

## Helpdesk Report: Cost Effectiveness of Budget Support and Technical Assistance for the Health Sector

Date: 27<sup>th</sup> January 2012

**Query:** i) benefit of providing budget support/sector budget support on health system strengthening (or system strengthening in other sectors that is relevant), leadership/coordination, service delivery, health outcomes  
ii) benefit of provision of TA to the health sector, particularly MOHs and/or executive arms of MOHs (Nepal has a Dept of Health that strengthens service delivery while MOH concentrates on policy, M&E, etc)  
iii) focus on any cost effectiveness and/or VFM analysis of i) and ii) above  
iv) any other existing review of evidence you have that is relevant

**Enquirer:** DFID Nepal

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#### 1. Overview

The 2005 Paris Declaration grew out of a consensus on the importance of ‘country ownership’ to the success of development efforts. In other words, it came to be recognised that the effectiveness of aid depends critically on whether or not a country’s leadership is really committed to development. There have been many reviews showing the benefits of budget support and deeming it cost effective. It has been said to provide many benefits, including enabling partner governments to increase expenditure on priority areas, provide more services, particularly in health and education, increased the capacity of partner governments to plan and deliver services effectively and to develop better poverty-focused policies, strengthen their financial management systems and good economic management.

Technical assistance has been written about as an idea of the past and shown to be ineffective and costly by many. It is seen as relatively expensive, and this has been exacerbated by tied aid. However, there are different approaches, with some being more cost effective than others, there has been a trend towards arrangements where

donors pool their funds for technical assistance to improve coordination and encourage country leadership. However, it is often said that reliance on Western providers results in high costs, but some studies have noted that local providers are not always significantly cheaper, particularly in Africa.

The search for new aid delivery mechanisms to enhance capacity development is high on the agendas of international development cooperation agencies. The pooling of funds for technical assistance in the context of sector-wide approaches and other new aid mechanisms is one response to the increasing criticisms of development cooperation. The focus of funding and assistance has shifted from donor-driven to recipient-driven with national execution; from the use of projects for transferring technological expertise to the use of programmes for attaining human development objectives; from a sectoral focus that reflects supply to a multi-sectoral approach that responds to the country's problems and needs and from a focus on project activities and inputs to a focus on results and impact. It is within this context that these questions need to be addressed.

## **Definitions**

**Budget support** is aid which is transferred directly into the national budget of the partner country. In practice, donors transfer budget support into the National Treasury account in the partner country's central bank. At that point, the deposited funds become part of the government budget. The partner government then determines which priorities and programmes the funds will be used to finance, within the framework of an ongoing dialogue with donors. Budget support is usually granted over a period of several years with aid being disbursed in several tranches.

**Sector budget support** also involves a transfer of funds to the general budget without allocation to pre-identified expenses; however it is designed to support policy implementation in specific sectors. Dialogue, conditions, and targeted results are related to the sector concerned. In particular, in the least developed countries, comprising mainly of African, Caribbean and Pacific (ACP) countries, budget support often backs efforts to improve social services, notably in the areas of education and health. If a partner country so chooses, aid may be used for teachers and health workers' salaries or for investment within the specific sector. SBS may also support other key sectors, such as road transport and water supply.

**Technical assistance (TA)** has been used for many years to deliver expertise, typically by placing expatriate consultants in positions where they can advise and support counterparts in developing countries. In the 1990s, the World Bank defined technical assistance as 'the transfer or adaptation of ideas, knowledge, practices, technologies, or skills to foster economic development. The purposes of Bank technical assistance are classified as follows: (a) Policy development, (b) Institutional development, (c) Capacity building, and (d) Project or programme support.

The term "technical cooperation" (TC) has become more popular in the last twenty years as a way of describing this sort of knowledge transfer activity, with "cooperation" implying a change in attitude towards a more equal partnership.

