DONOR ALIGNMENT

The Case of Niger

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Presentation Overview

• Country context – Institutions & processes
• Alignment Framework
• Examples: sector level; JAW
• Early Lessons
Country Context

“The PRSP is a credible and coherent poverty reduction strategy and provides a sound basis for concessional assistance and debt relief under enhanced HIPC initiative”

*JSA of the IMF and the World Bank*

- Good organizing framework for poverty reduction
- Carefully defined objectives
- Strong country ownership
- Intensive consultation process – alliances/expectations
- Solid platform for government and donor alignment
Development Partners’ Perspective

• PRSP implementation offered unprecedented opportunity to make real development progress

• PRSP process increased Government’s credibility with its development partners -- re-engaging and aligning assistance strategies

• Weak capacity for aid management, donor coordination, and PRS implementation
Institutions to Support the Alignment Process

- Government / Development partners Committee, chaired by the Minister of Finance

- PRS Permanent Secretariat in the Prime Minister’s Office

- Sector Working Groups, chaired by respective minister/secretary general

- PRSP Forum (June 2003), regular progress review milestone
Actions to Support the Alignment Process

- Long term sector strategies (education, health, rural development) linked to MDGs and PRSP. Operationalized through medium term quantified programs.
- Alignment of the PRS progress review process with the budget cycle under implementation.
- Logframe for monitoring PRSP implementation is being developed with EU assistance.
- Action plan for harmonization becomes a management tool.
Operationalizing Donor Alignment

• Annual Progress Review Process/ Sector Reviews institutionalize policy dialogue on Niger’s development.

• Partners delegate more authority to country offices and are genuinely engaged in the implementation process.

• Partners support capacity building for M&E, aid coordination, and fiduciary systems.
Donor’s Alignment Framework

- **Strategic level**: World Bank’s CAS, EU Indicative Program, UNDAF, bilateral donor strategies aligned with the PRSP priorities.

- **Sector level**: Policy support and common implementation processes linked to PRS cycle with performance progress reviews.

- PRSP implementation alignment with the budget cycle at the center of Government/donor relations.
Aligning PRSP Review with the Budget Cycle

Partners

Participation

PRS Cycle

Sector Reviews

Annual PRSP Report

Annual PRSP Review/Forum

Confirmation of donor commitments for N+1 based on budget and policy actions

Budget Cycle

Indicative financial commitment for N+1 & results conditionality framework for N+1

Expenditure reviews

Macro frameworks & prelim. ceilings prepared

Macro framework revised Budget Framework and final ceilings approved

Sectors/Ministries

Annual Performance Reviews

Adoption of budget draft

Submission of Budget to National Assembly

Debate and approval by National Assembly

January February March April May June July August September October November December
Sector Level Alignment (Education)

- Partnership Framework Agreement in support of the Government’s Ten-year Education Development Program.
- Program-based approach.
- Projects coordinated through jointly agreed annualized program/budget.
- First joint programming mission (financing plan, execution manual and M&E framework).
- Financing modalities – introducing “basket funding” to support EFA FTI.
Sector Level Alignment – Benefits

- Participating partners /Government agreement on policy, expenditure priorities, and results.
- Performance review – linked to PRS cycle.
- Donor support coordination through common processes.
- Predictable results-based funding.
- Focus on systemic weaknesses and capacity.
- Promoting mutual accountability.
- Good practice model for other sectors/PRS implementation.
Support for strategic policy alignment

*Joint Analytic Work*

Fiduciary assessment of Niger’s public expenditure, and financial management systems is a catalyst for a coordinated donor approach to budget support in terms of conditionality, and cohesive capacity building efforts.
Early Lessons

- Government’s ownership of the PRSP agenda, and its capacity to lead and coordinate the process builds credibility.

- Successful alignment process requires critical level of in-country donor engagement with capacity/authority to participate.

- A well-defined alignment process has clear priorities and sequencing of activities, including early wins that build confidence and momentum.

- Capacity enhancement of the national aid delivery and management systems is vital, but takes time and resources.

- Consistent, and sustained efforts by both – the Government and its development partners brings results.