 have followed in order to implement the Paris principles, and in 2011 the fourth and the final HLF on aid effectiveness will be held in Busan, Korea, as mentioned previously. The following sub-sections provide more detailed review of the four HLFs.

4 In the Paris context, donors tend to use ‘partner country’ instead of ‘recipient country’.
2.4.4. The Rome Declaration on Aid Harmonisation

In Rome in 2003, leaders from 25 bilateral donor countries, 23 multilateral organisations and financial institutions, and 28 recipient countries reaffirmed their commitment to poverty reduction and sustainable development, and further to improve aid effectiveness and also to contribute to achieving the MDGs (World Bank, 2003). The Rome Declaration was intended to diminish aid unpredictability, to increase donor transparency, to reduce transaction costs and to increase skills and resources in recipient governments (Gerster and Harding, 2004). The Rome Declaration produced a programme of activities in accordance with good practice standards or principles recognised by the OECD DAC task force teams and the multilateral development banks (World Bank, 2003; Accra High Level Forum, 2008c).

The issue of poor coordination among aid stakeholders remained paramount and therefore brought more emphasis on harmonisation and alignment as it was believed that harmonisation could make better coordination among donors and that donors can rely on national systems by aligning with county policies and priorities, as addressed during the Rome Declaration in 2003 (Menocal and Mulley, 2006). The Rome Declaration introduced three key areas of ownership, alignment and harmonisation, and the Working Party on Aid Effectiveness and Donor Practices (WP-EFF) was organised by the OECD DAC to evaluate the progress of donor actions agreed in Rome for the second HLF in Paris in 2005 (Balogun, 2005). The conceptual framework produced by the WP-EFF showed the relations of each action of the OECD DAC harmonisation agenda as in Figure 2.1. The framework shown in Figure 2.1 has been reflected and developed in the PD principles for the greater effectiveness of aid. The harmonisation agenda by the Rome Declaration urged donors to change their aid behaviour based on the coordination and cooperation processes and the merging of aid management systems among donors (Balogun, 2005).
2.4.5. The Joint Marrakech Memorandum

In between the first and second HLFs, the Joint Marrakech Memorandum was convened in February 2004 by the African Development Bank (AfDB), the Asian Development Bank (ADB), the Inter-American Development Bank (IADB), the European Bank for Reconstruction and Development (EBRD), the World Bank and the OECD to renew the commitment to ‘fostering a global partnership on managing for development results’ in Marrakech, Morocco (ADB, 2004). The Marrakech Memorandum was prepared at a second international roundtable on Managing for Development Results (MfDR) to contribute to the global agenda of harmonisation by reflecting the emerging issue of partnership following the Monterrey Conference. The first roundtable was held at Washington in 2002 and the third was at Hanoi in 2007. The importance of the PD made in 2005 was reemphasised in the latter roundtable in terms of
effectiveness and development (MfDR, 2007), and the fourth roundtable was hosted by the third HLF in Accra in 2008 (MfDR, 2008).

2.4.6. The Paris Declaration on Aid Effectiveness

The PD’s rationale is that it is a key instrument for achieving internationally shared goals that are set out in the Millennium Declaration and in other agreements (OECD, 2008b: 24).

The PD on Aid Effectiveness was endorsed after the second HLF of Paris in March 2005. More than 100 national governmental ministers and heads of multilateral and bilateral institutions gathered to reform aid management in accordance with a five-year review of the UN MDGs (see paragraph 1 of the PD). While the PD urged the need to scale up for more effective aid as a key means for the achievement of the MDGs (OECD, 2008b), it also gave more weight to the quality of aid and human development by adapting and applying the PD framework to differing country situations (OECD, 2005b; Stern, 2008).

The PD has specified five principles and twelve indicators targeted by 2010 as illustrated in Table 2.1, which has been used by donors and recipients for the DAC monitoring surveys of the PD implementation progress. Based on these agreed principles, participants committed themselves to increasing the volume of aid and resources, to enhancing aid effectiveness, to supporting aid recipients in terms of strengthening governance and to improving development performance based on mutual accountability (OECD, 2004; OECD, 2005b).

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Target for 2010</th>
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<tbody>
<tr>
<td>1. <strong>Partners have operational development strategies</strong> – Number of countries with national development strategies (including PRSs) that have clear strategic priorities linked to a medium-term expenditure framework and reflected in annual budgets.</td>
<td><strong>At least 75% of partner countries</strong> have operational development strategies.</td>
</tr>
<tr>
<td>Alignment</td>
<td>Targets for 2010</td>
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<tr>
<td>2. <strong>Reliable country systems</strong> – Number of partner countries that have procurement and PFM systems that either (a) adhere to broadly accepted good practices or (b) have a reform programme in place to achieve these.</td>
<td><em>(a) PFM – Half of partner countries move up at least one measure (i.e., 0.5 points) on the PFM/CPIA (Country Policy and Institutional Assessment) scale of performance.</em> <em>(b) Procurement – One-third of partner countries move up at least one measure (i.e., from D to C, C to B or B to A) on the four-point scale used to assess performance for this indicator.</em></td>
</tr>
<tr>
<td>3. <strong>Aid flows are aligned on national priorities</strong> – Percent of aid flows to the government sector that is reported on partners’ national budgets.</td>
<td><strong>Halve the gap</strong> – halve the proportion of aid flows to government sector not reported on government’s budget(s) (with at least 85% reported on budget).</td>
</tr>
<tr>
<td>4. <strong>Strengthen capacity by coordinated support</strong> – Percent of donor capacity-development support provided through coordinated programmes consistent with partners’ national development strategies.</td>
<td><strong>50% of technical cooperation flows</strong> are implemented through coordinated programmes consistent with national development strategies.</td>
</tr>
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<tr>
<th>Percent of Donors</th>
<th>Score</th>
<th>Target</th>
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</thead>
<tbody>
<tr>
<td>5+</td>
<td>All donors use partner countries’ PFM systems.</td>
<td></td>
</tr>
<tr>
<td>3.5 to 4.5</td>
<td>90% of donors use partner countries’ PFM systems.</td>
<td></td>
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</table>

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<tr>
<th>Percent of Aid Flows</th>
<th>Score</th>
<th>Target</th>
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</thead>
<tbody>
<tr>
<td>5+</td>
<td>A two-thirds reduction in the % of aid to the public sector not using partner countries’ PFM systems.</td>
<td></td>
</tr>
<tr>
<td>3.5 to 4.5</td>
<td>A one-third reduction in the % of aid to the public sector not using partner countries’ PFM systems.</td>
<td></td>
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<tr>
<th>Percent of Donors</th>
<th>Score</th>
<th>Target</th>
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</thead>
<tbody>
<tr>
<td>A</td>
<td>All donors use partner countries’ procurement systems.</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>90% of donors use partner countries’ procurement systems.</td>
<td></td>
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</table>

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<tr>
<th>Percent of Aid Flows</th>
<th>Score</th>
<th>Target</th>
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</thead>
<tbody>
<tr>
<td>A</td>
<td>A two-thirds reduction in the % of aid to the public sector not using partner countries’ procurement systems.</td>
<td></td>
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<tr>
<td>B</td>
<td>A one-third reduction in the % of aid to the public sector not using partner countries’ procurement systems.</td>
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<thead>
<tr>
<th>5a. <strong>Use of country PFM systems</strong> – Percent of donors and of aid flows that use PFM systems in partner countries, which either (a) adhere to broadly accepted good practices or (b) have a reform programme in place to achieve these.</th>
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</thead>
<tbody>
<tr>
<td>5b. <strong>Use of country procurement systems</strong> – Percent of donors and of aid flows that use partner country procurement systems which either (a) adhere to broadly accepted good practices or (b) have a reform programme in place to achieve these.</td>
<td></td>
<td></td>
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<tr>
<td>Harmonisation</td>
<td>Target for 2010</td>
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<td>---------------</td>
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<td></td>
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<tr>
<td>6. <strong>Strengthen capacity by avoiding parallel implementation structures</strong> – number of parallel PIUs per country</td>
<td><strong>Reduce by two-thirds</strong> the stock of parallel PIUs.</td>
<td></td>
</tr>
<tr>
<td>7. <strong>Aid is more predictable</strong> – Percent of aid disbursements released according to agreed schedules in annual or multi-year frameworks.</td>
<td><strong>Halve the gap</strong> – halve the proportion of aid not disbursed within the fiscal year for which it was scheduled.</td>
<td></td>
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<tr>
<td>8. <strong>Aid is untied</strong> – Percent of bilateral aid that is untied.</td>
<td><strong>Continued progress over time.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Harmonisation</strong></td>
<td>Targets for 2010</td>
<td></td>
</tr>
<tr>
<td>9. <strong>Use of common arrangements or procedures</strong> – Percent of aid provided as programme-based approaches (PBAs).</td>
<td><strong>66% of aid flows</strong> are provided in the context of PBAs.</td>
<td></td>
</tr>
</tbody>
</table>
| 10. **Encourage shared analysis** – Percent of (a) filed missions and/or (b) country analytic work, including diagnostic reviews that are joint. | (a) **40% of donor missions** to the field are joint.  
(b) **66% of country analytic work** is joint. |

### Managing for Results

<table>
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<tr>
<th><strong>Managing for Results</strong></th>
<th><strong>Target for 2010</strong></th>
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<tbody>
<tr>
<td>11. <strong>Results-oriented frameworks</strong> – Number of countries with transparent and monitorable performance assessment frameworks to assess progress against (a) the national development strategies and (b) sector programmes.</td>
<td><strong>Reduce the gap by one-third</strong> – Reduce the proportion of countries without transparent and monitorable performance assessment frameworks by one-third.</td>
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### Mutual Accountability

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<th><strong>Mutual Accountability</strong></th>
<th><strong>Target for 2010</strong></th>
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<tbody>
<tr>
<td>12. <strong>Mutual accountability</strong> – Number of partner countries that undertake mutual assessments of progress in implementing agreed commitments on aid effectiveness including those in this Declaration.</td>
<td><strong>All partner countries</strong> have mutual assessment reviews in place.</td>
</tr>
</tbody>
</table>

Source: Adapted from OECD, 2005b: 9-10

The PD further highlighted the importance of monitoring and evaluation, especially in an independent joint cross-country evaluation (Wood, Kabell, Sagasti and Muwanga, 2008). Overall, the PD has recognised existing critiques of aid, as viewed in Section 2.3, identified those obstacles and problems in the aid regime, such as the duplication of donor activities, unnecessary transaction costs, the lack of responsibility of aid outcomes and poor ownership in recipient countries, and addressed the need for behaviour change of both donors and recipients by strengthening harmonisation, alignment and accountability. Those involved in the Paris meeting agreed more effective and efficient aid by reducing duplication, transaction costs and the misallocation of aid (De Renzio, 2006b).
According to the OECD DAC, there are three reasons why the PD can increase the effectiveness of aid (OECD, 2006a). First, the PD goes beyond previous agreements compared to the Rome meeting because there was a larger number of participants at a very high level with a broad consultation, and the PD is more practical and action-oriented based on the five key principles (OECD, 2006a: 50-51). Second, throughout the twelve indicators introduced to monitor progress of the PD, donors and recipient countries could all expect to achieve results by 2010 (OECD, 2006a: 52), such as the fact that ‘three-quarters of all developing countries will have established strong operational development strategies’ (Indicator 1 in Table 2.1), ‘half of developing countries’ procurement and PFM systems will have considerably improved’ (Indicator 2 in Table 2.1), ‘at least 85 percent of aid flows will be reported on developing countries national budgets’ (Indicator 3 in Table 2.1), and ‘two-thirds of donors’ country analytic work will be undertaken jointly and the planning of interventions will become much more consistent with a genuine “joint enterprise’”’ (Indicator 10 in Table 2.1). Third, the PD creates stronger mechanisms for accountability from ‘donorship’ to ‘ownership’ by recognising stronger and more balanced mechanisms for mutual accountability (OECD, 2006a: 53). More details about the PD will be reviewed in Section 2.5.

2.4.7. The Accra Agenda for Action and the Busan Meeting

After the Paris meeting, the OECD DAC WP-EFF conducted two monitoring surveys on the PD implementation progress in 2006 and 2008 respectively. With the second round monitoring, the WP-EFF organised the third HLF in Accra in 2008. In this instance, about 1,700 participants from bilateral and multilateral institutions, donors and recipient countries, and CSOs attended to endorse the AAA (OECD, 2010h). During the Accra meeting, nine roundtables were formulated for debates. Table 2.2 summarises nine themes of roundtables of the Accra summit.
Table 2.2. Nine Roundtables of the Third High Level Forum on Aid Effectiveness

<table>
<thead>
<tr>
<th>Roundtable 1: Country Ownership</th>
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<tr>
<td>Whose Ownership? Whose Leadership?</td>
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<tr>
<td>Roundtable 2: Alignment: Use of Country Systems, Untying Aid, Aid Predictability</td>
</tr>
<tr>
<td>Challenges and Ways Forward</td>
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<tr>
<td>Roundtable 3: Harmonisation: Rationalising Aid Delivery, Complementarity, Division of Labour</td>
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<tr>
<td>Roundtable 4: Managing for Development Results</td>
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<td>Roundtable 5: Making Mutual Accountability Real</td>
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<td>Roundtable 6: Role of Civil Society in Advancing Aid Effectiveness</td>
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<tr>
<td>Roundtable 7: Aid Effectiveness in Situations of Fragility and Conflict</td>
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<td>Roundtable 8: Sectoral Application of the PD: Health, Education, Environment, Agriculture, Infrastructure</td>
</tr>
<tr>
<td>Roundtable 9: Implications of the New Aid Architecture for Aid Effectiveness: South-South, Vertical Funds</td>
</tr>
</tbody>
</table>

Source: Merged from Accra High Level Forum, 2008b; Accra High Level Forum, 2008e

As in Table 2.2, four more areas were added to the five key principles of the PD during the Accra meeting, and the fifth principle of the PD has now been changed from ‘mutual accountability’ to ‘making mutual accountability real’. This is because the progress of the PD commitment to mutual accountability for three years showed mixed results amongst donors and recipients, according to the 2008 survey on monitoring the PD (Accra High Level Forum, 2008b: 21). Hence it became necessary to emphasise the implementation of mutual accountability by including the word ‘real’.

During the Accra HLF, challenges in promoting aid effectiveness were discussed and issues like the role of civil society for aid effectiveness and the implications of emerging donors and South-South partners were emphasised (Accra High Level Forum, 2008e). While some of the discussants argued that emerging donors, mostly non-DAC donors, can negatively influence current international aid architecture because non-DAC donors tend to ‘undermine efforts by DAC donors’ (Accra High Level Forum, 2008d), the DAC evaluation team claimed that ‘innovative’ aid modalities of non-DAC donors such as ‘South-South cooperation’ have been effective (OECD, 2008b). In addition, the effect and the
use of the ‘triangular development cooperation’ began to be discussed as some development assistance from traditional donors is executed by non-traditional donors (OECD, 2008b).

After the forum, the AAA was developed and key actions for further progress such as broadening country level policy dialogue, strengthening recipients’ capacity to lead and manage development, using recipients’ country systems, reducing fragmented aid, increasing aid’s value for money (VfM), and deepening engagement with CSOs were suggested for both donors and recipients (Accra High Level Forum, 2008a). The AAA has set three broad challenges of ‘strengthening country ownership, building more effective partnerships, and delivering and accounting for development results’ (OECD, 2010e). On the basis of the AAA, donors and recipients have committed to ‘concrete steps’ to accelerate progress towards to the PD commitments (OECD, 2008g). After the Accra meeting, the WP-EFF came up with revised focus areas to make more progress as in Appendix 2.1.

Participants of the Accra meeting reaffirmed strengthening ownership of recipient countries with broadened concept and support from ‘parliament, political parties, local authorities, the media, academia, social partners and civil society’ (OECD, 2010f). Accordingly, the WP-EFF has attempted to implement four tasks to achieve more ownership and accountability including ‘mutual accountability for political commitment, domestic accountability, broad based democratic ownership, and country leadership and capacity development’ (OECD, 2010g). These tasks were added based on the need for ‘enriching the definition and interpretation of ownership’ for Accra and beyond (Accra High Level Forum, 2008b: 5). At the same time, when assessing progress, it was emphasised to understand the ‘wider impact of aid effectiveness on development’ by implementing the PD and AAA commitments such as monitoring and evaluating the implementation of the principles for good International Engagement in Fragile States (IEFS) (OECD, 2010b).
In this regard, an independent evaluation team in collaboration with donor agencies and recipient countries is assessing the impact of the PD towards the Busan meeting in 2011. At the same time, this final HLF will take place in order to evaluate whether aid stakeholders have achieved the PD targets (Aid Effectiveness Portal, 2009). In Busan, not only will the areas of further necessary changes be identified, but the meeting will also discuss the aid quality framework in aiming to achieve the MDGs by 2015 (OECD, 2010a). Based on previous evaluations and monitoring surveys, which will be discussed in Section 2.6 of this chapter, the WP-EFF now focuses on ‘how all parties can change their behaviour to meet challenges such as making aid more predictable, or strengthen in-country checks and balances on aid’ (OECD, 2010h).

2.5. The Normative Framework of the Paris Declaration

As mentioned, the PD has set five principles with twelve indicators to monitor progress, and these were set out to be achieved by 2010. Under the theme of ‘joint progress toward enhanced aid effectiveness’, the PD called for a collective action for donors and a partnership commitment between donors and recipients based on the five key principles.

2.5.1. Ownership

Ownership is the first of five key areas of the PD based on the experience that aid can be more effective when recipient countries commit themselves with their own development willingness and policies, and it is less effective when the aid practice is donor driven (OECD, 2007b). Under the PD framework, the evaluations of other four principles of alignment, harmonisation, managing for results and mutual accountability can reflect a practical measurement of ownership (Wood et al., 2008). In other words, while recipient countries strengthen their policy processes and systems for development, donors can
support recipient ownership by supporting country development policies and using country systems (alignment), by delivering aid that support ownership (harmonisation), and by being accountable for achieving development results (managing for results and mutual accountability) (OECD, 2008c).

Ownership in PD contexts means that recipients ‘exercise effective leadership over its development policies and strategies’ and ‘coordinate the efforts of various development actors working in the country’ (see paragraphs 14 and 15 of the PD). By using the PRSs, recipients can ‘incorporate’ other stakeholders into a planning process while owning their national strategies (Stern, 2008). Hence, developing countries are encouraged to own and develop PRSs as national strategies and produce PRSPs based on donor support. For example, as presented in Section 1.4, the NSGRP/MKUKUTA and the ZSGRP/MKUZA were launched as a second generation of Tanzanian PRS in 2005, and the NSGRP/MKUKUTA has been linked to the budget through participatory PERs and a three-year rolling MTEF.

2.5.2. Alignment

Alignment is correlated to ownership and assists harmonisation processes (Stern, 2008). Alignment is meant by that ‘donors base their overall support on recipient countries’ national development strategies, institutions and procedures’ (see paragraphs 16-31 of the PD). As reviewed in Section 2.3, it was pointed out that there are too many donors and the multiplicity of aid projects tends to cause more harms in poverty reduction process. Accordingly, alignment was broadly introduced during the Monterrey conference, and it was emphasised by the Rome Declaration (Stern, 2008). In this light, aligning with national development strategies and using recipient country PFM and procurement systems are encouraged in order to enhance donor alignment in the context of the PD, as indicated in Table 2.1. At the same time, it has been suggested to make aid flows aligned on recipients’ national budgets.
In terms of aid modalities, GBS has become the main modality for the donor community especially with respect to using PFM and procurement systems (De Renzio, 2006a; OECD, 2008c). For instance, budget support in Tanzania has been operated mainly through GBS within the poverty reduction budget support (PRBS) scheme and the poverty reduction strategy credit (PRSC). PRBS is a ‘platform’ based on grant money and other support, such as policy suggestions provided by donors, while PRSC represents a World Bank’s ‘loan scheme’ (URT, 2002a; Ministry of Foreign Affairs of Japan, 2006: 9). As of 2006, 14 of Tanzania’s aid donors channelled GBS through the PRBS as a common mechanism, which equated to roughly USD 540 million, or 15 percent of the overall budget (Sida, 2006e: 16).

At the same time, as predictability and untying aid are considered as measures for implementation progress in achieving alignment, development partners have agreed to promote predictability of aid flows through the PRBS (Sida, 2006e). For instance, in Tanzania, the GoT and donors have endorsed the Partnership Framework (PF), the name given to the harmonised PRBS and PRSC budget support framework, in order to increase the predictability of donor contributions (URT, 2002a). The GoT and donors have used the PF as a ‘common instrument of support to the PRS through the government’s budget’ and as an ‘integral part of the GoT’s public sector budgeting and priority setting processes’ (URT, 2002a: 3). In Tanzania, the coordinated budget support in PRBS was developed and, as a result, the predictability of aid flows has been enhanced (Sida, 2004a). Furthermore, in an attempt to increase transparency and accountability, the PD suggests both donors and recipients record aid as accurately as possible in the national budget (OECD, 2008c).

2.5.3. Harmonisation

It has been said that the harmonisation of donor actions can help enhancing ownership and alignment (OECD, 2007b). In other words, there can be causal dynamics as ‘ownership would create a development framework to which
harmonised donors would align’ and as ‘harmonisation by leading to improvements in aid, especially reductions in transaction costs, could itself strengthen ownership’ (Stern, 2008: 13). As discussed in Section 2.3, uncoordinated donor activities and the proliferation of aid delivery have been problematic since they have caused burden for recipients and increased transaction costs. Therefore, aid can be more effective when donors use common procedures by harmonising aid delivery, by reducing fragmentation and by rationalising the division of labour (OECD, 2008b). The importance of donor coordination was already discussed during the Monterrey Consensus, with harmonisation in recipient countries highlighted in the Rome meeting, and emphasised once again as part of the Marrakech principles for managing for development results (Stern, 2008). Finally the PD identifies harmonisation as ‘donor actions are more harmonised, transparent and collectively effective’ (see paragraphs 32-42 of the PD). As Table 2.1 demonstrated, the use of common arrangements or procedures within programme-based approaches (PBAs), and sharing analysis and having joint field missions among donors are two dimensions in achieving harmonisation.

Even though the PD itself does not directly indicate to use budget support as a funding modality of PBAs, donors increasingly use it, including both direct budget support (DBS) and GBS (see OECD, 2007b; OECD, 2008c), which predate the PD. In addition, it is also found that although the PD provides no specific aid modalities, donors increasingly use sector-wide approach (SWAp) which also predates the PD, as one of the PBAs (see OECD, 2007b; OECD, 2008c). The SWAp is one of two forms of programme aid, along with budget support, that allows donors work together in a particular sector such as agriculture, health or education to achieve government expenditure programme goals and objectives through the pooled funds and to establish a policy framework by sector based on the common pool (Munro, 2005; Riddell, 2007). The SWAp emerged out of the dissatisfaction of donor project approaches in the context of donor cooperation and coordination (Andersen, 2000). It is known as a ‘powerful instrument’ to improve the aid management and coordinated donor
support delivery (Maxwell, 2003: 18), for donors should ‘compromise on internal procedures’ to make SWAp work properly (Cramer, Stein and Weeks, 2006: 416).

2.5.4. Managing for Results

According to the PD, managing for results means ‘managing and implementing aid in a way that focuses on the desired results and uses information to improve decision making’ (see paragraph 43 of the PD). It is recommended that recipients develop results-oriented reporting and assessment frameworks for progress in the national and sector development strategies, while donors are encouraged to align country programmes and resources with recipient country PAFs. The PD sets results-oriented frameworks for both donors and recipients to work together in achieving development results, assessing progress transparently, and delivering a framework to make monitoring possible against the national development strategies and sector programmes (OECD, 2005b). Under the PD mechanism, ownership, alignment and harmonisation should be correlated to managing for results (Stern, 2008).

2.5.5. Mutual Accountability

Mutual accountability means that ‘donors and recipients are accountable for development results’ in order to ‘strengthen public support for national policies and development assistance’ (see paragraphs 47-50 of the PD). The concept of mutual accountability was developed based on the belief that aid can be more effective when donors and recipients are accountable to both in terms of development results and their ‘constituencies’ at home (OECD, 2007b; OECD, 2009f). In addition, mutual accountability can be defined as a ‘process of donors and recipient countries holding one another to account for mutual commitments’ based on shared agendas, performance monitoring, and dialogues and negotiations, in the context of better partnership (OECD, 2009f; Steer et al., 2009: 13).
Given that the mutual accountability is about aid relationship, this agenda seems to be initiated as a response to imbalanced partnership between donors and recipients under the P-A model, which was discussed previously in Section 2.3.2 (also see Steer et al., 2009). In other words, mutual accountability can be achieved based on shared values with dialogues and negotiations within more balanced partnership and joint assessment. The need for mutual accountability has emerged out of the lack of donor accountability with reference to aid outcomes (Stern, 2008). Accordingly, the PD has emphasised to identify who is accountable, for what and how (Steer et al., 2009). As Indicator 12 in Table 2.1 shows, both donors and recipients are required to jointly assess progress in implementing commitments on aid effectiveness.

Overall, to frame the agenda of the Paris meeting, participants reviewed the progress made on the Monterrey Consensus, the Rome Declaration and the Marrakech Memorandum during the Ministerial forum of the Paris HLF. Based on several milestones of aid effectiveness in the new millennium, monitoring and evaluating reports are produced by researchers, donor agencies, international organisations and CSOs to follow up aid partner commitments, to analyse lessons learned and to provide more suggestions. Facing the third HLF in 2008, aid partners prepared a follow-up appraisal for the PD, and there have been increasing concerns on implementing the PD in practice. For example, it seems that the PD guidance for countries has failed to provide a clear definition as national coordinators pointed out donors’ different understandings of the definition (OECD, 2007b). The ways in which aid partners have appraised the PD will be scrutinised in the following section.

2.6. Implementation of the Paris Declaration and Critiques

Leading up to the Accra meeting, the OECD DAC WP-EFF conducted two monitoring surveys on the PD implementation. These monitoring surveys were
designed to provide ‘snapshots of the evolution of aid effectiveness’ against twelve indicators (OECD, 2010d). Beyond these monitoring surveys, separate reports, such as *Compendium of Donor Reports on Implementing the Paris Declaration* and *A Progress Report on Implementing the Paris Declaration*, were also prepared for the Accra meeting in order to look at how donors and recipients performed to achieve the PD target, based on several different sources. The PD highlighted the importance of independent joint cross-country evaluation for more comprehensive understanding of improving aid effectiveness, thus independent evaluation teams were assembled for separate evaluations (Wood et al., 2008). The first synthesis evaluation report was published in 2008, and the second synthesis report is under way and scheduled to run from 2008 to 2011. In addition, this independent evaluation team has provided three thematic studies of evaluation of the implementation of the PD (*Thematic Study of the Applicability of the PD in Fragile and Conflict-affected Situations*, *Thematic Study of Support to Statistical Capacity Building*, and *Thematic Study on the PD, Aid Effectiveness and Development Effectiveness*) in order to look at how aid stakeholders can perform better to achieve the PD objectives (Stern, 2008). Apart from the officially prepared assessments for the Accra summit, there were some other sources that evaluated the PD implementation, which criticised uneven progress in implementing the PD.

The 2006 survey concluded that there should be more efforts and action changes of donors to meet the targets by 2010 (OECD, 2007a). At the same time, political leaders’ recognition of and support for the importance of the PD indicators and targets were required on the side of aid recipients (OECD, 2007a). Overall impression of the first progress monitoring of the PD implementation was very negative. However, this may not be such a surprise given that the survey was conducted only one year after the Paris meeting. In the second DAC survey in 2008, the WP-EFF concluded that progress had been made, but that it was not fast enough to meet the target by 2010 (OECD, 2008c). Findings from the 2008 survey on monitoring the PD are summarised as in Table 2.3, and Table 2.4 refers progress made in numeric measures.
| Table 2.3. Findings of 2008 Survey on Monitoring the Paris Declaration

<table>
<thead>
<tr>
<th>Progress on track</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Reliable country systems: (a) PFM; and (b) procurement</td>
</tr>
<tr>
<td>PFM systems are reliable.</td>
</tr>
<tr>
<td>4. Strengthen capacity by coordinated support</td>
</tr>
<tr>
<td>Technical cooperation is aligned and coordinated.</td>
</tr>
<tr>
<td>8. Aid is untied</td>
</tr>
<tr>
<td>Aid is increasingly untied.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Targets requiring efforts but within reach</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Aid flows are aligned on national priorities</td>
</tr>
<tr>
<td>Aid flows are accurately recorded in countries’ budgets.</td>
</tr>
<tr>
<td>6. Strengthen capacity by avoiding parallel implementation structures</td>
</tr>
<tr>
<td>Donors avoid PIUs.</td>
</tr>
<tr>
<td>7. Aid is more predictable</td>
</tr>
<tr>
<td>Aid is more predictable within the year it is scheduled.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Targets requiring very special efforts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Partners have operational development strategies</td>
</tr>
<tr>
<td>Countries operationalise their development strategies.</td>
</tr>
<tr>
<td>5a. Use of country PFM systems</td>
</tr>
<tr>
<td>5b. Use of country procurement systems</td>
</tr>
<tr>
<td>Donors use country PFM and public procurement systems.</td>
</tr>
<tr>
<td>9. Use of common arrangements or procedures</td>
</tr>
<tr>
<td>Donors use coordinated mechanisms for aid delivery.</td>
</tr>
<tr>
<td>10. Encourage shared analysis: (a) joint donor mission; and (b) joint</td>
</tr>
<tr>
<td>country analytic work</td>
</tr>
<tr>
<td>Donors coordinate their missions and their country studies.</td>
</tr>
<tr>
<td>11. Results-oriented frameworks</td>
</tr>
<tr>
<td>Countries develop sound frameworks for monitoring development</td>
</tr>
<tr>
<td>results.</td>
</tr>
<tr>
<td>12. Mutual accountability</td>
</tr>
<tr>
<td>Mechanisms for mutual accountability are established at country level.</td>
</tr>
</tbody>
</table>

Source: OECD, 2008c

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5 Each number in this table indicates the PD Indicators.
<table>
<thead>
<tr>
<th>Indicators</th>
<th>2005 Global Baseline</th>
<th>Progress as of 2007</th>
<th>2010 Global Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ownership</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Operational development strategies</td>
<td>17% of countries meet criteria</td>
<td>24%</td>
<td>At least 75%</td>
</tr>
<tr>
<td><strong>Alignment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Reliable PFM systems</td>
<td>31% of countries meet criteria</td>
<td>36%</td>
<td>50% of partner countries increase their scores</td>
</tr>
<tr>
<td>3. Aid flows are recorded in countries’ budgets</td>
<td>42%</td>
<td>48%</td>
<td>85%</td>
</tr>
<tr>
<td>4. Technical assistance is aligned and coordinated</td>
<td>48%</td>
<td>60%</td>
<td>50%</td>
</tr>
<tr>
<td>5a. Donors use country PFM systems</td>
<td>40%</td>
<td>45%</td>
<td>(80%)</td>
</tr>
<tr>
<td>5b. Donors use country procurement systems</td>
<td>39%</td>
<td>43%</td>
<td>(80%)</td>
</tr>
<tr>
<td>6. Donors avoid parallel PIUs</td>
<td>1,817</td>
<td>1,601</td>
<td>611</td>
</tr>
<tr>
<td>7. Aid is more predictable</td>
<td>41%</td>
<td>46%</td>
<td>71%</td>
</tr>
<tr>
<td>8. Aid is untied</td>
<td>75%</td>
<td>88%</td>
<td>Progress over time</td>
</tr>
<tr>
<td><strong>Harmonisation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Donors use coordinated mechanisms for aid delivery</td>
<td>43%</td>
<td>47%</td>
<td>66%</td>
</tr>
<tr>
<td>10a. Donors coordinate their missions</td>
<td>18%</td>
<td>21%</td>
<td>40%</td>
</tr>
<tr>
<td>10b. Donors coordinate their country studies</td>
<td>42%</td>
<td>44%</td>
<td>66%</td>
</tr>
<tr>
<td><strong>Managing for Results</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Sound frameworks to monitor results</td>
<td>7% of countries meet criteria</td>
<td>9%</td>
<td>35%</td>
</tr>
<tr>
<td><strong>Mutual Accountability</strong></td>
<td>22% of countries meet criteria</td>
<td>26%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Merged from Table 3.1 in OECD, 2007b: 53; Chart 1.1 in OECD, 2008c: 22

6 Indicators whose progresses are on track are in shadow.
Throughout the second monitoring of the PD, it was found that the level of progress across all indicators was not equal. As Tables 2.3 and 2.4 demonstrate, only three indicators were on track, and other three targets were required significant efforts at country level and the rest of six indicators were required very serious efforts from both donors and recipient countries (also see OECD, 2008c). On the other hand, however, donors showed more optimistic results than the DAC surveys by self-assessing their progress for the donor compendium report (OECD, 2008d; OECD, 2008e). While DAC surveys monitored ‘what is happening against each indicator’ in implementing the PD, the independent evaluation investigated ‘how and why the PD implementation has proceeded to date’ in terms of changing donor behaviour by focusing on causal effects that were not included in the DAC surveys (Wood et al., 2008: 1). At the same time, the second independent evaluation is intended to look at overall impact and contribution of the PD to aid effectiveness and development results by 2011. These evaluations are not solely intended to judge the results, but rather to provide lessons learned from experience and to assist with the improvement of performances in order to reach the target of the PD.

Based on this brief background of the PD evaluation, the following sub-sections review the PD implementation progress in detail. They explore the results of the implementation progress and critiques by each principle to preface the systematic analysis of the case study in Chapter 4. At the same time, it discusses the PD in a broader context and attempts to find out the conceptual framework of uneven donor behaviour change in the PD context.

2.6.1. Ownership

According to the evaluations, the national development strategies have been strengthened since the PD endorsement with an overall increase in country ownership witnessed in spite of the uneven progress by country and by donor (OECD, 2008b; OECD, 2008e; Wood et al., 2008). However, the progress is not sufficient to achieve the goal by 2010. For example, the 75 percent target of
operational development in recipient countries seems unlikely to be met given that the current rate of progress stands as low as 24 percent as in Table 2.4. Countries have not sufficiently linked development strategies to resource allocation in the national budget (OECD, 2007b). At the same time, while country ownership is a cornerstone of the PD, commitment to the ownership agenda has been a ‘substantial challenge’ because it is most political in a sense that ownership enhancement means a ‘shift of power’ in the aid relationship (OECD, 2007b; OECD, 2008b).

Donors express their concerns on ownership agenda especially in terms of political realities in donor countries (OECD, 2008d). First, even though the PD recognises a more political understanding of ownership than existed previously (OECD, 2008b), most donors have not changed their legislations and regulations in a way to adopt the PD commitments (OECD, 2008b). Second, it is necessary for donors to understand the political climate of recipient countries, yet donors tend to assume that recipient institutions operate in the same way as they do in donor countries (OECD, 2008b). Changes of donor culture, organisation and behaviour which seek to prioritise recipient ownership in their policies are very limited (OECD, 2008d; Wood et al., 2008). Third, despite the fact that some countries have produced PRSPs in accordance with stronger country ownership, aid operations are still heavily dominated by donors (Dijkstra, 2005; Driscoll and Evans, 2005; Stern, 2008). Fourth, as reviewed in Section 2.3, the multiplicity of donors and the variety of competing interests and motivations remain key factors in achieving recipient ownership for donors (Wood et al., 2008). Finally, on the recipient side, the exercise of ownership is limited to the central authority level, and ownership is not enacted at local levels (Wood et al., 2008). The reason why there are power disparities between donors and recipient countries can be also explained by ‘weak domestic accountabilities’ and ‘limited administrative capacity’ (De Renzio and Hanlon, 2007, cited in Stern, 2008: 23).

In terms of the evaluation method, the DAC WP-EFF has measured the level of progress on ownership through the World Bank’s review of Results-Based
National Development Strategies, which is based on three criteria of 'the existence of an authoritative country-wide development policy such as unified strategic framework, a realistic development policy that clearly identifies priorities and well-costed policies that can be funded' (OECD, 2008c: 30). However, it is criticised that the definition of ownership has been uncertain by donors (OECD, 2008b; Wood et al., 2008). In addition, current measurement is neither adequate nor practical, and is limited in reflecting the reality of ownership and leadership, especially in fragile countries (OECD, 2008b).

2.6.2. Alignment

It is reported that there is some progress against alignment, but more efforts from both donors and recipients are required to meet the target, including stronger political leadership in recipient countries, especially to build reliable country systems (OECD, 2007b). At the same time, the progress has varied by individual countries and donor agencies (OECD, 2008b), with multilateral donor organisations showing more progress than bilateral donor countries (Wood et al., 2008). In addition, there are disparities and variables to measure the progress of implementation and commitments amongst donors and between donors and recipients (OECD, 2008c). For example, donors and recipients have different approaches on 'coordinated' support not only achieving target, but also understanding and evaluating 'strengthening capacity by coordinated support' (OECD, 2008c). On top of that, there is a lack of political support and a lack of behavioural change among donors (Wood et al., 2008).

As mentioned in Section 2.5.2, both donors and recipients are supposed to record aid as accurately as possible in the national budget (Indicator 3). However, the 2008 DAC monitoring claimed that both donors and developing countries have not been sufficiently accurate when recording aid flows (OECD, 2008c). In other words, even though donors show progress and have used country budget execution arrangements, some donors do not report aid on their
budgets, or it is not reported accurately enough, even though donors report aid their budget (OECD, 2008c).

Table 2.4 has shown that technical assistance is aligned and coordinated by meeting 50 percent of the target (Indicator 4). However, some donor progress has decreased in coordinating technical assistance, which makes it difficult to conclude whether the target against Indicator 4 is met in all donor cases. For example, in Tanzania there was a progress in technical cooperation in coordination with country programmes from 50 percent in 2005 to 61 percent in 2007 (OECD, 2008a: 7). This is exceeding target level of 50 percent by 2010. However, donors such as Belgium, Norway, Sweden and the UK show their percentage decreased (see Table 49.2 in OECD, 2008a: 7). Besides, while there is a strong progress in coordinating technical cooperation, transforming technical assistance into ‘country-led capacity building support’ by the PD is extremely poorly defined (De Renzio, 2008; Martin, 2008).

As seen in Table 2.1, the PD recommends donors to use country systems (Indicator 5). Using county systems shows slow progress because donors are reluctant to use imperfect systems in recipient countries or because recipient systems are weak in terms of institutional arrangements and procedures (OECD, 2008d; Wood et al., 2008). Furthermore, as mentioned above in Section 2.6.1, it is not easy for donors to change their legal requirements when there is a lack of transparency and a risk of corruption in recipient countries, which limits the use of their systems (OECD, 2008d).

The progress in reducing the number of PIUs (Indicator 6) is relatively positive compared to other indicator commitments because it is evident that donors are willing to change current practice by merging existing PIUs into the country structures or phasing out on-going PIUs (OECD, 2008c). However, it is also evident that some donors provide little effort to reduce the number of parallel PIUs in countries (see OECD, 2008c). In addition, it seems that evaluation of
the progress on PIUs is problematic due to ‘the nature of what is being monitored and the difficulties of reporting accurately’ (OECD, 2008b: 48-49).

As donors and recipients agreed in the Paris meeting, aid predictability (Indicator 7) is important for recipients to improve their ability to manage public finances and to develop realistic plans and strategies because progress in predictability, as well as using country systems, is linked to budget support (OECD, 2007b; OECD, 2008b). However, even though budget support is used in order to improve predictability suggested by the PD, little progress has been made when it comes to practically improving predictability (Scott, Hubbard and Sinha, 2010). Predictability has not been improved by the PD, and remaining unpredictability tends to cause more problems (De Renzio, 2008; Martin, 2008). In addition, stronger cooperation between donors and recipients is required for more predictable aid (OECD, 2008c).

Measuring the progress in untying aid (Indicator 8) seems particularly problematic. Whereas the WP-EFF has reported that there is a ‘significant’ progress in untying aid (OECD, 2008b; OECD, 2008c), the independent evaluation team pointed out that there is ‘very limited’ reference to evaluate the progress (Wood et al., 2008). Even the WP-EFF team has admitted that the data is old-dated and subject to scrutiny (OECD, 2008c).

2.6.3. Harmonisation

Harmonisation becomes more important since donors have not been fully able to align aid flows with recipient systems (OECD, 2008b). Harmonisation between donors still requires more efforts (see Table 2.4), and this is contrary to the actual numerical evaluation results in spite of donors’ belief that they have achieved progress in harmonisation commitments (OECD, 2008d). It has not been enough to meet the target of the PD by 2010 although donors use PBAs increasingly (Indicator 9), including SWAp, and thus the effectiveness of PBAs along with budget support has been debated (OECD, 2008c; Wood et al. 2008).
For instance, the SWAp has been controversial in terms of its impact. This approach has worked well in the health and education sectors (Maxwell, 2003; Lancaster, 2007a), and is flexible to allocate financial resources for the whole sector (McNab, 2003). However, there is little evidence of a direct impact of the SWAp on reducing the cost of providing aid and it has not yet proved its systemic and long-term effects (Cramer et al., 2006; Riddell, 2007). At the same time, whereas there is little evidence to support the success of GBS (Riddell, 2007), it is argued that there is certain achievement by the GBS, especially in the case of the partnership general budget support (PGBS) (Hubbard, 2010). The PGBS was established during the 1990s as a ‘long-term budget support with active policy dialogue and supporting capacity building activities’ for recipient government policy in poverty reduction (Hubbard, 2007: 1).

According to the second monitoring survey, donors have expanded joint missions and joint analytic work (Indicator 10), but again, donor efforts have not increased sufficiently to meet the targets (OECD, 2008c). Not only that, the donor division of labour has shown a disappointing result from the perspectives of developing countries, since it has been led by donors and lacked the ownership of recipient countries in process (Hannan, 2007; Martin, 2008). Duplicated donor involvement in the same kinds of activities is observed as the process of the division of labour is being slow (De Renzio, 2008; Highton, 2008; Martin, 2008). Also, increasing burden on donor systems is pointed out as problematic because staffs are required to work with new resources and to strengthen capacity in recipient systems (Wood et al., 2008). Furthermore, while harmonisation process aims to reduce transaction costs, which makes the PD an ‘institutional innovation’, it is clear that there are new and additional transaction costs in implementing the PD (Lawson, 2009: 13-14).