## 2. Nepal Health Sector

### **Sector Budget Support in Practice: Literature Review**

Geoff Handley, ODI/Mokoro, November 2009

<http://www.odi.org.uk/resources/docs/5575.pdf>

### **Nepal Health Sector**

The Nepal Health Sector Programme (NHSP) for 2004 – 2009 was introduced with the intention of developing a sector-wide approach, with Government and donors working together to implement the national health sector strategy. DFID and the World Bank supported the NHSP by providing pooled funding through the Government budget from 2004/05 onwards. A table in the report summarises the financial contribution of pooled funds to the sector in recent years, illustrating that the pooled funds constitute around 18–20% of total GoN resources in the sector and were programmed to increase in 2006/07 and 2007/08, while all donor funding accounts for over half of total sector expenditure.

The health sector has seen improvements in key outcomes in recent years. In particular, the 2006 DHS survey (MOHP et al, 2006) indicates that both maternal and under five mortality rates have declined by almost half, while adult mortality has declined by around one third. Moreover, as Foster et al (2007) argue, this is attributable to a number of specific public health interventions.

However, despite strong performance in reducing mortality indicators, and despite the development of a costed plan together with a strong commitment to reform, donor assistance to the NHSP-IP has been weak. It is characterised by:

- i) shortfalls between promised and committed funds;
- ii) late and short-term commitments that are of limited use for sector planning;
- iii) unpredictability of disbursements;
- iv) a significant proportion of funds off-budget and of limited alignment to the sector plan.

More specifically, pooled fund donors have not kept their commitments to provide longer-term commitments which arrive in time to be properly integrated into budget preparation (Foster and Regmi, 2006 and Foster et al, 2007). This appears to be a problem that extends beyond the health sector. The recent PEFA assessment in Nepal concluded that much remains to be done if donors are to meet their aid effectiveness commitments, emphasising in particular the low quality of financial information donors provide and the low proportion – below 50% – of aid that uses national procedures (Government of Nepal, 2008). The donors were rated with the lowest 'D' score on all three donor-specific PEFA indicators on: i) predictability of direct budget support (including budget support to the health sector); ii) financial information provided by donors on project and programme aid, and; iii) proportion of aid managed by national procedures (Government of Nepal, 2008).

SWAp are quite complex and poorly defined processes. This is certainly the case in Nepal. This broad characterisation of the expectations on both sides of the Nepal SWAp helps to illustrate some of the difficulties in sector dialogue. To date the SWAp has not substituted for bilateral Government – donor discussions on specific sector projects but rather has been additional to them. As Foster and Regmi (2006)

observe, “*The burden of coping with donor procedures has been a significant contributor to the low disbursement that has constrained performance in several areas, notably immunisation.*”

The pooled funding provided by DFID and the World Bank is directed through the Government budget system (i.e. Channel 1). However, concerns regarding the degree of fiduciary risk involved have led them to impose additional requirements over and above Government procedures, on procurement in particular (Foster and Regmi, 2006). The disbursement mechanism used is a relatively complex one (see Box 6).

Foster et al (2007) emphasise two elements of the pooled funding design that could be revised. First, the pooled fund donors disburse funds by reimbursement of a proportion of executed expenditures. The underlying theory is that this will provide an added incentive to the Government to strengthen budget execution. In practice however it has meant that DFID encounters unnecessary difficulties in managing its budget and that unspent money at the end of the financial year is lost to the Nepal health sector. However, as Foster et al. 2007 observe, the intended incentive effect is unlikely to exist because the Ministry of Health and Population (MoHP) is limited in the amount it can execute by the spending ceiling appropriated in the budget. This in turn encourages the Ministry of Finance (which knows the pool will only disburse in full in the unlikely event that the MoHP disburse in full) to discount the amount of committed pool funding included in the original budget ceilings. The added complexity of managing a proportionate reimbursement procedure also creates a barrier to entry for other donors that manage their finances on a cash rather than a commitment basis and are considering joining the pool (Foster et al, 2007).

Second, disbursements are linked to quarterly financial monitoring reports, with the pooled fund working on an ‘advance and replenish’ system under which the quarterly financial monitoring reports trigger requests to the pool, “*exactly as if the MoHP budget were a large World Bank project*” (Foster et al, 2007; p. 55). The Government has found it hard to meet these reporting requirements, thereby undermining the predictability of pooled funds. Predictability could improve if donors were to break the link between specific pooled fund reporting and disbursement and instead rely on promoting MoHP’s observance of existing Government financial regulations.

## **A Review of Aid Instruments and Approaches used in the Health Sector in South Asia**

Not Available Online

### **What Makes South Asia Different?**

A number of features characterise the South Asia programme and influence the choice of aid instruments:

- **Financing Structure: greater reliance on private financing:** Overall spending levels are broadly similar to those in sub Saharan Africa but there is greater variability between countries and is far greater reliance on private spending (largely out of pocket expenditure as risk pooling mechanisms are poorly developed)
- **Aid Flows: lower aid dependence but a greater share of aid to health:**
- **Significantly less support from the Global Initiatives**

- **Size and federal structure**
- **Less reliance on programmatic support**

Other factors to consider include:

- relatively strong performance in terms of progress towards the Millennium Development Goals including health and poverty targets
- the challenges of working in fragile states or states with sub national fragility
- varying levels of Government leadership/willingness to confront donors
- the strength of the NGO sector

Specifically in relation to DFID a number of contextual factors are worth considering:

- there is greater dependence upon DFID as a donor (although as noted above overall aid dependence remains low)
- the DFID programme has been expanding – often dramatically
- DFID typically works at different levels of Government – national, state/provincial and local
- DFID is seen in some countries as adding value through its “unique focus on gender, inequality and social exclusion”

### **Nepal: Overview of Programme and Progress**

At present just over a quarter of the DFID Nepal programme is disbursed through budget support – in the medium term this is expected to increase to around 60% by 2010 according to the Interim Country Strategy Paper. The situation is currently highly uncertain although it is anticipated that the new administration (in place since January 2007) will improve the environment with expectations that fiduciary risk may decline and Government commitment to the social sectors may increase.

Although affected by general political developments - sector support in the social sector was considered less vulnerable than other parts of the Government programme. The extent to which political developments have hindered progress in this area is unclear

DFID provides sector budget support in both health and education sectors as part of the Nepal Health Sector programme and Education for All. The Nepal Health Sector Programme - Implementation Plan 2004-2009 clearly sets out the (costed) activities, objectives, strategies and targets of the health sector programme and has been agreed between the development partners.

The support is a mix of financial support and technical assistance. There is a clear division of labour with the World Bank leading on financial management issues and DFID on the provision of general technical assistance to support reform and institutional strengthening activities. This support is designed to work alongside technical assistance provided by other donors.

Progress against plans and programme indicators is reviewed annually by all donors (not just those providing sector budget support) and line and Finance Ministries. Two joint meetings are held each year - the first to agree on the forthcoming plan and budget and the second to review performance over the previous year.

DFID is also providing financial aid to the Safer Motherhood Programme. Technical assistance accounts for around 40% of programme costs. The rationale for DFID engagement here (in addition to sector budget support) is on account of the fact that maternal health is seen as being a relatively neglected MDG target and also based on DFID's comparative advantage in this area (built on its long engagement in this area in Nepal).

In terms of outputs and outcome progress has been extremely positive in spite of the difficult circumstances. Early findings from the 2006 Demographic and Health Surveys suggest rapid improvements in health outcomes whilst pointing to continuing rural/urban and socio-economic disparities. All four core programme indicators have been met or nearly met and for many services targets have been exceeded. Human resources and expanding access to marginalised groups remain key challenges.

The sector wide approach is "taking root" although ownership and understanding needs to be widened to reach lower levels. Political will is not very high and capacity remains weak. Despite this the level of policy dialogue continues to improve and there is increasing openness and frankness over areas of conflict.