2.6.4. Managing for Results

Some recipient countries have developed results-based frameworks according to the survey returns. However, the change is not sufficient to meet the target as
depicted in Indicator 11 in Table 2.4 (also see OECD, 2008c). At the same time, recipient statistical systems are need to be supported and enhanced in terms of capacity building by donors (OECD, 2008b). Given that few recipients have quality systems for results-oriented monitoring, only a small number of donors use recipient results and monitoring frameworks as reliable results-oriented strategies (OECD, 2008b). Consequently, it has been difficult for donors to provide progress reports owing to the limited assessment on this matter (Wood et al., 2008).

2.6.5. Mutual Accountability

It has been argued that mutual accountability is an ‘emerging phenomenon’, and thus, both donor and recipient behavioural changes towards mutual accountability are slow (OECD, 2008b; Steer et al., 2009). As demonstrated in Section 2.5.5, there are elements recognised for mutual accountability such as shared agenda, dialogues and negotiations. However, the mutual accountability agenda has not been broadly admitted by all aid stakeholders (OECD, 2008b; Steer et al., 2009). According to the DAC monitoring surveys, the majority of recipient countries have not developed mechanisms for mutual accountability given that this is difficult to systematically operationalise (OECD, 2008b; OECD, 2008c). In addition, it is difficult to implement the principle of mutual accountability because of the political nature of the PD which represents an obstacle to actors in existing aid systems (Wood et al., 2008). In other words, as discussed in Section 2.5.5, mutual accountability has to begin from within the domestic constituencies of donors and recipients. However, conflicts that exist between domestic and international levels reduce the likelihood of achieving the target for mutual accountability (Steer et al., 2009). Nevertheless, there are some recipient countries, such as Vietnam, Afghanistan, Cambodia, Ghana, Mozambique, Tanzania and Zambia, where mutual accountability mechanism is implemented more fully than in some others (Steer et al, 2009). In addition, some case studies show that incentive can help both aid agencies and recipient
governments to carry out mutual accountability commitment and to change their behaviour with necessary reforms (OECD, 2008b).

2.6.6. The Paris Declaration in a Broader Context

Overall, the PD was created based on its political character, and therefore the political economy of aid in terms of competition among donors to maximise their political preferences in aid money allocation and the political power game between donors and recipients remain as clear obstacles in achieving the Paris goals (Hyden, 2008). Besides, the neoliberal characteristics of the PD have been criticised. While some claim that the PD can contribute to the aid delivery process, as a paradigm shift in the aid delivery mechanism for greater effectiveness (for instance, Chigunta and Matshalaga, 2010), others have questioned whether the PD has really wiped away old practices which reduced recipient ownership because the Paris framework reflects its neoliberal inspiration (Lundberg and Palmgren, 2008; UBUNTU and World Campaign, 2008; Hyndman, 2009; Godoy, 2011). For instance, as seen earlier in this chapter, the PRSP, which has been led by the Washington consensus, is incorporated in the Paris agenda, and the PD endorsement is not dissimilar to the conditionality mechanism of the 1980s and the 1990s. That is, the implementation and commitment process to the PD principles can be interpreted as donors’ collective attempt to intervene in the recipient countries’ political environment; as a result, some have perceived the PD as a bilateral agreement based on a top-down hierarchical character (Booth, 2008, cited in Wennmann, 2010: 13; Lundberg and Palmgren, 2008). Not only that, it has been perceived that the PD is mainly driven by the OECD and also by the World Bank, which makes it doubtful whether the PD is really improving ownership when the measurements are created by donors without recipient participation. For instance, the DAC monitoring survey measurement for recipients’ progress in the PD implementation has used World Bank’s Results-Based National Development Strategies and Country Policy and Institutional Assessment
(CPIA) as well as the Joint Venture on Procurement of OECD DAC as demonstrated in Appendix 1.1.

On the other hand, the monitoring and evaluation by donors and recipients illustrate that the PD implementation efforts need significant improvement to meet targets despite some progress being made. As observed in this chapter, the lack of capacity in recipient systems represents a challenge for both recipients and donors, particularly given the increasing burdens for donors in aid management to commit to the PD. It has been difficult for donors to achieve the PD target because it is ‘inherently contradictory’ in terms of good governance and good policy as one of the prerequisites for development of recipients (Stavenhagen, 2010). So-called good policy is central to the PD model, but it is not clearly stated which policies are best to achieve outcomes of the PD indicators (Stern, 2008).

However, it seems that the disappointing progress has mostly resulted from inconsistent levels of behavioural change among donors. That is, not all donors adhere to the PD properly (De Renzio, 2008), or that PD principles have not prevailed in aid agencies (Wood et al., 2008). For example, the United States (US) shows little willingness to implement the PD principles, and has not been actively involved in the PD commitment. It is evident that the United States Agency for International Development (USAID) has given limited effort to the harmonisation process with other donors (De Renzio, 2008; Martin, 2008). In addition, the National Foreign Trade Council (NFTC) of the US has set a high priority to ‘stop the use of country procurement systems’ because the US considers recipient systems are ‘inferior those of donor countries’ and likely to increase corruption (Bissio, 2007: 12). While the PD indirectly encourages recipient governments to include qualified foreign firms in their tendering processes in accordance with the Methodology for Assessment of National Procurement Systems designed by the OECD DAC/World Bank roundtable, the NFTC doubts whether using country systems can ‘guarantee US corporations competitive access’ to tendering and bidding in recipient countries (Bissio,
This explains how the self-interests of donors and commercial motives make donors reluctant to increase the role of recipients in aid management (Tarp, 2000; OECD, 2008d). In other words, different donor interests and motivations can work as a barrier to achieving the PD targets. In addition, the multiplicity of donors and their various interests have resulted in insufficient degrees of the division of labour among donors since existing donor competition and proliferation tend to make donor performance more difficult within the division of labour (Martin, 2008; Barder, 2010).

Changes in donor behaviour have not been rapid enough to meet the target by 2010 also due to the insufficient communication and instructions between headquarters and field offices within donor agencies. Instructions and directives of the operationalisation of the PD are not the same between headquarters and field offices, or field offices tend to be less knowledgeable about translating the PD into practice (OECD, 2008d; OECD, 2008e). Especially in terms of the division of labour, the process has been slow because donor agencies do not have enough information about recipient countries when it comes to important decision making (Barder, 2010), which can be explained by the P-A model as presented earlier in this chapter. Recipients are also unclear and unrealistic in achieving the goals of the PD, possibly due to the lack of information and communication amongst donors and with the recipient governments (OECD, 2008d; Barder, 2010).

The implementation progress of the PD has been uneven because not all donors have politically committed to aid effectiveness in their development policies, and because the operationalisation of action plans differs between donors while some countries do not even implement action plans against the PD (OECD, 2008d). In addition, different aid practices between donors, in terms of aid modalities, also diversify the results of the PD implementation (Stern, 2008).

Finally, the PD is a shared model designed by major and advanced donors, and therefore, it is ‘doubtful’ whether all signatories have understood and interpreted
the PD in the same way (Stern, 2008). As pointed out in the OECD DAC donor progress report (OECD, 2008b: 141), most of non-DAC donors ‘were not engaged in the political dialogue’, which implies that the Paris policy was designed by major donors. At the same time, non-traditional donors tend to barely carry out the Paris requirements (Stern, 2008). According to one of the evaluations, non-DAC donors such as Kuwait, Korea7, China, India and Venezuela de facto practise the Paris dimensions to some extent (OECD, 2008b). Yet, it does not seem to be equivalent to most of the other donors. In the case of non-traditional donors, it has been noted that it would be interesting to look at how they influence current aid architecture by taking their own approaches to the effectiveness agenda (Paris Declaration Evaluation Secretariat, 2009; Paris Declaration Evaluation Secretariat, 2010).

In the end, most of the PD evaluation documents and academic literature criticise disappointing progress of the PD implementation, but it has not been thoroughly explored how differently each donor has implemented the PD in its aid policy and practice. In other words, while the DAC evaluations provide different implementation results among donors against the quantified measurement, the actual context of implementation of each donor has not been explicitly analysed. In addition, there is a lack of research concerning the reasons for uneven donor implementation of the PD. As seen above, several factors (multiplicity of donors and their self-interests, insufficient communication within aid agencies, lack of political commitments, action plans, and different use of aid modalities) are identified, but without explicit and comprehensive discussions. Also, while it is suggested that the PD was designed by advanced donors and the non-traditional donors tend to show less response in implementing the PD, these are not clearly addressed in the existing literature. Besides, even though the issue of emerging donor implementation has been raised as above, the reasons they are reluctant to change their behaviour are not explicitly analysed. As implied, this might be because the PD is designed by advanced donors, but this has not been evidently discussed.

7 Korea has only been a DAC member since 2010.
Hence, this thesis attempts to understand and analyse the gap in knowledge based on the four donor cases in Tanzania.

2.7. Conclusion

This chapter has reviewed the aid effectiveness literature mainly through focusing on donor behaviour and how the PD has arrived in the aid regime within the re-emphasised agenda of aid effectiveness. While the conventional aid effectiveness debate is mainly positioned around whether ‘aid works or not’ and framed by growth and poverty reduction, recent criticisms of aid effectiveness tend to focus on the process of aid and its outcomes. The multiplicity of donors has reduced the effectiveness of aid in terms of more burdens for recipients, and different self-interests and motivations amongst diverse donors have impacted negatively on aid consequences. The weak donor coordination and cooperation have been identified as obstacles in promoting positive results from aid, and the lack of recipient ownership and donor conditionality and selectivity have also been problematic. The political economy of aid conditionality and the power game between donors and recipients have negatively influenced the aid relationship.

Accordingly, the issues of national ownership and partnership have been re-emphasised more than before since the late 1990s. In 2005, the momentum of aid history was altered with the PD on Aid Effectiveness. The PD has provided five principles and twelve indicators to be implemented by both donors and recipients based on demanding behavioural change. However, as observed above, the odd relationship between ‘new’ aid architecture and the reliance on ‘old’ mechanism of aid delivery such as PRSP, GBS and SWAp is worth noting. During the monitoring surveys for the PD progress, it was also observed that donor implementation of the PD is uneven and disappointing. Nevertheless, elsewhere in the literature it has not been clearly understood or made explicit explanation why donor response and practice in implementing the PD are
uneven. Besides, there have been few studies of emerging donors in the PD context, especially ones considering why their progress is low despite having signed the PD agreement. While some studies have attempted research around this issue, important gaps still remain.

In this light, this thesis intends to fill these gaps in knowledge by analysing the cases of four donor countries (Sweden, the UK, Korea and China) in Tanzania. Since this thesis focuses on the PD implementation and donor behaviour change, this study selects Tanzania as a recipient case because it has been one of the most progressive recipients in the PD implementation (see Table 1.1 in Chapter 1). For instance, Tanzania is one of the first recipients in terms of the PRSP output, and its cooperation to the PD has been very high as introduced in Chapter 1. As reviewed in Section 1.4, Tanzania now has a favourable environment for donors to implement the PD when compared to other recipients. As a matter of fact, it is a country which has presented its ‘growing cooperation’ with donors and ‘considerable interaction’ between donors and the government (Riddell, 2007: 221). Because its cooperation with donors and progress against the Paris principles have been positive, it is appropriate to compare donor cases and analyse why their performance is different even though a recipient provides a relatively favourable environment for the PD commitment.

Ultimately, this research aims to analyse how and why donors implement the PD differently in Tanzania. In doing so, Chapter 4 will analyse donor behaviour change in aid policy and practice in line with the PD in Tanzania, and Chapter 5 will discuss the factors that influence uneven donor behaviour change in aid policy and practice against the Paris indicators based on the conceptual framework designed in Chapter 3. It looks at whether the reasons are similar to those reviewed in this chapter and throughout the relevant literature, or whether there are additional reasons for the uneven changes. Building on the review in this chapter, this study will examine whether the findings are commensurate with the expected results by analysing the links between each variable.
In order to commence the empirical analysis, the design and analytic approaches of this research will be provided in the following chapter. As existing literature provides only a weak explanation for the uneven donor behaviour in the PD context in theories, this study employs the policy implementation models in order to help fill in the gaps in knowledge as well as to explain explicitly why donor behaviour change differs even though all four donors in this thesis are signatories of the PD. Based on its definition of aid effectiveness, this research intends to look at internal factors in the implementation process, such as aid delivery management in donor countries, rather than external reasons, for example, the level of corruption in recipient countries.
Chapter 3: Analytical Approaches and Field Methods

3.1. Introduction

This chapter discusses the analytical approaches and methodology of the study including a conceptual framework. This chapter is organised into six sections. Following the introduction, Section 3.2 discusses the rationale for choosing four donor countries. While Section 3.3 deals with the interpretive framework for the study, Section 3.4 provides the conceptual framework of the study drawing on implementation models from public policy literature. Then Section 3.5 explores the research strategy and fieldwork methods for data collection. Finally Section 3.6 summarises this chapter with a discussion of the methodological limitations and how to overcome these.

In the previous chapter, this study reviewed how donors reached an agreement to implement the PD in an attempt to increase the effectiveness of aid. At the same time, throughout the literature review, this study has observed that donor implementation of the PD varies by donor. It differs by level of commitment, depth of engagement, level of adaptation and conformity with the policy measure and so forth. However, only a few studies have attempted to analyse how specific donors implement the PD in detail and to understand why their implementation of the PD has been uneven, and the gap in knowledge remains. Based on this background, this study has raised two main research questions focusing on how and why donors implement the PD differently in Tanzania, as already shown in Chapter 1, by comparing donor cases of Sweden, the UK, Korea and China. The decision to select these four donor cases in this study is explained in the next section.
3.2. Rationale of the Study

Since the end of the Cold War, official aid has meant Western aid to the developing world. However, the current international aid architecture is becoming more dynamic based on the increased variety of aid stakeholders such as small and medium size donors, private flows and CSOs. Western donors and multilateral institutions are no longer the only players in the global aid regime. With this in mind, among all donors, this study has selected Sweden, the UK, Korea and China, who are signatories of the PD. This study does not include CSOs even though their role is increasing in order to offer a necessary focus on the changing behaviour of bilateral donors in the context of the PD.

First of all, these four donors are selected because they have long-term or special relationships with Tanzania. For example, Sweden has been a major donor to Tanzania since the 1960s (White and Dijkstra, 2003), and the UK has historical ties with Tanzania based on its post-colonial interest. For Korea, Tanzania has been one of seven development cooperation countries, which mean the countries that can lead the wavelength of African economic development as in Priority 1 category of Korea’s recipient country categorisation (KDS and MOSF, 2007). In addition, Korea has set Tanzania as its core recipient in East Africa (KOICA, 2009a). In the case of China, it has had a special relationship with Tanzania for a long time. For instance, when Tanzania had diplomatic clashes with West Germany, the US and the UK from 1964 to 1965 (Kahama, Maliyamkono and Wells, 1986; Crouch, 1987), China was the largest individual donor in 1966 by contributing 40 percent of total foreign aid in Tanzania (Buchert, 1994: 99-100). During this period, the total amount of development aid from Western donors decreased from USD 47 million in 1962 to USD 27 million in 1966 (Crouch, 1987: 28). Moreover, in the 1970s when the World Bank and Russia rejected financial support to the Tanzania-Zambia Railway (TAZARA) project, China financed the construction (Brautigam, 1998; Alden and Alves, 2008; Mohan and Power, 2008). Since then, China has continued to maintain a strong diplomatic relationship with Tanzania.
Second, the three donors other than China are selected in accordance with their aid volume to Tanzania, while China cannot be viewed in such terms given that it does not publish the aid distribution of each recipient country. However it has been provided in documents and media press releases that Tanzania is one of the main recipients of Chinese aid in Africa (for example, CCS, 2006; BBC News, 15 February 2009). As depicted in Figure 3.1, Sweden and the UK are two of Tanzania’s top ten donors, in terms of gross ODA volume. At the same time, Tanzania is the largest recipient of Swedish aid (see Figure 3.2), and is the eighth largest recipient of British aid (see Figure 3.3). In the case of Korea, even though it is not one of the top donors to Tanzania, Tanzania is one of the top 20 recipients of Korean aid as demonstrated in Figure 3.4. For overall comparison, Figure 3.5 provides total ODA disbursements of the four donors in this research.

![Figure 3.1. Top Ten Donors in Tanzania of Gross ODA, 2008-2009 Average (USD millions)](http://www.oecd.org/dataoecd/24/21/1882894.gif)

Source: OECD DAC (http://www.oecd.org/dataoecd/24/21/1882894.gif)
Figure 3.2. Swedish Top Ten Recipients of Gross ODA, 2008-2009 Average (USD millions)

Source: OECD DAC (http://www.oecd.org/dataoecd/42/51/44285469.gif)

Figure 3.3. British Top Ten Recipients of Gross ODA, 2008-2009 Average (USD millions)

Source: OECD DAC (http://www.oecd.org/dataoecd/42/51/44285469.gif)
Figure 3.4. Korea’s Top Twenty Recipients of Gross ODA, 2008-2009 Average (USD millions)


Figure 3.5. Total ODA Gross Disbursements (USD millions)


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8 This is the only available data of Chinese aid disbursement from the Chinese government. China includes grants, non-interest loans and subsidies for concessional loans in its fiscal disbursement record, and excludes the capital of concessional loans (Interviewee C5, 2011).
Third, this thesis has selected Sweden and the UK as traditional donor cases, and Korea and China as emerging donors, in order to frame the PD implementation process in Tanzania across a spectrum of donor types. As mentioned above, China has a long-term aid relationship with Tanzania as a donor, but it is considered as an emerging donor country in this study as the ‘international aid architecture’ categorises China as an emerging donor. At the same time, this study selects Sweden and the UK as DAC donors and Korea and China as non-DAC donors. Korea is an interesting case to analyse because it was a non-DAC donor at the time of the Paris meeting in 2005, but is now a DAC member since joining the OECD DAC in 2010. Thus it will be interesting to consider the ways in which Korea adheres to the PD guidelines as a new DAC member, but with old aid practices of its own. In addition, the study of the Chinese case is also stimulating because little research has been conducted on why China seems disinterested in the PD even though it signed the Paris agreement. Not only that, it would also be interesting to examine how China is participating in the ‘performance’ of PD commitment. Besides this, the Chinese case is important in order to emphasise the gap that exists between donors not only because it is a non-DAC donor but also because it still remains a recipient country. As mentioned in Section 2.4.7, South-South cooperation is a new aid modality, and can be analysed within the Chinese case. In the end, the research compares the level of commitment, use of policy language and type of engagement with the PD across these four key donors. To this end the central research methodology is interpretative.

3.3. Interpretive Framework

Human behaviour, unlike that of physical objects, cannot be understood without reference to the meanings and purposes attached by human actors to their activities. Qualitative data can provide rich insight into human behaviour (Guba and Lincoln, 1998: 197-198).
This research uses a qualitative research methodology, but before conducting its analysis, this study briefly explores three major research paradigms in order to help identifying research design and approaches. A research paradigm is a ‘basic set of beliefs that guide action’ and the ‘underlying set of beliefs about how the elements of the research area fit together’ (Denzin and Lincoln, 1998: 26; Wisker, 2001: 123). According to Guba (1990) and Denzin and Lincoln (1998), the main interpretive frameworks or research paradigms used for qualitative study can be divided into three folds: 1) positivist and post-positivist; 2) critical theorist; and 3) constructivist.

As Table 3.1 summarises, positivist, post-positivist and critical theorist paradigms use realism in their ontologies, whereas constructivist relies on relativism. In their epistemological positions, positivism and post-positivism emphasise dualist and objectivist assumptions while the other two paradigms focus on transactional and subjectivist assumptions. In terms of the methodology of research, while positivist and post-positivist approaches focus on the verification or falsification of the hypothesis, both critical and constructivist approaches apply a dialectical methodology focusing on the reconstruction of previously held constructions (Guba and Lincoln, 1998).

<table>
<thead>
<tr>
<th>Table 3.1. Major Interpretive Frameworks</th>
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<tr>
<td>Positivism / Post-positivism</td>
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<td>---------------------------------</td>
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<tr>
<td>Ontology</td>
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<tr>
<td>Naive realism – ‘real’ reality but apprehendable</td>
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<tr>
<td>Epistemology</td>
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<tr>
<td>Dualist/objectivist; findings true</td>
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<tr>
<td>Methodology</td>
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<td>Experimental/ manipulative;</td>
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<tr>
<td>Central Questions</td>
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<tr>
<td>Inquiry Aid</td>
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<tr>
<td>Nature of Knowledge</td>
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<tr>
<td>Goodness or Quality Criteria</td>
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<td>Values</td>
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Source: Selectively adapted from Denzin and Lincoln, 1998: 203 & 210; Patton, 2002: 132-133
Positivist and post-positivist paradigms focus on internal validity, external validity, reliability and objectivity (Denzin and Lincoln, 1998). Positivism is inherently empirical with the world deemed external to the observer, and the observer thus develops theories against evidence and deductive reasoning (Payne and Payne, 2004). In other words, a positivist hypothesis can be empirically tested, and inquiry is value-free in positivist approaches (Guba, 1990). According to the positivist approach, interpretations are elaborated by systematically collected information, and observable evidence and experience establish knowledge about the world (Payne and Payne, 2004). In this account, positivists apply the natural science methods such as quantitative research to social studies (Payne and Payne, 2004). However, while the positivist model is used more commonly in quantitative research, it is also used in qualitative studies (Silverman, 2006).

While positivism and post-positivism rely on realist ontologies, there are some differences between the positivist and the realist. Whereas both positivists and realists advocate the ‘primacy of the external world’, not the ‘actor’s interpretation of the world’, realists are less empirical than positivists (Payne and Payne, 2004: 172). The purpose of positivism is to ‘describe’ or ‘predict’ the ‘phenomena’ whereas the purpose of realism is to ‘represent’ the ‘underlying real order’ that is observed as the phenomena (Payne and Payne, 2004: 172). However, realist approach also shares central questions of positivist approach, as shown in Table 3.1, in the context of testing reality in perspective (Patton, 2002).

On the other hand, constructivism adopts ‘a relativist ontology (there are multiple realities), a subjectivist epistemology (knower and subject create understandings), and a naturalistic (in the natural world) methodology’ (Denzin and Lincoln, 1998: 27). Constructivist approaches can be also transactional in epistemology, and hermeneutic and dialectical in methodology (Guba and Lincoln, 1998; Wisker, 2001). In other words, constructivist research aims the production of reconstructed understandings by focusing on trustworthiness and authenticity, not on validity (Denzin and Lincoln, 1998; Wisker, 2001).
Whereas positivists and post-positivists somewhat fail to explain the ways in ‘which inquiry is interactive’, constructivists try to look for the ways in ‘which meanings are made through relationships’ (Wisker, 2001: 123). According to Guba (1990), constructivists are relativists, and thus, positivist and constructivist can be compared as follows:

Do we believe things, events and people interact and link logically (positivist), and logical conclusions can be determined through our study of this? Or do we believe that the way we see the world, our beliefs, affect how we interpret our research field and items within it, and that we are studying and interpreting interactions between people, things and relationships (relativist)? (Wisker, 2001: 123)

On the other hand, transactional and dialectical feature of constructivism has been shared by critical theorists. According to Wisker (2001: 123-124), critical theory within the discourse of qualitative research can be understood as following:

Their knowledge of the world (epistemology) is transactional (recognising that one set of actions causes other interactions and responses), and the methodology is dialectical and dialogic, recognising that as different readings and arguments are presented and set up against each other, knowledge and versions of the world move on through this interaction and dialogue, producing different understandings and expressions.

Existing aid effectiveness debates tend to be framed around positivist approaches which seek to judge whether aid has worked or not in terms of project effects – normally measured through objective verifiable indicators (OVIs) on households connected to the grid, vaccinations delivered, bed nets distributed and so forth – and beyond project effects such as growth and poverty reduction. However, as mentioned in Section 2.3, aid effectiveness debates should not be limited to a simple question of whether it is ‘working or not’ defined against a constructed set of apparently ‘scientific’ criteria in a positivist frame. Rather, more consideration should be taken regarding the complexity of differences in knowledge and the reasons for these differences. Thus, while this study lies in a positivist (or soft positivist) approach in designing its research
process, especially with the case study, it looks at the donor behaviour process and change in terms of the PD implementation through the lens of a constructivist relativism approach in its interpretation. For example, as constructivists imply, specific and local contexts can assist with an explanation as to why each donor’s response to the PD is different. Furthermore, constructivist beliefs in the nature of knowledge (see Table 3.1), that is, individually sophisticated reconstruction around consensus, can be reflected when analysing each donor’s behaviour in implementing the Paris principles.

### 3.4. Conceptual Framework of the Study

As reviewed previously (see Chapter 2), aid effectiveness has been an increasing issue in the aid regime, and ‘ineffective aid’ is recognised as a problem. Based on the continuing experience of unsuccessful cases, aid stakeholders gathered and designed a collective aid effectiveness policy agenda. As a result, the PD was signed and endorsed by aid players, and the principles and indicators were designed with implementation in mind. However, two DAC monitoring surveys, and other evaluations, illustrated unsuccessful implementation processes limiting the likelihood that the targets would be accomplished by 2010 mainly because donors have implemented the PD principles slowly – too slowly to reach the targets, which is why speed of performance is important - and differently in terms of depth of engagement, compliance with principles and commitment to implementation. Also, it was pointed out during evaluations that the Paris meeting seemed to be led by advanced donors, and the need for more inclusion of non-DAC donors was addressed later during the AAA.

With this in mind, a review of literature has suggested five factors (donor self-interests, degree of communication within the organisation, political commitments, action plans and aid modalities) that contribute to the uneven donor performance in implementing the PD. However, there is little consensus on an appropriate overall framework that can be used to analyse why donor
behaviour change varies in implementing the PD. Given this, this study builds the following conceptual framework by drawing on policy implementation theories, bearing in mind the five factors found from the existing literature. However, the existing literature has shown a weak link between these factors, and thus, this study will investigate how each factor is correlated. At the same time, on the basis of the designed conceptual framework, this study will conduct an empirical analysis in order to assess whether the findings are commensurate with those initial variables suggested by existing literature or whether there are other factors associated with donor behaviour change in Tanzania in the cases of Sweden, the UK, Korea and China. The conceptual framework developed in this chapter will be used for the analysis in Chapter 5 in order to answer the second research question of why donor behaviour is different in implementing the PD, along with axis and variables. Meanwhile, the normative frameworks of the PD (ownership, alignment, harmonisation, managing for results and mutual accountability) will be used in Chapter 4 for the first research question of how the four donors have implemented the PD in policies and practices. In other words, this thesis employs two different strategies for the analysis of the ‘how’ and ‘why’ questions, in order to balance the positivist and interpretative demands of the research question.

3.4.1. Policy Implementation Theories

The implementation frameworks conceive that each stage of the policy cycle (policy design, implementation and evaluation) is not separate, but rather interrelated (for example, Pressman and Wildavsky, 1984). Implementation theories have a tendency to emphasise ‘success’ or ‘failure’ of policy implementation (Sabatier and Mazmanian, 1979; Parsons, 1995). While some of the implementation models can be directly related to organisational strategies because implementation frameworks include procedural analysis (Zald, Morrill, Rao, 2007), the majority of implementation theories give more attention to the governmental programmes and policy implementation (Pressman and Wildavsky, 1984; Lipsky, 1980). These implementation theories emphasise political and
legislative systems that have the ability to impose programmes by policy initiatives (Sabatier and Mazmanian, 1979).

Given that this study does not limit the analysis within management studies, this research employs the approaches of implementation theories related to governmental programmes and policy implementation, especially the following three models in building up the conceptual framework of the study. In this sense the conceptual framework is using the generic public policy literature in order to frame the way that we understand the launch, implementation and impact of the PD. As no single model can provide all the answers (Parsons, 1995), this study proposes a synthesised framework of the following policy implementation theories, which are: top-down rational implementation model, bureaucratic street-level behaviour model and policy-action model. For instance, whether policy decision-making process is top-down or bottom-up can influence the implementation process of each donor aid agency in terms of donor behavioural change and the outcomes of the policy implementation. At the same time, the differentiated behavioural change of donors may be due to the design of the PD which is dominated by some donors and aligns better to their home discourses and discursive practices, or it can be because of lack of inclusion of other donors and their use of an alternative lexicon. In turn, differential compliance with the PD principles can be understood further with reference to the top-down and bottom-up approaches, under the international aid architecture, wherein donors conform to either one or other of policy implementation models.

3.4.1.1. Top-Down Rational Implementation Model

There are four underpinnings in the top-down rational implementation model developed by Pressman and Wildavsky (1984). First, implementation can be defined as ‘a process of interaction between the setting of goals and actions geared to achieving them’ (Pressman and Wildavsky, 1984: xxiii). Second, implementation analysis should accompany an acceptance of the fact that ‘simple sequences of events depend on complex chains of reciprocal interaction’
Third, the cycle of policy design, implementation and evaluation cannot be separated in a linear way, where one would follow another, but is constantly circular with one phase informing the next and referring back to the last. Thus, the phases are interrelated as evaluation includes implementation analysis and implementation becomes a key part of the policy-making process (Pressman and Wildavsky, 1984). This concept of continuing policy life cycle is also explained by a policy-action model, which will be discussed later in Section 3.4.1.3. Finally, and most importantly, implementation ‘requires a top-down system of control and communications, and resources to do the job’ (Parsons, 1995: 464). Implicitly, ‘decision makers should not promise what they cannot deliver’ (Parsons, 1995: 464). An effective implementation requires a ‘good chain of command’ and a ‘capacity to coordinate and control’ as a top-down system because street-level bureaucrats are ‘notorious for being too busy coping with their day-to-day problems’ in applying policies (Majone and Wildavsky, 1979: 165; Parsons, 1995: 465). For example, the good chain of command can begin from the political commitments and link to action plans for the PD implementation in donor countries.

Jans (2007: 29-30) has provided a clear understanding about top-down rational implementation model as below:

Frustration was felt with the failures of the war on poverty and great society programmes. Sentiment that rationalised decision making was not leading to desired policy outcomes. It was not because bad decisions were taken but rather because good decisions were badly implemented. Multiple intermediary actors such as governments and agencies for implementation require perfect cooperation. However, less than perfect cooperation has led an accumulation of small mishaps which trigger large policy failures. Thus, careful implementation design is the key to success as a top-down approach, and monitoring and control of implementation (chain of command) is necessary.

In following Pressman and Wildavsky’s model, the problems in implementation are discussed in the context of the top-down mechanism. This cannot explain all
the differences in policy impact of the PD among our donors, but as a style of policy, the PD certainly conforms to the practice of top down and the vulnerabilities and inefficiencies associated with it. In this sense it affects all our donor subjects as a conditioning factor.

Given that governments tend to focus on legislating rather than bringing effective changes when they are generating policy within the top-down model, they tend to produce an ‘implementation gap’ (Hogwood and Gunn, 1984; Dunsire, 1978). The implementation gap, in turn, can explain why the implementation is problematic and why it might subsequently produce policy failures that results from problems in implementation process (Dunsire, 1978). In other words, the top-down approach has an inbuilt vulnerability in producing policy which is likely to fail due to its non-correspondence to the local environments in which it is implemented. In understanding why perfect implementation is unattainable, Gunn (1978, cited in Hogwood and Guun, 1984: 198-206, also cited in Parsons, 1995: 465-466) has identified ten reasons ‘why implementation is so difficult’, and has explained ten preconditions for ‘perfect implementation’ to be achieved in practice as in Box 3.1.

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**Box 3.1. Gunn’s Ten Preconditions for Perfect Implementation**

1. The circumstances external to the implementing agency do not impose crippling constraints.
2. Adequate time and sufficient resources are made available to the programme.
3. The required combination of resources is actually available.
4. The policy to be implemented is based upon a valid theory of cause and effect.
5. The relationship between cause and effect is direct and that there are few if any, intervening links.
6. Dependency relationships are minimal.
7. There is understanding of, and agreement on, objectives.
8. Tasks are fully specified in correct sequence.
9. There is perfect communication and coordination.
10. Those in authority can demand and obtain perfect compliance.

Source: Merged from Hogwood and Guun, 1984: 198-206; Parsons, 1995: 465-466
Gunn’s analysis implies that it is critical to take into consideration ‘potential problems of implementation’ in the process of designing policies in order to increase the probability of a desired policy outcome (Hogwood and Gunn, 1984: 198). While Gunn (1978) does not develop his analysis of why policy may never be perfectly implemented within the top-down approach, but in terms of public policy in general, he does incorporate aspects of the top-down critique in his typology of the top ten preconditions for ‘perfect’ implementation.

In sum, policy is made at top level and is put into effect on the ground. Policy implementation is conducted from the top and centred level down to the hierarchy of administration to be operated at the bottom (Barret, 2004). As Elmore (1980) analyses, this top-down approach of policy implementation is ‘forward mapping’ since the implementation begins at the top of the process, as designed by policymakers, and proceeds throughout each level to the bottom of the organisation. However, this approach assumes that ‘policymakers control the organisational, political and technological processes that affect implementation’ without questioning the complex nature of the implementation process (Elmore, 1980: 603). At the same time, the top-down rational model tends to highlight problems in implementation without offering solutions and the ‘definition of goals by the top’, not the ‘role of workers’ (Parsons, 1995: 467; Ryan, 1999). Besides that, bottom-up critics argue that the top-down model ignores how workers actually behave at the bottom level (Parsons, 1995). Outside the firm context, organisational and policy approaches which are top down, such as the PD, suffer in implementation from not knowing how local and discrete sites will interpret and understand the generic framework implanted from above. There is much evidence of negotiation and creativity in our cases studies where lower level organisations have used the PD in a creative way to further objectives they may have wanted to attain in any case, while ignoring those aspects which are too far removed from their current practices or aspirations. We will see some of these outlined, for example, in Section 5.6. Our next model is an attempt to theorise these ‘street-level’ negotiations and resistances to top-down directives.
3.4.1.2. Bureaucratic Street-Level Behaviour Model

The bureaucratic street-level behaviour model was originated by Lipsky (1980). This bottom-up model criticises the top-down framework by arguing that the top-down rational model is not effective in practice (Lipsky, 1980; Parsons, 1995). The street-level bureaucrat framework was developed as a means of understanding how and why organisation performance outcomes are different from the goals and rules, and how individual workers experience the rules in the organisation in the context of the work of street-level bureaucracies (Lipsky, 1980). It is argued that ‘the decisions of street-level bureaucrats, the routines they establish, and the devices they invent to cope with uncertainties and work pressures, effectively become the public policies they carry out’ (Lipsky, 1980: xii). Thus, the ‘interaction of bureaucrats with their clients at a street level’ should be considered in public policy discussion (Parsons, 1995: 467), and it is necessary to understand what actually happens at policy recipient level (Barret, 2004). For instance, in implementing the PD, it is necessary to consider the reality of donor aid delivery and practice at field level in both political commitments and action plans.

At the same time, the bureaucratic structure of agencies is ‘intrinsically unsuited to many of the tasks’ for desired performance (Barret and Fudge, 1981: 4), and thus, there is room for a ‘discretion’ that comes from the ‘field of corrections’ (Lipsky, 1980: 13-14). That is, the structure of street-level bureaucracy ‘confronts’ clients with dilemmas related to action as ‘street-level bureaucrats are major recipients of public expenditures and represent a significant portion of public activity at the local level, citizens directly experience government through them, and their actions are the policies provided by government in important respects’ (Lipsky, 1980: xvi). After all, action ‘cannot be directly related’ to specific policy goals because of the ‘complexity of relationships and interactions’ in the implementation process (Barrett, 2004: 254).

Overall, the bureaucratic street-level behaviour model criticises the top-down rational model because the policy objectives are not implemented as originally
intended; rather, the outcomes are reached by workers involved at the street level with changes compared to original policy (Parsons, 1995; Barrett, 2004). In our case, it can be applied not at the national and local levels envisaged in the original work, but in relation to the international/donor level on the one hand and the national/implementing donor level on the other. Contrary to forward mapping theory, which shows policy implementation as the chain of commands controlling people, the bottom-up approach can be interpreted in ‘backward mapping’ logic as policy implementation beginning at the lowest level of the system in human or behavioural terms (Elmore, 1980). Backward mapping does not deny the influence of policymakers in the implementation process and the outcomes. However, it illustrates that the success of the implementation is rather conditional as ‘one’s definition of success is predicated on an estimate of the limited ability of actors at one level of the implementation process to influence the behaviour of actors at other levels and on the limited ability of public organisations as a whole to influence private behaviour’ (Elmore, 1980: 604).

However, the bottom-up framework can be problematic in answering the question of the existence of discretion on the front line of policy delivery. The degree of discretion varies by implementer with differences existing when it comes to interpreting and applying policy in specific circumstances (Parsons, 1995). Of course, lower level actors can decide to effectively limit hierarchical influence or even alter policies (Barret and Fudge, 1981). However, even though this is the case, it can also be questioned how much influence street-level workers should ‘wield’ when it comes to policy design (Parsons, 1995). In addition, it may not be logistically or physically possible to take all those skirmishing values, perspectives and priorities from the lower level during policy formulation (Hogwood and Gunn, 1984). At the same time, implementation may be another form of political power game, regardless of top-down or bottom-up frameworks (Bardach, 1980; Parsons, 1995), similar to policy-action model implies. Neither top-down implementation style, nor street-level bureaucrat approach can escape from the dilemmas of human behaviour in
maximising one’s own interest and power in the system. In other words, street-level implementers experience conflict and bargaining processes in order to maximise their own interests in putting policy into action and likewise top-down policymakers experience conflict in maximising their own interests and power through policy implementation process.

### 3.4.1.3. Policy-Action Model

As has just been mentioned, both top-down and bottom-up approaches experience conflict and bargaining in maximising their own interests and power, and this dilemma can be explained by a policy-action model. Barret and Fudge (1981) have proposed the policy-action model by arguing that implementation is an interactive process in the dynamic policy-action relationship, both a ‘negotiating process’ and a ‘process of action and response’ taking place ‘over time’. The policy-action argument claims that the top-down framework does not consider those who are involved in implementation action by their own values and interests (Barret, 2004). The top-down approaches stress the importance of the chain of command in policy implementation because policies are never implemented at the bottom level without top-down command and control. However, this control from the top level can be lost from the middle of the chain of command to the bottom level (Goodin, Rein and Moran, 2006). As mentioned previously, the top-down rational model highlights the ‘problems of implementation and process’ rather than ‘what happens in practice’ (Barret and Fudge, 1981). What happens in reality is that either government focuses on policy making or produces the wrong policy, or the implementing agencies are either not able or unwilling to act (Barret and Fudge, 1981).

With this in mind, the problems of implementation failure are recognised as in Box 3.2. It is noteworthy that these factors were mentioned in Chapter 2 when discussing what has differentiated donor behaviour in the PD implementation process: for instance, the multiplicity of actors and communication problems within agencies.
Box 3.2. Key Problematic Factors in Implementation

1. Lack of clear policy objectives; leaving room for differential interpretation and discretion in action
2. Multiplicity of actors and agencies involved in implementation; problems of communication and coordination between the ‘links in the chain’
3. Inter- and intra-organisational value and interest differences between actors and agencies; problems of differing perspectives and priorities affecting policy interpretations and motivation for implementation
4. Relative autonomies among implementing agencies; limits of administrative control

Source: Direct citation from Barret, 2004: 252

The policy-action model identifies the fact that the policy process is complex owing to environmental, political and organisational factors (Barret and Fudge, 1981), and emphasises the ‘iterative bargaining process between those who are responsible for enacting policy and those who have control of resources’ (Parsons, 1995: 472). In this regard, the policy-action framework explains that policy is evolving and reformulating over time, and this policy-action principle is also reflected in the top-down implementation framework since it also shows that policy is always evolving, reformulating and refining throughout the implementation and evaluation stages (also see Majone and Wildavsky, 1979; Browne and Wildavsky, 1983). However, the policy-action model highlights the issues of ‘power and dependence, interests, motivations and behaviour’ compared to both top-down and bottom-up models (Barret and Fudge, 1981: 29; Parsons, 1995). We will see in Chapter 5 that in our cases studies certain implementation failure could be attributed to the vulnerabilities in command identified by this body of theory, in particular that it was not necessarily in the interests or motivation of lower level donor employees to automatically or rapidly follow agendas received from above. Many of these personnel saw them as either inappropriate, not a natural priority, likely to happen in any case, or too nebulous to indicate a clear change in behaviour or practice that could be considered.
3.4.2. A Synthesis Framework of Policy Implementation Models

As seen above, there are differences in the models. According to top-down theorists, implementation failure is due to bad execution (problems in the implementation process), not bad policy. On the contrary, bottom-up advocates argue that the outcome of the policy will be influenced by the thought derived from policy design. The ‘street-level bureaucrat’ approach considers the dynamics of the process in the system, and how specific agents creatively engage with and adapt to policy. The top-down rational model emphasises the controllable hierarchies of the implementation structure, and seeks to employ these while discounting any flexibility from lower levels in the means of implementation or its interpretation. On the other hand, the policy-action framework argues that implementation is about the bargaining and the negotiating process in the context of this complexity.

However, these implementation frameworks should not be regarded as competitive hypotheses but as conflicting assumptions (Elmore, 1978, cited in Parsons, 1995: 488), for no one framework can provide all the answers. In this light, this thesis borrows Morgan’s approach to models: models are different, incomplete and partial in explaining complex problems and the realities of human knowledge and discourse, and different models have different dimensions to show the reality and situations (see Morgan, 1993; Morgan, 2006). Each implementation model can provide some insights into the reality as a part of the whole picture, and each shows comparative advantages in different contexts of explanations (Parsons, 1995). Moreover, applying different models to the same situation can generate different results (Elmore, 1980). Analyses depend on different perspectives and differing emphases stem from each framework. Hence, this thesis synthesises and uses a mixed framework of different implementation models as a lens in a way to see, understand and explain why donor behaviour change is different in implementing the Paris principles (see Figure 3.6).
The diagram in Figure 3.6 represents a complementary way of linking policy design, implementation and the evaluation cycle. This diagram shows that the five PD principles were designed at the international level, and are required to be implemented at donors’ domestic level, and to be evaluated both at international and domestic levels.

**Figure 3.6. Conceptual Framework of the Study**

The conceptual framework implies that the PD was designed using a top-down approach in the international aid architecture. The left hand side of the diagram in the framework indicates that while the PD principles are supposed to be implemented and evaluated on the basis of a good chain of command for the
successful delivery of aid, the different experience of aid workers at field level and donor aid experience at domestic level can influence donor behavioural change in the implementation of the PD. In that sense, the street-level bureaucrat framework allows us to consider the flexibility in implementation at lower levels, which was not anticipated by designers of the programme. On the other hand, the right hand side of the diagram explains that the PD is a process which requires iterative reformation over time, implying that policy implementation is circular rather than linear. As the policy-action model focuses on the complexity of implementation and the continuum of policy, action, reaction and reformation (Barret and Fudge, 1981), this model can be used in explaining policy life cycle reformation in line with the PD. For instance, Chapter 2 noted that aid stakeholders gathered in Accra based on the DAC evaluation, and suggested further changes in implementing the PD.

Although the existing literature has not explicitly explained how the five variables are related of the implementation stage, how these factors can influence different donor behaviour can be explained on the basis of implementation theories. For instance, the relationship map in implementation shows that donor interests have an influence on the degree of donor commitment to the PD. A top-down implementation process accompanied with strong political commitments can result in a higher degree of behaviour change because the majority of donors showing less progress tend to have less change in their legislations and regulations in line with the PD in terms of weak political commitments. As reviewed in Chapter 2, the PD is not just an action plan but more of a political agenda for action (also see DFID, 2008e). As Figure 3.6 shows, it was intended that political commitments should be imposed from the top level, but at the same time, to be successful, this would need to reflect the bottom level reality in implementing the Paris agenda. However, it is unclear how far the original designers anticipated this latter requirement. Likewise, action plans are designed by top-down forward mapping, but they should be drawn by bottom-up backward mapping as well. In this sense, whether donor governments establish action plans that can control the whole implementation
process and whether they consider aid reality in practice when designing action plans will be one of the important angles to look at in explaining different donor behaviour in implementing the PD. In the end, the frame of these components suggests the idea of this research in how donors have changed or have not changed their aid policies and practices in line with the normative frameworks of the PD (Chapter 4) and why these changes have or have not occurred in the implementation processes of the PD (Chapter 5). It might be that while they consider the ‘reality’ on the ground, their perceptions of it are not aligned to the understandings of more proximate actors.

3.5. Research Strategy and Field Methods

This study employs a case study of the four donors in Tanzania and is concerned with the analysis derived from the conceptual framework described above as a comprehensive research strategy. A case study is a commonly used research strategy, rather than being a method, and it is particularly appropriate for ‘how’ or ‘why’ research questions (Yin, 2003), and a qualitative case study is most often used with methods such as interviews and documents analysis (Stake, 1995; Simons, 2009). For this reason, this research employs a case study strategy, and for its source of data, relies on documents and interviews. Prior to analysing donor implementation of the PD, this thesis first scrutinises donor changes in policy and practice in terms of behaviour change. For the analysis, this study reviews institutional and aid agency publications and existing document sources such as conference papers as well as academic literature. Information from press releases and relevant official websites is also included in this thesis for data collection. In other words, literature incorporated is from academic and secondary ‘grey’ literature sources. Interviews and feedback from bilateral donor agency staff are included to interrogate the difference in understanding, priority and commitment of the field actors charged with the implementation of the PD. Especially in the cases of Korea and China, data for the analysis relies more upon interview methods because these countries
produce relatively few publications related to the PD implementation when compared to Sweden and the UK. For more accuracy and richer data collection, a fieldwork diary is also used.

3.5.1. Qualitative Case Study

A case study is an empirical inquiry that ‘investigates a contemporary phenomenon within its real-life context, when the boundaries between phenomenon and context are not clearly evident, and in which multiple sources of evidence are used’ (Yin, 2003: 1-17). Indeed, it is ‘the study of the particularity and complexity of a single case, coming to understand its activity within important circumstances’ (Stake, 1995: xi). Case studies are ‘particularistic, descriptive, and heuristic and rely heavily on inductive reasoning in handling multiple data sources’ (Merriam, 1998: 16). Using a case study aims to provide context and process analysis with regard to the theoretical issues being studied, and it is especially suited to studies which require a detailed understanding of processes (Hartley, 2004). Referring to Punch (2005), the characteristics of case studies can be summarised in four sentences: the case is a ‘bounded system’; the case is a case of something; there is an explicit attempt to preserve the wholeness, unity and integrity of the case; and multiple sources of data and multiple data collection methods are likely to be used, typically in a naturalistic setting.

Case study approaches can be designed using either single or multiple cases, and are usually conducted alongside the data collection methods of archives, document analysis, interviews and observations (for instance, Yin, 2003). In this thesis, the multiple case studies of four donors (Sweden, the UK, Korea and China) within the singular recipient context of Tanzania are conducted based on the methods of document analysis and interviews which are used to analyse how donor policies and practices have changed and why they are different in implementing the PD against the five principles. In other words, this research analyses multiple case studies of the ‘four donors’ behaviour change’ as the sub-
elements within a case study constituting the bounded system for a single unit of analysis in the ‘PD implementation process in Tanzania’. The research methods used for the case study are detailed in the following sub-sections.

3.5.2. Document Analysis

This thesis analyses various documents and therefore represents one of the main methods of the case study. The main documentary sources used for the analysis are from donor agencies and international institutions, including OECD DAC. During interviews or through email requests, internal donor documents were received for the review, while published documents, donor websites and donor coordination group websites were also used for data and information collection. Other documents from newspapers and conference proceedings were also included for the analysis. In order to answer the research questions, this study attempts to analyse the collected document data in line with the PD principles. That is, the study structures donor policy and practice analysis by the normative framework of the PD, through ownership, alignment, harmonisation, managing for results and mutual accountability.

While these documents are very useful for policy analysis, they do not sufficiently explain uneven donor behaviour change in practice. When donor governments and other international entities such as OECD DAC and the WP-EFF produce papers on implementation of the PD, few have sought to address why donors are implementing the Paris dimensions differently, the central research question herein. As emphasised throughout this study, there is a lack of comprehensive literature on the reasons for uneven donor behaviour, a problem this study addresses, especially through the further information generated in interviews.
3.5.3. Interviews

In this study, semi-structured interviews are used based on a set of general and prompt questions included in Appendix 3.2. The sample was purposive, selected according to peoples’ position and expertise within relevant organisations. Some snowballing effect was also used to extend the sample beyond the initial contacts. At the same time, while priority was given to face-to-face interviews, telephone interviews and emails were also utilised at the requests of the interviewees.

At each interview, a qualitative research method consent form regarding respect for privacy and confidentiality was presented. Interviewees who agreeing to an interview also consented separately to the use of a pseudonym, although there is a small risk that such anonymity might be breached by another knowledgeable person reading the work and by the context in which they are quoted. The interviewees were informed of this risk in the participant information sheet and several interviewees requested a draft of citations or quotations of their interviews before finalisation of the context for this thesis. Prepared interview questions were sent to the interviewees in advance so that they could fully review the questions. At the same time, this thesis does not contain any major ethical issues such as sensitive topics during interviews or the interviewing of vulnerable persons or minors. The number of interviewees for each organisation is presented in Table 3.2 while Appendix 3.1 provides an annotated list of interviewees.

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<thead>
<tr>
<th>Table 3.2. Number of Interviewees at Each Organisation</th>
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<td>Headquarters</td>
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<tr>
<td>Sida, Sweden</td>
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<td>DFID, UK</td>
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<td>KOICA, Korea</td>
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<tr>
<td>China</td>
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<tr>
<td>Tanzania</td>
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<td>Total</td>
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While there were one or two members of staff interviewed for both Swedish International Development Cooperation Agency (Sida) and Department for International Development (DFID) of the UK at headquarters, five aid workers were interviewed at Korea International Cooperation Agency (KOICA) headquarters due to a need for more information about Korea from staff members because KOICA has confidentiality policy on most documents. At the same time, not only KOICA employees, but also two officials from the Ministry of Foreign Affairs and Trade (MOFAT) of Korea were interviewed for further data collection because KOICA does not operate independently, but under the authority of the MOFAT. In the case of China, it was a frustrating situation to interview aid workers in Tanzania since China does not yet have a dedicated aid agency. Instead, interviews with officials of the Ministry of Commerce (MOFCOM) of China were attempted because the MOFCOM is in charge of Chinese aid activities. Before visiting Beijing, it was possible to find an official from the MOFCOM during a conference held in Seoul, Korea. Based on his help, three aid workers in the MOFCOM were introduced, and they have provided very useful information about Chinese aid to Tanzania. Some of them are also engaged in the work of the International Poverty Reduction Centre in China (IPRCC). In Tanzania, three Chinese diplomats in the Embassy work on aid activities. While one of the interviewees from Beijing introduced their contact information it was not possible to meet any of them in Tanzania due to the Chinese government’s diplomatic protocol. On the other hand, another official of MOFCOM in Beijing was interviewed on behalf of those diplomats who were in charge of Chinese aid activities in Tanzania as recommended by the Chinese government.

For the GoT, Sida and DFID interviewees proposed one candidate for the interview, who has worked with development partners in Tanzania. Unfortunately, the interview with this person did not take place. However, two other relevant officials in the MoFEA agreed to have interviews unofficially and with limited information. In addition, one official from the Ministry of Information, Culture and Sports (MICS) and another official from the Ministry
of Education and Vocational Training (MoEVT) were interviewed in order to look at different viewpoints from the MoFEA, which is the main authority dealing with donor aid (see Chapter 1).

Given that the interviewer is a native Korean, having interviews with Korean aid workers was relatively easier than with other interviewees. In Korea, it was easier to have interviews with KOICA staff members because the interviewer already knew some of the aid workers in KOICA; however, it was less easy to have interviews with officials in the MOFAT. At the same time, having interviews with KOICA staff in a field office in Tanzania was not as easy as in Korea since KOICA’s field office staffs were too busy for interviews. This situation was also similar with Sida and DFID staff members in Tanzania. In comparison to Korea, it was more demanding to set up a schedule for interviews not only in Tanzania, but also in Sweden and the UK.

At the same time, a lack of public transportation and a serious traffic jam in Dar es Salaam limited the efficiency of interviews in Tanzania. Due to unexpected time lagging caused by a serious traffic jam and limited mobility in Dar es Salaam, only one interview a day was possible. Furthermore, interviews with officials of the GoT tended to be postponed for a couple of days or two to three hours without informing the interviewer in advance. On the other hand, in Beijing, the interviewer had to use Chinese characters on paper in order to find out the venues for interviews, such as the MOFCOM, since people in Beijing barely spoke in English. As the interviewer understood some of the Chinese characters from an early educational background under the Korean education policy which imposed the learning of Chinese characteristics (this is not a policy any more), there was a minimal degree of understanding of Chinese characters. This did help to break the ice for the interviews with Chinese government officials.

In terms of the languages used during interviews, the main language used was English except for the interviews with Korean aid workers which were
conducted in Korean. However, while most interviews were carried out in English, there was a need for a translator for interviews with Chinese government officials because some of them were monolingual in Chinese and the interviewer did not speak in Chinese. During the interviews with Chinese officials, there was an official translator who was also one of the aid workers in the Chinese government. After the first meeting in the MOFCOM, the following interviews were conducted in English because later interviewees were English speakers.

Interview questions that were provided to interviewees are demonstrated in Appendix 3.2. As Appendix 3.2 shows, the interview questions were slightly different for donors and the GoT. Questions for donors are divided into three groups: 1) questions for donor agency headquarters; 2) questions for donor agency in Tanzania; and 3) donor specific additional questions. The first two groups of questions for donors are almost identical except Q7s: Q7s are intended to look at different views between headquarters and field office in Tanzania. Questions from Q1s to Q5s were asked based on the five principles of the PD, and were intended to look at how donors have implemented the PD in their policies and practices and why they have fewer changes in implementation for each principle. At the same time, Q7s were provided mainly focusing on why donors implement the PD differently. Questions did not mention factors and theories in the conceptual framework in order not to limit possible responses from the interviewees and to prevent possible bias from the wording of questions. For instance, if the five factors in the conceptual framework were mentioned during the questions asking what kinds of factors have influenced donor behaviour in the PD implementation, respondents could have answered within the boundary of those five factors. As mentioned earlier in this study, there can be more variables than the five factors, and it is also important to discover the correlation between variables throughout the interview. The third group of question for donors is provided differently amongst the four donors. In the case of China, Q9s to Q15s were asked prior to Q1s to Q8s while other three donors were asked in order as presented in Appendix 3.2. This is because it was
necessary to ask interviewees information about Chinese aid in general due to insufficient data in existing documents dealing with Chinese aid. As Q10 for the UK case, a separate table was presented for the interviews of DFID staffs as in Appendix 3.3.

As some interviewees refused to be recorded, especially those from the GoT, their interviews were not tape-recorded. Non-tape-recorded data has been coded in Microsoft Word whilst most of the other interviews are transcribed and coded using NVivo, a software tool for computerised qualitative analysis. However, since NVivo requires certain skills and techniques on data handling, it is mostly used for storing, arranging and reviewing the data collected. In order to analyse similarities and differences in patterns of the data, Microsoft Excel is also used. For specific quotations, NVivo is used again from the coded and stored database in this software package.

3.6. Conclusion

This chapter has provided research questions, the rationale behind donor cases, a conceptual framework which is a mixed method framework drawing on three complementary but distinct models from public policy literature, and analytical methods. Theories only choosing a top-down approach highlight the importance of policy design and the chain of command, which means that policy is implemented as policymakers intended. In contrast, the bottom-up approach emphasises changes made during the implementation process by actors with their discretion in implementing policy into action. On the other hand, the policy-action framework explains that policy implementation is not a linear process but an evolving and negotiating process that requires changes over time. Based on this, this chapter has synthesised these three theoretical models to balance each argument, and reflected them in the conceptual framework. While the conceptual framework is used in the analysis of Chapter 5 by focusing on factors motivating donor behaviour in the PD implementation, these theoretical
models will particularly help the discussion on key findings of the study in Chapter 6. As mentioned earlier in this chapter, Chapter 4 analyses donor aid policy and practice structured around the PD principles. The analysis in Chapters 4 and 5 will be carried out by the case study strategy along with methods of interviews and document analysis, on the basis of the assumption that donors implement the PD differently as drawn on the literature review.

When it comes to the qualitative methods, questions of validity are frequently raised. However, this has not been an issue in this thesis since it is not an ethnographic research project, which has higher possibilities of bias in interpretation. In addition, the parallel interviews and triangulation between document analysis and interviews across different levels of staff overcome this problem. At the same time, it is noteworthy to avoid anecdotalism throughout the case studies. While generalisation can also be an issue in this study since case studies tend to be poor in generalisation, this is not a significant limitation in methodology because case studies in this research aim to make the cases themselves understandable rather than generalise the whole population (Stake, 1995; Simons, 2009). In the case study strategy, each case is seen as unique and at the same time as common based on a lengthy process of understanding of the case (Stake, 1995). In the end, the case study is not about sampling or generalising a population, but rather to understand each case explicitly by preserving the wholeness within the bounded system.

Furthermore, the recruitment of some interviewees, especially Chinese aid workers, was challenging due to its expedient circumstances, but it is not a critical issue for the analysis of this study since the overall coverage is sufficient despite this problem. In the Chinese case, there is relatively less data available since there is little literature discussing Chinese implementation of the PD principles. This is because China does not publish public data but also because China is not willingly implementing the PD. Even though there is less data provided in this thesis about the Chinese response, practice and outcomes in the context of the PD, this limitation can be overcome by analysing the unique
Chinese aid model and the reason why China has not actively performed under the agenda of the effectiveness of aid. While acknowledging these difficulties, this research project has attempted to use all the available and reliable sources including existing literature, conference and workshop proceedings, interviews, web information, governmental reports and publications, institutional documents, and press releases in order to analyse Chinese aid policy change and its implementation in accordance with the PD.
Chapter 4: Donors’ Behaviour in Implementing the Paris Declaration in Tanzania

4.1. Introduction

Chapter 2 illustrated that the DAC WP-EFF and the independent evaluation teams, which set out to measure how donors implement the PD principles, uncovered uneven levels of progress amongst donors against the PD target. Given that the level of performance varies by donor, this chapter compares and contrasts the aid policies and practices of Sweden, the UK, Korea and China, and considers how these are differentiated in Tanzania. This chapter is organised by the normative framework of the PD as reviewed in Chapter 2: ownership, alignment, harmonisation, managing for results and mutual accountability. With particular reference to alignment and harmonisation, the Paris indicators are dealt with in an analysis of donor policy and practice. The implementation progress by the Paris indicators along with the DAC monitoring results can be used as parameters for framing the degree of donor responses in the PD implementation. Also, this chapter provides two additional sections: Section 4.7 scrutinises budget support in the Paris context; and Section 4.8 looks at how each donor provides aid in the education sector as a bounded case study. The Chinese case could have been presented separately since it is not included in the DAC assessment. However, this chapter includes Chinese aid policy and practice and compares these with other donors given that the Chinese government adheres to the PD to some extent (see Section 2.6.6). Hence, the findings are more meaningful by looking at the extent to which China commits to the PD.
4.2. Ownership

The PD highlights the importance of recipient-led development processes, with ownership the core element amongst five principles of the PD. As seen in Chapter 2, progress in achieving ownership can be framed around two key requirements: 1) for recipient countries, operationalising their development strategies; and 2) for donors, aligning aid policy or domestic legislation within the alignment with recipient country’s PRS and prioritising recipient ownership in their policies. As Table 2.1 in Chapter 2 demonstrated, the DAC monitoring surveys did not measure progress of ownership from the side of donors. Therefore, this thesis attempts to look at and compare how donors consider recipient PRSs or national development strategies in their aid policies and how they consider recipient ownership in their aid practices for improving the ownership of recipients within the PD context. Indeed, recipient ownership should be supported by donor efforts.

As Table 1.1 in Chapter 1 illustrated, ownership progress in Tanzania has been described as ‘strong’, especially with its national development strategy of NSGRP/MKUKUTA. However, donor implementation progress is not equal or uniform across all donors. Whilst both Sweden and the UK clearly include recipient ownership agenda in their aid policies and practices, Korea is largely ambiguous with regard to how it intends to improve recipient ownership and China does not consider recipient ownership in its aid policy under the Paris agreement.

First, Sweden clearly expresses its aid policy is aligned with recipient PRSs, and Swedish aid policies suggest supporting the development of PRS if there is no such PRS in a given developing country (OECD, 2009a). For example, in its *Guidelines for Cooperation Strategies* Sweden states that:

As far as possible, cooperation should be aligned with the partner country’s PRS or equivalent development strategies (GoS, 2005, cited in OECD, 2009a: 65).
At the same time, Sweden emphasises the inclusion of recipient PRSs as a fundamental element in its aid policy:

[…] national development strategy (PRS or similar) of the partner country is the point of departure for Swedish development cooperation (OECD, 2008e: 88).

In Tanzania, Swedish assistance is in line with the NSGRP/MKUKUTA, and aid practice is based on the PD and the JAST according to the 2007 Sida Country Report in Tanzania (Sida, 2008). Even though the NSGRP/MKUKUTA has several weaknesses, such as weak poverty analysis, weak growth quality analysis and insufficient regional equalities, Sweden intends to continue its development cooperation within the framework of the NSGRP/MKUKUTA because it is seen as competent by the international standards (MFA, 2006). The organisational roles and responsibilities of Sida in Tanzania have been influential with reference to the NSGRP/MKUKUTA and overall aid architecture (Andersen, Packer and Ratcliffe, 2008).

As seen above, the government of Sweden is concerned with the quality of the PRS development in Tanzania. Given that the PD recommends donors prioritise recipient PRS, it is important to assist recipients in order that they have high quality of PRS for donors. In the light of this, Sweden supports GoT’s PRS development (MFA, 2006). Overall, Sweden includes ownership agenda in both national aid policy and country strategies, and highlights dialogue which specifically includes ‘mechanisms for strengthening domestic checks and balances in the political system’, both with the GoT and other donor partners (MFA, 2006: 13).

Second, similar to the Swedish case, the UK also includes the recipient ownership agenda in both central aid policy and Country Assistance Plans (CAPs). For instance, the UK has recognised the importance of recipient ownership in the UK Progress Report on Aid Effectiveness as follows:
Efforts being made by the UK to apply the Paris principles on the ground [...]. Strong ownership of policies and programme is needed if aid is to have a real impact and build local capacity that is sustained over time. [...] the UK has worked with a range of partners to develop a joint donor assistance strategy that puts the country’s national development strategy centre stage (DFID, 2008e: 14).

In addition, the UK expresses its desire to support recipient development based on the country-led approaches in DFID’s Annual Report of 2007:

[…] donors allow partner countries to take the lead in the design and delivery of development and provide support to partner countries (DFID, 2007b: 119).

In Tanzania, the UK also recognises the importance of the NSGRP/MKUKUTA along with Vision 2025, as British approaches in Tanzania have been country-led. The British government’s specific contribution to achieving the JAST in its Tanzania CAP, for example, is illustrated below:

The plan is set against the broader context of Tanzania’s NSGRP/MKUKUTA, and the JAST to make aid more effective (DFID, 2007h: 2).

Compared to Sweden, however, the UK tends to use recipient PRSs within its aid conditionality. For example, British country plans are based on ‘national PRSs or similar medium-term planning frameworks’, and its approach to conditionality is aligned with these national development priorities of recipient countries (OECD, 2010c: 74). By imposing conditionalities, the UK intends to strengthen recipients’ ‘financial management and accountability’ and to reduce ‘the risk of funds being misused through weak administration or corruption’ in recipient countries (DFID, 2007b: 119). The following quotes represent the characteristics of the British aid conditionality:

DFID’s conditionality policy commits us to greater transparency [...]. DFID does not use conditions to impose economic policy choices on partner countries, [...]. [...] conditions should be drawn from partner governments’ own policies and national poverty reduction plans, wherever possible (DFID, 2007b: 122).
[...] promoting country ownership by making long-term aid commitments and reforming conditionality. [...] We have also reformed our conditionality policy to make it clear that we will not impose policy choices onto partner countries (OECD, 2008e: 100).

As a matter of fact, the PD does not see conditionality as inherently negative. On the contrary, the ‘new’ conditionality that donors provide under the PD seems to be modified when compared with the conditionality of the 1980s and 1990s. As discussed previously in Section 2.3.2, ‘old’ conditionality is contradictory to improving recipient ownership. According to A Progress Report on Implementing the Paris Declaration (OECD, 2008b), donors under the PD context have rethought aid conditionality as a way to promote country-led approaches by benchmarking measurements of progress when it comes to poverty reduction while also focussing on good practices. Hence the DFID model is considered as a good example of new approaches to conditionality as the conditions of the UK are owned by recipients, and the UK is therefore seen to support recipient ownership even with its continuous conditionality (OECD, 2008b and 2010c). As shown from the quotes above, the UK has explained that British conditionality is not for policy choices compared to the 1990s, but for transparency. Notwithstanding, there have been increasing critiques of neoliberal legacy in the PD that undermines recipient ownership, such as continuing conditionality and measurement provided by IFIs, as reviewed in Chapter 2.

Third, there is ambiguity surrounding the extent to which Korea is making efforts to improve recipient ownership. From various documents of KOICA and other relevant governmental documents in Korea, it is clear that Korea has benchmarked other donors’ Country Assistance Strategies (CASs) because it was recommended for Korea to align the CASs with recipients’ development priorities before joining the DAC membership (see OECD, 2008f). Accordingly, Korea created its own CASs and has assessed that the CASs can promote recipient ownership. However, Korea has not specified how the CASs can boost ownership in recipient countries. For example, the KOICA Tanzania office
developed Tanzania CAS from 2008 to 2010 with its overall goal of economic growth and poverty reduction in line with the NSGRP/MKUKUTA and Vision 2025; however, Korea’s CAS in Tanzania has not been developed by any specified objectives or indicators that can support promoting ownership in Tanzania (see KOICA, 2009a). At the same time, the DAC high level meeting compendium report, *Implementing the Accra Agenda for Action “Beginning Now” Commitments*, provides comment about Korea as below:

In order to strengthen the mid-term predictability of aid and the ownership of partner countries, Korea pursues to increase the number of the partner countries with multi-year plans (OECD, 2009d: 36).

As seen, this statement does not reflect how Korea plans to support improvements in recipient ownership.

Finally, it is not evident that China considers recipient ownership in its aid policy and practice. However, Chinese government officials have contended that China has considered the recipient ownership agenda. For instance, when an official in the Chinese government (Interviewee C5, 2011) was asked questions of ‘do you provide efforts to improve recipient’s ownership?’, ‘if so, how?’ and ‘if not, why?’, the respondent answered as below, which does not seem that China considers ownership agenda in the Paris context:

Yes. Generally, aid projects are suggested by the partner countries according to their own development strategies and necessities. […] China is also providing more and more training programmes and technical cooperation to improve the partner countries’ capability and hopes each developing country can make out development strategies and find a development road suitable to its own countries (Interviewee C5, 2011).

It seems that Chinese understanding of promoting recipient ownership is slightly different from other three donors. Instead of reflecting recipient national development strategies, China considers that it can improve ownership by providing aid projects that are ‘suggested by’ recipients.
4.3. Alignment

The PD encourages donors to use recipient country systems in order to align their systems with recipient systems (Indicator 5), and also to align aid flows on recipient national priorities (Indicator 3). At the same time, it encourages donor efforts to strengthen recipient capacity (Indicator 4), to reduce parallel PIUs (Indicator 6), to improve aid predictability (Indicator 7) and to untie aid (Indicator 8) for recipients. Based on these indicators, donors have attempted to improve aid alignment with the GoT in Tanzania. Referring to the evaluation results, there are relatively fewer policy indications for Indicators 3, 4, 6 and 8, and donors have a tendency to focus on and to heavily emphasise using recipient country systems (Indicator 5), such as PFM and procurement systems, and aid predictability (Indicator 7). For this reason, this chapter also gives more attention to Indicators 5 and 7 than indicators 3, 4, 6 and 8. The following Table 4.1 illustrates the progress of Sweden, the UK and Korea in implementing the alignment principle as provided by the DAC monitoring surveys. As mentioned earlier, China has not participated in the DAC surveys, and Korea only joined the monitoring survey in 2008 for the evaluation in Tanzania while it participated in both 2006 and 2008 monitoring surveys for overall assessments.

Table 4.1. Implementing Progress of the Paris Declaration for Alignment of Sweden, the United Kingdom and Korea

<table>
<thead>
<tr>
<th>Indicator 3</th>
<th>In Tanzania</th>
<th>Overall</th>
<th>Illustrative 2010 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are government budget estimates comprehensive and realistic?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Korea</td>
<td>-</td>
<td>51%</td>
<td>11%</td>
</tr>
<tr>
<td>Sweden</td>
<td>86%</td>
<td>94%</td>
<td>37%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>80%</td>
<td>98%</td>
<td>45%</td>
</tr>
<tr>
<td>Average</td>
<td>76%</td>
<td>73%</td>
<td>40%</td>
</tr>
</tbody>
</table>

9 This target is slightly differently from the Paris target, but provided by each country in the DAC monitoring survey report.

10 In this table, ‘average’ means average progress of all bilateral donors who participated in the DAC monitoring surveys. This thesis provides average of bilateral donors only while the DAC monitoring survey provides average of all bilateral and multilateral donors because this study compares the PD implementation progress and behaviour change in terms of bilateral donors.
### Indicator 4
How much technical cooperation is coordinated with country programmes?

<table>
<thead>
<tr>
<th></th>
<th>-</th>
<th>100%</th>
<th>74%</th>
<th>79%</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Korea</td>
<td>-</td>
<td>100%</td>
<td>74%</td>
<td>79%</td>
<td>-</td>
</tr>
<tr>
<td>Sweden</td>
<td>57%</td>
<td>30%</td>
<td>62%</td>
<td>52%</td>
<td>100% (EU Target)</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>93%</td>
<td>68%</td>
<td>56%</td>
<td>66%</td>
<td>50%</td>
</tr>
<tr>
<td>Average</td>
<td>40%</td>
<td>70%</td>
<td>39%</td>
<td>55%</td>
<td>50%</td>
</tr>
</tbody>
</table>

### Indicator 5a (PFM)
How much aid for the government sector uses country systems?

<table>
<thead>
<tr>
<th></th>
<th>-</th>
<th>0%</th>
<th>45%</th>
<th>10%</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Korea</td>
<td>-</td>
<td>0%</td>
<td>45%</td>
<td>10%</td>
<td>-</td>
</tr>
<tr>
<td>Sweden</td>
<td>63%</td>
<td>67%</td>
<td>47%</td>
<td>57%</td>
<td>At least 50% (EU Target)</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>87%</td>
<td>99%</td>
<td>78%</td>
<td>77%</td>
<td>(80%)</td>
</tr>
<tr>
<td>Average</td>
<td>58%</td>
<td>63%</td>
<td>37%</td>
<td>42%</td>
<td>(80%)</td>
</tr>
</tbody>
</table>

### Indicator 5b (Procurement)
How much aid for the government sector uses country systems?

<table>
<thead>
<tr>
<th></th>
<th>-</th>
<th>0%</th>
<th>0%</th>
<th>5%</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Korea</td>
<td>-</td>
<td>0%</td>
<td>0%</td>
<td>5%</td>
<td>-</td>
</tr>
<tr>
<td>Sweden</td>
<td>49%</td>
<td>71%</td>
<td>48%</td>
<td>58%</td>
<td>50% (EU Target)</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>88%</td>
<td>99%</td>
<td>78%</td>
<td>68%</td>
<td>(80%)</td>
</tr>
<tr>
<td>Average</td>
<td>65%</td>
<td>67%</td>
<td>42%</td>
<td>48%</td>
<td>(80%)</td>
</tr>
</tbody>
</table>

### Indicator 6
How many PIUs are parallel to country structures?

<table>
<thead>
<tr>
<th></th>
<th>-</th>
<th>0</th>
<th>0</th>
<th>11</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Korea</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>11</td>
<td>-</td>
</tr>
<tr>
<td>Sweden</td>
<td>6</td>
<td>3</td>
<td>36</td>
<td>23</td>
<td>12 &amp; no new PIUs (EU Target)</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>1</td>
<td>1</td>
<td>37</td>
<td>18</td>
<td>14 (country target)</td>
</tr>
<tr>
<td>Total11</td>
<td>27</td>
<td>18</td>
<td>822</td>
<td>808</td>
<td>61112</td>
</tr>
</tbody>
</table>

### Indicator 7
Are disbursements on schedule and recorded by government?

<table>
<thead>
<tr>
<th></th>
<th>-</th>
<th>0%</th>
<th>11%</th>
<th>91%</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Korea</td>
<td>-</td>
<td>0%</td>
<td>11%</td>
<td>91%</td>
<td>-</td>
</tr>
<tr>
<td>Sweden</td>
<td>68%</td>
<td>67%</td>
<td>47%</td>
<td>54%</td>
<td>74% (country target)</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>97%</td>
<td>89%</td>
<td>46%</td>
<td>60%</td>
<td>73% (country target)</td>
</tr>
<tr>
<td>Average</td>
<td>55%</td>
<td>56%</td>
<td>37%</td>
<td>48%</td>
<td>71%</td>
</tr>
</tbody>
</table>

### Indicator 8
How much bilateral aid is untied?

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Korea</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sweden</td>
<td>-</td>
<td>-</td>
<td>100%</td>
<td>100%</td>
<td>Progress over time</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>-</td>
<td>-</td>
<td>100%</td>
<td>100%</td>
<td>100% (country target)</td>
</tr>
<tr>
<td>Average</td>
<td>-</td>
<td>-</td>
<td>75%</td>
<td>87%</td>
<td>Progress over time</td>
</tr>
</tbody>
</table>

Source: Selectively adapted from OECD, 2007b; OECD, 2008c

11 This is total number of PIUs of all bilateral donors which participated in the DAC monitoring surveys.

12 This target is including PIUs from multilateral donors. It is not possible to provide targeted PIUs only for bilateral donors since the PD only provides target for all donors.
4.3.1. Aligning Aid Flows with Recipient Priorities

According to the PD definition, Indicator 3 is a ‘proxy for alignment’ by measuring the extent to which aid flows are reported in the context of how much donor aid flows are aligned with recipient priorities as in the national strategies, such as NSGRP/MKUKUTA in Tanzania (OECD, 2008a). While the average progress of donor budget alignment on GoT’s national priorities among all donors participated in the DAC surveys decreased from 76 percent to 73 percent from 2006 to 2008, both Sweden and the UK increased their commitments to aligning aid flows with the national priorities of the GoT. This increase was greater than the average in both cases. As seen in Table 4.1, Sweden and the UK have not met the target of 85 percent in overall result for Indicator 3, but they have met the target in Tanzania. However, Korea does not meet the target13 neither in the overall assessment nor in the evaluation in Tanzania. In the case of China, it is not possible to evaluate how much Chinese aid flow is aligned with Tanzania’s national strategies because China does not keep detailed records of aid flows (Interviewee C3, 2008). The only public data available can be found in Chinese Statistical Yearbook which does not provide foreign aid statistics but the list of agreements made and offers rough aid disbursement data (see NBS, 2008).

4.3.2. Strengthening Recipient Capacity

In contrast to Indicator 3, the result of Indicator 4 shows that coordinated technical cooperation by both Sweden and the UK has declined in Tanzania. In comparison, Korea recorded 100 percent achievement in Tanzania while achieving an overall level of 79 percent progress. In the case of Korea, it is not possible to compare its progress between 2006 and 2008 surveys in Tanzania because Korea did not participated in the survey in 2006, as mentioned previously, when there is five percent progress for overall evaluation (see Table 4.1).

13 In this thesis, target of each indicator for Korean case follows the Paris target since Korea has not provided specific targets.
While both Sweden and the UK do not provide specific reasons why they have reduced technical cooperation in Tanzania, Korea explains that it was able to achieve the target against Indicator 4 because the Korean government has ‘actively reflected the requests and opinions’ of recipients’ in providing technical cooperation to Tanzania (KOICA, 2009b: 2). However, it seems that Korea misunderstood the objective of Indicator 4. In order to measure the progress of technical cooperation, it should meet the criteria of ‘aligning technical cooperation with the capacity development objectives of recipient countries’ rather than ‘reflecting their requests and opinions’ (see OECD, 2008a). If this is the case, it also can be said that China achieved the goal of Indicator 4 because, as one informant argued:

We provide technical cooperation based on recipients’ needs (Interviewee C2, 2008).

Thus, it is similarly unclear whether Chinese technical cooperation is aligned and coordinated with Tanzania’s programmes, and it is not clear as well if Korea achieved the goal of Indicator 4 in reality, as opposed to the response submitted to the DAC monitoring survey.

4.3.3. Using Recipient Country Systems

Indicator 5 is highlighted using recipient PFM and procurement systems as part of the alignment agenda. Sweden has achieved the European Union (EU) target but has not met the Paris goal while the UK has achieved the PD target of 80 percent and also the EU target of 50 percent in Tanzania. On the contrary, Korea recorded zero percent for using both PFM and procurement systems in Tanzania.

In its aid policy, Sweden clearly states that its basic principle for aid funds to projects and programmes is to use recipient PFM system and to contribute to enhancing recipient systems according to Sida’s PFM Position Paper as follows:
The basic principle for channelling funds to projects and programmes is that the PFM system of the partner country should be used as far as possible, as this in itself contributes to the strengthening of the system. As a minimum Sida funds shall always be integrated with, and be reflected in the planning and budgeting process of the partner country (Sida, 2005a: 11).

At the same time, Sweden encourages field office staff to use country systems:

Sida has trained its own staff to increase their knowledge of PFM and of how to design and negotiate support that is aligned with country systems (OECD, 2009a: 66).

However, from Table 4.1 above, Sweden’s progress in terms of Indicator 5 has not been sufficient to meet the Paris target. This might reflect a resistance to use recipient country systems on the part of the Swedish government as highlighted below:

This may result in a more restrictive attitude to using the partner country’s systems and to switch to PBAs (OECD, 2008e: 86).

On the other hand, the UK highlights DFID’s decentralised structure in aligning recipient country implementation systems (OECD, 2008e; OECD, 2010c). At the same time, much like in Sweden, the UK government encourages staff to use recipient country systems in field offices in order to meet the targets (OECD, 2009d). As a result, 72 percent of DFID workers at regional and country offices have been encouraged to use country PFM and procurement systems (OECD, 2010c: 75). The UK supports recipient country PFM systems including the PEFA initiative in order to strengthen country systems for progress when it comes to aid effectiveness (OECD, 2008e).

Contrary to the increasing use of recipient PFM and procurement systems by Sweden and the UK, Korea has ranked the lowest both in Tanzania and in overall assessment against Indicator 5 (see OECD, 2007b; OECD, 2008c). In Tanzania, Korea does not use country systems at all, but in the overall
assessment Korea’s use of the PFM system has declined while the use of procurement system increased. However, this record in overall assessment does not mean that Korea uses recipient systems given that this was evaluated based on Korea’s Economic Development Cooperation Fund (EDCF) which is loan-type aid from Korean Export-Import Bank (Exim Bank), but not based on ODA by KOICA (Lee, 2010). Thus, Korea has not used recipient systems at all in any recipient countries with its grant-type aid (Lee, 2010). Currently, Korea’s aid is categorised as grant-type aid and loan-type aid (ODA Korea, 2008). Grant-type aid is mainly provided by the KOICA which pursues integrated development including economic, social and sustainable development, and loan-type aid, provided by the EDCF of the Exim Bank, aims to achieve mutual economic cooperation (ODA Korea, 2010a). Nevertheless, Korea shows its intention to use recipient PFM and procurement systems in a broad context:

We are in the process of establishing plans to increase the use of partner countries’ procurement systems. We are also carrying out feasibility studies on using other partner country systems such as partner countries’ PFM systems (OECD, 2009d: 36).

On the other hand, the KOICA’s evaluation of the PD implementation states that Korea does not have any policy or action plans for using recipient systems:

Most assistance projects have been directly implemented by KOICA itself. As a result, there is little understanding on the necessity of using partner countries PFM systems and country procurement systems, and thus, there is no policy or strategy concerned (KOICA, 2009b: 3).

Much like Korea, China also does not use recipient systems at all. When the question was asked whether China provides aid in order to achieve alignment principle of the PD, the interviewee responded ‘yes’, but it does not seem that China uses ‘alignment’ in the same context as the PD (Interviewee C5, 2011). Likewise from the analysis of ownership in Section 4.2, it is obvious that Chinese understanding of alignment does not reflect the PD context of using recipient country systems, but rather consider recipient national development
strategy and priorities, which is one element for increasing ownership by the PD as illustrated in the interview below (this, in turn, can be interpreted as China might contribute to the ownership agenda of the PD):

Yes. When making aid plans, China will carefully consider the partner countries’ development strategy and provide corresponding assistance. For example, agriculture and infrastructure development are development priorities in most African countries and these two sectors are also China’s aid priorities to African countries (Interviewee C5, 2011).

While Korea and China have not particularly changed their policies and practices when it comes to using recipient country systems, Sweden and the UK have shown positive results mainly due to their use of budget support in recipient country systems (OECD, 2008e). In fact, it has been assessed that budget support has a strong nexus with improving the progress in using country systems as well as predictability as evidenced in 14 African countries and by 20 donors (OECD, 2008b). With respect to budget support, Section 4.7 separately analyses it in line with the PD because it has been used not only to achieve alignment, but also harmonisation according to DAC monitoring surveys. Section 4.7 focuses on how Sweden and the UK have provided budget support in Tanzania in order to implement the Paris principles of alignment and harmonisation whereas Korea and China do not use budget support. At the same time, it will be explored how budget support is monitored especially based on the Paris principle of the managing for results.

4.3.4. Avoiding Parallel Project Implementation Units

Sweden decreased parallel PIUs by half from 2006 to 2008, and the UK continued to use parallel PIUs without any changes, but with only one PIU in Tanzania according to the 2008 DAC survey. However, during one interview, a member of staff in DFID’s Tanzania office acknowledged that the UK had ‘no PIUs’ in Tanzania as of 2009 (Interviewee B2, 2009). As in Table 4.1, Korea does not have any parallel PIUs, although interestingly, KOICA has assessed its
needs to introduce parallel PIUs in the future. In other words, as Korea is planning to expand the variety of aid modalities, it may need to implement parallel PIUs, but only for the time being (KOICA, 2009b). On the other hand, it is not clear whether China has parallel PIUs or not, either in Tanzania or in any other recipient countries.

4.3.5. Increasing Aid Predictability

As shown in Table 4.1, both Sweden and the UK decreased predictability in Tanzania, and Korean aid disbursement on schedule and recorded by government in Tanzania is recorded as zero percent. However, in comparison, all of three donor cases show increasing progress in predictability in overall results.

For Sweden, even though its predictability progress is higher than average among donors, there is still difficulties in reporting annually approved aid disbursements (OECD, 2009a). In addition, it has been said that clearer guidelines and a detailed framework for increasing the predictability of aid as well as for using recipient systems need to be improved further in Sweden (OECD, 2008e).