Although pooled funding has reportedly allowed some programmes to be expanded faster than would have been the case otherwise the potential benefits of a sector approach have not been fully captured. Predictability of donor funding remains a serious issue. Mobilisation of technical assistance has also been extremely slow. This has undermined the incentives of Government to fully commit to a sector wide approach. There has been "negligible" progress on harmonisation and the costs of doing SWAp business have added to the transaction costs Government faces in dealing with donors (especially related to procurement issues). Unfamiliar procurement procedures associated with pooled funding have caused delays alongside more long standing problems of delayed reimbursement requests.

Staffing is a major problem and decentralisation remains a key outstanding issue. Some institutions have been handed over and some procurement responsibilities devolved but funding is till highly earmarked resulting in slow disbursement and inefficiency. The share of resources disbursed to lower level facilities is actually declining

Other issues include:

- a more intrusive donor role in policy, planning, and budgeting (i.e. too much focus on the detail too little on the big picture)
- a lack of appreciation on the part of the EDPs on the size and complexity of the recommendations they expect Government to implement and a reluctance of Government to challenge donors on this
- poor design of financing arrangements. These are currently based on reimbursing shares of spending making it difficult for donors (such as DFID) which operate on a disbursement basis and may make it difficult for new donors to join the pool or for donors to make windfall contributions
- the continued preference of programme managers to seek parallel funding

Overall, it is probably too early to assess the performance of the pooled funding approach. Whilst it has allowed progress in some sub sectors much of this has been in spite of rather than because of the reforms agreed as part of the sector programme

### **Results & Value for Money: A Performance Review of the Human Development Portfolio in Mozambique**

Jeremy Clarke and Muriel Visser-Valfrey, DFID Human Development Resource Centre, July 2010  
Not Available Online

A key aspect of ensuring value for money is measuring unit costs of activities undertaken and of programmes supported by aid. Whilst this is relatively straightforward where DFID controls and manages the funds and arranges procurement (e.g. for bed nets or condoms) it is much less straightforward where resources are provided into a common or pooled donor fund. These resources are then channelled directly to Government and it is for the line Ministries to monitor and exert cost control and to examine unit costs.

Unfortunately the lack of programme budgeting makes it difficult to routinely measure the costs of individual programmes and activities. However it is possible for line Ministries to use their own information systems to track costs and to identify anomalies. For example, the Ministry of Education can use procurement programmes to assess the unit cost of school construction or textbook production and distribution and the Ministry of Health should be able to track the unit costs of drugs procurement and of clinic rehabilitation and upgrading. It is less easy to track the costs of some treatments because they include a mix of staff time, drugs costs and facility overhead costs. There is potential for donors to help Government to develop the capacity to examine unit costs and value for money more systematically.

WHO has developed several costing models that can help Governments track the cost of different treatments and integrated primary health care facilities and services. The majority of donors (over two thirds) are in favour of joint work to develop VfM assessments. DFID needs to work with other donors and Government to enhance capacity for the measurement and monitoring of unit costs

### **3. Benefits of Providing Budget Support**

#### **Budget support - The effective way to finance development?**

European Communities, 2008

[http://ec.europa.eu/europeaid/infopoint/publications/europeaid/documents/budgetsupport08\\_en.pdf](http://ec.europa.eu/europeaid/infopoint/publications/europeaid/documents/budgetsupport08_en.pdf)

The European Commission has increased the use of budget support in its aid programmes. Budget support is aid which is provided directly into the national budget of a developing country. They have initiated this change as we believe that under the right circumstances, budget support has the potential to be more effective than other types of aid in supporting development. This is not only because it reinforces the financing available for genuinely home-grown development efforts, but because it strengthens the local capacity and know-how for managing the public services and

public investments necessary for development. Furthermore, in time it should reduce the administrative burden that aid can impose on developing country administrations. The growing success of budget support reflects efforts to improve the general effectiveness of aid.