The UK provides ‘rolling three-year indicative resource allocations’ to recipients likewise Sweden has ‘three-year management planning cycle’ at Sida in order to contribute to predictability (OECD, 2009d). In addition, the UK publishes a ‘comprehensive statement’ of future resource allocations for the Current Spending Review (CSR) in the DFID Annual Reports as an attempt to improve aid predictability (DFID, 2009b).

In the case of Korea, the government of Korea will further develop multi-year plans to strengthen mid-term predictability (OECD, 2009d). However, in spite of the plans to improve the predictability of aid to Tanzania, one member of staff
in the KOICA office in Dar es Salaam suggested that this would be difficult to achieve:

It is difficult for us to measure aid disbursement on schedule as the Tanzanian government provides different reporting system, which should be at the end of the fiscal year (Interviewee K6, 2009).

This has been confirmed by KOICA evaluation report towards the PD implementation that there is the gap between commitment and disbursement because KOICA disburses the annual budget by the end of each fiscal year, which is different from some of recipient country systems, including Tanzania (KOICA, 2009b).

While Korean informants express difficulties in measuring aid disbursement on schedule, China does not provide detailed aid disbursement data in Tanzania, as previously mentioned, and also as follows:

Unfortunately, we do not have accurate statistical records from the government. At the same time, even though we have some data, it is our policy to keep them as confidential (Interviewee C1, 2008).

Our government has only part of the aid statistics and do not keep the exact and detailed data on some sections of aid (Interviewee C2, 2008).

Our government is concerned about domestic atmosphere on overseas aid (Interviewee C3, 2008).

China does not publish statistical data partly because the Chinese government is concerned owing to domestic criticisms of aid, given that there are still high levels of poverty in China (Lancaster, 2007b).

4.3.6. Untying Aid

Even though the DAC monitoring surveys do not provide results of donor progress towards Indicator 8 in Tanzania, overall donor evaluations provide
progress against Indicator 8. According to the overall results in Table 4.1, both Swedish and British aid is 100 percent untied (also see OECD, 2008f; OECD, 2009a), while Korea does not report its progress. However, Korea has pointed out in its DAC Special Review that almost 98 percent of Korean bilateral aid is tied or partially tied (OECD, 2008f). In comparison, most of Chinese aid is tied (Interviewee C5, 2011).

4.4. Harmonisation

Aid effectiveness can be improved when donors use common procedures to harmonise aid delivery, thus decreasing fragmentation and promoting the division of labour (OECD, 2008b). Based on this rationale, the PD has encouraged donors to use PBAs, to establish joint missions and to share analysis as indicated in Table 4.2 below. These indicators are provided by the PD under the harmonisation principle. As in Table 4.1, China is not included in Table 4.2, and Korea is included only in the 2008 evaluation in Tanzania while it is included in both 2006 and 2008 monitoring surveys for overall assessments.

Table 4.2. Implementing Progress of the Paris Declaration for Harmonisation of Sweden, the United Kingdom and Korea

<table>
<thead>
<tr>
<th>Indicator 9</th>
<th>How much aid is programme based?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Korea</td>
<td>- 0% 0% 1% -</td>
</tr>
<tr>
<td>Sweden</td>
<td>38% 61% 49% 46% 66% (also EU Target)</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>89% 99% 61% 72% 66%</td>
</tr>
<tr>
<td>Average15</td>
<td>50% 60% 36% 40% 66%</td>
</tr>
</tbody>
</table>

This target is slightly differently from the Paris target, but provided by each country in the DAC monitoring survey report.

In this table, ‘average’ means average progress of all bilateral donors which participated in the DAC monitoring surveys. This thesis provides average of bilateral donors only while the DAC monitoring survey provides average of all bilateral and multilateral donors because this study compares the PD implementation progress and behaviour change in terms of bilateral donors.
### Indicator 10a
How many donor missions are coordinated?

<table>
<thead>
<tr>
<th></th>
<th>Korea</th>
<th>0%</th>
<th>0%</th>
<th>15%</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweden</td>
<td>7%</td>
<td>0%</td>
<td>34%</td>
<td>32%</td>
<td>40%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>100%</td>
<td>14%</td>
<td>46%</td>
<td>61%</td>
<td>40%</td>
</tr>
<tr>
<td>Average</td>
<td>32%</td>
<td>19%</td>
<td>25%</td>
<td>28%</td>
<td>40%</td>
</tr>
</tbody>
</table>

### Indicator 10b
How much country analysis is coordinated?

<table>
<thead>
<tr>
<th></th>
<th>Korea</th>
<th>0%</th>
<th>-</th>
<th>0%</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweden</td>
<td>6%</td>
<td>80%</td>
<td>34%</td>
<td>65%</td>
<td>66%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>-</td>
<td>100%</td>
<td>69%</td>
<td>69%</td>
<td>66%</td>
</tr>
<tr>
<td>Average</td>
<td>46%</td>
<td>76%</td>
<td>48%</td>
<td>53%</td>
<td>66%</td>
</tr>
</tbody>
</table>

Source: Selectively adapted from OECD, 2007b; OECD, 2008a

### 4.4.1. Programme-Based Approaches

As Indicator 9 shows, the PD encourages donors to use PBAs for stronger harmonisation. While there is an absence of a clear definition of the PBAs and it is difficult to know which modalities should be used (Schmidt and Schnell, 2007), donors have increasingly associated with SWApS as well as GBS in their PBA implementation under the PD context, as Section 2.5.3 discussed. As one of the advanced donors, Sweden has also pursued to use GBS and sector programme support (SPS) – Swedish term for SWAp – as its PBA implementation in its development support to recipient countries. Sweden tends to focus on the increased use of coordinated programme support of donors as emphasised by the PD and a concomitant reduction in the number of projects (Sida, 2005b; Sida, 2006d). The Swedish government has enhanced PBAs to improve partnerships and to reinforce effectiveness (Sida, 2005b). As seen in Table 4.2, Swedish progress of 61 percent against Indicator 9 in Tanzania is almost reaching the target of 66 percent even though it is much lower than the comparative levels of British progress. However, Sweden has almost doubled the use of PBAs as against the 2006 progress measurement. This progress could be achieved based on appropriate assessment and following action plans in Sweden, as will be discussed in Chapter 5.
Before 2006, it turned out that more dialogue, in the context of harmonisation, was needed even though sector support was provided in Tanzania (Sida, 2000c; MFA, 2006; Sida, 2007b). Further, SPS management was weak owing to a lack of organisational change in response to SPS (Schmidt and Schnell, 2007). Upon Sida’s own evaluation of programme aid around 2006, it was found that a remaining practice of project management made programme management more difficult, and there was a lack of a full range of implications and integration of SPS within the system (Schmidt and Schnell, 2007). There was a need for qualified and experienced staff to adopt changes for SPS, not only in the headquarters but also in field offices, and even in the embassies\(^1\) (Sida, 2000c). At the same time, inside the organisation of Sida there were difficulties in implementing the SPS. That is, in fact, each Sida member of staff cannot be expected to be an expert in every issue physically, and even though each staff member has a special area of expertise, it is very likely that most issues are interconnected (Sida, 2007b). Based on this, Sida developed *Action Plan for 2006-2008 for Increasing Aid Effectiveness* by focusing on staff training and communication for better understanding of the Paris context, such as PBAs (Sida, 2006d). In Chapter 2, it was pointed out that a lack of communication has been one of the potential reasons for slow donor progress in the PD implementation, and also Sida found the importance of communication for internal dissemination in aid agencies when delivering the Paris objectives (Sida, 2007b). For this reason, Sida has developed a strategy of internal and external communications concerning the PD commitments and indicators in its action plans (Sida, 2006d). Sweden has attempted to improve organisational efforts in prioritising NSGRP/MKUKUTA and Tanzania’s PFM and procurement systems by its field office staff as analysed in Sections 4.2 and 4.3. It has also conducted changes in staff training and communications for broader and appropriate implementation of the PBAs based on the action plan that emerged out of detailed evaluations (Sida, 2006d).

\(^1\) In most recipient countries, Sida does not have its own field offices, but rather places within the embassies (Interviewee S2, 2009).
Compared to the Swedish case, the UK now uses PBAs almost exclusively in Tanzania, as Table 4.2 depicts. This might be because it has already used SWAps when the PD was endorsed with significant funding to most of African countries, especially in the health and education sectors (DFID, 2006e), and also because the UK has clearly provided operational directives and instructions from senior management at headquarters to the staff at field missions (OECD, 2008e). Much like Sweden, the UK also provides staff training and has enhanced communication strategy on aid effectiveness:

DFID has its own communications department, which has responsibility for communicating about DFID’s work including on aid effectiveness. [...] DFID’s People Strategy 2005-08 included a commitment that top managers will integrate aid effectiveness principles and commitments in planning systems and reporting. Staff training models on aid effectiveness have been developed and are delivered as part of a wider corporate learning week (OECD, 2008e: 98-99).

At the same time, in the UK, SWAps have been considered continuously important from the perspectives of harmonisation as well as alignment, which includes sector budget support (SBS) or GBS (DFID, 2007e). Whereas both Sweden and the UK provide PBAs in Tanzania to improve harmonisation, neither Korea nor China uses PBAs because Korea provides stand-alone projects (KOICA, 2009b) and China uses turn-key projects (Interviewee C1, 2008).

4.4.2. Joint Missions and Analysis of Donors

As presented in Table 4.2, efforts to coordinate donor missions in Tanzania have decreased against Indicator 10a. Both Sweden and Korea recorded zero percent in coordinating missions in Tanzania in 2008, and the UK efforts have significantly declined when it comes to coordinating missions in Tanzania. This is represented by a rapid decrease from 100 percent to 14 percent in Tanzania while the overall record increased from 46 percent to 61 percent, more than meeting the target of 40 percent. As with Korea, China does not coordinate missions, and as a matter of fact, China cannot have coordinated missions
because it does not have specific field missions (Interviewee C2, 2008). One of the respondents clearly states that:

> So far, the Chinese government does not have much coordination and cooperation with other donors (Interviewee C5, 2011).

The DPG, along with budget support and SWAps, has helped donors to coordinate missions in Tanzania by presenting a ‘calendar of missions’ on its website so that donors can inform each other of upcoming missions and therefore coordinate them (OECD, 2008a). However, it is not only true of the three donors above (Sweden, the UK and Korea in Table 4.2), but most donors in Tanzania have recorded declining progress in efforts to coordinating their missions, as reflected in the average progress of donors.

In the case of Sweden, Sida does not have joint missions with other donors and tends to have more missions on its own due to its longer preparation process for decision making in order to participate in joint programmes in recipient countries (OECD, 2008e). In the case of the UK, DFID has declined its mission coordination with other donors in Tanzania, yet it has built joint offices with donors in other countries, for example in Indonesia and Cambodia (Warrener and Perkin, 2005). However, the UK has not specified why its joint missions are on decrease in Tanzania. For instance, a member of DFID’s Tanzania office staff said that the UK has conducted joint field visits with other donor missions, but did not comment on whether it has missions that coordinate with other donors when asked in relation to DFID’s medium term action plan towards the PD on aid effectiveness at country level as in Appendix 3.3 (Interviewee B2, 2009).

By contrast, Sweden has achieved a dramatic increase in coordinated analysis in Tanzania from 6 percent to 80 percent against Indicator 10b. In Sida’s Country Report in Tanzania, Sida works with development partners especially under the JAST in assessment and review activities (Sida, 2008), and attempts to establish harmonised joint review procedures, including reporting, monitoring, evaluation
and auditing, based on the coordination and the division of labour with partners (Sida, 2000b). This also can be verified by information gleaned in an interview with a Sida staff member in Tanzania:

During the GBS review meeting, donors, including Sida, and the GoT review and discuss GBS performance, and then gather at the sector review meeting for an annual review and performance report. Every sector has the annual review and produces a performance report (Interviewee S2, 2009).

Similarly, British joint analysis progress in Tanzania recorded 100 percent as in Table 4.2. According to its CAP in Tanzania, the UK has conducted joint analysis with other development partners (DFID, 2007h). Yet, Korea recorded zero percent in coordinating analysis effort while China does not coordinate aid analysis (Interviewee C2, 2008). However, China has recently given more efforts to share other donors’ aid experience as its aid volume is increasing and as there is more international attention to China’s foreign aid (Interviewee C5, 2011).

Especially with a creation of the IPRCC, which was jointly established by the Chinese government and the United Nations Development Programme (UNDP) in 2005, the Chinese government has aimed to share knowledge and experience in poverty reduction, to promote poverty reduction progress, to conduct practical research, to optimise poverty reduction policies, to advance international exchanges in regard with poverty reduction, and to facilitate collaboration in the international community (IPRCC, 2008). Along with the Chinese government and the UNDP, World Bank, ADB and DFID are the members of the Board of Trustees of this centre (PIRCC, 2008). Since its foundation the IPRCC has organised international conferences, workshops and meetings on poverty reduction and foreign aid issues with research and poverty reduction activities.
4.4.3. Division of Labour

In implementing the harmonisation agenda of the PD, the division of labour has been critical amongst donors (OECD, 2008b). In Tanzania, the DPG was created and has led the division of labour amongst donors (see Chapter 1), and both Sweden and the UK have actively participated in the DPG activities in terms of the division of labour. In the report of *Regional Strategy for Development Cooperation with Tanzania 2006-2010*, the Swedish government has placed more emphasis on the division of labour along with other donors as well as focusing on the use of recipient country systems for aid efficiency and effectiveness (MFA, 2006). The UK provides aid based on the comparative advantages of DFID in Tanzania in accordance with the DPG and argues that the division of labour in Tanzania can maximise Tanzania’s progress based on the comparative advantage (DFID, 2005b; JAS Core Group, 2005a).

However, it seems that not all donors agree to the effectiveness of the division of labour in terms of boosting harmonisation. The doubts on the division of labour and its effectiveness are evident by looking at how aid workers respond to the on-going process or achieved results from the idea of one consolidated system of development activities in Tanzania along with the DPG. As a matter of fact, the *OECD Development Cooperation Report* in 2009 concludes that the fragmentation of aid is increasing, not decreasing as expected, even after the PD and the division of labour (OECD, 2009c).

From the interviews with aid workers in Tanzania, it appeared that they have contrasting understandings of DPG and division of labour effectiveness. For example, the DPG has established TROIKA system in Tanzania, and it has been evaluated as a positive achievement for harmonisation by some donors while others do not agree on this. That is, DFID officers said donors could achieve a consolidated view and process throughout the TROIKA, for instance:

Tanzania shows the best practice in sharing resources and pooling resources such as human, knowledge and financial, especially with
JAST and TROIKA in the education sector. The education TROIKA especially has been very good. For instance, there is only one document reporting to GoT in the education sector, currently produced by Finland and the United Nations Educational, Scientific and Cultural Organization (UNESCO). In this document, donors have achieved one consolidated view, and the process has been extremely organised. There is a donor ‘table’ which shows ‘who is doing what and when’. Furthermore, the development of inclusive education policy has been discussed (Interviewee B2, 2009).

Donors have been able to achieve progress based upon the DPG frameworks. For example, now donors have one document to present to the GoT. It is extremely organised (Interviewee B3, 2009).

On the contrary, KOICA staff often expressed the view that integrating the DPG and TROIKA mechanism into current Korean aid system has increased the work burden:

The process has been complicated and slow with a greater burden of work, particularly including paperwork (Interviewee K4, 2009).

At the same time, it seems that Korea, as an emerging donor, is not actively involved in the division of labour and DPG activities in Tanzania because of a different aid modality and evaluation system:

[…] it does not share any GBS, but a little of basket funding as a pooled fund, […]. Even though KOICA shares aid policy with other donors, it is very limited (Interviewee K6, 2009).

Despite its divergent views amongst aid workers, the GoT-donor relationship has dominated by the DPG framework, and members of DPG have intended to expand its members to emerging donors for better interactions, inclusion and harmonisation in donor policies and practices (Interviewee B2, 2009). With this in mind, one DFID member of staff expressed some difficulty in engaging with KOICA as part of DPG activities:

I tried to contact KOICA several times to invite them for DPG meeting. But it has been very difficult to figure out who I should contact, and who in the office is in charge of each sector. If you can, it
would be great to give my contact details to one of KOICA staff and tell them to contact me (Interviewee B1, 2009).

While Sida shows its willingness to support the Tanzanian government in harmonising donor programmes and procedures (Sida, 2006c), a member of Sida staff pointed out the need for GoT’s engagement in harmonising donors and also shared similar experience of DFID’s staff with other emerging donors by saying that:

I wish we can work with emerging donors […]. We tried to invite them last year, for example China, India and Cuba. But it did not work. It is challenging. The GoT emphasises aid to Tanzania should be coordinated and harmonised. But in reality, the GoT does not ask donors like China to coordinate and harmonise with DPG (Interviewee S3, 2009).

In light of the above context, it is apparent that the division of labour by DPG in Tanzania have worked with few emerging donors. At the same time, it seems that the involvement of the GoT is also required for a more effective division of labour amongst donors. While Swedish aid workers imply the need for GoT’s endeavour in DPG activities, a Chinese official (Interviewee C5, 2011) also agreed to this that there should be more efforts from the GoT in order to harmonise donors:

To achieve harmonisation of aid, the recipient countries should play a centre role and coordinate each donor’s aid according to their own necessities and, meanwhile, according to each donor’s comparative advantages (Interviewee C5, 2011).

From the analysis in this section, it has not been clear whether the division of labour by DPG in Tanzania is being effective for harmonising donors. However, it is obvious that the emerging donors in this study, Korea and China, are slightly increasing their participation in the DPG activities. For example, Korea desires to give more efforts to the collective activities of donors as it entered into DAC membership, but actual ‘changes’ are still limited:
I feel left out during DPG meetings because most donors use GBS while we do not use it. However, we try to participate more actively than before in DPG meetings at a field level since we joined DAC in earlier this year. However, it is limited (Interviewee K7, 2010).

In the case of China, it has been gradually associated with other donors. For instance, a workshop on ‘Development and Poverty Reduction in China and Africa: Experience Sharing and International Cooperation’ was organised by the IPRCC and the MoFEA of the GoT (Interviewee B4, 2010). During this workshop, officials from the Chinese government and the GoT were invited, alongside other donors (Interviewee B4, 2010). This workshop has been evaluated as a meaningful event for China and as a step forward in terms of sharing knowledge and learning from the experiences of other donors (Interviewee B4, 2010). Besides, the Chinese government recently began to dispatch its aid workers to the research institutions in other donor countries as an exchange research opportunity to share experiences, especially surrounding the contemporary aid effectiveness agenda, and to learn their aid management systems and mechanisms (Interviewee C5, 2011).

4.5. Managing for Results

The PD recommends that both donors and recipients commit to managing for results, the fourth principle of the PD. As discussed in Section 1.4, the GoT has developed PAF, MMS and MAIR, and donors have used them for managing for results. Additionally, in Tanzania, the Aid Management Platform (AMP) has been implemented as a monitoring framework (Development Gateway, 2009). The AMP was launched by the MoFEA in 2008 by replacing an excel-based data management to the web-based database system in collaboration with the DPG based on the needs to improve ODA information for decision making on donor funding (Development Gateway, 2009). Currently, the Tanzanian AMP provides information of more than 300 activities with over USD 6.5 billion in donor
commitments (Ashbourne, Kuil, Leger and Kolker, 2008: 66). These activities are linked to the NSGRP/MKUKUTA, and the data has been distributed to ministries and donor agencies after a comprehensive and cross-checking process (Ashbourne et al., 2008). However, it remains a challenge because all stakeholders should make sure that the data shown is correct (Interviewee S2, 2009).

Based on this, the DAC monitoring surveys assessed the progress against this principle in Tanzania as in Table 1.1 in Chapter 1. As Table 1.1 depicted, Tanzania has shown strong progress. However, they did not evaluate the progress for the ‘managing for results’ from donors in Tanzania. Nevertheless, this study attempts to look at how four donors have included this agenda in their aid policies and how much they have changed their aid management in line with the result-based approach, given that the PD requires both donors and recipients to work together in achieving result-based management.

In Chapter 2, this study explained that the PD is a result of the accumulation of international milestones for aid effectiveness, and therefore, the concept of results-based management is not new in the Paris design, but is the likely outcomes of previous international agreements such as the Joint Marrakech Memorandum. Hence, some donors, especially Sweden and the UK in this thesis, have already recognised a common objective of results-based management to make aid more effective (Sida, 2004b). However, it is noteworthy that both Sweden and the UK have improved their results-based management after the Paris meeting. For instance, Sweden has notably improved its results-based management in line with the PD (OECD, 2008e). At the same time, one of the DAC seminars provides Swedish case as a good practice:

[…] major change underway is to ensure Sida manages by results. Sida has introduced a results-based management system, which is intended to ensure individual projects and programmes country teams’ whole portfolios and Sida’s other work is designed and managed by and for results. […] It is also emphasising to staff that results-based
management should not be seen as an administrative burden imposed from above, but rather as a tool to help them monitor and manage (OECD, 2009b: 3).

Before the Paris meeting, Swedish evaluations at a country level were no more than routine reports without a clear impact on future programmes (Dahlgren, 2007). Based on the findings of the weaknesses in its evaluation system, Sweden has given efforts to reinforce its appraisals at a country level so that it can better fit into the results-based management of aid in line with the PD (Dahlgren, 2007). For instance, in Tanzania, Sweden monitors and evaluates the results of aid activities by integrating NSGRP/MKUKUTA, JAST, MDGs and PD guidelines, and specifies the assessment based on cooperation and coordination with ministries and other donors (MFA, 2006; Sida, 2008).

At the same time, the Swedish Ministry of Foreign Affairs (MFA) recently created a new unit for management for development results (OECD, 2008e). Besides, the Swedish Agency for Development Evaluation (SADEV) was established in 2006 within the governmental system for expert analyses and evaluations of international development cooperation (SADEV, 2008). Based on its efforts, Sweden has now become more results-oriented in line with the ‘managing for results’ principle of the PD (OECD, 2009a). In addition, by enhancing the results-based management, Sweden intends to improve the quality of its contribution to poverty reduction as a long-term effect, and to improve its ability to engage in dialogue with other aid stakeholders as a short-term effect (Sida, 2007c).

Similar to Sweden, the UK also utilises results-oriented frameworks, and has created the Results Action Plan:

*DFID has a strong results-based management framework […]* (OECD, 2010c: 57).

*DFID has also placed a stronger emphasis on managing for development results. […] In January 2008, DFID launched its first Results Action Plan, which became a central pillar of DFID’s Making*
it Happen programme. [...] These respond to the need for better quality statistics and information, stronger commitment to evidence-based policy making, robust systems for monitoring and evaluation, and strengthened mechanisms to hold governments and donors to account (OECD, 2010c: 64).

The British government intends to promote the ‘managing for results’ agenda based on the VfM approach, which is a part of the Making it Happen programme (OECD, 2010c). As discussed in Section 2.4.7, VfM was identified during the AAA to promote the PD implementation progress with VfM gains ‘integral’ to DFID in order to continually improve the efficiency and effectiveness of DFID’s spending (DFID, 2009f: 1). In Tanzania, DFID has provided the Annual Performance Reports and a sector result monitoring tool based on 60 indicators within the ministries of Tanzania to measure policy and achievement against goals such as MDGs, NSGRP/MKUKUTA and PAF, and these efforts are expected to improve results-based management (Interviewee B2, 2009).

However, it was also pointed out that aid workers are unclear how to carry out management for results agenda in practice, especially in the case of Sweden:

[...] many staff remained unclear what results-based management really entails in practice. It will therefore be vital to deliver practical training and integrate results-based management into existing staff guidance, rather than creating additional documents (OECD, 2009a: 16).

[...] few staff were clear on what results-based management really means in practice (OECD, 2009a: 59).

With regard to this, Sida has conducted staff training in terms of managing for results and achieving purposive results as the following statements depict:

As a donor organisation, Sida must be clear about the results that its contributions are intended to achieve. Intended results should be unambiguously formulated in agreements and contracts, and continuously reviewed in dialogue with partners. Management and staff should know if intended results are actually achieved, and
reporting on results should be as clear and transparent as possible (Sida, 2007c: 3).

Sida has a comprehensive training plan for 2009-2011 in which results-based management is one of dozens of topics to be covered. Sida should give higher priority to results-based management within its training plan (OECD, 2009a: 59).

The UK also provides staff training for the results-based management (DFID, 2005c). For example, the evaluation department of DFID provided *Guidance on Evaluation and Review for DFID Staff* in 2005 in order to make sure all staff members have a decent understanding of monitoring and evaluation processes (see DFID, 2005c). Recently, DFID changed its evaluation logical framework (logframe) format in 2009, and has also provided guidance on using the revised logframe for staff members in the process from the policy design to the results evaluations (see DFID, 2009e).

Here, both Sweden and the UK use the results chain model as a central conceptual tool of ‘managing for results’ as Figure 4.1 depicts (DFID, 2009e; Sida, 2007c).

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**Figure 4.1. Results Chain Model**

Source: Merged from DFID, 2009e: 9; Sida, 2007c: 6
The results chain can show a causal relationship of policy and aid programmes, and can be helpful to measure what has worked and what can be improved in terms of lessons learned (DFID, 2009e; Sida, 2007c). This results chain model was introduced in Sweden and the UK, while it predates the Paris meeting, and it has been reinforced in order to achieve the Paris targets (for example, see Sida, 2004b).

However, Sweden and the UK have developed results-based approaches not only because of the Paris requirement, but also given that these can improve the accountability of aid programmes. For instance, DFID once discussed the importance of concrete evaluation for the accountability, as in the following statement:

> Evaluation strengthens DFID’s accountability by documenting the allocation, use and results of its development assistance and by calling those responsible for policy and implementation to account for performance. It is recognised that DFID is part of a collective effort, which makes attribution of performance difficult. Evaluation can help to clarify where accountability rests and to confirm achievement. DFID’s evaluation studies strengthen its accountability not only to the British Parliament, but also to the government and public in partner countries, and inform other development partners (DFID, 2005c: 8).

In comparison, it seems that Korea attempts to adopt results-based approach based on the internationally agreed system, yet this has been very broad and vague throughout all policy documents, for instance:

> With the scaling-up of ODA, development agencies are placing more importance on results-based management systems as a means to enhancing aid effectiveness. [...] Considering such trends in international development, KOICA is trying to strengthen its management and evaluation system. KOICA has broadened its types of evaluation from project-oriented to focusing on country, sector, modality and joint evaluations. We also conduct external evaluations participated by experts and organisations concerned to assure objectivity (KOICA, 2008a).
As above, Korea is aware of the importance of results-based management system, but it does not provide detailed evaluation plans and does not clearly states whether it provides results-based evaluation system. KOICA does conduct ex-post evaluations; however, again the evaluations are not clearly established for outcome assessment:

[…] the targets and indicators have not been clearly established to monitor and evaluate whether and to what extent the outcome of each operation contributes to the achievement of the sector objective and, subsequently, the development goal (KOICA, 2008b: 8).

At the same time, the current evaluation framework of Korea is different from other donors:

[…] it is difficult to share ideas with other donors because the evaluation system of outcomes is different (Interviewee K6, 2009).

During the CAS evaluation for Tanzania, Korea highlighted that ‘results-based management should be further strengthened’ (KOICA, 2008b: 10). Having said that, one of the interview respondents confirmed this by mentioning as below, and in fact, most of the KOICA staff members that were interviewed claimed that indicators for the evaluation do not reflect aid outcomes; rather those indicators tend to show inputs and sometimes outputs:

In terms of the project assessment within the Tanzania field office, for example, education projects are evaluated based on an education statistical report and beneficiary satisfaction survey (Interviewee K6, 2009).

Finally, China seems to accept current aid assessments even though there is not much evidence of changes. In other words, as China considers the international agenda of aid effectiveness increasingly, it is taking measures to improve monitoring and evaluation process of aid projects (Interviewee C5, 2011).
4.6. Mutual Accountability

The final principle of the PD lies in mutual accountability. The PD emphasises that a mutually accountable mechanism is required to make aid truly effective (OECD, 2008a; OECD, 2008b). The DAC monitoring surveys have measured the progress of mutual accountability by looking at whether recipient countries have country-led mechanisms for mutual assessments (OECD, 2008a). As discussed in Section 2.6.5, the implementation progress of this principle is very disappointing mainly due to the political nature of the PD for all aid players. However, it does not apply to all recipient cases, and Tanzania is seen to have one of the most well developed mutual accountability mechanisms. This is confirmed by Table 1.1 - Tanzania has been evaluated ‘strong’ in mutual accountability. Out of 54 recipient countries who participated in the DAC monitoring survey in 2008, Tanzania was one of 14 countries who answered ‘yes’ for having reviewed mutual accountability (see Appendix 1.1). As Section 1.4 demonstrated, the IMG has worked in Tanzania in line with the JAST for mutual assessments and with better partnership between donors and the GoT.

As discussed in Section 2.5.5, mutual accountability should start from domestic constituencies of both donors and recipients. In this light, Sweden emphasises its support to domestic accountability mechanisms with recipients:

Sweden supports domestic accountability mechanisms, such as parliamentary strengthening in partner countries. […] Despite the low levels involved, Sweden’s support to parliaments to increase accountability fits well with the Swedish corporate priority of democratic governance and could be an area of future coordinated growth (OECD, 2009a: 69).

In Tanzania, Sweden has provided funding support to the GoT and CSOs to increase transparency and mutual accountability (Sida, 2008). In addition, Sweden recognises elements for mutual accountability and partnership, such as shared values and dialogue, as identified by the PD:
Sweden supports the concept of mutual accountability at a country level. […] Partnership should be based on shared values and well defined roles […]. Sida is involved in a continuous dialogue with its partners at all levels […] (OECD, 2008e: 90).

The UK has also included the mutual accountability agenda in its aid policy. For example, DFID is ‘pushing the international community’ to strengthen mutual accountability mechanism according to the DFID Annual Report in 2008. DFID Annual Report and Resource Accounts 2008-09 also ensures British commitment to mutual accountability:

[…] we continue to push for faster and deeper progress in putting these agreements into action. Commitments include: […] strengthening of national, and now international, mutual accountability mechanisms, allowing donors and partner countries to better hold each other to account (DFID, 2009c: 41).

Much like Sweden, the UK also emphasises the importance of dialogue and mutual accountability:

DFID values country level dialogue and mutual accountability very highly. Our CAPs are informed by partner country strategies and preferences on aid effectiveness (OECD, 2008e: 100).

For the UK, ‘increased promotion of and participation in mutual accountability mechanisms at country level’ has been its one of three priority areas in achieving the PD agenda (OECD, 2009d: 56). Accordingly, in Tanzania, the UK has worked with the GoT and other donors to develop a mutual accountability mechanism as planned in DFID’s medium terms action plan towards the PD at a country level in Tanzania according to one of DFID’s field officers in Tanzania (Interviewee B2, 2009). As in Section 2.5.5, the PD encourages recognition of who is accountable, for what and how, and as provided in Section 4.4.3, donor partners have developed a ‘donor table’ to determine ‘who is doing what and when’ throughout the TROIKA in the education sector in Tanzania. More details of how donors have worked under the PD context in the education sector in Tanzania will be explored in Section 4.8.
In the case of Korea, it is unclear how the country utilises the mutual accountability mechanism. For instance, there were no reviews by the Korean government concerning efforts to bring about mutual accountability, as referred to the DAC Special Review in 2008 (see OECD, 2008f). Instead, the DAC has provided a recommendation to improve accountability in Korea’s aid evaluation as follows:

Evaluations could consistently be made public in order to improve accountability (OECD, 2008f: 22).

In addition, no KOICA employees who were interviewed for this study had a clear view on the concept of mutual accountability.

In the case of China, the respondents answered ‘yes’ to the question of whether there is Chinese consideration of mutual accountability. However, much like their Korean counterparts, Chinese aid officials also seem to be confused with the concept. For example, one of responses from Chinese officials is as follows:

Yes. Before making aid plans, China will consult widely with the partner countries. And partner countries are now engaged more in the evaluation and monitor of China’s aid projects (Interviewee C5, 2011).

From above, it is not clear if the interviewee understood how the government can contribute to the mutual accountability agenda of the PD.

4.7. Budget Support by Sweden and the United Kingdom in Tanzania

This research has found that budget support is one of the main aid modalities in achieving the PD targets. In Tanzania, budget support has been provided based on strengthened coordination, dialogue and joint commitments among development partners (Sida, 2008). Accordingly, this section analyses how Sweden and the UK have used budget support in order to implement the PD in
Tanzania. In this section, only Sweden and the UK are included because Korea and China do not provide budget support, especially GBS, as analysed previously. In the end, the elaboration of budget support by Sweden and the UK in this section can be useful in order to find one of the reasons why it can be easier for Sweden and the UK to achieve greater outcomes towards the PD in comparison with Korea and China.

According to the World Bank, Tanzania has some of the best practices of 18 countries which have a ‘significant increment of aid’ that is used more effectively due to the increased GBS (Sida, 2006e). One Sida staff member confirmed this by saying that:

GBS is best modality, especially about good data and good analysis. Before, there were fragmented range of programmes and too many projects were there (Interviewee S3, 2009).

As the overall objective of GBS in Tanzania is to ‘contribute to Tanzania’s economic growth and poverty reduction in all its dimensions by supporting the financing, implementation and monitoring’ of the NSGRP/MKUKUTA (URT, 2006d: 3), the GBS at present is a major financing source for the NSGRP/MKUKUTA and ZSGRP/MKUZA, which boosts ownership, alignment and harmonisation in Tanzania. Currently, about 40 percent of aid is provided through GBS by ‘fully’ integrated into the national budget process in Tanzania (OECD, 2008a). Table 4.3 presents aid assistance in Tanzania by modality, except debt relief.

<table>
<thead>
<tr>
<th>Table 4.3. Aid Flows in Tanzania by Modality (USD millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>GBS</td>
</tr>
<tr>
<td>Basket Funds</td>
</tr>
<tr>
<td>Project Funds</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Source: Adapted from DPG, 2010
According to the government of Japan, GBS has influenced reforms in both financial and budgetary areas, as well as reforms in the public sector such as public services, local administration, judiciary systems, capacity development of line ministries of agriculture, economic infrastructure, health, education and finance (Ministry of Foreign Affairs of Japan, 2006: 9-10). With regard to this, the MoFEA officials in Tanzania (Interviewee G1, 2009) stated that GBS in Tanzania has been helpful for administrative reforms, particularly for PFM systems. Another official from the MoFEA (Interviewee G2, 2010) said that GBS has been important in Tanzania especially in order to achieve the Paris goals:

When it comes to GBS, it is important because it brought mainstream of systems in national budget based on the concept of the PD and donor coordination (Interviewee G2, 2010).

However, it can be questioned if the ‘mainstreaming systems’ in national budget by GBS is effective and if GBS has helped capacity development of line ministries, for officials from line ministries claimed that GBS has increased the power of the MoFEA (Interviewees G3 and G4, 2010):

It has been unfair for us that donors give budget support to the MoFEA. The MoFEA uses it as a bargaining power when they ‘negotiate’ annual budget disbursement with line ministries (Interviewee G3, 2010).

Sometimes, I feel desperate as a person who executes budget in my office. The MoFEA takes so much time to give us money with many requirements, which are not necessary as I see. Because of the GBS, the MoFEA becomes the most powerful ministry, except president’s office, vice president’s office and prime minister’s office (Interviewee G4, 2010).

As a matter of fact, increasing power within government ministries of finance has been discussed as a concern because they are prone to limit aid transfers through budget support (for example, Evans, 2007; Gatete, 2007). The concentration of aid budget to the MoFEA seems to result in power concentration in the GoT, and this can be also questioned how GBS can promote
transparency and reduce corruption when the authority of the government is increasingly centralised. In other words, the issue of corruption remains as important in terms of GBS. For example, when Sweden and the GoT negotiated on the GBS Memorandum of Understanding (MoU), the most difficult part was the acceptance of the corruption clause (Salomonsson and Schmidt, 2007). The UK also recognises a difficulty in dialogue when providing GBS even though it considers it as an effective instrument in Tanzania:

GBS is the initiative in aid effectiveness for the last two decades, and it can be very effective, and the shift from previous sector budget practice to GBS is a progress. However, there are some challenges like good dialogue. Having good dialogue has been difficult due to Socialist type of Tanzania (Interviewee B2, 2009).

Not only that, it has been pointed out that there can be other problems, such as volatility and fiduciary risks when using the GBS as well as PRBS (DFID, 2004b; House of Commons, 2004; DFID, 2008c). Besides, in many cases GBS has failed to follow up the time frames given in the documents of programmes and projects (MFA, 2006).

Nevertheless, the DAC monitoring surveys explain that the reason why there is progress, especially in Indicator 5, is mainly due to donors’ increasing use of GBS in Tanzania (for example, OECD, 2008a). In addition, during the interviews, it was found that GBS has been helpful for the division of labour in Tanzania, as confirmed by the findings from the DAC monitoring surveys. For instance, one respondent said that:

While providing GBS, donors have been able to improve the division of labour internally and externally, and the sharing of resources is also improved. Discussions in a specific section inform other mainstream sections. In Tanzania development partners and the government have jointly implemented a GBS monitoring process as a part of NSGRP/MKUKUTA (Interviewee S2, 2009).

Accordingly, both Sweden and the UK have continuously provided GBS in Tanzania. Sweden provided 53 percent of total financial support through GBS.
in 2007 (Sida, 2008: 3), and Swedish GBS has been provided in 15 countries as seen in Table 4.4. Among these countries, Tanzania has received the largest share of GBS from Sweden.

Table 4.4. Swedish General Budget Support Distribution (SEK millions)

<table>
<thead>
<tr>
<th>Country</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bolivia</td>
<td>50</td>
<td>60</td>
<td>-</td>
<td>35</td>
<td>70</td>
<td>-</td>
<td>-</td>
<td>215</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>-</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>50</td>
<td>50</td>
<td>260</td>
</tr>
<tr>
<td>Cambodia</td>
<td>-</td>
<td>24</td>
<td>-</td>
<td>16</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>41</td>
</tr>
<tr>
<td>Cape Verde</td>
<td>15</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15</td>
</tr>
<tr>
<td>East Timor</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>50</td>
<td>50</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>Honduras</td>
<td>70</td>
<td>60</td>
<td>-</td>
<td>-</td>
<td>60</td>
<td>-</td>
<td>-</td>
<td>190</td>
</tr>
<tr>
<td>Malawi</td>
<td>40</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>40</td>
<td>-</td>
<td>80</td>
</tr>
<tr>
<td>Mali</td>
<td>-</td>
<td>40</td>
<td>50</td>
<td>50</td>
<td>50</td>
<td>70</td>
<td>80</td>
<td>340</td>
</tr>
<tr>
<td>Mozambique</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>135</td>
<td>200</td>
<td>835</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>-</td>
<td>-</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>70</td>
<td>310</td>
</tr>
<tr>
<td>Rwanda</td>
<td>60</td>
<td>40</td>
<td>50</td>
<td>50</td>
<td>-</td>
<td>120</td>
<td>80</td>
<td>400</td>
</tr>
<tr>
<td>Tanzania</td>
<td>160</td>
<td>80</td>
<td>120</td>
<td>110</td>
<td>120</td>
<td>200</td>
<td>300</td>
<td>1,090</td>
</tr>
<tr>
<td>Uganda</td>
<td>55</td>
<td>55</td>
<td>65</td>
<td>65</td>
<td>65</td>
<td>-</td>
<td>34</td>
<td>339</td>
</tr>
<tr>
<td>Zambia</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>49</td>
</tr>
<tr>
<td>Total</td>
<td>550</td>
<td>499</td>
<td>485</td>
<td>536</td>
<td>615</td>
<td>725</td>
<td>862</td>
<td>4,272</td>
</tr>
</tbody>
</table>

Source: Adapted from Schmidt and Schnell, 2007:8

In comparison, the UK provides PRBS to 17 recipient countries, and Tanzania has been the largest recipient of British PRBS as provided in Table 4.5 - the UK highlights the use of PRBS scheme, which include GBS. The PRBS has its origin in the Multilateral Debt Fund (MDF) which was founded in the late 1990s for new aid cooperation and partnership among donors (Sida, 2002; Sida, 2003). The MDF was used to share debt from the World Bank, the IMF and the AfDB to multilateral institutions, and the GoT used savings from the MDF to protect expenditure on education, health, water and roads in Tanzania (Sida, 2001).
## Table 4.5. British Poverty Reduction Budget Support Allocation (GBP millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>-</td>
<td>-</td>
<td>5.0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5.0</td>
</tr>
<tr>
<td>Cambodia</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Cameroon</td>
<td>-</td>
<td>-</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>-</td>
<td>3.0</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>-</td>
<td>-</td>
<td>90.5</td>
<td>65.0</td>
<td>5.0</td>
<td>-</td>
<td>160.5</td>
</tr>
<tr>
<td>Ghana</td>
<td>42.5</td>
<td>35.8</td>
<td>22.5</td>
<td>54.3</td>
<td>10.0</td>
<td>10.0</td>
<td>175.1</td>
</tr>
<tr>
<td>India</td>
<td>-</td>
<td>-</td>
<td>71.8</td>
<td>27.0</td>
<td>40.3</td>
<td>22.0</td>
<td>161.1</td>
</tr>
<tr>
<td>Malawi</td>
<td>26.4</td>
<td>20.0</td>
<td>36.0</td>
<td>17.1</td>
<td>17.5</td>
<td>9.8</td>
<td>126.8</td>
</tr>
<tr>
<td>Mozambique</td>
<td>35.0</td>
<td>36.0</td>
<td>36.0</td>
<td>41.0</td>
<td>42.0</td>
<td>44.0</td>
<td>234.0</td>
</tr>
<tr>
<td>Nepal</td>
<td>-</td>
<td>-</td>
<td>5.5</td>
<td>7.0</td>
<td>8.0</td>
<td>-</td>
<td>20.5</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>-</td>
<td>1.0</td>
<td>2.5</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3.5</td>
</tr>
<tr>
<td>Pakistan</td>
<td>20.0</td>
<td>30.0</td>
<td>52.5</td>
<td>58.0</td>
<td>18.8</td>
<td>-</td>
<td>179.3</td>
</tr>
<tr>
<td>Rwanda</td>
<td>54.3</td>
<td>-</td>
<td>31.0</td>
<td>34.0</td>
<td>38.0</td>
<td>36.0</td>
<td>193.3</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>15.0</td>
<td>12.5</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>27.5</td>
</tr>
<tr>
<td>Tanzania</td>
<td>85.0</td>
<td>90.0</td>
<td>94.5</td>
<td>94.5</td>
<td>103.5</td>
<td>103.5</td>
<td>571.0</td>
</tr>
<tr>
<td>Uganda</td>
<td>30.0</td>
<td>40.0</td>
<td>35.0</td>
<td>35.0</td>
<td>35.0</td>
<td>35.0</td>
<td>210.0</td>
</tr>
<tr>
<td>Vietnam</td>
<td>20.0</td>
<td>20.0</td>
<td>38.2</td>
<td>31.1</td>
<td>25.2</td>
<td>25.4</td>
<td>159.9</td>
</tr>
<tr>
<td>Zambia</td>
<td>20.7</td>
<td>23.3</td>
<td>25.0</td>
<td>26.0</td>
<td>-</td>
<td>-</td>
<td>95.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>348.8</td>
<td>308.6</td>
<td>546.9</td>
<td>492.5</td>
<td>344.3</td>
<td>307.2</td>
<td>2,348.0</td>
</tr>
</tbody>
</table>

Source: *Table 5.2, DFID, 2007b; **Table 5.3, DFID, 2008b; #Table 5.4, DFID, 2008b

In Tanzania, Sweden has used GBS as a main instrument and as a means of supporting the NSGRP/MKUKUTA (Sida, 2008). Sweden has set the goal to increase GBS up to 70 percent in Tanzania by 2010 (MFA, 2006: 8). Sweden intends to respect GoT’s desire to receive aid in the form of GBS, and to increase GBS in Tanzania to make aid delivery more effective (MFA, 2006; Sida, 2006a; Sida, 2006c). For example, Sweden has increased GBS as the GoT wants to increase the share of aid through GBS based on improved cooperation with donors, leading to better aid effectiveness (MFA, 2006). Sweden has expanded the inclusion of ‘second generation budget support’ in new aid policy with increasing cooperation and coordination among aid stakeholders which includes both recipients and other donors (Narea and Christensen, 2004). Swedish second generation budget support can bring the effects of ‘lower transaction costs, more efficient allocation of public funds, improved predictability of aid flows, positive transformation effect on the government’s
system and more beneficial effect on domestic accountability’ (Naschold and Booth, 2002, cited in Narea and Christensen, 2004: 8). Given that Tanzania is heavily dependent on aid, budget support can also help to reduce aid dependency (MFA, 2006). In addition, the Swedish government has taken GBS as an alternative to debt relief which is no longer considered so necessary (Narea and Christensen, 2004).

Similar to Sweden, the UK also attempts to reduce transaction costs with other donors through GBS in Tanzania. According to one member of staff at DFID:

> The GoT has seen a huge reduction of transaction costs *per se* through GBS. As is well-known, through the GBS the transaction costs can be reduced (Interviewee B2, 2009).

According to DFID, by using PRBS as well as GBS, aid stakeholders can expect increased ownership and empowerment, improved policy dialogue, and increased donor harmonisation in the short term, while they also can expect increased predictability, lower transaction costs, improvements in service delivery and development outcomes, and increased democratic accountability over the medium term (DFID, 2004b; House of Commons, 2004). Simply put, PRBS refers to donor funds that are directly provided to a recipient government’s own financial or budget system to support the recipient’s poverty reduction programmes as an aid instrument (House of Commons, 2004; DFID Efficiency Technical Note, 2009). The UK uses PRBS, which is also referred to as DBS because it has helped British efforts to both strengthen and use recipient PFM systems and has also reduced parallel PIUs (NAO, 2008; OECD, 2010c).

As an effort to carry out the Paris principle of the ‘managing for results’, both Sweden and the UK assess the effects of GBS in Tanzania. In particular, the UK measures the outcome of GBS by using the PAF matrix in line with the PD (Interviewee B2, 2009). In accordance with the PD objectives of mutual accountability, donor PAF should stimulate progress on objectives while also serving as a monitoring tool, and it should also assess donors’ own performance.
(Gerster and Mutakyahwa, 2006). DFID has tracked its performance through GBS against the PAF matrix and assessed GBS progress through GBS annual review (Interviewee B3, 2009). Since the GoT created NSGRP/MKUKUTA in 2005, GBS annual review has been revised based on a newly implemented framework in Tanzania (Interviewee B3, 2009). After the GBS annual review in 2006, it was recommended to develop development partners’ PAF based on the same monitoring approach as in existing government’s PAF (Gerster and Mutakyahwa, 2006). Tanzania’s PAF is also taken as one of the best practices among development partners (Interviewee B2, 2009).

The use of GBS and PRBS by Sweden and the UK is also well aligned within the DPG activities in Tanzania. As provided in Section 1.4, donors and the GoT have composed the DPG in Tanzania, which has designed several sectors and thematic working groups, while the issue of GBS is dealt with by a PRBS group. The PRBS group is chaired by a TROIKA system based on the current, outgoing and incoming chairs: as of 2009 members of TROIKA were DFID (current), Sida (out-going) and Canadian International Development Agency (CIDA) (incoming) (Interviewee B2, 2009; Interviewee S2, 2009). The GoT and donors consider the PRBS facility as a ‘main instrument of support to the government’s budget’, an ‘aligned and harmonised instrument for financing poverty reduction’, and a ‘framework for dialogue on results and accountability’ (URT, 2001b: 2; HOAP, 2006). About 16 percent of the national budget was provided through the PRBS in 2006/07 (HOAP, 2006). The PRBS is managed by the MoFEA, monitored by the Bank of Tanzania and funded by 14 donors of the AfDB, Canada, Denmark, the EC, Finland, Germany, Ireland, Japan, Netherlands, Norway, Sweden, Switzerland, the UK and the World Bank.

In sum, both Sweden and the UK have provided budget support, heavily by GBS and PRBS in Tanzania because, as mentioned earlier, they believe GBS and PRBS can achieve ownership, alignment and harmonisation. At the same time, both countries have conducted monitoring and evaluation of their budget support with respect to the results-based management of the PD, even though
the issue of mutual accountability is still not sufficiently considered. While the donor use of GBS and PRBS has contributed to PD implementation progress in the context of aid management system reformation, it is found that there are some obstacles and risks in providing this aid modality in Tanzania. In relation, some interview respondents added that these drawbacks of GBS can be one of the reasons why some donors hesitate in using it (for example, Interviewee K7, 2010). The discussion on why some donors, especially Korea and China in this study, do not use GBS while other donors such as Sweden and the UK carry out this aid modality will be discussed in more detail along with other reasons for uneven donor response in policy and practice later in Chapter 5. Before conducting this discussion, however, the following section reviews an example case of uneven use of aid modalities from four donors in the education sector in Tanzania, in order to provide a better understanding of how four donors provide aid in practice and how closely their activities are related to the Paris agenda.

4.8. Donor Aid Practice in the Education Sector in Tanzania

This section illustrates how each donor differs in the extent to which they are embedding aid modalities in the education sector in Tanzania. From the above sections, it is clear that Sweden and the UK have provided PBAs, including both SWAp and GBS, while Korea and China do not in Tanzania. In relation, this section provides a bounded case study of how donors have changed, or not changed, their policies and practices under the PD context in the education sector in Tanzania.

In Tanzania, the education sector is an important sector along with the health sector. Julius Nyerere (Tanzania’s first president) famously asserted the importance of ‘education for self-reliance’ and development in Tanzania, and education has since been seen as central to poverty reduction in Tanzania (Cameron and Dodd, 1970). The GoT and development partners are highly coordinated with each other under the Education Sector Development
Programme (ESDP) (URT, 2001d). Prior to the launch of ESDP there was donor coordination in the education sector but only in terms of the sharing of information, rather than coordinating sector activities in Tanzania, and major donor coordination began by preparing the ESDP in donor support to education in Tanzania (Sida, 2001). When the ESDP was initiated during the mid-to-late-1990s, Tanzania was experiencing an education crisis, with low enrolment rates at primary and secondary schools, and it was difficult to implement the ESDP into the governmental system due to the multitude of ministries and education related institutions, and the Ministry of Education and Culture (MoEC)\(^\text{17}\) failed to adequately respond to the appraisal report (Sida, 2000d; Sida, 2001; Sida, 2002). The ESDP reform initiatives were built on the basis of experience and lessons learned over the years (DPG, 2009). In accordance with this, the ESDP is now seen as a way to promote stronger partnership between donors and the GoT, and to pool the resources for better use (Sida, 2000a; Interviewee S2, 2009).

When the ESDP was revised in 2001, the initiatives such as SWAp to education development and decentralisation of the management of education and training were included in the education system of Tanzania (URT, 2001d). For instance, it was found that project-based education development resulted in problems for the education system, and highly centralised planning resulted in non-participatory attitudes and ignored localities (URT, 2001d). Based on these experiences, the GoT and development partners have implemented a SWAp in the education development process and have begun the planning reform process between bottom-up and top-down approaches (URT, 2001d). In addition, based on the demand for enhanced coordination and sharing information between the government and donors, the Education Management Information System (EMIS) was initiated under the SWAp of the ESDP (URT, 2001d).

\(^{17}\) The Ministry of Education (MOE) in Tanzania was converted to the Ministry of Education and Culture (MoEC) in 1989, and again to current Ministry of Education and Vocational Training (MoEVT) in 2005 (MoEVT, 2005).
Under the ESDP, the Primary Education Development Plan (PEDP) was initiated in 2001, and development partners have committed to the PEDP by integrating their individual projects into it (Terme, 2002). The PEDP was intended as a step towards the gradual achievement of the PRSP, Local Government Reform Programme, universal primary education (UPE) and Vision 2025 (URT, 2001a). For instance, the PEDP included PRSP objectives of improving quality, raising enrolment, optimising the effective use of available resources, reinforcing capacity to manage schools at grass-root level, and addressing gender, environment and HIV/AIDS concerns (URT, 2001a; URT, 2001c: 21; URT, 2005). To complement the PEDP the Secondary Education Development Plan (SEDP) was formulated in 2004 (URT, 2005). According to the MoEC, there is a strong nexus between education and economic growth, with secondary education seen to have particularly strong multiplier effects, both on the education system and on the economy (URT, 2004a). In a similar vein to the PEDP, the SEDP has been formulated based on the Education and Training Policy of 1995 and the ESDP (URT, 2004a). Meanwhile, the government introduced the Adult and Non-Formal Education (AE/NFE) Sub-Sector Medium Term Strategy in 2003 (URT, 2003). The AE/NFE Strategy has been implemented to complement the PEDP and to strengthen the ESDP in accordance with the Education and Training Policy of 1995, PRSP, Vision 2025 and the education for all (EFA). In 2005, when the GoT established the NSGRP/MKUKUTA, the goals and objectives of government’s efforts for educational development including PEDP, SEDP and AE/NFE Strategy under the ESDP were incorporated into the NSGRP/MKUKUTA. As the ESDP scheme is now carried out with the NSGRP/MKUKUTA, it is expected that donors utilise the ESDP in the aid provided for the education system in order to deliver the PD requirements. For instance, by adapting ESDP in donor aid practice, the level of division of labour amongst donors has been boosted (Andersen et al., 2008).
4.8.1. Sweden

Sweden has been a major donor partner in the education sector in Tanzania, particularly focusing on basic education (Sida, 2000a). Sweden has focused on basic education not only based on its own policy but also based on the emphasis of the ESDP (Sida, 2004b). The organisational roles and responsibilities of Sida in Tanzania have been very influential and consistent with both the NSGRP/MKUKUTA and with the overall aid architecture (Andersen et al., 2008). Not only that, higher education and research, teacher education, and vocational training are also part of Swedish aid programmes in Tanzania by reflecting its need to ‘upgrade human resources’ as a capacity building effort to reduce poverty (Sida, 2000a; MFA, 2006: 11). In Tanzania, Sida provides GBS to the GoT including the financing of education sector development (Interviewee S1, 2009), and operates separate education projects in Zanzibar by education specialists (Andersen et al., 2008; Interviewee S1, 2009). Sida’s support is not aimed at any specific project but at the ESDP which covers the whole of the education sector at all levels (Interviewee S1, 2009).

From the 1990s onwards, Sweden has been involved in the ESDP at primary, secondary and tertiary education levels including research based on ‘very active’ and ‘extensive’ sector dialogue with the GoT through the Embassy of Sweden in Dar es Salaam and with other development partners, through Sida’s education SPS in Tanzania (Sida, 2000a: 5; Sida, 2002; MFA, 2006; Andersen et al., 2008: 150; Interviewee S1, 2009). The SPS has been used as a key aid modality in education cooperation (McNab, 2003; Andersen et al., 2008), and it has been implemented in accordance with the ESDP in the education sector (Sida, 2002). Sida’s education cooperation based on SPS has been recorded as 30 percent of total aid in the education sector by Sweden (Andersen et al., 2008). Under the ESDP, GBS and other grants are also provided as financing interventions in the education sector in Tanzania (MFA, 2006). For the financial year of 2008/09, Sweden disbursed SEK 425 million as GBS, which is about USD 53 million, while roughly 18 percent of the GoT’s budget goes to education, which means
that about 18 percent of the Swedish budget support goes to the education sector amounting to SEK 76.5 million, about USD 10 million (Interviewee S1, 2009).

However, in Zanzibar, Sweden provides support to the education sector based on the old project type with about SEK 12 million per year (Interviewee S1, 2009; Interviewee S2, 2009). Swedish support to the Zanzibar education sector was discontinued in 1996 due to the irregularities in the general elections and resumed in 2002 after political normalisation (Sida, 2003; Sida, 2004a; Persson, 2007). Sida’s support to Zanzibar includes the construction of classrooms, offices and teacher centres and the preparation of Zanzibar Education Development Programme (ZEDP), a sector wide education programme in Zanzibar (Sida, 2003; Sida, 2004; Sida, 2006c; Sida, 2006e; Wort, Sumra, Van Schaik and Mbasha, 2007; Sida, 2008). In the preparation of the ZEDP, a donor coordination group was created with the Netherlands, CIDA, UNESCO, United Nations Children’s Fund (UNICEF), World Bank and United Nations Population Fund (UNFPA), and Sweden was the coordinator of the donor group (Sida, 2003). Overall assessment for the preparation of the ZEDP has shown that more ownership should be taken by the technical working groups themselves and there should be more focus on the poor (Wort et al., 2007).

When all donors approved the PEDP under the ESDP in 2001, Sida joined the first group that signed the PEDP support agreement together with the World Bank, CIDA, EC, Ireland, Netherlands, Norwegian Agency for Development Cooperation (NORAD), while Finnish International Development Agency (FINNIDA) and Belgium signed the agreement in 2003 (Sida, 2003). Previous Swedish project support to teacher education is now included in the PEDP (Sida, 2006c). Sida has noticed that the financial support to the PEDP has affected the increased number of enrolment at primary school level, but the quality of education still remains a problem (Sida, 2004a; Sida, 2006e). Related to the PEDP, the GoT and Sida signed a new agreement on SEK 455 million covering the 2003-2006 period (Sida, 2006c: 48).
4.8.2. United Kingdom

According to the UK, education is vital ‘to improving the equality of human life and for the promotion of sustainable development’ which can help to reduce poverty (COI, 1993: 52). Based on this, DFID’s aid policy in the education sector is focused on achieving the EFA and the education MDGs with a priority in the UPE, and there has been an increasing awareness on the importance of secondary and higher education and vocational skills training (DFID, 2009d). Education projects and programmes of the UK tend to be focused on improving the efficiency of education systems in developing countries (COI, 1995). For example, based on coordination and cooperation with other bilateral donors including Sweden and with multilateral organisations, DFID works on activities for abolishing primary school user fees in Tanzania (DFID, 2007d). As Section 4.4.3 presented, the education TROIKA has been highly productive due to donor coordination and cooperation, and DFID has played a major role in promoting sector result monitoring tools and offering economic advice to donors that are in the education sector development group (Andersen et al. 2008).

In Tanzania, DFID intends to increase its aid spending on education (DFID, 2009c). In 2008, half of DFID’s aid support to education was for primary schools, and about 4,000 primary schools have been built in Tanzania (DFID, 2009c: 20). In order to deliver access to quality education, DFID has supported the increase of teachers by 40 percent, equivalent to a 97 percent net enrolment rate, in 2008 (DFID, 2009c: 20). In terms of the CAP in Tanzania, DFID provides budget finance to two sectors of education and water and sanitation, especially in regard to the medium-term changes (MTC) 4, to enable ‘all Tanzanians, particularly the poor and vulnerable, to access quality basic services and social protection’ (DFID, 2007h: 13). The UK provides six MTCs in line with the MDGs in Tanzania (DFID, 2007h).

DFID’s aid in Tanzania is aligned with the NSGRP/MKUKUTA, and it provides GBS to the education sector on the basis of the ESDP. According to DFID staff, the UK is providing its aid to the education sector in Tanzania mainly
throughout GBS under the PRBS scheme (Interviewee B2, 2009; also see Results UK, 2010). DFID’s support to education programmes in Tanzania recorded GBP 26 million between 2006/07 and 2007/08 (DFID, 2007d; Results UK, 2010: 41). DFID ensures that GBS to the education sector should be executed by the GoT on the basis of the ESDP (Interviewee B2, 2009). About 80 percent of total aid to Tanzania has been allocated through GBS, and about 18 percent of GBS is used in the education sector by the GoT (Interviewee B2, 2009).

As mentioned above, the GoT has set secondary education as a priority because it is seen to have positive effects on the economic growth. Accordingly, DFID supports the GoT’s scaling up of secondary education through the education SWAp (DFID, 2006d). In the education sector in Tanzania, DFID tends to give special attention to girls’ education, particularly since the GoT emphasises gender equality in its long-term education plan (Rose and Subrahmanian, 2005; DFID, 2006d). Throughout the SWAp, DFID intends to improve donor harmonisation and coordination on gender issues within the education system (Rose and Subrahmanian, 2005).

4.8.3. South Korea

Korea has established its ODA strategy by sector based on its own development experience and on the recipient’s development agenda. In the education sector there are two strategies in providing grants: to ‘support human resource development by expanding educational opportunity for the poor and the neglected of developing countries, eradicating illiteracy, and training technicians’; and to ‘build, improve, and expand training facilities improve education, training policies and systems, develop curriculums, and provide educational materials’ (ODA Korea, 2008). As mentioned previously, Korea does not provide budget support due to the comparatively low volume of aid it provides to developing countries, and therefore, it does not provide GBS in the education sector in Tanzania (Interviewee K2, 2008). Instead, KOICA provides
a project aid programme in the education sector based on textbook supply, information and communication technology (ICT) support, building construction including schools and training centres, and vocational training support (Interviewee K3, 2008).

In Tanzania, there has been one recent project by KOICA in the education sector. KOICA executed an ICT education capacity building project, a ‘Project for effective ICT education at the College of Engineering and Technology (CoET), University of Dar es Salaam, Tanzania’ which ran for three years from 2006 to 2008 (KOICA, 2007). This project aimed to support the human resources development in the education system so that it could meet the industrial requirements in Tanzania, contribute to the development of educational infrastructure at CoET by developing advanced curriculums and strengthening the ICT capacity, and develop required core competence for ICT capacity operations through staff exchange and expert dispatch (KOICA, 2008c). Based on a budget of USD two million, the Korean government has provided equipment and materials for the project, renovation of the ICT centre, and invitation of Tanzanian trainees to Korea (KOICA, 2006; KOICA, 2008c). Korea has also dispatched the Korean experts to Tanzania (KOICA, 2006; KOICA, 2008c). At the same time, administrative measures, provision of utilities for renovation, provision of goods tax exemptions, clearance and storage, identification of staff for training in Korea, and promotion of understanding and support for the project have been implemented in Tanzania (KOICA, 2008c). The stakeholders in this project are KOICA on behalf of the Korean government and the MoEVT of Tanzania on behalf of the GoT (KOICA, 2008c). Here, one of the MoEVT officials said that Korean approach (project aid) in the education sector is more likely welcomed than budget support that gives less flexibility to the MoEVT in terms of ‘spending aid money’ (Interviewee G3, 2010). In the previous section, it was discussed that line ministries can have less power in ‘budget negotiation’ against the MoFEA. With this in mind, the MoEVT is in need of ‘extra aid money’ in preferred projects.
It is not easy to conclude which modality is more effective between budget support and project aid due to the mixed views and evaluations by donors and by line ministries of recipient. However, it is evident that budget support, including GBS, can result in drawbacks in some cases, while other kinds of aid modalities can also bring positive effect. For instance, when it came to the evaluation of the CoET project, the director of the college expressed that the project has been very productive since it brought practical support to the college (Interviewee K3, 2008). However, one of respondents of the interview at KOICA pointed out that we cannot expect to achieve a long-term vision and de facto capacity building of Tanzania from this project since current evaluation matrix of KOICA does not reflect outcomes of the project and the effectiveness (Interviewee K2, 2008), as also mentioned earlier in Section 4.5.

4.8.4. China

Chinese aid support to Tanzania, particularly in the education sector, can be categorised as cultural and language exchange, school building construction, facility supply and human resource development through the exchange programme (People’s Daily Online, 9 June 2000; FMPRC, 2006; Embassy of China in Tanzania, 2008; Interviewee C1, 2008). Chinese human resources development started from the 1960s by accepting students from Tanzania, and there have been internship programmes for Chinese students in Tanzania as a part of Chinese aid projects (Interviewee C1, 2008). China has provided training courses for Tanzanian teachers, technicians and officials as a short-term training project, but due to the different cultural backgrounds, teacher training has been difficult (Interviewee C1, 2008). Chinese volunteers are basically dispatched for Chinese language courses, and now China has opened 13 Confucian schools in African countries, including Tanzania, for Chinese cultural and language courses, as of 2008 (Interviewee C1, 2008). Also, the Chinese government has provided a scholarship programme as part of its aid to education for exchange programme (FMPRC, 2006). For example, from 2005 to 2007, China provided 100 full government scholarships to Tanzania each year, and in
turn Tanzania offered five government scholarships in 2006 and four
government scholarships in 2007 to China (Embassy of China in Tanzania,
2008). In 2000, the Chinese Ministry of Education and the Ministry of Science,
Technology and Higher Education of Tanzania signed an agreement for a
cooperative project to higher education in Tanzania (People’s Daily Online, 9
June 2000; Embassy of China in Tanzania, 2008). Since then China has
provided micro-computer teachers to the Dar es Salaam Institute of Technology
(DIT) for the training of lecturers and students, and has supported DIT in
developing teaching and research in the micro-computer area (Embassy of
China in Tanzania, 2008).

The illustration in this case study makes it obvious that Sweden and the UK
have used GoT’s country systems in their aid practices as mandated by their
domestic aid policies in the education sector, as well as by the PD. On the
contrary, Korea and China do not use recipient country systems. At the same
time, while both Sweden and the UK have cooperated with other donors for the
division of labour in the education sector, Korea and China continue to carry out
aid projects independently from the donor group.

4.9. Conclusion

This chapter has analysed and compared how four donors in Tanzania have
committed to the Paris principles and indicators based on the normative
framework of the PD. Whilst the finding that donor behaviour change is uneven
amongst the four donors is commensurate with the assumption which was drawn
from existing literature, this chapter has argued that the differences can be
divided by advanced donors and emerging donors. In Tanzania, the UK has
demonstrated the greatest response and outcomes in both policy and practice
towards the PD targets, while Sweden has shown a relatively high degree of
performance in implementing the PD. On the other hand, both Korea and China
have rarely changed their aid policies and practices in light of the Paris agenda.
Even though Korea showed some willingness to implement the PD, specific indications of how and when seem to be weak. In comparison, China has shown its own notion in understanding and carrying out actions for improving aid effectiveness in spite of its awareness of the importance of the aid effectiveness agenda.

Specifically, both Sweden and the UK have strongly included the ownership agenda in their policy statements. In Tanzania, their assistances are in line with NSGRP/MKUKUTA as the PD recommends. However, Korea does not fully integrate the ownership agenda in its policy even though it has identified the importance of ownership in aid effectiveness. The situation is not much different in the Chinese case, and the principal difference between the two is that Korea participated in the DAC monitoring surveys for the PD implementation progress, while China did not.

Second, Sweden and the UK have shown changes in practice to improve alignment in Tanzania, except in Indicators 4 and 6. In comparison, Korea has recorded higher progress than others in Indicators 4 and 6, yet this is because Korea carries out technical cooperation in most projects more often than programme aid in Tanzania. At the same time, there was not a significant difference in terms of actual number of PIUs in Tanzania as in Table 4.1. Thus, it cannot be said that Korea’s change in the implementation against Indicators 4 and 6 are significantly greater than other donors. In other words, overall behaviour change towards alignment was higher in Sweden and the UK than in Korea and China. Even though China did not participate in the DAC surveys, it has made efforts on aid effectiveness in its own way regardless of the PD.

Third, unlike the traditional donors (Sweden and the UK), the two emerging donors (Korea and China) are not dedicated to the harmonisation process in Tanzania and their overall commitment to harmonisation is shown to be extremely low. While advanced donors provide programme aid, both Korea and China still provide traditional project approaches as mentioned herein. This
could be an outcome of the fact that current aid management systems of Korea and China are not appropriate to fit into the PD mechanism while both Sweden and the UK have already carried out modalities such as PBAs in their aid systems, which will be discussed in more detail in Chapter 5. Sweden and the UK have also participated in the DPG with like-minded donors based on similar aid management systems and delivery mechanisms.

Fourth, all of the four donor cases in this study have recognised the importance of the principle of managing for results; however, only Sweden and the UK have implemented results-based management in their aid practices while Korea and China do not. Between Sweden and the UK, it seems that Sweden needs to develop more actions for aid workers within the system so that they can clearly carry out results-based management.

Finally, mutual accountability has not yet been streamlined amongst all donors. Sweden and the UK have shown progress in terms of mutual accountability commitments, but Korea and China have not seriously committed to the mutual accountability agenda in line with the PD. It might be of interest to consider why the agenda of mutual accountability has not been widely embedded in aid management systems, especially for Korean and Chinese cases in this study, even though this agenda was already introduced during the Monterrey Conference in 2002 (see Section 2.4.3). For example, Sweden and the UK have taken accountability issue into results-based evaluation process while Korea and China merely consider the issue of accountability (see Section 4.5).

While some donors (Sweden and the UK) are mature in terms of considering the Paris principles for a synergy effect, other donors (Korea and China) continue to have difficulties even at the fundamental level of the implementation process when it comes to making their aid workers digest the very concept of the five principles. Then, what has influenced the level of maturity of implementing the Paris requirements in aid policy and practice of donors? What can be the reasons for this? The answers will be provided in the following chapter.
Along with the analysis of donor implementation of the five Paris principles, this chapter has scrutinised how Sweden and the UK have provided budget support in Tanzania in order to find out why they are carrying out budget support in line with the Paris requirements whilst the other two emerging donors are not. In Tanzania, Sweden and the UK have already provided budget support as it predates the Paris meeting in 2005 as also mentioned in Chapter 2. In addition, these two donors are well coordinated and in cooperation with other donors within the DPG framework in providing budget support, mainly through GBS and PRBS.

This chapter has conducted a bounded case study in the education sector in Tanzania in order to consider how the four donors have actually provided aid, and to demonstrate whether their aid distribution to the education sector is in line with the PD. As mentioned, Tanzania has developed the ESDP under the NSGRP/MKUKUTA in the education sector, and donor division of labour has increased by using ESDP. Accordingly, Sweden emphasises ESDP of Tanzania in its educational policy of aid support, and the UK takes the ESDP as Tanzanian government policy. Both donors have provided GBS and PRBS to the GoT under the ESDP context, and the execution of the budget to the ESDP has been conducted by the GoT as recommended in the PD. However, given that Korea and China have both provided project aid, they hardly participate in DPG and GBS allocation in Tanzania. In addition, these two emerging donors do not consider ESDP in their aid policies and practices in the education sector in Tanzania.

Overall, and throughout the chapter, it has been found that Sweden and the UK have relatively higher policy directives towards the PD and aid effectiveness while both Korea and China do not include the PD context in their aid policies. These results have been almost identical in all five principles. Between Sweden and the UK, British performance is higher than its Swedish equivalent. It has been apparent that the degree of change is significantly higher for advanced
donors than for emerging donors. With this in mind, the following chapter explains why donor behaviour change is uneven in Tanzania by focusing on variables contributing to the differences.
Chapter 5: Explaining the Different Donor Behaviour in the Implementation of the Paris Declaration in Tanzania

5.1. Introduction

In the previous chapter, this thesis analysed donor behavioural change towards greater aid effectiveness within the PD context in Tanzania, based on the research question which asks how donors have implemented the PD in Tanzania, in their aid policies and practices. Among four donor cases, it was significant that Sweden and the UK have made greater progress in implementing the PD in comparison with Korea and China. The UK has shown greater progress than the other three donors, which is accompanied by higher levels of responses and outcomes in implementing the Paris commitments while Sweden also shows reasonably high progress and reflects many changes in policy intention and practice towards the PD principles. Chapter 4 found out that it is not only China that has not implemented the PD but that Korea has made only a few of the commitments required as part of the Paris principles. Even though Korea participated in the DAC monitoring survey in 2008, there has not been much progress and changes against the Paris indicators in Tanzania. In light of the evidence that emerging donors (Korea and China) have not demonstrated the same levels of change in aid policy and practice in comparison to the advanced donors (Sweden and the UK), this chapter explores why this difference exists. In other words, by drawing on the conceptual framework developed in Chapter 3, this chapter examines the main factors that have contributed to the differences in donor behaviour and discusses the core challenges or obstacles for change in Korea and China in implementing the PD in Tanzania.

Each section of this chapter analyses each variable that have either motivated or discouraged donor changes in policy and practice in line with the Paris agenda. That is, this chapter examines the factors influencing the uneven donor implementation progress by reflecting varying behaviours and degrees of embeddedness. The conceptual framework has suggested that elements such as
donor self-interests, communication within the organisation, political commitments, action plans and aid modalities influence the different performance of donors, as does the working and organisational culture of the field offices more broadly. However, this chapter identifies unexpected but nevertheless important factors, along with variables already found from the existing literature in the area of donor behaviour change in line with the PD. At the same time, as will be discussed, this study argues that donor self-interests have less to do with donor behavioural change in the PD context. With this in mind, this chapter investigates the key concepts attributing to donor behavioural change: aid volume and number of staff in aid agency (Section 5.2); donor aid history (Section 5.3); political commitments (Section 5.4); action plans and country strategies (Section 5.5); aid management systems (Section 5.6); aid modalities (Section 5.7); and monitoring and evaluation (Section 5.8). These factors will now be discussed in turn. At the end of this chapter, it provides a reframed framework of the study that integrates the newly found variables (see Figure 5.10), and demonstrates correlations between those variables (see Figures 5.11 and 5.12) to provide an overall explanatory frame.

5.2. Aid Volume and Number of Staff in Aid Agency

This section discusses two related factors that can account for uneven implementation performance: the volume of aid and the number of aid workers. Even though these were not highly significant in the findings from Chapter 4, it is necessary to discuss their potential influence in donor behaviour, not least because the interviewees would need to be highly reflective to consider this an issue themselves, so it would be unlikely to emerge through the interview-based research.

First, there seems to be a correlation between the volume of donor aid and the PD implementation progress. This section compares the trends of aid volume and the PD achievement with Figures 5.1 and 5.2. As Figures 5.1 and 5.2
illustrate, the aid allocation of donors in Tanzania is reflected in the PD implementation results in this country. For Figure 5.1, the Paris indicators measured by the DAC monitoring surveys based on the percentage are only included, and thus, Indicator 6 is excluded because the measurement for this indicator is not in percentage but in the number of parallel PIUs. At the same time, Indicator 4 is excluded for the trend comparison because the result of this indicator appears to be an outlier in this figure.

From Figure 5.2, it is seen that the aid volume of the UK is much higher than that of Sweden, and this trend is reflected in Figure 5.1. That is, the British response in implementing the PD is higher than Sweden given that the volume of British aid exceeds that of Sweden. At the same time, Korea provides the lowest amount of aid in Tanzania, and its performance is also the lowest. In this sense, aid amount is one of the factors for donor behaviour change in Tanzania, which might indicate that having a higher stake financially in a country’s aid effort prompts a greater motivation on the part of donors to participate in the PD effort.

As shown, China is not included in the trend comparison because it does not provide specific aid allocation data to each recipient country. However, it can be assumed that the pattern of Chinese aid volume and its limited behavioural change is similar to the Korean case because the total amount of Chinese aid is not significantly different to that of Korea as Figure 3.5 in Chapter 3 demonstrated. At the same time, Tanzania has been one of the largest recipients from both Korea and China (refer to Chapter 3). In Chapter 4, it was found that the Chinese response in aid policy and practice is very limited and similar to that of Korea, and its aid allocation in Tanzania and its outcomes in the PD implementation might be similar to that of Korea, which implies the correlation between aid amount and behavioural change.
Figure 5.1. Trends of the Paris Declaration Progress in Tanzania in 2008 (%)

Source: Tables 4.1 and 4.2 in Chapter 4

Figure 5.2. Trend of Aid Amount in Tanzania
(2008-2009 Average, USD millions)

Source: Figure 3.2 for Sweden; Figure 3.3 for the UK; Figure 3.4 for Korea in Chapter 3
Second, the number of staff in national aid agencies also seems to have a correlation with the progress of implementation. As Figure 5.3 shows, the curve trends are almost identical between Figures 5.1 and 5.3, which shows a correlation between the number of staff and the degree of change of donor performance. The latest number of staff at Sida is 965 (Sida, 2011), and the number at DFID stands at 2,586 (DFID, 2009c: 56), while 335 people work in Korea at both KOICA and Exim Bank (OECD, 2008f: 21). Among them, 165 staff members are working at field offices from Sida, 763 are from DFID, and 70 are from KOICA and Exim Bank. Currently the Korean government plans to increase the number of aid workers in the governmental system, and will increase KOICA employees up to 352 and Exim Bank staff members up to 146 from 2011 to 2016 (Asean Times, 7 March 2011). However, this increase still remains half of Sida’s staff and much less when compared to DFID.

The Chinese case is not included in Figure 5.3 because China does not have specific officials dedicated to aid (Interviewee C1, 2008). At field level, as summarised by a Chinese government official who deals with the Chinese aid activities at the MOFCOM, the embassies manage aid activities as China does.
not have field offices:

So far the embassies, more specifically the Economic and Commercial Councillor’s Offices are in charge of local aid affairs in the country they are accredited. Take Tanzania for example. The responsibilities of the embassy in terms of providing aid mainly include providing suggestions on China’s aid to Tanzania, and local administration and monitor of aid projects (Interviewee C5, 2011).

According to another official in the MOFCOM, currently in Tanzania, China has dispatched three personnel whose roles are in relation to aid activities as Table 5.1 demonstrates. This can be compared to the cases of traditional donors which have dedicated and well-trained staff members, and this can make it relatively easier to carry out the PD dimensions for traditional donors. In this light, the number of staff members clearly influences on the degree of behavioural change in committing to the PD.

<table>
<thead>
<tr>
<th>Position</th>
<th>Job Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Representative</td>
<td>Overall</td>
</tr>
<tr>
<td>Third Secretary I</td>
<td>Aid projects excluding training, medical teams and Tazara Railway</td>
</tr>
<tr>
<td>Third Secretary II</td>
<td>Tazara Railway</td>
</tr>
</tbody>
</table>

Source: Interviewee C3, 2008

Of course, having sufficient aid workers who can influence the implementation progress does not mean to have a large number of aid workers in terms of quantity (OECD, 2008f). However, it was observed that there have been difficulties in terms of an unmanageable work burden of field offices of Sida and KOICA with a limited number of staff members. Given that DFID aid workers are also experiencing a high work burden despite the large number of staff (Interviewee B2, 2009), it can be said that it would be even worse in the Swedish and Korean cases where the total number of staff is much less than that of DFID. For instance, one staff member of KOICA’s Tanzania office expressed
difficulties stemming from her perceived lack of aid workers within the field office:

[…] However, it is very difficult for us to take care all of these issues with small number of staff at our office. Currently only two officers are working for aid activities at KOICA Tanzania office, and the other three workers are taking care of our volunteers at administrational level (Interviewee K7, 2010).

With regard to the issue of the number of local staff members, a Sida worker also agreed that there are difficulties when it comes to human resources within field offices:

There is the issue of human resources in terms of number of aid officers at field office (Interviewee S2, 2009).

Even though Swedish progress in PBAs (Indicator 9) almost achieved the target, it is much less than the UK (see Table 4.2 in Chapter 4). This can be partly because Sida faces difficulties in having sufficient number of experienced staff dealing with PBAs in field offices.

Even though these curve comparisons do not explain how they are directly related to the degree of donor behaviour, it is obvious that there is certain degree of correlation between above two factors and the degree of donor response to the Paris mandates. There may also be a design issue here in terms of the top-down nature of the PD design, in that it is overly burdensome in terms of the generation of bureaucracy and paperwork for donors, given that field officers are likely to prioritise direct intervention activities in the field, over auditing and harmonisation criteria.

5.3. Donor Aid History

The maturity in delivering the Paris commitments can have correlation with
donor aid history and experience. It is noteworthy that either the length of donor aid history or the context of aid history in a recipient country might be related to donor behaviour. For instance, borrowing the logic of the P-A model as briefly reviewed in Chapter 2, it would be easier for donors who have long-term aid relationships with recipient counties in order to understand the recipient country systems so that these donors can bring more adaptable aid mechanism into the country. For this reason, the length of aid history can be correlated to the degree of implementation progress of donors. In other words, the longer the aid history in Tanzania, the easier it is for donors to adjust their aid flows in the national systems of Tanzania, and further to cooperate with other donors based on long relationship with the GoT, as well as other donors backed up by well understanding about Tanzania.

As mentioned in Chapter 3, Sweden has provided aid to Tanzania since the 1960s. Sweden is ranked in between the UK and Korea in terms of progress towards the PD, which reflects a relatively long history of Swedish aid and high degree of behavioural change. In other words, the UK has the longest relationship with Tanzania since the colonial period, and even after the independence of Tanzania, and this seems to be related to the fact that the UK has the highest degree of PD implementation progress in Tanzania.

When it comes to Korea, the country has had diplomatic relations with African countries since the early 1960s, but the Korea-Africa relationship was very limited until recently (Korea JoongAng Daily, 24 July 2006). Korea’s strong interest in Africa and its aid to Tanzania began from 2006 when President Roh visited Africa, the first Korean president to visit the continent in 24 years (MOFAT, 2006). As Korea’s aid history in Tanzania is short, it seems that Korea needs more time to learn and understand Tanzanian country systems before using them in practice, which might highlight a correlation between a short aid history in Tanzania and minimal behaviour change of Korea in the context of the PD. In short, the Korean effort is hampered by an a priori deficit in contact points of influence within the national governmental and joint donor structures.
It is not only the limited history of aid relationship in Tanzania, but also minimal aid experience that reduced the likelihood of Korea’s outcomes in the PD implementation. Korea is a country that was once a recipient and now a donor. After the Second World War, Korea received emergency relief and reconstruction funds, and in 1964 Korea began to provide aid with a training programme under the USAID sponsorship (ODA Korea, 2010c). In 1995 Korea was omitted from the World Bank lending list as a *de facto* end of Korea as a recipient country; however, in 1997 when the Asian financial crisis occurred, Korea received emergency financial funds from the IFIs, and only in 2000 Korea managed to be out of the OECD DAC list of aid recipients (ODA Korea, 2010c). At this point, Korea finally made a transition from recipient country to an emerging donor country. As seen, Korea’s aid experience as a donor is relatively short, and thus, the government of Korea has not political committed to the PD because high level decision makers do not yet have sufficient knowledge for the necessary legislative changes in the aid context, which will be discussed in more detail in the following sections.

In comparison, however, the correlation of aid history and donor behaviour change cannot be applied to explain why China does not show progress in implementing the PD in Tanzania despite the fact that there is a long history of connections between the two countries. As presented in Chapter 3, the aid history of China in Tanzania began in the 1960s as did Swedish aid to Tanzania, but China has not shown as much response to the PD as Sweden. The length of Chinese aid history therefore has less of a significant correlation with behaviour change in Tanzania. Instead, it appears that the ‘context’ of aid history has what is critical to behavioural change in the case of China, as opposed to longevity in the relationship *per se*. This study, therefore, explores the distinctiveness of the Chinese aid history in order to understand why and how China has its own notion of aid policy and practice.

While China is still a recipient, its history as an aid donor country began with
the establishment of the People’s Republic of China. From 1949 to 1976, seen here as first stage of Chinese aid, China received aid from the former Soviet Union (Li, 2008), and provided grant-type aid mainly in Asia, but also in Africa mainly related to the war (Interviewee C1, 2008). In the 1960s, China began to give more weight to geopolitical considerations due to the contest with Taiwan and the Union of Soviet Socialist Republics (USSR) as well as the US (Li, 2007; Alden and Alves, 2008; Mohan and Power, 2008). However, the Cultural Revolution, which started from 1966, left disastrous results based on the political power game between Mao Zedong and Deng Xiaoping, and Chinese policy lost its ideological inflection during the 1970s (Harding, 1995, cited in Mohan and Power, 2008: 29).

The second phase of Chinese aid evolvement is from 1976 (when Mao died) to 1989 (at the end of the Soviet bloc and the Tiananmen Square massacre). In the post-Mao era, China started economic reform with more focus on economic considerations in its aid policy (Harding, 1995, cited in Mohan and Power, 2008: 30; Li, 2008). In 1982 during the 12th National Congress of the Communist Party of China, the government pronounced its new ‘independent policy’ of continuing anti-imperialism in the third world countries (Li, 2007; Alden and Alves, 2008). The new policy officially emphasised the change from ‘war and revolution’ to ‘peace and development’ and from ‘economy serves diplomacy’ to ‘diplomacy serves the economy’ (Li, 2007: 72; Alden and Alves, 2008: 52). At the same time, the Five Principles of Peaceful Coexistence that were launched in 1949 still played a guiding role in policy (Alden and Alves, 2008; Interviewee C1, 2008; Xue, 2008). The Five Principles of Peaceful Coexistence consist of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence (FMPRC, 2004).