Budget support addresses the objectives of aid harmonisation and coordination. These aim to make partner countries more effective at implementing their poverty reduction strategies under their own systems rather than attempting to coordinate a multitude of projects delivered by multiple donors, each of which imposes different procedures sometimes disconnected from local realities. The example of Tanzania is a case in point where the coexistence of 600 projects, most of which had budgets under €1 million, lead to excessive management costs and a loss of effectiveness. Budget support reduces transaction costs and is often delivered by a group of donors rather than by each one individually. It thus appears to be a more effective and rapid system of aid, less costly for the partner country.

### **Building Blocks or Stumbling Blocks? The Effectiveness of New Approaches to Aid Delivery at the Sector Level**

Williamson T et al., Research Project of the Advisory Board for Irish Aid, 2008

<http://www.odi.org.uk/resources/download/1526.pdf>

In the continuing search for ways to provide more effective aid, donors have committed themselves to making greater use of government systems and harmonising the way aid is delivered. Donors who agreed to the Paris Declaration on Aid Effectiveness in 2005 are free to choose their own modality, as long as they progressively shift towards those that use government systems in full.

Programme-based approaches have been developed with these principles in mind. While such approaches accommodate all modalities, direct budget support and debt relief provided to recipient governments are those best suited to the use of government systems. Yet, donors are hesitating to move decisively towards these modalities, even in contexts where programme-based approaches have been well established by the adoption of sector-wide approaches (SWAs) and national poverty reduction strategies (PRSs). Instead, they continue to use either project arrangements or intermediate modalities, such as common, pooled or basket funds. The justification usually offered is that recipient country systems are too weak for a shift to sector or general budget support (GBS). Common funds (CFs) are presented as 'transitional' aid modalities by means of which donors can help strengthen country policies and systems while ensuring that aid funds are well spent.

This working paper analyses the effectiveness of different aid modalities and the coordination mechanisms associated with programme-based approaches at the sector level. It draws from three case studies, covering the education sector in Tanzania, the water and sanitation sector in Uganda and the health sector in Mozambique, and also from the broader literature.

The report finds the deployment of uncoordinated project aid in many sectors has contributed and continues to contribute towards a vicious circle, compounding poor sector governance. Six reasons for this are listed.



The principles of country ownership, alignment with country policies and systems and improved coordination embodied in the new aid paradigm are largely well conceived, and have the potential to deliver a break from the vicious circle of aid ineffectiveness. However, to date, traditional behaviour in aid delivery remains prevalent. To achieve this, the report suggests:

- A balance of sector-based aid and general budget support
- Delivering better aid and better dialogue at the sector level
- Avoiding using projects and common funds in support of service delivery wherever possible.
- Addressing the incentives within donor agencies and recipients.

Changes in aid and donor behaviour have delivered some improvements in domestic policies and systems, however, this has failed to deliver a decisive shift from past ineffectiveness, and the vicious circle of aid ineffectiveness is likely to continue. This paper asserts that the aid paradigm has the potential to deliver this decisive break. A key finding is that common funds can act as stumbling blocks rather than building blocks in strengthening service delivery. A more decisive shift in aid modalities towards budget support, plus a change in donor behaviour, is required to break out of this circle.

However, a key constraint is the incentives within recipient and donor agencies which perpetuate the circle of aid ineffectiveness. Recipient incentives can be addressed by a shift in aid modalities towards Direct Budget Support. This increases the importance of changing the incentive structures within donor agencies to deliver against the new aid paradigm.

Ultimately, the likelihood of reform at the sector level relies on political support and technical leadership within government. This is very difficult for the donor community to influence.

### **SWAps in the 21<sup>st</sup> Century**

Grant K., HLSP, 2009

Not available online.

SWAps proposed a new way of working, and although many development agencies signed up to the principles, many individuals found the change from a project approach challenging. Progress in implementation apart from a few countries such as Ghana has been slow.