In 1985, Deng Xiaoping announced the post-Maoist foreign policy which delivered the message for China to become a ‘modern and powerful socialist economy’ from the communist society (Mohan and Power, 2008: 30). During
this period, China opened the market and received credit from Japan for domestic modernisation development; however the amount of foreign aid available to other countries decreased due to domestic criticism in China (Korea Exim Bank, 2008). From the late 1970s to 1989, China began to normalise the Sino-Soviet relationship, and in Africa, the geopolitical and ideological war between China and the former Soviet Union diminished (Yu, 1988, cited in Alden and Alves, 2008: 52). In addition, China established formal relations with the US to attract Western investment in the four special economic zones in the coastal capitalist cities18 (Alden and Alves, 2008).

The third stage of Chinese aid can be dated from 1989, wherein China began to be more practical (Xue, 2008). Due to the Tiananmen Square massacre, China faced diplomatic isolation by the developed countries, and became the last remaining large communist power in the world with the collapse of the Soviet Union (Alden and Alves, 2008). As a result, China re-evaluated its foreign policies, while the US took up a position of ‘new and potentially unchallenged’ hegemon (Mohan and Power, 2008: 30). As a result, the African continent quickly became important, the region representing the main recipient of Chinese aid especially in light of the rivalry with the US (Mohan and Power, 2008).

After the collapse of the Soviet bloc and following the Tiananmen Square massacre in 1989, China began to focus on Africa whereas Western donors showed less attention to aid to Africa after the Cold War (Li, 2007; Alden and Alves, 2008). China once stated that “we will not forget old friends when making new friends, or forget poor friends when making rich friends,” and Chinese high level officials in foreign relations have officially visited African countries every year since 1991 (Li, 2007: 80). In fact, from 1989 to now, Chinese foreign aid policy has emphasised ‘mutual benefit, economic benefits, integration of the political interest and the obligations of a big country’ (Li, 2008).

18 These are Shenzhen, Zhuhai, Shantou of Guangdong Province and the city of Xiamen of Fujian Province (Dixin, 1981).
In the 1990s, there were two significant factors in Chinese policy towards Africa: China focused on the policy to regain Africa’s interests and pursued a more practical approach to have new commercial engagements for the growth of China’s economy; and China continued to use its aid to Africa as a tool in the sovereignty struggle with Taiwan (Alden and Alves, 2008; Mohan and Power, 2008). In 1996, there was a threat to China’s relations with Western countries due to the Taiwan missile crisis. In accordance with this, President Jiang Zemin visited Kenya, Egypt, Ethiopia, Mali, Namibia and Zimbabwe in 1996 to strengthen the political support from African countries and signed more than 20 agreements on trade, economic, technical and cultural cooperation (FMPRC, 2000).

During the Africa-Asia tours, Jiang developed the initial idea of a Forum on China-Africa Cooperation (FOCAC), and launched the FOCAC in October 2000 (Alden and Alves, 2008; Mohan and Power, 2008). The FOCAC has been a principle channel for economic diplomacy to promote dialogue and cooperation between China and Africa (FOCAC, 2004a; FOCAC, 2004b). The first FOCAC was held in Beijing in 2000, the second meeting took place in Addis Ababa in 2003, and the third was held in Beijing in 2006. Recently, the fourth FOCAC was held in 2009, and both Chinese and African leaders adopted the Declaration of Sharm El Sheikh and the Sharm El Sheikh Action Plan (FOCAC, 2009). However, it has been criticised that the FOCAC is a good example to represent Chinese ‘aid-for-oil strategy’ in Africa (for example, Kang, 2007: 4). The strong Chinese nexus in Africa is not only due to geopolitical and strategic reasons, but is also due to the lack of sufficient energy supply in China, especially in the 2000s (KOTRA, 2008). Yet, a senior aid policy advisor from the MOFCOM rejects this criticism:

Western countries’ criticism has to be carefully investigated. For example, Tanzania does not have oil but it has been a main recipient of China based on the long-term friendship. In addition, Chinese aid to Tanzania is much larger than those to Sudan and Nigeria where you can find oil. Thus, resources are not only purpose of our aid. Our aid has more to do with economic cooperation, while Western countries...
mix commercial activities with aid. At the same time, see the Japanese case. It has much more aid volume than China in Africa, but it has less impact and less relationship with African countries compared to China. Of course Japan has successful aid projects especially infrastructure, but it has commercial cooperation based on commercial interests in Africa. See the dominant market of Japanese cars in Africa. You can see that African governments support Chinese aid as effective because the government of China puts more efforts for good relationship by focusing on local people’s needs. Therefore, it is not true that China provides aid because of oil or other resources in Africa (Interviewee C1, 2008).

In 2006, China celebrated its 50 years of diplomatic relations with Africa over the FOCAC summit, in other words, the Beijing Summit 2006 (Alden and Alves, 2008). The 2006 Beijing FOCAC represented a qualitatively different process as China published so-called Chinese White Paper, *China's Africa Strategy* (FMPRC, 2006; Mohan and Power, 2008), and the government announced ‘2006, the year of Africa’ on the basis of the country’s marketing strategy towards Africa (KIET, 2006: 3). By expressing its favour for Africa, Chinese aid emphasised the ‘One China’ policy rather than the ‘good governance’ conditionality of Western donors (McCormick, 2008). Rather than creating aid conditions, Chinese aid policy maintains the ‘good relationship’ and ‘mutual cooperation’ in Africa as both are still developing regions (Interviewee C1, 2008). In fact, regardless of the changes of leaders and political parties in China, its aid policy towards Africa has remained ‘China and Africa as good friends, good partners and good brothers’ (Li, 2007: 80), notwithstanding that there remain strong political economy reasons for China’s involvement in Africa, particularly over China’s need for mineral and energy resources.

Overall, as will be drawn throughout this chapter, the long aid history of Sweden and the UK has contributed to a maturity of aid experience, which makes them more flexible for required changes by the PD. In comparison, the short-term aid experience of Korea has meant that necessary changes are lacking, and China persists in its aid policy and practice based on its unique aid history as a donor and a recipient at the same time, with a strong economic dimension.
5.4. Political Commitments

This chapter argues that where there is a stronger political commitment to the PD at the top end, there is greater performance in terms of changes in domestic legislation and regulation as well as aid policies in donor countries at implementation stage; however, where there is a lack of political commitment, there is less change. Among the four donor cases offered, Sweden and the UK have shown higher progress in implementing the PD, and these two donors have included specific commitments to the PD principles and the agenda of aid effectiveness in their aid policies. On the contrary, Korea does not show strong political commitment to the agenda of aid effectiveness and the PD, and China does not mention whether it commits to the PD principles in its policy statements. In this light, a political commitment is critical if donor behavioural change is to follow in the PD context.

First, strong political commitment from the high level policy statements has been one of main factors motivating donor responses to the PD in Sweden and the UK. As shown throughout Chapter 4, both Sweden and the UK have set the agenda of aid effectiveness and the PD implementation in their aid policies. For instance, Section 4.2 presented that Swedish development cooperation policy in *Guidelines for Cooperation Strategies* has provided the statement for ownership commitment: Swedish aid should be aligned with recipient PRS in order to improve ownership. In addition, the Swedish government’s *Foreign Policy and International Cooperation* includes efforts towards the PD commitments and aid effectiveness:

Sweden is strengthening the governance of its development cooperation in order to clarify results in relation to established goals. These efforts are in line with the PD on aid effectiveness, adopted by OECD countries and a large number of developing countries. Sweden’s bilateral development cooperation focuses on 33 countries and on involvement in a few sectors in each country with the aim of rendering Swedish development cooperation as effective as possible (MFA, 2010).
The UK also shows political commitment in its high level policy statements, such as White Papers. For instance, the UK provided the statement of committing to the PD principle of managing for results and also stated its will to work with others in implementing the PD in the 2006 White Paper (DFID, 2006c).

Second, political commitments and support of the aid effectiveness agenda in domestic legislations have worked as a comparative factor for implementation outcomes. During the second DAC survey, it was found that the disappointing change of donors is relevant to domestic legislative constraints (OECD, 2008a). While both Sweden and the UK use White Papers as guidance for aid policy and commit them to their aid Bills or Acts, they also changed their legislation by including commitments to aid effectiveness in line with the PD. Sweden has included the aid effectiveness agenda in line with the PD in its Budget Bills since 2006 with a strong support in parliament to commit to the PD (Sida, 2006d; Sida, 2009a), and the UK has passed its International Development (Reporting and Transparency) Act 2006, which includes elements required in the PD (DFID, 2007b; DFID, 2008b).

By contrast, Korea and China do not include the aid effectiveness agenda or the PD requirements specifically in their legislation as found in Chapter 4. Even though Korea has three major legislative regulations regarding ODA, none of them has included commitment to the PD and aid effectiveness (see ODA Korea, 2010b). In terms of Korea’s domestic legislation, it recently established and passed the ODA Act on 25 January 2010 by aiming to join the DAC. Prior to that, Korea passed two laws related to ODA: the EDCF Act was enacted in 1986 and last amended in 2006; and the KOICA Act was enacted in 1991 and last amended in 2007 (ODA Korea, 2010b). However, these have little to do with the PD implementation. At the same time, the ODA Act in Korea rather emphasises how Korea can develop its aid activities and how can be recognisable under the current international aid architecture (see ODA Korea, 2010b), whilst legislations in both Sweden and the UK recognise aid
effectiveness and the PD. China does not yet have specific ODA legislation (Interviewee C5, 2011).

Third, donors can bring change in behaviour by peer pressure, such as through DAC Peer Reviews, at the political level (see OECD, 2008b: 96). In this regard, *A Progress Report on Implementing the Paris Declaration* provides its findings as following:

Findings from the 14 DAC Peer Reviews that have taken place since 2005 show that donors have designed specific action plans to implement the aid effectiveness agenda and most have engaged in major improvements in their aid systems. […] there is a need for high-level support among officials and political leaders; a legalistic time scale; wide communication to publics and parliaments in donor countries; and flexibility in order to take into account each country’s context (OECD, 2008b: 79).

Accordingly, both Sweden and the UK have been reviewed as ‘good performers’ in terms of aid effectiveness and the PD commitment. For example, the DAC Peer Reviews provide a clear expression about Swedish and British commitments to aid effectiveness and the PD:

Sweden is clearly committed to the aid effectiveness agenda and there is strong support, in both the administration and in parliament, for working in line with the PD, the AAA and the EU Code of Conduct on Division of Labour and Complementarity (OECD, 2009a: 63).

Following its important roles in supporting the preparations for the second HLF on Aid Effectiveness and the PD (2005) which emerged from it, the UK continued to pay an active role in international dialogue on aid effectiveness in the run up to the third HLF (Accra, 2008), and in shaping the AAA. DFID was active and influential in the final negotiations for the AAA, supporting the priority ‘beginning now’ deliverables (OECD, 2010c: 71).

In comparison, even though Korea is not distinguishably committed to the PD, its efforts in signing the PD and participating in the DAC monitoring surveys have been assessed positively by the *DAC Special Review* on Korea:
Korea is committed to increasing the effectiveness of its aid, and has taken the positive step of signing the PD and participating in the monitoring survey in 2006 – the only non-DAC donor country to do so substantially (OECD, 2008f: 7).

Here, it seems that producing DAC Peer Reviews plays an important role in mainstreaming the PD and aid effectiveness at high level decision-making processes in donor governments. For instance, according to a government official in MOFAT, Korea could introduce more changes if its aid activities begin to be evaluated for the DAC Peer Review (Interviewee K8, 2010). Currently, politicians and high level officials in the Korean government system relating to ODA do not consider the PD seriously and do not know what to change or how to change to implement the PD (Interviewee K8, 2010). However, the DAC Peer Review, along with the 4th HLF in Korea, could be important in instituting political and legislative change towards greater aid effectiveness:

If we take Japanese case as an example, Japan and especially Japanese International Cooperation Agency (JICA) made significant changes satisfying requirements from current aid architecture partially because of the DAC Peer Reviews. Korea will have the 4th HLF in Seoul\(^\text{19}\) in November 2011, and because of that, politicians and high level officials of relevant governmental sectors just began to learn how Korea’s current aid mechanism and management system are different from other donors. However, it will take long time to make necessary changes in Korea to reach at mature stage like advanced donors. I believe the DAC Peer Reviews will work as a watchdog and a pressure to bring necessary changes, for aid effectiveness and also for international initiatives like the PD, quicker at high level in the political system (Interviewee K8, 2010).

This section has argued that political commitment and support to the agenda of aid effectiveness is one of the main factors that differentiate the aid performance of donors. From the above, it can be inferred that Sweden and the UK have stronger political commitments compared to Korea and China as they have demonstrated greater response to the PD than Korea and China. Then, why do

\(^{19}\) The venue for the fourth HLF was initially proposed in Seoul, Korea; however, it has been moved to Busan, Korea.
these two donors have stronger political commitments to the PD than Korea and China? The answer lies in ‘overlapping’ commitments to aid effectiveness in the cases of these two traditional donors. In other words, both Sweden and the UK have commitments to the MDGs, the EU targets, the DAC efforts, the Nordic Plus goals, the PD and their own commitments to aid effectiveness.

Since the dawn of the new millennium began, both Sweden and the UK have given more emphasis to the quality and the effectiveness of aid as well as the international objectives and goals such as the MDGs and the PD. The PD statements began with ‘scaling up’ the quantity of aid in achieving the MDGs, and the PD itself was created to improve the quality of aid which is also assisting the efforts to meet the MDGs by 2015 (OECD, 2005b). In other words, commitments to the MDGs and the PD are not separate agendas, but they are interrelated. In this sense, when a country commits to the MDGs, it is highly related to the commitment to the PD, and vice versa. As Tables 4.1 and 4.2 included, there are also overlapping goals between EU targets and the PD. The EU encourages its member states to rationalise aid through stronger division of labour based on a country-led framework (DFID, 2008e), and to reduce the number of uncoordinated missions by 50 percent (DFID, 2008b). As quoted previously in this section regarding to the DAC Peer Reviews, Sweden commits to the aid effectiveness agenda in line with the PD and the EU Code of Conduct on division of labour, and the UK also commits to the EU targets (see DFID, 2008b). These are overlapping with some of the PD dimensions. At the same time, as Sweden and the UK are DAC members, both countries commit to the DAC efforts to aid effectiveness (Sida, 2009a). In addition, the Nordic Plus donors (Denmark, Finland, Iceland, Ireland, Netherlands, Norway, Sweden and the UK) share joint financing arrangements and common approaches to procurement in using recipient procurement systems (OECD, 2008b), which is overlapping with the PD element of alignment. Both Sweden and the UK have given their efforts to all of these overlapping commitments simultaneously, and therefore, it has been easier for them to create strong political commitments to the PD and the aid effectiveness agenda compared to Korea and China.
Especially for the UK, given that British progress in implementing the PD is greater than Sweden as Chapter 4 found, the UK has another distinguishing commitment compared to Sweden. That is, the UK has its own aid commitments that are overlapping and synergistic with the PD indicators, such as untying aid, establishing more joint offices with other donors, giving better notice of PRBS disbursements and providing more than half of country programme support to government as PBAs (DFID, 2008b). Given that improving aid effectiveness is a corporate priority at the international, corporate and country levels for DFID (DFID, 2008b; DFID, 2008e), the UK has set DFID’s Departmental Strategic Objectives (DSOs) thus entrenching aid effectiveness as a corporate priority including targets that are related to the PD implementation (DFID, 2009a). Among seven DSOs, two are related to the aid effectiveness agenda: ‘make all bilateral and multilateral donors more effective’ (DSO 5); and ‘deliver high quality and effective bilateral development assistance’ (DSO 6). Specifically, two indicators are directly related to the PD implementation: ‘improved global performance against PD commitments’ (DSO Indicator 5.1); and ‘PD commitments implemented and targets met corporately and in country offices’ (DSO Indicator 6.1). Besides, throughout its policy papers, the UK has underlined British leadership in aid effectiveness and the PD, and aims its policy to be a model of good practice amongst donors (for instance, DFID, 2008e).

On the other hand, it can be questioned then why Korea and China do not have strong political commitments to the aid effectiveness agenda and the PD. While Sweden and the UK have a common platform for behavioural change, Korea and China have different reasons for a lesser political commitment to the PD, not least that they were not initially central to its design as the UK and, to a lesser extent, Sweden were.

In the case of Korea, first of all, it can be explained based on the history of aid as briefly mentioned in the previous section. Because of the short experience of aid giving, not only public but also policy makers do not have sufficient
knowledge about ODA, and high level politicians including President and Prime
Minister are lack ODA experience, which reflects the absence of political
commitment at high level in parliament towards the aid effectiveness agenda.
For instance, one of the MOFA T officials explained during the interview that
Korea’s high level politicians do not understand ODA mechanism (Interviewee
K1, 2008). Even worse, it is not only politicians, but also officials in MOFA T
and experts including academics in relevant subjects are not sufficiently
experienced as a donor. However, the number of politicians who give attention
to improving understandings of ODA in Korea is increasing:

There is a significant lack of understanding of ODA at all levels. For
example, [...] achieving the MDGs by scaling up the amount of aid
can mean increasing volunteers for current President and the Prime
Minister. As new President Lee indicated, now volunteers dispatched
through KOICA is tripled compared to a couple of years ago. To be
honest, aid is not a priority at governmental level. President is not
interested in aid. As a result, there is lack of high level support to
change for aid effectiveness. One good thing is that the situation will
be different once Korea enters the DAC in 2010 (Interviewee K1,
2008).

As this official of the MOFA T (Interviewee K1, 2008) anticipated several
politicians raised the issue of creating ODA Act and the need of public attention
to ODA by approaching 2010 when Korea entered into the DAC membership.
At the same time, as Korea will provide the venue for the 4th HLF in 2011, the
government has made more effort to bring changes in Korea’s aid system for
improving quality in line with the PD recommendations, even though the change
is very slow (Interviewee K8, 2010).

For China, it also rarely commits to the PD due to its aid history which is unique
compared to other donors as discussed in the previous section. In hindsight,
China does not politically commit to the PD because its aid policy, procedures
and delivery mechanisms are very different from the Paris requirements. It
could be claimed that China does not show changes in policy and practice
against the PD indicators because it provides aid based on geopolitical,
diplomatic and commercial reasons, in a non-synergistic paradigm to the one
that the PD assumes donors to have. For example, China provides aid as trade to support African countries through its One China Policy and allocates aid to resource-rich recipients, especially oil, as seen in Section 5.3, even though it has been controversial between Western critics and the Chinese government. However, this does not mean that other donors do not have political and commercial interests in their aid policies, but that they also maintain an efficiency-based narrative through the PD that China has little interest in. Moreover, while China may provide aid to African countries due to diplomatic and commercial reasons, it is not evident that China does not commit to efficiency per se. Rather than due to the sheer size and type of Chinese interventions, there is not much motivation to take a collectivist and ‘harmonised’ position, as advocated by the PD. After all, this thesis argues that it is less convincing whether donor interests have influenced behavioural change ‘in implementing the PD’. Rather, it seems that practical challenges such as existing legislative environment have plausible relations to donor performance in the implementation process.

5.5. Action Plans and Country Strategies

During the analysis in Chapter 4, it was observed that policy incorporation into practice is important in implementing the PD. This, in turn, can be interpreted that the top-down political commitments in policy should be linked to action plans in practice. In the previous chapter, it was found that both Sweden and the UK have an ‘Action Plan on Aid Effectiveness’ in line with the PD, and they have specifically carried out actions against each indicator of the PD in Tanzania. In other words, not only the policy but also specific actions are carried out in Tanzania because both countries have country strategies and action plans which include the PD dimensions. This shows the importance of bottom-up approach in implementation by reflecting recipient specific context in country strategies and action plans. On the other hand, Korea and China do not have specific action plans or country strategies for aid effectiveness and the PD. In this light,
this section discusses donor action plans and country specific strategies as part of attributing factors to donor behaviour change in order to review the scale and scope of the embedding of the PD requirements.

5.5.1. Action Plans on Aid Effectiveness

After the Paris meeting in 2005, Sweden developed two action plans: *Sida Action Plan 2006-2008 for Increased Aid Effectiveness*; and *Sida Action Plan on Aid Effectiveness 2009-2011*. Sweden published both action plans in order to commit to the PD, and based on these Sweden has planned to undertake necessary changes in recipient country contexts (Sida, 2006b). The Swedish action plan on aid effectiveness carries out directions regarding human resource management for the knowledgeable staff in implementing the PD and the communication strategies at aid agency for efficient implementation (Sida, 2006b; Sida, 2006d). Given that communication within the aid agency has been one of the important factors for the success of implementation, as previously discussed in Chapter 2, the Swedish action plan has contributed to the good performance of implementation of the PD. In addition, based on this action plan, Sweden has conducted organisational change in terms of staff training as well as communication strategy in line with the PD as in Sections 4.4.1 and 4.5. More detail about organisational change in the context of aid management system will be provided later in this chapter. Compared to the first action plan, the second version includes follow-ups of the AAA and provides preliminary baseline information and indicative targets for 2012, beyond the PD target date of 2010 (Sida, 2009a).

Much like Sweden, the UK has also developed an action plan for the PD implementation: *DFID’s Medium Term Action Plan on Aid Effectiveness, Our Response to the PD*. Based on this, the UK has set specific action plans for DFID drawing on each indicator of the PD at the international level, at the regional level and at the corporate level as well as on a general level (DFID, 2006b). As discussed in the section above, the UK has politically committed to
the PD based on its overlapping commitments, and the synergy between this policy instrument and the general policy framework of DFID – an unsurprising commensurability given the key role of DFID in designing and advocating for the PD. Likewise, the DFID action plan also overlaps with EU commitments, the UK commitments, and the Nordic Plus Complementarity principles, which are overlapping with the PD (see DFID, 2006b).

Interestingly, China also has an action plan to bring about aid effectiveness and aid transparency: *Beijing Action Plan 2007-2009*. According to Xue (2008), the *Beijing Action Plan* has delivered the prospect for Chinese aid based on revealed achievements and effectiveness. The Chinese action plan is composed with three objectives:

Firstly, with the growing national strength, China will gradually increase the scale of foreign aid, go on promoting the efficiency of fund in foreign aid, make good use of various methods for foreign aid, and continue to expand various kinds of economic and technological cooperation with the developing countries. Secondly, China insists on promoting South-North dialogue and strengthening South-South cooperation. […] Thirdly, as a developing country, China is facing many difficulties. […] We believe that under the new conditions, the international community should keep carrying out cooperation, strengthen communication and coordination between countries and international organisations, share valuable experience and methods in foreign aid, set up various kind of mutual trust mechanism, especially the emergency rescue mechanism directed to accidental disasters, and quickly and effectively handle the disasters and accidents with joint effort (Xue, 2008).

As seen above, China has introduced the action plan for aid effectiveness, but the context is not related to the PD. With this in mind, it is interesting to consider why China does not include the PD context in its action plan on aid effectiveness. This is explicable given the specific Chinese understandings of aid effectiveness. According to the Chinese government official (Interviewee C1, 2008), China does commit to the aid effectiveness agenda, but based on different understanding from other donors:
The Chinese government takes the MDGs and the PD as important. But the definition of the effectiveness of aid can be different from countries, and the indicators are not suitable to the situation of China. Chinese goal of aid is to develop developing countries socially and economically. China intends to increase friendship to achieve mutual development (Interviewee C1, 2008).

During the interview, this Chinese government official stated that the PD goals and indicators are meaningful, but the definition of aid effectiveness differs between countries and the indicators are not suitable to the situation of China (Interviewee C1, 2008). Similarly, another government official of China mentioned that Chinese definition of aid effectiveness lies in more tangible and short-term based evaluation, and aid effectiveness means the satisfaction of direct beneficiaries rather than evaluating the achievement of aimed objectives and goals (Interviewee C2, 2008). At the same time, as discussed in Section 5.3 and as mentioned in above interview context, the Chinese definition of aid effectiveness refers to improving mutual development within friendship with recipient counties, which is different from conventional definition of aid effectiveness amongst ‘northern’ donors as illustrated in Section 2.2. According to a high level Chinese government official (Interviewee C2, 2008), Chinese implementation efforts against the Paris indicators are very low because China does not see the necessity of the Paris dimensions for aid effectiveness. According to him, it is obvious that Chinese aid has been effective without considering the Paris principles, when there is a consideration of the extent to which Chinese aid has shown a positive influence on, for instance, Africa’s economic and social development when asking the local beneficiaries:

Chinese projects can be more effective than Western donors’ aid practice. For example, in some African countries, local people have expressed their satisfaction with Chinese aid because we provide them what they need in their daily life (Interviewee C2, 2008).

It seems that China does not include specific indicators of the PD in its action plan on aid effectiveness because China believes its aid is effective regardless of the Paris definition of aid effectiveness. In comparison, Korea has not introduced any kinds of action plans for the implementation of the PD on aid
effectiveness, which links to a lack of behavioural change.

5.5.2. Country Specific Strategies

Sweden has published the *Regional Strategy for Development Cooperation with Tanzania 2006-2010* and Sida Country Reports in Tanzania. In its country strategy in Tanzania, Sweden has provided how to prioritise the NSGRP/MKUKUTA in its aid activities, how to incorporate the JAST, how to use Tanzanian country systems, how to provide budget support and to what level in each sector, mainly through GBS, and how to evaluate its implementation and follow-ups in a new aid architecture (see MFA, 2006). In Section 5.4, it was discussed that Sweden has overlapping commitments that boost its efforts in the PD implementation. In its country strategy, Sweden also includes overlapping commitments so that it can make the PD implementation process more efficient and effective (see MFA, 2006).

Similar to Sweden, the UK carries out country specific plans called CAPs, as introduced in Chapter 4, to effectively manage its aid flows in recipient countries (Interviewee B3, 2009). As a matter of fact, CAPs were originally created to support DFID’s long-term programmes in countries in line with MDGs (DFID, 2007h). However, as Section 5.4 showed, the UK has prioritised the PD against its commensurate and the overlapping commitments, and CAPs with its overlapping purpose in line with the MDGs also helped the achievement of the PD. For instance, as Section 4.8.2 briefly mentioned, the UK provides six MTCs to achieve MDGs based on the NSGRP/MKUKUTA and the JAST through the CAP Tanzania. However, implementing the MTCs does not only contribute to the MDGs, but also has committed to the PD in Tanzania especially for ownership by prioritising national strategies and harmonisation by conducting joint analysis with other donors (see DFID, 2007h). In general, it should perhaps be noted that the UK (and Sweden) commits a larger share of their resources to management and auditing of aid flows and practises than do Korea and China, and that this enables this greater commitment to the PD.
Chapter 4 illustrated that Korea has introduced CASs for its recipient countries, yet Korea’s CASs are not in line with the PD. For example, CAS Tanzania is concerned with how Korea’s aid ‘projects’ should be provided in Tanzania, but it has not been created in line with the PD principles even though it was initiated after the Paris meeting in 2005. As Section 4.2 demonstrated, CAS Tanzania is in accordance with the NSGRP/MKUKUTA and Vision 2025, and has contributed to ownership to some extent, but not with the full PD principles. At the same time, compared to the British case, Korean CAS in Tanzania is not as detailed as British CAP in Tanzania either in achieving the MDGs or the PD. This is largely owing to the fact that Korea does not politically commit to the PD at its policy level, and thus, it does not include the PD agenda in its country level strategies. This reflects why Korea lacks the changes required to implement the PD. For example, current ODA Acts, regulations and processes do not indicate that using recipient systems need to be compulsory in Korea’s aid projects in order to meet the PD target (Lee, 2010). Furthermore, there should be a major reformation of the current aid management system in Korea and greater use of recipient systems. As provided in Chapter 4, KOICA’s budget system does not fit with Tanzania’s system, and thus, it has been difficult for Korea to include the PD requirements in its CAS Tanzania (also see KOICA, 2009a: 102). More discussion regarding the aid management system and the PD implementation is offered in the following section.

Whilst the other three donors have implemented country specific plans and strategies, China does not provide these. However, it is likely that China would not include the PD requirements even if it were to introduce country specific strategies because China does not politically commit to the PD in its aid policy.
5.6. Aid Management Systems

Section 5.4 highlighted the fact that political commitment and support to the aid effectiveness agenda is one of the core elements for changes in donor behaviour, especially at the policy level. In Section 5.5, it was analysed that specific action plans and country strategies have an impact on donor responses to the PD in practice. From the analysis in those two sections as well as from Chapter 4, it was found that organisational factors in the aid management system are related to donor performance. In other words, political and legalistic changes from the top level should be linked to the aid management, and at the same time, experience of aid workers at the bottom end should be reflected in the system as well as in political and legalistic decision-making process, in order to make necessary changes happen for the PD implementation. The issue of communication within aid systems has been counted as an organisational factor that influences the progress towards implementing the PD in this section. This section particularly discusses organisational variables in terms of the aid management system by illustrating why Sweden and the UK have shown greater changes in aid performance and why Korea and China have made fewer changes.

To begin with, why have Sweden and the UK implemented the dimensions of the PD more fully than other donors? First, while donors who commit to the aid management system reform tend to show higher scores in the progress evaluation, both Sweden and the UK have made organisational renovations in light of the PD, which makes their success in terms of the indicators more likely. For the case of Sweden, Sida has conducted an organisation reform of the ‘entire agency’ to deliver its political commitments to aid effectiveness at an organisational level in line with the PD:

Sida has recently started a major process of reform specifically designed to help it deliver on government commitments to aid effectiveness […]. Sida’s most visible reform has been an organisational restructuring of the entire agency. The idea is to create more integrated country teams and an agency that is orientated to support implementation at country level. Country teams are now grouped by the type of challenge faced in the partner country and the
modalities that Sweden is likely to use (OECD, 2009b: 2).

In comparison, the UK places more emphasis on the decentralisation of the agency at the field level in using country systems on a flexible basis:

DFID is highly decentralised, giving us the flexibility to respond to country needs and to negotiate effectively at country level. The evaluation also found that DFID’s strong performance management system, which now includes the PD targets, facilitates implementation on the ground. The system provides autonomy to managers combined with a focus on targets on achieving results (OECD, 2008e: 99).

In recent years DFID, like many other bilateral donors, has decentralised operations to country level offices encouraging local staff to work with greater degrees of autonomy. New staffs with limited training in monitoring and evaluation are therefore assuming responsibility for conducting (increasingly complex) joint evaluation studies. This guidance is intended to support them (DFID, 2005c: 8).

Second, while donors who introduce incentives to staff for the implementation of the PD tend to experience greater progress towards the targets (OECD, 2008b), both Sweden and the UK have reviewed the principles and guidelines of staff incentives as a way of rewarding staff performance with regard to the PD and aid effectiveness (Sida, 2006d; OECD, 2008e). In addition to the incentive system, Sweden provided staff training and revised its communication strategy in order to better understand the aid effectiveness mechanism and the modalities to be carried out, and this change has been reinforced by Sida’s action plans for aid effectiveness (see Sections 4.4.1, 4.5 and 5.5.1). Likewise, the UK has also carried out staff training and communication strategy, which further brought about changes in behaviour (see Sections 4.4.1 and 4.5).

As a result of these core organisational aspects, both Sweden and the UK could accomplish relatively higher degrees of behaviour change. On the other hand, Korea and China have not conducted these organisational changes. However, while China has not carried out any organisational reforms, incentives and training for staff and communication strategies towards the PD and aid effectiveness, Korea at least provides staff training for greater understanding of
the aid effectiveness agenda despite the lack of other organisational changes. The response of an official, who had attended the training, shows clearly that for Korea (and China) the issue of aid effectiveness is not synonymous with the PD, as it seems to be in the behaviour and practice of DFID and Sida, since officials still talk about the two as distinct. There is also some disquiet about the effectiveness of the PD itself as an instrument of enhancing aid effectiveness, due to its perceived overly bureaucratic quality:

> I still do not understand what the aid effectiveness means. However, at least I attend training sessions and read internal publications about the PD and aid effectiveness which I could develop broad understanding on the agenda of aid effectiveness. However, the aid effectiveness agenda seems to be impractical to realise in our organisation yet. It is just all about paperwork and numbers (Interviewee K3, 2008).

Then, why is it that these two countries do not conduct those organisational changes towards the principles of the PD and aid effectiveness? The answer mainly lies in domestic legislative circumstances, aid management systems and this nascent disquiet about the effectiveness of the PD itself. For example, as Section 5.5.2 briefly discussed, it is difficult to use recipient country systems with current aid regulations and aid management systems in Korea. In the case of China, there are no specific laws that deal with aid activities in recipient countries and in terms of aid management systems. Both Korea and China have relatively different systems when compared to traditional donors.

Although the government of Korea attempts to change its aid management system based on the DAC recommendations in order to join the DAC membership in 2010, there have been no significant differences in the actual management process of the aid system (Interviewee K5, 2009). Previously, there was a four-agency and two-managing ministry model as Figure 5.4 demonstrates. In bilateral aid distribution, the MOFAT and the Ministry of Strategy and Finance (MOSF) represented the two managing ministries: the MOFAT managed grants through KOICA; and the MOSF dealt with loans through the EDCF from Exim Bank to development countries (ODA Korea,
In dealing with the contributions through multilateral channels, the MOFAT itself worked as an agency to the UN entities, and the Bank of Korea as an agency dealt with subscriptions under MOSF’s supervision (ODA Korea, 2008). Based on this system, MOFAT and MOSF used to work separately and independently without any superior governing body that could relate both ministries.

**Figure 5.4. Previous Korean Aid Management System**

![Diagram of previous aid management system]

Source: Modified from ODA Korea, 2008

Now, by retaining the main roles as before, there is a higher level governing body that consolidates both MOFAT and MOSF: the Committee for International Development Cooperation (CIDC) (ODA Korea, 2010a). The CIDC is chaired by the Prime Minister as a superior governing body, and the Working Committee is co-chaired by Vice Minister of Government Planning Affairs and the Office of Government Policy Coordination (ODA Korea, 2010a). The current aid management system in Korea is presented in Figure 5.5. The main drawback in the current aid management system of Korea in relation to the PD is a hierarchical decision-making system. That is, while the members from both CIDC and Working Committee are barely aware of the reality of aid in Korea, they tend to deliver high level decisions, which do not reflect the reality of Korean aid interventions in practice, to the subordinate systems. When those at the bottom level of the organisation offer policy suggestions based on their experience, especially at the field level, it seems that these are likely to be
ignored (Interviewee K5, 2009). Not only the superior body, but also the middle level system, which are MOFAT and MOSF, are barely aware of and often ignore the reality or policy suggestions based on the practice at field level (Interviewee K7, 2010). Besides, the dualistic system of EDCF and KOICA often experience conflicts between MOSF and MOFAT:

Since MOSF also provides ODA as grant-type, not only the loans through Exim Bank, there have been difficulties in allocation of the ODA for KOICA’s working level officers. Especially under the PD, it has been tricky to report aid distribution because we should consider how much MOSF distributes as grant-type ODA, but most of times, it has been difficult to figure it out at timely manner. Also, there is an issue of invisible hierarchy between organisations (Interviewee K7, 2010).

Figure 5.5. Current Korean Aid Management System

Source: Modified from ODA Korea, 2010a
A staff member of KOICA at managerial level (Interviewee K5, 2009) criticised the current aid management system of top-down decision making and the lack of knowledge within the superior governing body, which is similar to the view from above interviewee. An official from the MOFAT confirmed this again by stating that:

There should be one-governing body system, like JICA or DFID, which works independently. Current system is lacking of efficiency and effectiveness. […] In terms of the PD implementation, we need a radical restructuring to implement it by reflecting and hearing working level staffs who have experiences and who know what should be changed for the PD implementation, and further for the effectiveness of aid. We need one management system rather than separate ministries of management so as to flexibly reflect the reality of aid practice (Interviewee K8, 2010).

Compared to Korea, both Sweden and the UK have one consolidated implementing body under the parliament: Sida in Sweden and DFID in the UK. In Sweden, Sida works as a subordinate body of the MFA for Swedish development cooperation under the Parliament (Sida, 2011). In the UK, based on the International Development Act, DFID works as a separate legal body (DFID, 2011). According to the OECD, Swedish agency model of managing aid is called ‘policy ministry with separate implementing agency’ while the British model is categorised as ‘ministry/agency responsible for policy and implementation’ (OECD, 2009e: 31). As Figure 5.6 shows, OECD categorisation of aid management models delineates one consolidated system of managing aid, mostly under the Ministry of Foreign Affairs.

In order to implement the PD, these bodies allow greater flexibility, and Sweden and the UK have been able to bring legislative changes and organisational changes based on the one aid agency system and systematic cooperation between related institutions as well as better understanding of ODA at top level. Korean experiences, on the other hand, reflect the conflicting interests between two main bodies of ODA, which makes it difficult for Korea to make changes in order to adopt the Paris mechanisms. It seems that a more flexible and reflexive decision-making process is necessary since the current management system in
decision-making process is one of top-down command from CIDC to MOFA T, and from MOFA T to KOICA, and not the other way around.

For the Chinese case, there would need to be a radical reform in the Chinese aid system in order to make it appropriate for the PD requirements. Above all, China does not have a dedicated aid agency. Chinese development aid is led by the MOFCOM, and the Ministry of Foreign Affairs, the Ministry of Finance, the State Council Leading Group Office of Poverty Alleviation and Development, and the Chinese Association for International Understanding cooperate with the lead of the MOFCOM in terms of foreign aid (Interviewee C2, 2008). The State Council works as the highest executive organ among the players in the Chinese aid system while the MOFCOM is the main governing body in charge of aid...
with a Department of Aid to Foreign Countries (Davies, 2007). The Ministry of Foreign Affairs participates in the decision-making process for policy making while the Ministry of Finance exists for budgeting (Davies, 2007). The embassies and the Economic and Commercial Councillor’s Office monitor and implement projects as well as follow-up reporting on progress; however, the capacity is very limited (Davies, 2007). At the same time, Chinese Exim Bank provides export credits and loans for construction contracts and investment projects (Davies, 2007; Interviewee C2, 2008). Figure 5.7 summarises Chinese aid management system.

**Figure 5.7. Chinese Aid Management System**

![Chinese Aid Management System Diagram](Source: Adapted from Davies, 2007: 46)

It has been argued, particularly by international aid partners, that the current Chinese aid management system is rather unsystematic not only for the Paris dimensions but also for general aid delivery (Li, 2007; Reisen and Ndoye, 2008). As in the Korean case, the current Chinese aid management system is not suited to the Paris requirements, and there should be a fundamental reformation
process of the system for the Chinese government in order to implement the PD. However, it should be noted that this is a distinct project from one that would seek to increase the effectiveness of Chinese aid more generally, such that the current structure might be more effective in pursuit of the general goal, than it is of the PD more discretely.

5.7. Aid Modalities

Section 5.6 discussed aid management systems as one of the core variables underlying uneven donor performance in implementing the PD. This section explains that aid modalities are another factor for the differences. Hence, this section begins with a comparison of aid modalities of four donors, and discusses how aid modalities have motivated donor behaviour in the PD context. As will be discussed later in Chapter 6, this study argues that the global aid architecture works based on the hierarchical process amongst donors, so that there was an initial lack of inclusion of bottom level actors when the PD was designed, which makes it in some important senses incommensurate with the current aid modalities at the bottom of the implementing chain.

Chapter 4, especially Section 4.7, found that Sweden and the UK have increasingly used budget supports and PBAs in Tanzania in order to achieve the PD targets. However, these aid modalities are not new to the two traditional donors, and as already mentioned (see Chapter 2) they predate the PD. As seen from Chapter 4, there is no evidence that Sweden or the UK have changed their existing aid modalities with respect to the PD. Since GBS and SWAp were already in use, these donors did not need to introduce new systems for delivering aid, but only needed to modify existing aid practices, such as aligning GBS to recipient systems, while maintaining the use of existing aid modalities.

In Sweden, Sida has been providing aid programmes through budget support with two instruments of GBS and SPS for more than 10 years (Danielsson and
Mjema, 2001; Sida, 2002; Narea and Christensen, 2004; Sida, 2005b; Bandstein, 2007; Schmidt and Schnell, 2007). As presented in Chapter 4, Sweden uses the term of SPS for the SWAp. Swedish SPS is defined as an ‘outflow of previous generations of sector support, intended to support the development of a sector or policy area’ (Sida, 2005b: 7) (See Figure 5.8 for a delineation of Swedish aid modalities).

**Figure 5.8 Modalities of Swedish Programme Aid**

![Modalities of Swedish Programme Aid](image)

In Sweden, both GBS and SPS were already in use in the 1990s. The GBS disbursement in the 1990s was justified as a support for economic reforms, but since 2000 GBS disbursement has been justified as a support for poverty reduction (Narea and Christensen, 2004). In the 1980s and 1990s, Swedish International Development Authority (SIDA)\(^2\) used to provide sector support without cooperation with other donors (Sida, 2005b). However, since the 2000s

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\(^2\) The old ‘SIDA’ (Swedish International Development Authority, since 1965) was merged as the current ‘Sida’ (Swedish International Development Cooperation Agency) in 1995 with three other institutions of the Swedish Agency for Research Cooperation with Developing Countries, the Swedish Agency for Technical Cooperation and the Swedecorp (Selim, 1983; Elgstrom, 1999; Sida, 2001).
the SPS has been differentiated from previous sector support in terms of the degree of cooperation and harmonisation with other donor partners, and it tends to emphasise the ownership of the recipient (Narea and Christensen, 2004; Sida, 2005b). The method of SPS payment has changed also. Previously it was channelled through the joint bank account of donors, which is called pooled funding, but currently it has been increasingly channelled through SBS or GBS (Narea and Christensen, 2004, Sida, 2007b). The SPS was originally part of Sweden’s project aid but it has been developed into a comprehensive and overarching form in order to reduce the administrative burden of recipient countries based on lessons learned from project support and traditional sector support (Sida, 2000c; Narea and Christensen, 2004). Based on the international recognition of the use of SWApS even before the PD, Sida reinforced its commitment to the SPS (Sida, 2000c). In 2000, nine countries received Sida SPS, and in 2006, 19 countries received SPS from Sida (Schmidt and Schnell, 2007). While Section 4.7 addressed that GBS has been a favourite aid modality in Tanzania in line with the PD, the MFA had concluded, before the PD, that GBS among other aid modalities brought ‘favourable’ impact in many sectors in Tanzania (MFA, 2006).

Much like the Swedish case, the UK also introduced GBS and SWAp prior to the PD. In terms of budget support, the UK prefers to use the term PRBS as mentioned previously. As Figure 5.9 shows, the UK includes GBS, SBS and integrated project as PBAs. The UK seems to use SWApS as equivalent to PBAs (for example, DFID, 2007e). According to DFID, GBS is a ‘general contribution to the overall budget which aims to help implement the government’s poverty reduction strategy’, and SBS is a ‘contribution to the overall budget which primarily aims to achieve objectives within a particular sector either at national or sub-national level’ (DFID, 2008c: 5). As with the GBS, the UK also introduced SWApS before the PD in the mid-late 1990s by providing broad financial aid to the sector as a whole, in particular towards educational aid interventions (Al-Samarrai, Bennell and Colclough, 2002). When the DFID Education Division published a new policy framework in 1999,
it confirmed a clear shift towards SWAps (Ratcliffe and Macrae, 1999). For instance, during the first five years in the 1990s, British aid to education was limited to English language support through the English Language Teaching (ELT), and also in Tanzania British aid to the education sector was organised around the ELT (COI, 1993; COI, 1995; DFID, 1999). The GoT and donor partners soon realised the need for a sector development programme (DFID, 1999), and against this background, SWAps were implemented in the British aid flow in Tanzania before the Paris meeting in 2005. Currently, the UK defines SWAp as a ‘process which can accommodate a number of aid instruments’ where ‘donors give significant funding to a government’s comprehensive sector policy and expenditure programme consistent with a sound macroeconomic framework’ (DFID, 2006e; DFID, 2007e: 65). Based on this definition, DFID prefers using budget support within SWAps (DFID, 2006e).

On the other hand, Korea does not use budget support and PBAs in Tanzania as found in Chapter 4. Korea provides conventional project aid, project funds or a small amount of basket funds, but does not offer budget support like GBS in Tanzania (Interviewee K2, 2008; Interviewee K6, 2009; Interviewee K7, 2010). That is, Korea is not able to allocate budget support to recipient countries due to current legislative circumstances and regulations (Lee, 2010). This appears that Korea needs a radical change in its legislation and aid management system to provide budget support and PBAs. At the same time, the volume of Korea’s aid
has been too small to provide budget support:

Due to its low aid flow to developing countries, we do not provide budget support (Interviewee K2, 2008).

Besides that, the use of budget support is not rationalised in Korean aid practice as, for instance, members of KOICA staff in Tanzania are not sure about the effectiveness of budget support:

[…] Not only us, but also from others, there is a slight movement of thought that individual project is not just ineffective, compared to some years back. It is due to increasing doubt on budget support (Interviewee K7, 2010).

On the contrary, a Sida staff member pointed out the impatient attitude of the GoT and that of some donors in assessing the effectiveness of budget support, especially GBS:

The current president wants any kinds of aid. This is moving backwards. […] Two years back, the message was different. Unfortunate! […] Some bilateral donors also began to question GBS. They are impatient in accepting before seeing concrete results. You should continuously monitor and implement, not always questioning, but […]. Implementation takes time. The GoT should support and understand whole logic behind the GBS, and also all levels (Interviewee S3, 2009).

Largely reflecting these points, the Swedish government prefers budget support rather than conventional project support because it can promote aid effectiveness in a way that is seen to help reduce aid dependency (Sida, 2007a). Moreover, budget support can be more effective than conventional project support and project funds because it can increase opportunities to plan the use of all recipients’ public resources, increase responsibility for recipients’ own poverty reduction, and reduce administrative costs related to aid management (Sida, 2007a). However, as Section 4.8 presented, Sweden provides project support to the education sector in Zanzibar, which illustrates lower degree of Swedish response to the PD than that of the UK.
As with Korea, China does not use budget support and PBAs either. Chinese aid modality is rather unique when compared to other donors. First of all, as discussed in Chapter 2, China as a non-DAC member carries out new aid modality of South-South cooperation. China is a recipient of development aid and a donor at the same time. As discussed in Section 5.3, Chinese aid is not based on North-South relationship but rather a South-South relationship, pursuing activities understood as providing to both partners mutual assistance and mutual benefit (also Interviewee C1, 2008). In addition, China prefers using the term ‘assistance’ rather than ‘aid’ based on good friendship between two South countries for mutual benefit or mutual development instead of using aid from donor to recipient (Xue, 2008).

Second, Chinese aid instruments are very different from DAC donors, and thus, it is difficult for China to meet the PD requirements, such as using GBS and SWAps. Most Chinese cash flows into Africa are in a mixed form of aid, investments and loans, or in more concrete or non-pecuniary forms such as in the direct construction of infrastructure (CCS, 2006). As in the OECD definition, Chinese aid can be described as an investment by the government or often holding a somewhat confused position, lying between technical cooperation, investment and aid (Reisen and Ndoye, 2008). However, according to one government official, Chinese aid needs to be separated between project aid including training and technical cooperation, and economic cooperation including investment (Interviewee C1, 2008). Furthermore, Chinese aid consists of monetary and non-monetary aid such as grants and loans for infrastructure, plant and equipment, scholarships, and training and technical assistance (McCormick, 2008). It can be also categorised in three ways: grant aid (MOFCOM); zero-interest loans (MOFCOM); and concessional loans (China Exim Bank) (Reisen and Ndoye, 2008). These three forms of assistance can be separately defined as in Box 5.1.

Finally, as in the case of Korea, it seems that China does not fully agree that
budget support and SWAp are effective modalities. For China, its unconditional mutual assistance is a strategy for aid effectiveness, and China does not have a problem with high transaction costs (Li, 2008), which was one of the motivations for collective agreement on the design of the Paris principles for other donors. Chinese aid transaction costs are considered efficient because it has less complicated procedures (Li, 2008). Therefore, China does not introduce using GBS and SWAp based on its unnecessary use of these aid modalities, and this again correlates with a lack of behavioural change under the Paris context.

**Box 5.1. Three Types of Chinese Assistance**

**Grants**
Grants in kind, not in cash, are usually given to social welfare projects (hospitals, schools, housing), technical assistance and human resource development (training of people), and disaster relief.

**Interest Free Loans**
Interest free loans are used for bigger sized projects mainly in infrastructure. Debts derived foremost from these loans – and some debts from concessional loans – have been subject to debt cancellations, in effect turning loans into grants.

**Concessional Loans**
Concessional or so-called preferential loans were introduced in 1995 and are provided by the China Exim Bank. They are medium and long-term loans – the longest period of use is 20 years, provided at a low interest, namely two percent according to MOFCOM. The government subsidises the interest rate difference.

Source: Direct citation from Davies, 2007: 52-53

**5.8. Monitoring and Evaluation**

As Section 4.5 analysed, some donors have enhanced or introduced results-based mechanisms as the PD emphasises the results-based management. From the findings in Chapter 4, it seems that behavioural change is related to how strong the evaluation mechanism of a donor is. Monitoring and evaluation is important in donor performance because they can provide identifiers for
strengths and limitations in implementing the PD for further changes (Andersen et al., 2008), and also because they can help further reformation in the policy life cycle according to the policy-action approach. For instance, donors can bring more changes in behaviour based on the investigated limitations in assessments.

In Tanzania, as Figure 5.1 showed, achievement levels among donor cases in this study can be presented in order: the UK, Sweden and Korea, with China ranked similarly to Korea. With respect to this rank, the degree of embedding monitoring and evaluation efforts and the production of relevant documents have correlation to the rank in these donor cases. For instance, while Sweden is ranked at second place in implementing the PD among four donors, its monitoring and evaluation efforts are also ranked in the middle level amongst them. While its country strategy in Tanzania has been designed to commit to the PD, the evaluation has not been as strong as in the UK, but stronger than in Korea and China as analysed in Section 4.5. At the same time, this section argues that cumulative monitoring and evaluations of donors also have a link to outcomes in the PD implementation, likewise overlapping commitments and action plans of donors have contributed different level of behavioural change (see Sections 5.4 and 5.5).

As found in Section 4.5, Sweden has integrated the MDGs, NSGRP/MKUKUTA, JAST, TAS and the PD guidelines in Tanzania based on cooperation and coordination with ministries, other donors and the GoT. For example, the Regional Strategy for Development Cooperation with Tanzania 2006-2010 is developed based on an assessment of the NSGRP/MKUKUTA (MFA, 2006). Especially in line with the PD, the Swedish government has requested Sida to measure and present reports on the implementation of the PD principles at headquarters and at the field offices in the Letter of Appropriation (Sida, 2006d). In other words, Sweden has set up enhanced measures in order to implement Paris indicators (OECD, 2009a). Before, in the 1990s for example, Sida set evaluation criteria of relevance, effectiveness, impact, efficiency and sustainability, and notably in the areas of poverty reduction, peace, democracy
and human rights, environmentally sustainable development, and gender equality (Sida, 1999: 2-3). Sida used to develop guiding principles of evaluation activities based on the spirit of partnership, objectivity and impartiality, transparency, credibility, and as an integral part of the project cycle (Sida, 1999: 3-4). Besides this, there were six evaluation selections of objectives: policy relevance, financial importance, innovative value and replicability, evaluation feasibility, usefulness, and cost benefit (Sida, 1999: 4-5).

In terms of regular monitoring and evaluation, it is only very recently that Sweden has begun to produce regular annual reports. However, Sida does not have a synthesised annual report yet, but it has provided annual reporting for EU members through the EU coordinated aid annual report system (Interviewee S2, 2009). With the creation of SADEV in 2006 and with its Action Plan on Aid Effectiveness and the PD, Sweden is planning to produce annual reports (Sida, 2009a; Sida, 2009b). In Tanzania, Sweden intends to use the Paris indicators as an annual follow-up assessment of the implementation of aid effectiveness (MFA, 2006). However, although Sweden participates in GBS review meetings in Tanzania by reviewing and discussing GBS performance and also attends the sector review meeting for an annual review and performance report, its contribution to the PAF indicators is not as much as other donors like the UK (Interviewee S2, 2009). Even though Sweden is one of the first donor countries which introduced country programmes, it has considered country programme evaluations (CPEs) less important compared to some countries such as the UK (Dahlgren, 2007).

As a matter of fact, only a few bilateral donors have conducted regular assessment of country level evaluations with the same fastidiousness as the UK (Dahlgren, 2007). Unlike Sweden, the UK has delivered concrete CPEs. In the CPEs, evaluations are carried out based on thematic topics such as aid effectiveness and sectoral evaluations, and the CPEs are incorporated with ‘DFID Results Action Plan’ by taking forward the PD in the review (DFID, 2007c). In addition, the UK aims to engage with the IMG in Tanzania through
Tanzanian CPEs (DFID, 2007c).

One of the reasons why British aid performance has changed more than that of other donors partly stems from cumulative efforts in assessment, such as the DFID Annual Report\(^\text{21}\), Autumn Performance Report and the CSR, and because DFID and government agencies in the UK more generally have an organisational culture of constant evaluation, which is rarely found in comparator countries. These reports all include assessments against the PD implementation of the UK. In addition, the UK has designed DFID Results Action Plan for both MDGs and the PD because the assessment is important to learn what works, what does not, where and why (DFID, 2007f). For instance, on the basis of the evaluation of DFID headquarters’ performance in implementing the PD, DFID now knows that its current systems do ‘not deliver complete consistency across all country offices, nor against all aspects of the PD’, and thus it is necessary to take further steps to improve implementation of the PD (DFID, 2009b: 15). In addition, by reflecting the emphasis of the PD in results-based management, DFID has implemented a results-oriented culture within the organisation (DFID, 2008e).

Similar to Sweden, the UK also conducts joint donor evaluations in order to improve the Paris commitment. For example, DFID provides evaluations of GBS, and the National Audit office provides assessment study of VfM in budget support including PRBS (DFID, 2008b). In Tanzania, DFID has provided the Annual Performance Reports, a sector results monitoring tool based on 60 indicators which are under development as reviewed in Section 4.5, and a framework that aims to measure policy and achievement against goals such as MDGs and NSGRP/MKUKUTA with the ministries of Tanzania, in addition to the PAF (Interviewee B2, 2009).

Besides that, for accurate monitoring and evaluation, along with the progress monitoring of MDGs, PD, Public Service Agreement (PSA) and other individual

\(^{21}\) It was called ‘DFID Departmental Report’ by 2006. Since 2007, DFID has published Annual Report.
reports for development aid, DFID regularly produces the Departmental Reports or Annual Reports and the Statistics on International Development. Particularly, in regard to the PSA, DFID produces the Autumn Performance Reports annually, which outlines progress against the PSA, the efficiency programme and DFID’s DSOs (see DFID, 2003; DFID, 2004a; DFID, 2005a; DFID, 2006a; DFID, 2007a; DFID, 2008a). In 2008 DFID introduced a new reporting system named Activities Reporting Information E-System (ARIES), a system which ‘integrates all of DFID’s current financial and project management systems’, and DFID’s aid classification has been modified from the previous version in 2008 in order to adjust to a newly migrated reporting system (DFID, 2007g: 6; DFID, 2008d: 8). Based on these cumulative efforts in evaluation, DFID intends to ensure that the PD principles are ‘fully incorporated into the British policies, procedures and strategies’ (DFID, 2008b: 86).

Korea seems to conduct the evaluation based on the internationally agreed system of a results-based approach embedded within the MDGs project and practice; however, it has not fully adopted the PD approach in evaluating aid effectiveness. KOICA has conducted its own evaluation on the PD implementation, Evaluation Study on KOICA’s Implementation of the PD on Aid Effectiveness. However, this was conducted as part of the DAC monitoring surveys, and it was not an independent assessment (see KOICA, 2009b). At the same time, it actually discussed more about ‘preparation’ status for the PD implementation, and was less concerned with ‘implementation’:

As a result of the evaluation, the policy and strategic preparation conditions of the KOICA were found to be relevant to the indicators related to alignment […] (KOICA, 2009b: 2).

When it comes to the evaluation of the CAS in Tanzania, it has been argued that the current monitoring and evaluation system of Korea is very weak and needs to significantly improve (KOICA, 2009a). While both Sweden and the UK have developed concrete measures in evaluation systems, Korea does not have such indicators, and thus, it is ‘very’ difficult for Korea to have appropriate forms of
monitoring yet (KOICA, 2009a: 102). Korea has individual project objectives because it provides project-based aid; however, it does not have specific evaluation measures in line with each project, and the link between project objectives and monitoring and evaluation is ‘very’ weak (KOICA, 2009a: 101). The only assessment of the PD implementation in Korea can be found in the report of the DAC monitoring surveys and the DAC Special Review. Hence, it can be said that Korea’s weak measures of evaluation have an impact on its poor progress and behaviour change against the Paris indicators.

The ways in which Sweden and the UK conduct assessments has a tendency to find out weaknesses and limitations, which can motivate actions required to progress towards further improvement. In comparison, Chinese monitoring and evaluation system does not identify weaknesses and limitations, and thus, it does not contribute to further changes. It is mainly because Chinese definition of evaluation is different from those of traditional donors. As summarised by a senior aid policy advisor from the MOFCOM:

> Of course, it is good to set goals and indicators as other donors do, but the feasibility is low and they are not easy to achieve. At the same time, it is not easy to evaluate whose aid is effective or not because it should be long-term evaluation (Interviewee C1, 2008).

It would be necessary to have different measurement when analysing the impact of Chinese aid. As provided above, Chinese aid is not only meant to bring economic and social development to recipient countries, but also to build good ‘friendship’. In this sense, the factor of relationship or partnership should be one of the categories used in evaluation of aid effectiveness in the case of China (Interviewee C1, 2008). Even though the government of China has expressed that the FOCAC 2006 ‘fully’ revealed the achievements and effectiveness made by the Chinese government in foreign aid (Xue, 2008), these attempts by the Chinese government are not devoted to the results-oriented management (Lancaster, 2007b), especially as required by the PD.

At the same time, it has been questioned whether China has the capacity to
undertake statistical analysis or analysis of aid results (Lancaster, 2007b). However, since the establishment of the IPRCC, China has evaluated projects based on satisfaction questionnaires completed by African people (Li, 2008). At the same time, comparing 2008 and 2011, it would seem that there is a progress in Chinese statistical activity. During the interviews for this study in 2008, Chinese officials could not or did not provide statistical data either because they did not know recorded statistical data or because some of the recorded data could not be published. However, during an interview in 2011 it was found that the Chinese government now shares numerical data such as fiscal disbursement of Chinese aid although most of the information is still confidential (Interviewee C5, 2011). Furthermore, as China does not have any centralised aid agency unlike other donors, the country has not fully developed an internal, or certainly not DAC compliant, monitoring and evaluating system, and although the government has monitoring mechanisms throughout embassies and the Economic and Commercial Councillor’s Offices, these are still very limited (Davies, 2007; Lancaster, 2007b). While the Chinese government claims to pursue both economic and social development in Africa (Interviewee C1, 2008), there has been little empirical assessment of the impact of Chinese aid in the social aspects of development.

5.9. Conclusion

This chapter has returned to the sub-questions which focus on the specific factors that have contributed to donor aid performance and what factors have affected the lack of changes in order to answer to the main research question of why donor behavioural change is uneven in implementing the PD in Tanzania. The initial conceptual framework of this study (Figure 3.6) illustrated that the multiplicity of donors and their interests are one of the main elements for donor behavioural change. However, this chapter has claimed that donor self-interests are not a significant variable to donor behavioural change in the context of the PD implementation (refer to Section 5.4). While donor self-interests can be a
strong variables in reducing aid effectiveness (see Section 2.3), it does not have critical impact on donor behaviour in line with the PD, which centres more on the precedents and path dependencies of organisational cultures and commitments. At the same time, while political commitments, action plans and aid modalities are indeed those of main factors for the different degree of donor performance, the analysis in this chapter has captured the issue of communication at aid organisations within the aid management systems. Thus, discussion in this chapter has reframed the reasons behind uneven donor behaviour change with other important factors in addition to the above elements, along with the relationship between each factor (see Figure 5.10).

Figure 5.10. Reframed Key Concepts for Donor Behaviour Change in Implementing the Paris Declaration
In sum, this thesis argues that the seven variables to donor behavioural change (aid volume and number of staff in aid agency, donor aid history, political commitments, action plans and country strategies, aid management systems, aid modalities, and monitoring and evaluation) assist each other, and are interrelated with, and embedded in, all of the five principles of the PD. While aid volume and number of staff in aid agency, and donor aid history have influenced the degree of donor behavioural change in an overall sense, the rest of the five variables have shown the importance of mutually balanced top-down and bottom-up approaches in implementation.

While top-down political commitments and action plans are critical in the whole process, the consideration of aid workers’ experience at field level in action plans and country strategies are also equally important. At the same time, the aid management systems of donors are influenced by top-down reformation process balanced with the experience from the bottom level. By applying monitoring and evaluation results, the implementation does not terminate at one round, but rather it reforms after the process of action and reaction during the implementation for further changes. However, these are shown more significantly in Sweden and the UK whereas Korea and China are weak in considering the street-level reality as well as in political commitments and action plans from the top end. That is, both Korea and China have demonstrated less change in implementing the PD not only because they are less reflective in considering aid reality in policy design and implementation, but also because they are weak in so-called ‘good’ chain of command in aid policy design for the PD implementation.

While Figure 5.10 reorganises key variables in the conceptual framework on the basis of the analysis in Chapter 5, Figures 5.11 and 5.12 specify the correlation between each factor that is drawn in the implementation stage of Figure 5.10. As the context of each variable differs between advanced donors and emerging donors, Figure 5.11 summarises the correlations between the seven factors that
have impacts on why Sweden and the UK demonstrate greater response to the PD, and Figure 5.12 helps to explain why China and Korea lack the necessary changes in behaviour to implement the PD in Tanzania.

Figure 5.11. Correlation of Factors for Uneven Donor Behaviour Change in Sweden and the United Kingdom

As seen in Figure 5.11, the seven factors investigated in this chapter have brought about more changes in behaviour in Sweden and the UK, by correlating positively with each other. In particular, the long aid history of Sweden and the UK has been reflected in their domestic legislative environment, aid management systems and modalities, organisational culture, and evaluation process. Both Sweden and the UK have shown strong political commitments to the PD and the aid effectiveness agenda based on overlapping commitments at the policy level and in practice. Based on the strong political commitments, both advanced donors have developed action plans on aid effectiveness and the PD and specific country strategies that include the Paris requirements.
Moreover, these countries have carried out organisational reforms in order to make the PD implementation more efficient and effective, including staff training and incentives, again on the basis of their strong political commitments to the PD. At the same time, the necessary organisational restructuring of realigning structures to meet the PD is then reflected in better evaluation results in an iterative way.

Given this, Sweden and the UK have conducted regular monitoring and evaluations based on concrete measurements against the Paris indicators, and the evaluation results have been reflected in their aid policies and practices. However, there have not been significant changes in aid modalities of these two donors because they have already used budget support and PBAs, which in recipient countries is encouraged by the PD. At the same time, when compared to Korea and China, their aid volume is larger and the number of staff in aid agency is also much higher. Between Sweden and the UK, the UK has greater progress in the PD implementation than Sweden, which is associated with the fact that its aid volume and the number of staff are bigger than those of Sweden. In the end, all of these seven factors made it easier for Sweden and the UK, than it was for other donors, to make changes in Tanzania in light of the Paris context.

In contrast, as Figure 5.12 demonstrates, both Korea and China lack political commitments to the PD, which resulted in lack of behaviour changes when it comes to interrelated variables. Not only do they disburse small amounts of aid (although this is not actually clear in the case of China, but merely reported by an official), but the short history of aid has influenced other factors of donor behaviour in the cases of Korea and China. It seems that both Korea and China need dramatic changes in their domestic legislation, aid management systems, including organisational changes, aid modalities and the need to increase aid amount and the number of aid workers in the government systems, if they were wanting to pursue the PD agenda successfully. At the same time, both of these emerging donors have weak monitoring and evaluation systems which cannot identify obstacles and limitations that need to be enhanced in policy and practice.
For Korea, it does not have specific action plans for aid effectiveness, and its inclusion of the PD context in country strategies has been low. For China, even though it has actions plans for aid effectiveness, its understanding and definition of aid effectiveness is different from traditional donors, and thus, its action plans are not carried in the Paris context. As a matter of fact, China rather has a unique model of aid distribution based on South-South cooperation, whose effectiveness is not discussed herein an independent way, due to pressures of space, and because it is not of direct concern to the research question.

While Sweden and the UK have already used budget support and PBAs in their aid programmes, both Korea and China have used project aid. Unless their
domestic environment, such as legislation and aid management systems, changes significantly, it seems to be difficult for them to provide budget support and PBAs. At the same time, especially in the case of Korea, experience at a field level has not been reflected in the process of policy decision making. In comparison, Sweden and the UK have made organisational changes based on staff experience and assessments that reported inefficient communication and the need for training in line with the PD.

Given that both Korea and China are not seen to be ready for the Paris commitments, interviewees from both countries were promptly asked why their governments signed on the PD agreement whilst their domestic environments in aid legislation and systems were not suited to the Paris dimensions. In this, for instance, one of the KOICA managers responded that:

Quite simply, it was because the government wanted to join the DAC. We needed to show the international society that we are willing to commit to the PD so that we can have more change to be accepted by DAC members. But, high level officials participated in the Paris meeting did not consider the reality, or even they did not know how our aid reality can fit into the Paris context (Interviewee K9, 2010).

At the same time, a Chinese government official answered the question as follows:

To be frank, I think China may consider itself more as a recipient country instead of a donor when signing the PD. But no matter as a recipient or a donor, we do hope to improve the aid effectiveness to maximise the effects of aid (Interviewee C5, 2011).

The Chinese government has demonstrated a willingness to ‘promote the effectiveness principles contained in the PD’ in the Joint Statement of the Ninth EU-China Summit (Council of the European Union, 2006: 4), which was also expressed by the above interviewee as well.

From the OECD DAC donor progress report (also as mentioned in Section 2.6.6), it can be confirmed and, further, enlightened by the situation that the
Paris policy was designed by major donors, but signed by all donors who did not participate in the decision-making process as follows:

While many non-DAC donors were present at the Second HLF on Aid Effectiveness in 2005, when the PD was endorsed, most were not engaged in the political dialogue around the Declaration. Consequently, some non-DAC donors view the PD as a prescriptive blueprint that does not necessarily reflect their interests or experiences. Some see practical challenges in implementing the Declaration principles, as they are still in the process of developing mechanisms to appropriately account for their ODA, and establishing monitoring and evaluation systems. Others are currently elaborating on their aid policies, establishing development agencies or formulating legal frameworks on international cooperation (OECD, 2008b: 141).

Having said that, the UK has shown the greatest progress from the four donor cases, and this might be because the UK has actively participated in the decision-making process and actually led the implementation process. The UK has emphasised its leading role in international dialogue on aid effectiveness, in the PD and AAA decision-making process, and the works of the WP-EFF, many times in governmental documents as quoted in Section 5.4. While aid stakeholders highlight the importance of aid effectiveness especially since the PD of 2005, DFID has played a ‘leading role’ in this discourse, and for many recipient countries DFID has been an important donor in terms of aid policy development and in aid management within recipient countries (DFID, 2006b). According to one DFID member of staff in the Tanzania office (Interviewee B2, 2009), the British role as a leading feature in aid architecture seems to be distinct especially in Tanzania as opposed to other recipients in Africa:

In Tanzania the role of DFID has been very significant (Interviewee B2, 2009).

In this light, the UK could achieve the greatest degree of behaviour change in the PD implementation because it is one of the main decision-making donors in the international aid architecture during the Paris design.

In conclusion, the PD was designed as an easy option for traditional donors, or
at least the designers of the PD were themselves well versed and embedded in a similar culture, such that their efforts lead to a policy design that already contained key features of a UK type evaluation system. Whereas Sweden and the UK already had the PD-friendly aid environment, aid systems of Korea and China were not ready for the PD, which means, if these two donors wanted to achieve the PD target within given timeline, both countries should have made significant changes that have not been possible to happen within the given duration, five years between 2005 and 2010. Here, then, why did Korea and China sign on the Paris agreement when they were not ready for the implementation? Was it because high level delegates who participated in the Paris meeting did not know their domestic environment for aid activities which would not be able to carry out Paris requirements within five years? Was it because Korea wanted to show its will to commit to the internationally agreed agenda so that it could be accepted as a DAC member? Was it because China signed on the Declaration only as a recipient, not as a donor? The answer to these questions can be found in part, in that the PD was designed by a top-down approach without considering bottom level reality of the aid architecture. Chapter 6 will discuss this in more detail with a summary of the study, and provide implications for the changing landscape of the global aid architecture.
Chapter 6: Conclusion

6.1. Introduction

Aid effectiveness can be defined as aid which maximises the achievements of goals based on the defined purposes of the policy instrument in question, or against external and general targets of poverty reduction and development. Debates on aid effectiveness are no longer limited to the economic growth and poverty reduction, but consider other factors that affect the outcomes of aid and the obstacles that thwart the effectiveness of aid in terms of multiple criteria built into project and programme design to their implementation. Effectiveness is understood as both internal to donor processes (procedural) and external and consequential to them (impact). This study has, therefore, argued that poor donor cooperation and coordination and the ways in which recipient ownership undermined by donor-driven practice have reduced aid effectiveness. These are coupled with the failure of donor conditionality, the scepticism of selectivity, and the need for enhanced donor cooperation and coordination, with aid stakeholders needing to give more attention to how to improve partnership and recipient ownership. As a result, several international milestones such as the UN MDGs, the Rome Declaration and the PD were established. In particular, the PD has brought a paradigm shift in the aid regime by focusing on the aid delivery process and by providing specified principles and indicators to be achieved.

However, changes that are required in order to meet the Paris targets have been disappointing and uneven. The existing literature already recognised the nexus between political commitments and action plans and the implementation progress of the PD, and identified different approaches to aid modalities between traditional donors and non-traditional donors. However, little research has been carried out to explicitly discuss why donor responses, practices and outcomes are uneven, and existing discussions are less convincing in explaining
why some donors have barely made changes for the Paris agenda. For example, it is pointed out that aid modalities of non-traditional donors are different from advanced donors. However, what has not been explicitly analysed is how this impacts on their subsequent policy implementation and why they are in lack of changes towards meeting the Paris commitments. The appraisals of donor implementation have shown a gap in knowledge in terms of understanding the uneven donor behaviour change in achieving the Paris goals.

In the light of this, this research has examined donor behaviour in terms of aid policy and practice in implementing the Paris principles, based on a comparative case study of Sweden, the UK, Korea and China in Tanzania. This study has analysed how donors have implemented the Paris principles in Tanzania, and explained the differences in performance by each donor. The findings of this study underline that there is a clear disparity of behaviour change in implementing the Paris agenda between advanced donors and emerging donors, and there are seven major variables attributing to the divergences: aid amount and staff numbers, donor aid history, political commitments, action plans and country strategies, aid management systems, aid modalities, and monitoring and evaluation.

Given this, Section 6.2 summarises the findings and offers an overall discussion and interpretation of why donors implement the PD differently by reflecting on the conceptual framework of this study. While Section 6.3 briefly provides theoretical implications of the study, Section 6.4 suggests policy implications based on a speculative observation. Section 6.5 discusses the limitations of the study, before Section 6.6 concludes with suggestions for further study.

6.2. Findings and Discussion

This thesis has revealed the divergences between traditional and non-traditional donors in relation to the PD implementation. It has been found that there is a
variety of factors explaining the differences in the behaviour change of donors with particularly large discrepancies witnessed between advanced and emerging donors. Accordingly, this study argues that these disparities are owing to the top-centred nature (as defined in Section 3.4.1.1) of the international aid architecture which is headed by DAC members. This means that monitoring, and implementation processes aimed at the Paris indicators have been easier for advanced donors while the PD demands more fundamental changes for emerging donors in their aid policies and practices. In other words, the implementation gap, interpreted as uneven donor performance in this thesis, has occurred because the PD was imposed from the top-down approach by failing to consider possible discretion in implementation process at the local level (refer to Sections 3.4.1.1 and 3.4.1.2), or the variety of organisational cultures and practices within the periphery of the DAC membership.

Evidently the Paris requirements were developed based on the experience of major donors, at the top level in the international aid architecture. Less attention was given to other donors, such as non-DAC donors, who were positioned at the bottom level of the aid architecture during the process of PD creation. These non-traditional donors, especially Korea and China in this thesis, have different legislative, operative and organisational aid systems compared to traditional donors, like Sweden and the UK. While most of donors seemingly participated in the Paris meeting and signed the agreement, only DAC donors engaged in the political dialogue process when the PD was endorsed as Chapter 5 concluded. The quotes provided in Section 5.9 (p. 217) can be a good example of malfunctioning top-down chain of command (policy designed amongst dominant donors in the international aid architecture) that ignores realities at the bottom level bureaucracy (implementation process of non-DAC donors who did not participate in the policy design in the international aid architecture). This confirms that the Paris framework was created by advanced donors, and emerging donors are required to conform to the Paris platform for action, which does not reflect aid systems of non-DAC donors. Moreover, reasons for signing up the PD demonstrated strategic interests as much as, or more than, a
commitment to aid effectiveness *per se* on the part of these new donors.

In fact, it is not only that emerging donors did not participate in political negotiation and the design process of the PD, but also that they rarely participate in the donor division of labour process mainly due to the different context of aid delivery, as discussed in Section 4.4.3 (for example, interview in p. 133). Conversely, it could have been anticipated that the implementation progress would be uneven from the beginning when donors developed a set of principles and indicators that were less sensitive to the issues of non-DAC donors at the decision-making process, such as the need for newly domiciled legislation from the international level to the national level. As Gunn’s approach implies (see Section 3.4.1.1), donors should have considered the ‘potential problems of implementation’ during the PD design in order to increase the likelihood of all donors achieving the goals. Implementation failure, interpreted as a lack of donor behaviour change in this case, can result from ‘overestimation of what can be accomplished’ (Pressman and Wildavsky, 1984: 136) and from lack of full and careful consideration in the implementation design as indicated in Section 3.4.1.1.

After all, the Paris agreement is not legally binding or litigable, and thus some non-DAC donors may not want to implement the PD in spite of the fact that they signed up to the PD. This is because the PD implementation is a demanding and time consuming task for emerging donors whereas ‘adequate time’ should be available for changes that lead successful implementation (refer to Section 3.4.1.1). Also, the act of signing might lead to the gains that signatories want, such as association with the effort, or entry into the ‘club’, quite separately from the actual implementation of the policy. Indeed, they may not need to implement it at all in order to gain these benefits from signing. New donors should give more intensive efforts than traditional donors, if they want to pursue the PD agenda, due to practical challenges such as ‘developing mechanisms to appropriately account for their ODA’, ‘establishing monitoring and evaluation systems’, ‘elaborating on their aid policies’, ‘establishing development agencies’
or ‘formulating legal frameworks on international cooperation’ as shown in Section 5.9 (p. 217). For instance, the contradictory domestic legislative criteria have worked as an obstacle to achieve the Paris goals within the given timeline for both Korea and China. Not only that, as Chinese aid official indicated in Section 5.5.1 (pp. 186-187), the PD is not well suited to the current Chinese situation or international bureaucratic and public management norms.

Hence, it has been relatively easier for advanced donors, Sweden and the UK in this thesis, to make changes for the implementation of the PD, whilst there are significant barriers for the emerging donors, like Korea and China, to change current aid policy and practice in order to implement the Paris principles because the PD was developed on the basis of traditional donors’ aid mechanisms. There has been pressure for non-DAC donors to impose the Paris framework from DAC donors in the aid architecture. In other words, the PD is intrinsically built based on the top-down chain of command from the international level to each donor’s national level with little thought given to how it is applied at local level. With this in mind, the following summary of findings elaborates the arguments of this study.

The PD requires donors to prioritise recipient PRS and national development strategies in order to enhance recipient ownership, the first principle of the PD. Under this requirement, donors are encouraged to politically commit to and support the aid effectiveness agenda, based on their domestic aid legislative changes so that they can prioritise recipient national development strategies in order to improve recipient ownership. It is apparent that both Sweden and the UK have politically committed to the PD from the top level, supported the aid effectiveness agenda and made legislative changes link to the implementation stage by including requirements of the PD as Section 5.4 explained (pp. 177-178). By doing so, aid assistance from Sweden and the UK in Tanzania has been in line with NSGRP/MKUKUTA, and both donors have committed to increasing Tanzanian ownership in their aid policies as Section 4.2 analysed. At the same time, strong political commitments based on regulatory and legislative
changes could be achieved in Sweden and the UK because both donors have had overlapping commitments to related agendas of aid effectiveness (see p. 181).

In contrast to the Swedish and British cases, Korea and China have neither politically committed to the PD nor changed their legislation to include Paris requirements into their aid policies and practices as Section 5.4 dealt with (for example, p. 178). Both Korea and China are aware of the importance of the ownership agenda when it comes to aid effectiveness as seen in Section 4.2 (pp. 113-114), but it has not been easy for them to make the necessary changes. In both the Korean and Chinese cases, the difficulties in legislative changes are rooted in their aid history. Both donors still need to formulate their legal frameworks on ODA and aid policies. In the case of Korea, this is owing to the fact that the country only has a short history as an aid donor while for China it is due to a unique aid history as a donor and recipient as Section 5.3 presented. In comparison, both Sweden and the UK have benefitted from their long histories as aid donors and experiences that are embedded in the dominant international aid culture. In other words, in Tanzania, pre-PD prerequisites were already closer to Sweden and the UK given that a prior and long history of connection was a path-dependence leading to the PD, not shared with Korea and China.

At the same time, donors are asked to politically commit to the Paris agenda through changes in their domestic aid legislation from the top level so that they can use and align with recipient country legislation at the bottom end in order to achieve the second principle of the PD (alignment). In addition, to use recipient country systems, donors are encouraged to provide budget support. While both Sweden and the UK have carried out budget support, such as GBS and PRBS, Korea and China do not use the budget support modality (for example, see Section 4.8). The use of budget support required in the PD context demands more efforts and large changes in the legal systems and aid delivery mechanisms of Korea and China. In the case of Korea there is not only the legislative challenge but also the amount of aid given as an obstacle to make necessary changes for budget support. During the interviews, it was pointed out that
Korea is not able to provide budget support partly because of current aid system, but also because of small amount of aid (for instance, p. 202). If this is the case, one of the reasons that China does not provide budget support can be explained by the amount of aid as well. As seen in Figure 3.5 in Chapter 3, Chinese aid amount is slightly higher than Korea, but still remains a small amount relatively.

It is also argued that country specific strategies have contributed to the degree of necessary changes. For instance, Korea has developed CAS in Tanzania and incorporated some of the Paris principles into it. However, it does not specifically indicate how to carry out Paris requirements, and this suggests Korea’s lack of changes towards the PD (for example, pp. 113-114). In comparison, through its country strategy in Tanzania, Sweden has specified how to align country systems of the GoT as well as NSGRP/MKUKUTA and JAST, and the UK also specifies how to manage its aid in Tanzania based on CAP in Tanzania (for example, p. 188). Based on these efforts, Sweden has achieved four out of seven indicative goals for alignment in Tanzania, two are almost achieved, and only one (Indicator 4: technical cooperation) is out of reach (see Table 4.1). Similarly, the UK has achieved six out of seven alignment indicators according to the 2008 DAC monitoring survey as in Table 4.1, and the only indicator that was not achieved during the survey is now achieved in Tanzania as demonstrated by the fact that there are no PIUs left as shown in Section 4.3.4.

On the contrary, reflecting the lack of changes, Korea has failed to achieve five out of seven indicators in Tanzania against the Paris target for alignment (see Table 4.1). However, as discussed in Section 4.3.2, it is not clear whether Korea achieved the goal of Indicator 4 because its understanding of assessment is not the same as the guidance provided by the OECD DAC – according to Table 4.1, Korea achieved 100 percent against Indicator 4 in 2008. At the same time, it can be assumed that Chinese progress in implementing the PD is similar to Korea’s case based on the observation throughout Chapter 4. For instance, as in Section 4.3.2, it can be said that China has achieved the goal of Indicator 4 if applying Korea’s misunderstanding of the Paris objectives. In other words,
misunderstanding in measuring the PD implementation progress of both Korea and China presents that these countries have accomplished commitments to some of indicators, which is not quite true. Unclear policy objectives and understanding leave room for ‘differential interpretation and discretion in action’ (refer to Box 3.2).

As bottom-up critiques argue, the objectives of the Paris agenda is not implemented at bottom level (in this study, non-traditional donors who are positioned at the lower end of the aid architecture) as it was originally intended (see Section 3.4.1.2), and therefore it is critical to make all stakeholders understand the objectives of the Paris dimensions at all levels (refer to Box 3.1). At the same time, the room for differential interpretation and discretion in action (refer to Box 3.2) in the implementation processes seems to affect or embrace diversity of donor behaviour. As a matter of fact, it was observed throughout Chapters 4 and 5 that Chinese understanding of aid effectiveness and its interpretation of the Paris principles are vastly different from other donors (for instance, p. 114). Even though Chinese officials insist they have committed to the PD in some respect, it seems that China has demonstrated minimal efforts in light of the PD. As discussed above, this is similar to the Korean case. Korea also demonstrates different understandings and interpretations of the Paris principles even though the degree of difference is discrepant from Chinese interpretations.

In order to increase donor harmonisation, the third principle of the PD, donors are required to use PBAs, such as SWAs, and they are encouraged to participate in the division of labour of aid delivery and programmes in each sector. In Tanzania, Korea has shown a zero percent achievement against three indicators of harmonisation while both Sweden and the UK show greater progress in harmonising process, except when using coordinated missions as Table 4.2 indicated. As argued in Chapter 5, the Paris design has offered an easy option for DAC donors, suggesting them to use aid modalities that were already in use. This means that the Paris agenda was designed in a way to minimise
actual or radical changes in aid delivery for advanced donors. For instance, Sweden and the UK were not required to introduce new aid modalities or to make significant changes in existing aid delivery processes, but rather they have slightly modified their existing practices. Referring to Section 4.7, there is no evidence that Sweden and the UK made ‘major’ changes in order to provide ‘budget support’. At the same time, there was an organisational change for broader adoption and understanding of staffs for PBAs (for example, pp. 126-127).

On the contrary, not only is it difficult to provide budget support, but also it is difficult for both Korea and China to use PBAs because they need to make radical changes in current aid management systems as well as in legislative regulations as in Sections 5.6 and 5.7.

At the same time, in order to commit to the division of labour for harmonisation, Sweden and the UK have actively participated in DPG meetings and commitments in Tanzania. For instance, as Section 4.8 analysed, both Sweden and the UK are leading donors of DPG activities in the education sector in Tanzania. In comparison, while most of DPG members are advanced donors who share similar aid modalities, both Korea and China do not participate in DPG meetings because they have little in common in terms of aid modalities as discussed earlier in this section.