Two other striking features of international support to the health sector in low income countries over the last two decades added to the inefficiencies of fragmented bilateral aid. The first is the rapid and continuous introduction of new global initiatives for technical and financial support – often before previous ones have been tested and evaluated. The second is that most of these ideas originate in Geneva, Washington, New York or the head quarters of bilateral donors – in contrast to thirty years ago when many of the ideas were developed and written up in Africa and Asia.

The adoption of the Paris Principles in 2005 gave recognition both to the issues to be addressed and the principles in resolving them. However new global initiatives still continue to be approved and donor behaviour continues to be schizophrenic –

providing financial support to Global Health Partnerships (GHPs) while supporting governments at country level to cope with the fragmentation that results.

A recently emerging issue is that the expansion of the global health partnerships has resulted in a 'brain drain' of those individuals best placed to provide national technical and managerial leadership. The International Health Partnership and related initiatives (IHP+) aims to address these issues at both a global and country level but there still remains a lot of work to do. This paper argues that the IHP+ needs a robust SWAp at country level to meet its ambitious targets.

The recent focus on new financial initiatives through the innovative financing taskforce, for example, the support to health systems strengthening through GFATM and GAVI and the discussions on a new joint funding platform for health system strengthening are again likely to risk further separating further technical and funding work streams at country level. A robust SWAp at country level will be needed to enable these initiatives to be effective.

Effective involvement of the non-state sector needs to be a key task of the new generation of SWAps. While there is now general recognition of the major role the private sector (both not for and for profit) plays in delivering health care to the poor, SWAps to date have not involved private providers in a way that will improve quality and value for money. Indeed one challenge is that governments are less willing to commission services from NGOs than development partners used to be when using a project approach.

The paper not only argues that using a SWAp at country level is needed now more than ever, but also sets out some of the lessons learnt. One clear lesson is not to be purist. The approach must be sufficiently inclusive to allow different agencies to use different funding modalities while signing up to the broader national health framework. Another is to recognise that building national capacity particularly for financial systems and management may take longer than originally thought: partners need to be realistic in assessing the overall management capacity and not be overly concerned by any need to provide interim support.

There is a risk that the SWAp becomes another "planner's dream", marked by a quest for coherent and consulted policies, actionable plans, robust and reliable financial management systems, with evidence pouring out of smart monitoring systems and donors aligning happily behind the bandwagon. This would set the goalposts so high that actual implementation becomes a remote possibility. Dealing with complexity by constructing a grand system with fixed norms, standards, checklists and measuring points is not the way forward.

The second risk is the polar opposite of the first. It lies in the dangers of adopting an approach that assumes that chaos is all-pervasive and continuous, and that all that can be done is to keep things basic and simple by way of an unprincipled, unguided 'muddling through'.

Between these two extremes is the promising middle ground for what this paper calls 'SWAp+', which recognises the complexity, accepts the disorder, and evolves a strategy for dealing with both. This is a demanding and difficult option but shows most potential, and would involve:

- Moving beyond the aid effectiveness agenda in SWAps and adopting a sector development perspective as the basic point of departure, recognising that sectors and SWAps do not start from scratch.
- Adopting an explicit political economy perspective on the sector; developing greater understanding of the stakeholders (including donors) and the wider context in which the sector operates; recognising the fundamental political nature of sector development processes; and understanding the drivers and constraints to change.
- Adding a consistent actor/stakeholder perspective on SWAps and sector programmes, asking not only what is in it, but also who are involved and who does what.
- Strengthening managerial inputs in the process – stronger “management from the top” from domestic authorities, coupled with better “management from below” from donors.
- Focusing on results in a basic, common sense, practical way in processes and arrangements related to SWAps and sector development.

The paper argues that it will be through adopting a realistic, pragmatic, coordinated SWAp+ approach that the very substantial resources now available for health can be used to the greatest effect to improve health and reduce poverty.