The differences between advanced donors and emerging donors are consistent in managing for results (fourth principle) and mutual accountability (fifth principle). While two mature donors (Sweden and the UK) have reinforced results-based management and intended to increase aid accountability, other two newcomers (Korea and China) do not have appropriate modules of monitoring and evaluation for results-based management and mutual accountability, as discussed in Sections 4.5 and 4.6. As Section 5.8 attested, Sweden and the UK have developed relatively strong monitoring and evaluation systems, and that made them easier to measure the strengths and weaknesses in implementation processes which could make it possible to conduct necessary changes towards the PD. For instance, Sweden could make organisational change in terms of
staff training and communication strategy that was deemed a necessary change in the evaluations of its PBAs (see p. 126). It is critical to establish concrete monitoring and evaluation systems, especially for results-based management and mutual accountability as evaluation and implementation are allied.

However, it seems that both Korea and China are at the stage of establishing monitoring and evaluation mechanisms whilst Sweden and the UK have revised and enhanced existing systems of results-based management and mutual accountability. Yet, this thesis does not argue that Korea and China do not conduct any monitoring or evaluation of their aid, but that their current evaluation systems need to be developed further if they were to comply with the intentions and philosophy underlying the PD framework. In addition, it has been difficult for them to make necessary changes to conform to this particular monitoring and evaluation framework giving or incommensurability with their internal bureaucratic norms and systems. Also, it may be an error to infer that Korea and China would want to make changes required by the PD. As implied by one of Chinese officials (see p. 187), the way how traditional donors impose for monitoring and evaluation cannot be effective in all the cases, and maybe less monitoring and evaluation can be more effective. That is, it can be a mistake to infer increased monitoring and evaluation necessarily leads to more aid effectiveness.\(^\text{22}\)

Crucially, in the overall context, the lack of political commitment and legislative changes obstruct the necessary changes in donor policy and practice towards the Paris requirements. Conversely, strong political commitment can make necessary changes possible. This thesis has argued that political commitment to the PD, including domestic legislation changes, has a strong influence on the likelihood of behaviour change in implementing the PD among the four donor

\(^{22}\) This thesis has not evaluated how far the PD itself is effective in what it seeks to do, but it is conceivable that less monitoring and evaluation might be more effective in terms of fragmentation of required paperwork as increasing burden for recipient workforce that can be used in other ways which promote development of the poor. Given that there is an absence of a consolidated monitoring and evaluation system of aid donors in a recipient country, each donor can request measurement provision that can accumulate work burden and redundancies for corresponding staff at recipient government offices.
cases in Tanzania. Moreover, this research has analysed that the action plans for aid effectiveness and the PD of donors affect the degree of donor performance. Both Sweden and the UK have strongly incorporated their aid policies into practices based on the action plans on aid effectiveness linked to the PD commitments while both Korea and China do not carry out those specific action plans for the PD. At the same time, in addition to overlapping political commitments, overlapping action plans have had a synergistic effect on donor changes in practice at both national and organisational levels in Sweden and the UK. Specifically, as in Section 5.5.1, the Swedish action plans made it possible to bring necessary changes, such as staff training and communication strategies that are suitable to the PD implementation, while the UK action plan has provided specific strategies at each level of the implementation of the PD (refer to p. 185). On the other hand, although China has an action plan for aid effectiveness, it barely relates to the Paris principles, and Korea does not have action plans for the PD and aid effectiveness, which accounts for low level of responses to the Paris principles. For Korea, it does not have specific action plan for aid effectiveness and the PD because it has only recently become familiarised with the PD mechanism, and Korea’s aid management system and aid management capacity is not ready for the establishment of detailed action plans for the PD.

Having said that, whether the aid management system is appropriate or not in line with the PD has been one of the main factors for uneven implementation. As Section 5.6 discussed, Sweden and the UK could achieve progress in the PD implementation by making necessary changes in legislation, structure of aid management system, human resource management including incentive programme, staff training and communication strategy, and this has been able to be carried out due to the flexibility and efficiency of their aid systems with an accumulation of political desire to change. Organisational renovation in Sweden and aid agency decentralisation of the UK, which were seen in Section 5.6, have overcome weak points of top-down approach by inducing bottom-up model in some respects (in this case, it can be understood at domestic organisational level,
which will be elaborated in the following paragraphs). In contrast, both Korea and China have not made similar changes to their aid systems simply because it has been difficult to do so. This discussion illustrates that the PD requirements are being easier to adopt for some countries (those at top level in the international aid architecture), while other countries (those at bottom level in the international aid architecture) have to make radical changes in their aid management systems in order to achieve the PD indicators. In other words, as this thesis constantly argues, the Paris dimensions have not been considered with the uniqueness of emerging donors’ aid management systems during the policy-making processes made by advanced donors.

As discussed in the above context, Sweden and the UK have balanced both top-down and bottom-up approaches in their aid agencies, which have led necessary changes. For Sweden, it has conducted organisational reform of the entire agency so that it can deliver Swedish political commitments to the PD from top level to the bottom level, based on the good chain of command explained in Section 3.4.1.1, but at the same time by reflecting bottom level challenges as discussed in Section 5.6. The UK has shown a great deal of change with some respect of discretion at the agency level in order to respond to country needs (see pp. 190-191). Theory shows that it is necessary to consider the front line discretion in the implementation process (see Section 3.4.1.2), but this requires a concrete guidance and understanding of the objectives of the Paris agenda. In this sense, both Sweden and the UK can bring about greater changes at the organisational level for delivery of Paris commitments, accompanied by strong political commitment and detailed action plan from the top level. This can also explain, conversely, the lack of changes particularly in Korean case.

As it was pointed out, both Korean and Chinese aid management systems are not suited to the Paris mechanism. For instance, Chinese aid management is rather unique compared to other donors, and makes it difficult to deliver the Paris requirements (see pp. 196-197). This is owing to the fact that it does not have designated aid agency in the government system, but also given that its aid
is considered as South-South cooperation. In Korea, the DAC Special Review for Korea’s commencement of the DAC membership recommended restructuring Korea’s dualistic aid management system in order to account for its aid appropriately. However, changes are not strongly encouraged within Korea as existing aid management mechanism still dominates, and it does not seem to fit into the Paris intentions.

As suggested in Section 5.6 (pp. 193-194), the Korean case illustrates a malfunctioning top-down implementation process. As noticed several times in this study, Korean aid workers claimed the need to consider bottom level reality when it comes to its aid management system because the hierarchical characteristics of Korean aid management system and decision-making processes have undermined the implementation of the Paris commitments at a practical level. In other words, in comparison with Sweden and the UK, the Korean aid management system rests on a top-down approach which ignores the bottom level bureaucracy, and thus, it has been difficult to make necessary changes in order to commit to the PD. Ironically, since the aid management system in Korea is built on the top-down hierarchical nature and does not reflect actors’ experience at street level, KOICA aid workers at Tanzania office do not give efforts to make changes in behaviour, but rather exercise more discretion by making their own decisions at local level and redirecting aid modalities and resources to their own conditions, which results in lesser changes in the Paris context. However, it should also be noted in addition that the local level officers are not necessarily in agreement with the PD’s underlying analysis of the problem of aid effectiveness or its assumptions over how effectiveness could be improved, quite independently from problems in the management system (refer to p. 170).

Here, it is necessary to discuss a probable question of donor self-interests as one of the factors for the diversity of donor responses and practices in the Paris implementation. For instance, as once discussed in Section 5.4 (pp. 183-184), it can be said that China does not politically commit to the PD, and thus fails to
exhibit donor performance in light of its diplomatic, political and commercial interests. Upon the examination of confirming factors to behaviour change, it complicates whether donor motivation and interests have an impact on donor behaviour in the context of the PD commitments. On top of that, within the bounded case studies in this thesis, donor self-interests do not appear to be significant for uneven behaviour change. For instance, even though there is a strong relationship between China’s diplomatic and commercial interests in its aid allocation, the correlation between interests and aid performance ‘towards the Paris agenda’ is not evident. In other words, Chinese self-interests obviously could affect its aid policy and practice in an overall sense, but these are not specifically influential to the Paris domain. Rather, it is likely that China’s lack of response against the Paris indicators is because it considers itself as a recipient when signing on the Paris agreement as revealed in Section 5.9 (see p. 216). Also, even though Chinese government officially stated its desire to commit to the PD, this has not been reflected in required changes significantly. It is also likely that China does not show necessary changes possibly because it has more difficulties in systematic and legislative changes.

At the same time, it is evident in the Korean case that donor self-interest and motivation can merely attribute to behaviour change in terms of the Paris implementation. From the findings in Chapter 5, it is obvious that Korea signed on the PD due to its interest to be accepted as a DAC member by 2010. For example, according to the interview provided in Section 5.9 (see p. 216), Korea would have not participated in the DAC surveys if it was not interested in DAC membership. Yet Korea does not show necessary changes in the implementation process despite its self-interest. This tells us that Korea’s self-interest does not have a significant impact on aid performance particularly to the PD boundary likewise the Chinese case. In other words, Korea was willing to signing the PD due to its interest in joining the DAC, but it has not shown much change because of its aid legislation and management system that are not suited to the Paris mechanism. On the other hand, throughout the analysis in this thesis, it has not been evident whether Sweden and the UK have achieved relatively higher
degree of necessary changes because of certain political or commercial reasons against the Paris indicators. For these reasons, this thesis does not argue donor interests as a factor of uneven behaviour change because donor interests can be met without changes. Besides that, discussions of donor self-interest and motivation will go beyond the focus of this study, not necessarily but most likely, by falling into the conventional debates of whether aid is altruistic or self-motivated.

In sum, this study has conducted an in-depth analysis of the implementation progress of Sweden, the UK, Korea and China in Tanzania. The DAC monitoring surveys found the importance of political commitments and action plans of donors, and evidence from this research has confirmed the importance of political commitments and action plans when donors are to change their behaviour. However, this study has identified more underlying factors in addition to political commitments and action plans, such as aid amount and number of staff at aid agency, donor aid history, specific country strategies accompanied with action plans, aid management systems, aid modalities, and monitoring and evaluation. As the Paris agreement as well as the global development aid system is intrinsically political, all signatories ‘did not swim against the stream’ when endorsing the PD. However, findings evidently revealed that emerging donors tend to maintain existing aid practice by merely changing their policy whereas advanced donors attempt to achieve the Paris goals on the basis of changes in policy and practice. In the end, this thesis argues that the Paris principles are formatted suitable for dominant donors in the aid regime, which results in uneven behaviour change with a clear disparity between traditional and non-traditional donors.

6.3. Theoretical Implications

There are three policy implementation theories that this research has incorporated into the conceptual framework: top-down rational implementation
model, bureaucratic street-level behaviour model and policy-action model. The top-down implementation model explains that ‘a careful implementation design is the key’ and ‘a monitoring and control of implementation (chain of command) is necessary’ for the effective implementation of policy (refer to Section 3.4.1.1). According to the top-down approach, a successful implementation requires ‘a good chain of command’ and ‘a capacity to coordinate and control’. In Chapter 3, the research signposted that ‘a good chain of command can begin from the political commitments and link to the action plans’, and the study has found that there were strong political commitments from the top level in the governments of Sweden and the UK, which were linked to the careful design of action plans for the implementation of the PD and to the strong monitoring and evaluation mechanisms. Based on this, these two donor countries have achieved higher levels of behavioural change in the PD implementation. In other words, both donor cases have shown a higher degree of response, performance and outcomes in line with the PD since they have carried out a good chain of command from the policy design stage to monitoring and evaluation stage. On the other hand, both Korea and China have shown a weak political commitment to the PD and less concrete implementation design for the PD implementation than Sweden and the UK, which resulted in a lack of behavioural change in the Paris context. At the same time, given that both Korea and China are not ready to implement the Paris principles, this can be interpreted that there is a weak capacity to coordinate and control of both donors in implementing the PD, which resulted in policy implementation failure (lack of behaviour change).

While the top-down model argues that there is no bad policy but bad execution, the study has found that this is not always true based on the cases of Korea and China: bad policy, meaning the lack of consideration of the bottom level experience, can result in the implementation gap. At the international level, during the international aid policy design (the PD in this study), top decision makers (advanced donors) neither sufficiently considered bottom level reality (aid management systems and aid practice of emerging donors, which are different from major donors) nor provided an adequate time line for necessary
changes in implementation. In other words, as observed in the research, the Paris policy was designed among major donors (top decision makers) and has been imposed from the centre with limited consideration of local level practice, which resulted in the implementation gap rather than effective donor behaviour change in the aid delivery system. This, in turn, can be explained by the bottom-up approach: it is necessary to ‘understand what actually happens’ at the policy deliverers’ level (donors who did not participate in the PD design process, but have been expected to implement the Paris principles) (refer to Section 3.4.1.2).

At the national level, both Korea and China have not shown the evidence of reflecting policy deliverers’ experience in their aid policies in line with the PD implementation. Especially in the Korean case, the current aid management system is hierarchical and bureaucratic, and has failed to reflect what is actually happening at the policy deliverers’ level. As a matter of fact, the evidence in this study has shown that there is more discretion in KOICA’s field office in Tanzania in line with the PD. This can be explained within the bottom-up framework as ‘the bureaucratic structure of agencies is intrinsically unsuited to many of the tasks for desired performance, and thus, there is room for a discretion that comes from the field of corrections’ (refer to Section 3.4.1.2). In other words, while the top-down approach highlights the chain of command as ‘policy is not implemented at the bottom level without top-down command and control’, the Korean case denies this theory and supports the bottom-up critics. According to the bottom-up critics, ‘the outcomes are reached by workers involved at the street level with changes compared to original policy’ and thus, ‘the policy objectives are not implemented as originally intended’ unlike the top-down model claims (refer to Section 3.4.1.2). As mentioned in Section 3.4.1.3, the control from the top level seems to be lost from the middle of the chain of command to the bottom level in the actual implementation process.

The bottom-up framework can also explain why Sweden and the UK have conducted a higher degree of changes in implementing the Paris agenda. That is, while Sweden and the UK implement the Paris principles based on a good chain
of command, both donors have also been reflective of policy deliverers’ experience by conducting organisational reformation in Sida and DFID. This, in turn, explains the failure of policy implementation (less behavioural change in line with the PD) by Korea and China. As the evidence showed, both Korea and China have not carried out organisational reformation which reflects a lack of necessary consideration of the bottom level reality in the aid management system. However, it is also noteworthy that China has a more limited domestic environment for organisational restructuring.

On the other hand, while both top-down and bottom-up frameworks help explain why there is uneven donor behaviour change in the implementation process, the policy-action model explains the overall observation of this study. Not only is the implementation an interactive (negotiation, action and response) process ‘over time’, but it is also a complex process depending on domestic and international environment, politics and organisational factors (refer to Section 3.4.1.3). Whereas the other two theories highlight the conditions for successful implementation, the policy-action approach tends to focus more on power, interests, motivations and behaviour. Since this study did not include donor interests as one of the main factors for a different degree of responses in the PD implementation, less focus was given to the policy-action model in answering to the research questions of the study. Instead, this study provides a separate section (see Section 6.4) for policy implications by relying on the policy-action model which implies that the implementation may be another form of the political power game between traditional donors and emerging donors in the international aid architecture.

Overall, even though all three policy implementation frameworks are equally important, it can be said that the bottom-up approach mostly supports the explanation of the findings of this study in answering the research question of why the four donor cases have different levels of behaviour change. Again, this does not mean that the top-down model is less significant; however, unlike the top-down approach which claims that the failure of implementation is not due to
bad policy but due to bad execution, this study observed that there was a lack of well-defined objectives and communication, and insufficient time for the implementation process in the policy design, especially in the cases of Korea and China. At the same time, as the bottom-up model attests, this study has evidently discussed the importance of the organisational interactions and relationship of policy makers to policy deliverers in the four donor cases. In other words, although we can explain why Sweden and the UK have shown more behaviour change than Korea and China within the top-down framework on the basis of the good chain of command, the bottom-up framework has provided more thorough understanding of divergences amongst all the donors.

6.4. Policy Implications

This section provides a brief policy implication for the international aid policy design and its implication, and discusses the changing landscape of the international aid architecture with the increasing power of emerging donors. The observations provided in this section are speculative in nature rather than based on the evidence from the thesis. From the observation throughout the study, non-traditional donors were clearly overlooked during the design of the PD. Findings in this study have shown the absence of inclusion of non-DAC donor practice in decision-making process of the PD. However, as the implementation of the PD progress has been uneven and disappointing, and as donors have approached the target date of the Paris goals, they seem to realise the necessity of broader understandings and the inclusion of emerging donors.

Implications of the study highlight the need for continuous negotiation and reformation during the implementation process, and as a matter of fact, the contemporary aid regime is experiencing the phenomenon of policy-action continuum that Barrett and Fudge emphasised (see Section 3.4.1.3). That is, through the AAA and upcoming Busan meeting, we can experience that the PD was designed, is implemented, evaluated and is now being revised. While the
Paris principles were built by the consensus amongst major donors, new aid practices such as South-South cooperation and triangular development cooperation, which adopt non-traditional donor practice, have been slightly but increasingly favoured in the follow-up sessions of the PD since the AAA. It is noteworthy that the implementation is an interactive process, and such a process is supposed to happen over time through constant negotiations and continuous reformulation.

Given that the global aid system is dominated by the collective power of advanced donors, the negotiation structure itself has experienced limited response and progress in terms of implementation. Design of the policy should not rest on a top-down framework, but rather needs to be accompanied by constant negotiation with bottom level actors. The bottom-up understanding is necessary and imperative, although it is true that there is no such ‘perfect’ process from policy design to implementation which can accept and reflect all needs and requirements at all levels. However, failures in implementation can be minimised by balancing high level players and those at ground level in the aid architecture. We could have anticipated the current result of the PD implementation with uneven donor behaviour change and the divergence between advanced and emerging donors already during the endorsement of the Declaration in 2005 owing to the fact that the Paris design lacked sufficient consideration of non-DAC donors’ practices and their aid delivery mechanism.

The aid regime previously focused squarely on the inequality between donors and recipients, and the PD was initiated by revising existing top-down practice in the aid regime (top-down conditionality imposed from donors to recipients) to bottom-up approach (reinforcement of recipient ownership). However, ironically, a new dilemma of unequal relationship between traditional and non-traditional donors has emerged. This illustrates a trend which diverges from and contradicts the harmonisation moments in terms of a tendency towards bottom-up diversity, as explicitly found in the South-South framework. This can be why Western donors are losing overall control of the aid architecture to newcomer
competitors, especially with initiatives like the PD. This suggests that the PD may be a last attempt to impose Western inspired models and a beginning of a new power game between traditional and non-traditional donors in the international aid architecture.

At last, it is noteworthy that there has been misunderstanding of objectives and the monitoring criteria among donors, and this can distort the evaluation results. It is important to maintain the discretion of each donor in implementing the process, but not in interpreting objectives and appraisals. Evaluation, implementation and policy decision making are not separated, but are correlated, and therefore solid monitoring and evaluation contributes to domestic policy change and efforts in the implementation process for donors. Thus, it is necessary to make all aid stakeholders understand the objectives of the international initiatives like the PD in the future at each level and to design concrete monitoring and evaluation framework that can support the progress of the implementation and the outcomes. At the same time, as discussed earlier in this chapter, it would be critical to reduce fragmentation of monitoring and evaluation for recipient countries.

6.5. Limitations of the Study

First of all, this research did not underline the aspect of the political economy of donor behaviour in terms of donor self-interests and motivations in explaining an uneven level of donor responses to the Paris agenda, unlike the findings from the literature review. For example, it was observed in Chapter 2 that the US has not committed to the PD even though it is an advanced donor country, and this detracts from the findings of this study in reference to the fact that advanced donors commit to the PD more fully than emerging donors. While this study has not included the US as its donor cases, the reason why the US has not shown necessary changes in implementing the PD, despite it being a DAC donor with large amounts of aid and a long aid history and experience as a donor, can be
due to self-interests of the US, as implied. Not only that, the context of the PD may be a result that came out of the global governance agenda in the late-1990s. In other words, the PD has reflected the need for effective aid delivery in terms of stronger ownership of recipients and partnership of aid stakeholders, but also the emphasis on and the interests of donors in improving global governance, for instance, in accordance with the MDGs. Thus, excluding the factor of donor self-interests can be a major limitation of this thesis, even though the research has not intended to discuss whether aid is altruistic or self-motivated by donors in implementing the Paris indicators due to the need for better access to high ranking managers as well as a research challenge in terms of designing a methodology which could do this.

Second, as pointed out in Chapter 3, there were more interviews conducted for the Korean and Chinese cases compared to the Swedish and British cases. In other words, while more data was collected from documents for Sweden and the UK, less data was used from documents for Korea and China since there is insufficient information in documents for the Korean and Chinese cases. Given this, it can be questioned whether data from the four cases were equally used and studied in the thesis. This, however, has not been a significant limitation for the research because while more data was collected by interviews for the Korean and Chinese case, more data was used by document analysis for the cases of Sweden and the UK, as explained at the end of Chapter 3. At the same time, it can also be questioned that Chinese data has been potentially biased because document analysis was limited for the Chinese case, and most of data imposed on the empirical analysis was provided by the Chinese government officials. However, again this has not been a significant limitation for this study because all other possible sources were used for triangulation with interviews especially for the cases of China.

Finally, while a generalisation of the key findings based on the four cases can be a possible limitation of this study, each case is common as well as unique within the case study strategy. As presented in Chapter 3, the case study is not about
generalising all the cases, but rather to understand each case explicitly. With this in mind, findings from the four cases in this study are meaningful. Nevertheless, it would be interesting to look at the extent to which the findings of this study can be applied to other donor cases. While the findings of this study highlight a clear divergence between advanced donors (Sweden and the UK) and emerging donors (Korea and China), the comparison with more numbers of donor cases could suggest new findings, for example such as the US case. At the same time, even though the four case studies and the findings through the donor comparison are meaningful, there could be a possible limitation of donor choice in terms of comparing two like-minded European donors with two East Asian emerging donors. Emerging donors as well as advanced donors from different geopolitical regions may provide new explanations of uneven donor behaviour.

6.6. Concluding Remarks with Further Research

In the previous section, it was pointed out that the perspective of political economy and the factor of donor self-interests were not included in this study. Given that this is a main limitation of the thesis, this study suggests further research with a new framework in line with the political economy and donor self-interests. At the same time, as mentioned previously in this chapter, this research has not evaluated the impact of the PD per se. From the existing literature, it was pointed out that the PD has built upon the neoliberal inspiration and that this means a strong emphasis on new public management doctrines of constant performance evaluation, notwithstanding that this can become overly draining on overall resource. Also, there are still continuing donor-driven practice which undermines recipient ownership within these top-down evaluator policy regimes. Besides, while aid effectiveness is understood as maximising the achievement of goals by effective aid management has become a norm in the contemporary aid regime, it has not been addressed how to measure the impact of aid consequences for the poor. Given this, a further study can be carried out
to look at whether the Paris approach is conducive to promoting *de facto* effectiveness of aid delivery, rather than just improvement in aid management systems.

In addition, this study has observed that the global aid architecture tends to increasingly adopt aid practices of non-traditional donors by stimulating South-South cooperation and triangular development cooperation. From its observation, it was pointed out that this phenomenon began with the AAA, and seminars and workshops have been convened in order to discuss the South-South cooperation and its implications for advanced donors. While this thesis has limited the study range to the Paris principles, it would be interesting to look at newly developed initiatives of donors by examining the dilemma between traditional and non-traditional donors and the changing landscape of the global aid architecture, and further the international development discourse.

Finally, this thesis suggests further research focusing on CSOs and aid effectiveness. This study conducted a comparative study of bilateral donors, and did not include CSOs even though their role in the aid regime is increasingly important. Not only emerging power of non-traditional bilateral donors, but also increasing power of non-traditional donors such as CSOs is associated with shaping the global aid regime. With this in mind, research is necessary to address the implications of the CSOs and aid effectiveness in the international aid architecture, and how this critically relates to individual national interests and objectives.


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Press Releases


## Appendix 1.1.  
Paris Declaration Implementation Progress Made in Tanzania by Indicator

<table>
<thead>
<tr>
<th>Indicators</th>
<th>2005</th>
<th>2007</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Do countries have operational development strategies?</td>
<td></td>
<td>B</td>
<td>Grades from A as highest, to D as lowest among recipients, based on the World Bank’s Results-Based National Development Strategies: Assessment and Challenges Ahead</td>
</tr>
<tr>
<td>2a. How reliable are country public financial management systems?</td>
<td>4.5</td>
<td>4.0</td>
<td>Grades from 4.5 as highest to 2.0 as lowest among recipients, based on the World Bank’s CPIA Indicator 13</td>
</tr>
<tr>
<td>2b. How reliable are country procurement systems?</td>
<td></td>
<td>B</td>
<td>Grades from B as highest to D as lowest among recipients, based on the methodology developed by the Joint Venture on Procurement</td>
</tr>
<tr>
<td>3. Are government budget estimates comprehensive and realistic?</td>
<td></td>
<td>90%</td>
<td>Government’s budget estimates of aid flows (USD m) / Aid disbursed by donors for government sector (USD m)</td>
</tr>
<tr>
<td>4. How much technical assistance is coordinated with country programmes?</td>
<td></td>
<td>50%</td>
<td>Coordinated technical cooperation (USD m) / Total technical cooperation (USD m)</td>
</tr>
<tr>
<td>5a. How much aid for the government sectors use country systems? (PFM)</td>
<td></td>
<td>66%</td>
<td>Avg (budget execution, financial reporting, auditing) (USD m) / Aid disbursed by donors for government sector (USD m)</td>
</tr>
<tr>
<td>5b. How much aid for the government sectors use country systems? (procurement)</td>
<td></td>
<td>61%</td>
<td>Procurement systems (USD m) / Aid disbursed by donors for government sector (USD m)</td>
</tr>
<tr>
<td>6. How many PIUs are parallel to country structures?</td>
<td></td>
<td>56</td>
<td>-</td>
</tr>
<tr>
<td>7. Are disbursements on schedule and recorded by government?</td>
<td></td>
<td>70%</td>
<td>Disbursements recorded by government (USD m) / Aid scheduled by donors for disbursement (USD m)</td>
</tr>
<tr>
<td>8. How much bilateral aid is untied?</td>
<td></td>
<td>95%</td>
<td>Total bilateral aid as reported to the DAC (USD m) / Untied aid (USD m)</td>
</tr>
<tr>
<td>9. How much aid is program-based?</td>
<td></td>
<td>55%</td>
<td>Total PBAs (budget support, other PBAs) (USD m) / Total aid disbursed (USD m)</td>
</tr>
<tr>
<td>Question</td>
<td>Coordinated</td>
<td>Total %</td>
<td>Count</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>-------------</td>
<td>---------</td>
<td>-------</td>
</tr>
<tr>
<td>10a. How many donor missions are coordinated?</td>
<td>17%</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>10b. How much country analysis is coordinated?</td>
<td>38%</td>
<td>65%</td>
<td></td>
</tr>
<tr>
<td>11. Do countries have monitorable results-based frameworks?</td>
<td>B</td>
<td>B</td>
<td></td>
</tr>
<tr>
<td>12. Do countries have reviews of mutual accountability?</td>
<td>-</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

Source: OECD, 2008c
Appendix 2.1. Revised Focus Areas for Progress by the Accra Meeting

Ownership and Accountability
Addressing how developing countries strengthen their own development strategies and how all relevant actors are associated and can hold the government accountable

Country Systems
How donors and developing countries can further strengthen and use developing country institutions and management systems in order to reinforce them and contribute to state building

Transparent and Responsible Aid
How to improve complementarity among donors, aid predictability and the use of conditionality linked to aid flows

Assessing Progress
Documenting, monitoring and evaluating the implementation of the PD/AAA commitments, which were set up for 2010

Managing for Development Results
Providing a platform at regional and global level to mainstream results-based public sector management and policies

Source: OECD, 2010b
### Appendix 3.1. Annotated Interviewee List

<table>
<thead>
<tr>
<th>Code of Interviewee</th>
<th>Organisation</th>
<th>Place of Interview</th>
<th>Year of Interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviewee B1</td>
<td>DFID Headquarters</td>
<td>London, UK</td>
<td>2009</td>
</tr>
<tr>
<td>Interviewee B2</td>
<td>DFID Tanzania</td>
<td>Dar es Salaam, Tanzania</td>
<td>2009</td>
</tr>
<tr>
<td>Interviewee B3</td>
<td>DFID Tanzania</td>
<td>Dar es Salaam, Tanzania</td>
<td>2009</td>
</tr>
<tr>
<td>Interviewee B4</td>
<td>DFID Headquarters</td>
<td>London, UK</td>
<td>2010</td>
</tr>
<tr>
<td>Interviewee C1</td>
<td>MOFCOM</td>
<td>Beijing, China</td>
<td>2008</td>
</tr>
<tr>
<td>Interviewee C2</td>
<td>MOFCOM</td>
<td>Beijing, China</td>
<td>2008</td>
</tr>
<tr>
<td>Interviewee C3</td>
<td>MOFCOM</td>
<td>Beijing, China</td>
<td>2008</td>
</tr>
<tr>
<td>Interviewee C4</td>
<td>MOFCOM</td>
<td>Beijing, China</td>
<td>2010</td>
</tr>
<tr>
<td>Interviewee C5</td>
<td>MOFCOM</td>
<td>Beijing, China</td>
<td>2011</td>
</tr>
<tr>
<td>Interviewee G1</td>
<td>MoFEA</td>
<td>Dar es Salaam, Tanzania</td>
<td>2009</td>
</tr>
<tr>
<td>Interviewee G2</td>
<td>MoFEA</td>
<td>Dar es Salaam, Tanzania</td>
<td>2010</td>
</tr>
<tr>
<td>Interviewee G3</td>
<td>MoEVT</td>
<td>Dar es Salaam, Tanzania</td>
<td>2010</td>
</tr>
<tr>
<td>Interviewee G4</td>
<td>MICS</td>
<td>Dar es Salaam, Tanzania</td>
<td>2010</td>
</tr>
<tr>
<td>Interviewee K1</td>
<td>MOFA</td>
<td>Seoul, Korea</td>
<td>2008</td>
</tr>
<tr>
<td>Interviewee K2</td>
<td>KOICA Headquarters</td>
<td>Seongnam-si, Korea</td>
<td>2008</td>
</tr>
<tr>
<td>Interviewee K3</td>
<td>KOICA Headquarters</td>
<td>Seongnam-si, Korea</td>
<td>2008</td>
</tr>
<tr>
<td>Interviewee K4</td>
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</tr>
<tr>
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</tr>
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<td>Interviewee K7</td>
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<td>Interviewee K8</td>
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</tr>
<tr>
<td>Interviewee K9</td>
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</tr>
<tr>
<td>Interviewee S1</td>
<td>Sida Headquarters</td>
<td>Stockholm, Sweden</td>
<td>2009</td>
</tr>
<tr>
<td>Interviewee S2</td>
<td>Sida Tanzania</td>
<td>Dar es Salaam, Tanzania</td>
<td>2009</td>
</tr>
<tr>
<td>Interviewee S3</td>
<td>Sida Tanzania</td>
<td>Dar es Salaam, Tanzania</td>
<td>2009</td>
</tr>
</tbody>
</table>
Appendix 3.2. Interview Questions

*Questions for Donors*

I. Questions for Donor Agency Headquarters
Q1.1. Do you provide efforts to improve recipient’s ownership?
Q1.2. If so, how?
Q1.3. If not, why?

Q2.1. Do you provide aid in order to achieve ‘alignment’ provided by the Paris Declaration?
Q2.2. If so, how?
Q2.3. If not, why?

Q3.1. Do you provide aid in order to achieve ‘harmonisation’ provided by the Paris Declaration?
Q3.2. If so, how?
Q3.3. If not, why?

Q4.1. Do you provide aid in order to achieve ‘managing for results’ provided by the Paris Declaration?
Q4.2. If so, how?
Q4.3. If not, why?

Q5.1. Do you provide aid in order to achieve ‘mutual accountability’ provided by the Paris Declaration?
Q5.2. If so, how?
Q5.3. If not, why?

Q6.1. What can be difficulties or obstacles in implementing the Paris Declaration? Please elaborate as much as possible.
Q6.2. What can be difficulties or obstacles in working with country office in Tanzania in the Paris Declaration context?

Q7. Can you provide any relevant internal documents that you want to recommend for further information?
Q8. Do you have any other comments?

II. Questions for Donor Agency in Tanzania
Q1.1. Do you provide efforts to improve recipient’s ownership in Tanzania?
Q1.2. If so, how?
Q1.3. If not, why?

Q2.1. Do you provide aid in order to achieve ‘alignment’ provided by the Paris Declaration in Tanzania?
Q2.2. If so, how?
Q2.3. If not, why?

Q3.1. Do you provide aid in order to achieve ‘harmonisation’ provided by the Paris Declaration in Tanzania?
Q3.2. If so, how?
Q3.3. If not, why?

Q4.1. Do you provide aid in order to achieve ‘managing for results’ provided by the Paris Declaration in Tanzania?
Q4.2. If so, how?
Q4.3. If not, why?

Q5.1. Do you provide aid in order to achieve ‘mutual accountability’ provided by the Paris Declaration in Tanzania?
Q5.2. If so, how?
Q5.3. If not, why?

Q6.1. What can be difficulties or obstacles in implementing the Paris Declaration in Tanzania? Please elaborate as much as possible.
Q6.2. What can be difficulties or obstacles in working with Headquarters in the Paris Declaration context?
Q6.3. What can be difficulties or obstacles in working with the government of Tanzania in the Paris Declaration context?
Q7. Can you provide any relevant internal documents that you want to recommend for further information?

Q8. Do you have any other comments?

III. Donor Specific Additional Questions

Sweden

Q9. How do the Sida and the Development Cooperation Division (DCD) of the Embassy of Sweden work in Tanzania?
  (I am asking this question because there is not a separate Sida office in Tanzania.)

Q10. According to the second monitoring survey of the Paris Declaration in 2008, Swedish technical cooperation in Tanzania decreased from 57 percent to 30 percent (Indicator 4). Can you explain why?

Q11. According to the second monitoring survey of the Paris Declaration in 2008, Swedish predictability in Tanzania slightly declined from 68 percent to 67 percent (Indicator 7). Can you explain why?

Q12. According to the second monitoring survey of the Paris Declaration in 2008, Sweden showed decrease in coordinating missions from 7 percent to zero percent in Tanzania (Indicator 10a). Can you explain why?

UK

Q9. Can you please fill the separate form (Questionnaire II) which is asking current progress of DFID action plan in Tanzania as a response to the Paris Declaration based on the DFID’s medium term action plan on aid effectiveness published in 2006?

  The document advised that the year progress will be presented in the Quarterly Management Report; however, I cannot find any of these reports (it seems to be internal document), and thus, I am asking you to fill the separate form.

Q10. According to the second monitoring survey of the Paris Declaration in 2008, British technical cooperation in Tanzania decreased from 93 percent to 68 percent (Indicator 4). Can you explain why?
Q11. According to the second monitoring survey of the Paris Declaration in 2008, British predictability in Tanzania declined from 97 percent to 89 percent (Indicator 7). Can you explain why?

Q12. According to the second monitoring survey of the Paris Declaration in 2008, the UK showed decrease in coordinating missions from 100 percent to 14 percent in Tanzania (Indicator 10a). Can you explain why?

**Korea**

Q9. Do you think the Paris Declaration has been mainstreamed in your agency and in your office?

Q10. Korea has conducted several aid projects in Tanzania. However, the information about these projects has not been sufficient. Can you provide more detailed information about your projects in Tanzania?

Q11. According to KOICA documents, the Country Assistance Strategy (CAS) can promote recipient ownership; however, they have not been specified how the CAS can boost ownership in recipient countries. For example, KOICA has introduced Tanzania CAS 2008-2010, but it has not specified how the Tanzania CAS can promote the ownership of the government of Tanzania. Can you explain how the Tanzania CAS has been developed in order to improve ownership of the government of Tanzania?

**China**

Q9.1. How do you characterise Chinese aid policy in general?
Q9.2. How can you characterise Chinese aid policy in Africa?

Q10.1. How do you define ‘aid effectiveness’?
Q10.2. In what extent do you measure the effectiveness of aid?
Q10.3. In what extent do you evaluate aid programmes and/or projects?

Q11.1. Does China prefer programme aid or project aid, or both?
Q11.2. And why?

Q12.1. What kinds of aid programmes and/or projects do you have in Tanzania?
Q12.3. What do you expect from these programmes and/or projects in Tanzania?
Q13.1. Where can I find the statistics of Chinese official aid?
Q13.2. Can you share statistical data of your aid performance in Tanzania?
Q13.3. Can you share documents related with Chinese aid in Tanzania?

Q14. How does the Embassy of China work in Tanzania in terms of providing aid?
   (I am asking this question because there is not a designated office for aid in Tanzania.)

Q15.1. Do you consider the Paris Declaration in your aid policy and practice?
Q15.2. If so, in what extent?
Q15.3. If not, why?

Questions for the Government of Tanzania

Q1.1. How much do you think foreign aid has been effective in Tanzania?
Q1.2. How much do you think the Paris Declaration has been effective in Tanzania?

Q2.1. How do you define ‘aid effectiveness’?
Q2.2. In what extent do you measure the effectiveness of aid provided by donors in your country?

Q3.1. Can you elaborate whether there have been changes in Tanzania after the Paris Declaration in working with donors?
Q3.2. What have been positive changes?
Q3.3. What have been difficult aspects?

Q4.1. What kinds of aid initiatives or modalities have positively worked in Tanzania for last two decades?
Q4.2. Recently, most donors tend to provide budget supports and SWAps rather than aid project. Do you agree that budget supports and SWAps are more effective than previous forms of projects in Tanzania?
Q4.3. If so, in what extent has it been more effective?
Q4.4. Compared to advanced donors, emerging donors such as China and Korea tend to provide aid based on individual projects. Can you compare which approach is more effective in Tanzania?

Q4.5. What kinds of other forms of aid can improve the effectiveness of aid?

Q5. What kinds of Chinese foreign aid have been provided in Tanzania?

Q6.1. Has Chinese aid been effective?
Q6.2. If so, how?
Q6.3. If not, why?

Q7.1. What can be positive aspects in receiving aid from advanced donors?
Q7.2. What can be difficult aspects in receiving aid from emerging donors?
Q7.3. What can be positive aspects in receiving aid from advanced donors?
Q7.4. What can be difficult aspects in receiving aid from emerging donors?

Q8.1. What can be positive aspects in receiving aid from advanced donors in the context of the Paris Declaration?
Q8.2. What can be difficult aspects in receiving aid from emerging donors in the context of the Paris Declaration?
Q8.3. What can be positive aspects in receiving aid from advanced donors in the context of the Paris Declaration?
Q8.4. What can be difficult aspects in receiving aid from emerging donors in the context of the Paris Declaration?

Q9. Can you provide any relevant internal documents that you want to recommend for further information?

Q10. Do you have any other comments?
## Appendix 3.3.
### Separate Table Provided to the Interviewees in DFID Tanzania Office

<table>
<thead>
<tr>
<th>Paris Declaration Indicators</th>
<th>DFID Action</th>
<th>Progress in Tanzania</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ownership</td>
<td>Work with governments to develop a nationally owned and led development strategy that links to budget processes.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Provide effective long term financial support to implement national strategies.</td>
<td></td>
</tr>
<tr>
<td>Alignment</td>
<td>Work with government and other donors to ensure 1) procurement and 2) financial management systems adhere to acceptable standards.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Support to strengthen systems (e.g. Increased use of Public Financial Management Performance Measurement Framework. Support to develop and implement public financial management reform programmes etc).</td>
<td></td>
</tr>
<tr>
<td>Reliable country systems.</td>
<td>Ensure 100 percent aid to government is reported on national budget.</td>
<td></td>
</tr>
<tr>
<td>Aid flows are aligned on national priorities.</td>
<td>Work with partner government to develop national capacity building programme.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Work with other donors to ensure joint support for capacity building (preferably to government owned and led programme).</td>
<td></td>
</tr>
<tr>
<td>Strengthen capacity by coordinated support.</td>
<td>Use partner procurement and/or PFM where we have sufficient confidence in systems and a reform programme in place to address weaknesses.</td>
<td></td>
</tr>
<tr>
<td>Use of country systems.</td>
<td>Increase use of flexible financing.</td>
<td></td>
</tr>
</tbody>
</table>
such as poverty reduction budget support where conditions are right to do so.

<table>
<thead>
<tr>
<th>Strengthen capacity by avoiding parallel implementation structures.</th>
<th>Do not set up or work through parallel PIUs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aid is more predictable.</td>
<td>Provide information on disbursement plans for inclusion in partner budgets, disburse PRBS in the first six months of the partner's financial year, report actual against planned disbursements, noting the reasons for any divergence and commitments for 3 years ahead.</td>
</tr>
</tbody>
</table>

**Harmonisation**

<table>
<thead>
<tr>
<th>Use of common arrangements or procedures.</th>
<th>Switch from projects to programme based support where conditions allow.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Work with governments and other donors to agree a clearer division of labour which reduces the number of donors operating in a given sector.</td>
</tr>
<tr>
<td>Encourage shared analysis.</td>
<td>Plan missions to include other donors and to an agreed government programme.</td>
</tr>
<tr>
<td></td>
<td>Share documentation and analysis between donors.</td>
</tr>
<tr>
<td></td>
<td>Increasingly support country led analysis i.e. build capacity to analyse policy, support research and analysis in country for national strategies, sector plans etc.</td>
</tr>
</tbody>
</table>

**Managing for results**

<p>| Results orientated frameworks. | Work with government and other donor partners to develop a common framework for monitoring progress at national and sector levels. |</p>
<table>
<thead>
<tr>
<th><strong>Mutual accountability</strong></th>
<th>Work with government and other donor partners to develop a mutual accountability mechanism to assess progress on improving aid effectiveness.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Provide joint support to strengthen government’s capacity to manage aid effectively.</td>
</tr>
<tr>
<td><strong>Conditionality.</strong></td>
<td>Implement new DFID guidance on conditionality.</td>
</tr>
<tr>
<td></td>
<td>Ensure conditions on DFID support are published on DFID’s website.</td>
</tr>
</tbody>
</table>

Source: DFID, 2006b