### **Is Harmonisation and Alignment Improving the Effectiveness of Health Sector aid?**

Lewis D, Dickinson C, Walford V, HLSP, 2010

Not available online

This report outlines the approaches to improving effectiveness of health sector aid:

- SWAps
- General budget support and sector budget support
- International Health Partnerships (IHP+)
- Harmonisation and Alignment of Multilateral and Bilateral Partners working in AIDS

Evidence that these approaches are improving the effectiveness of health sector aid and delivering better health outcomes is limited. It is intrinsically difficult to measure the impact of particular measures such as improved coordination. Furthermore, health outcomes are determined by many factors within and beyond the health sector, making attribution difficult. In particular, it is unclear how to separate out the impact of aid practices such as having a SWAp or more aligned aid, from the impact of the health strategies and policies followed, and the adequacy of financing and implementation capacity. Anecdotal evidence of the impact of aid effectiveness on results is emerging e.g. WHO et al (2008) report that in Mali “improvements in harmonisation and alignment among health partners are correlated with health sector gains,” but more systematic data on the impact of approaches and tools that have been developed to increase harmonisation and alignment in the health sector is needed to provide an overall assessment of progress.

The report discusses effectiveness under the following question headings:

- How far has harmonisation and alignment and a results focus been implemented in the health and AIDS sectors?

- Has the quality of health plans and strategies improved, and the extent of national ownership?
- Is H&A improving the efficiency of resource use in the health and AIDS sectors?
- Are there greater incentives and better systems for demonstrating results?
- Has plan implementation improved, and are more resources available for priority services?
- Has the availability, quality and coverage of health services increased?
- Have there been improvements in health status?

#### 4. Cost Effectiveness of Budget Support

##### **Department for International Development: Providing budget support to developing countries**

NAO, Report By The Comptroller And Auditor General, 8 February 2008

[http://www.nao.org.uk/publications/0708/providing\\_budget\\_support\\_to\\_de.aspx](http://www.nao.org.uk/publications/0708/providing_budget_support_to_de.aspx)

Budget support has:

- often enabled partner governments to increase expenditure on priority areas;
- resulted in partner governments providing more services, particularly in health and education;
- helped increase the capacity of partner governments to plan and deliver services effectively and to develop better poverty-focused policies;
- helped partner governments to strengthen their financial management systems and encouraged other donors to support such reforms;
- facilitated donor alignment to, and support for, the developing nation's own strategies; and
- reinforced existing economic stability and good economic management.

However, DFID and other donors expect budget support to reduce the transaction costs of administering aid, but have found it difficult to quantify these costs. DFID has done a good job of moving public financial management up the development agenda. It has taken a lead role in developing and using tools to assess the quality of developing country systems and to assess the level of fiduciary risk. But there is scope for DFID to sharpen its estimates of the significance of weaknesses for potential inefficiencies or leakage, and to set out more clearly the extent to which UK and other funds are at risk.

DFID is weaker at documenting evidence of its overall assessment of the risks of budget support against the benefits or comparing the costs and benefits of budget support with other types of aid. DFID's country teams expect to increase budget support in the future and to use it in more countries if circumstances permit. To manage this projected expansion well it will need to link more clearly its assessment of risks and benefits to the design of budget support programmes and the amount committed.

Budget support has allowed developing country governments to increase expenditure in priority sectors, and helped to expand access to essential public services and improve public financial management in partner countries. Evidence on

the extent to which budget support has yielded better value for money than other ways of delivering aid, or has had an impact on income poverty, is not conclusive. Nevertheless the evidence to date supports the argument that budget support has some comparative advantages in helping to build capacity in government systems while supporting increased service delivery, and can be an effective component of many assistance programmes.

Budget support also carries significant risks that the national administration may not be capable of using the funds efficiently and effectively or funds may be misapplied for political reasons or through corruption – and that aid will consequently not contribute fully to reducing poverty.

### **Evaluation of General Budget Support (GBS): Synthesis Report**

Lister et al, IDD and Associates, May 2006.

Case studies were on Burkina Faso, Malawi, Mozambique, Nicaragua, Rwanda, Uganda, Vietnam.

[http://diplomatie.belgium.be/en/binaries/evaluation\\_general\\_budget\\_support\\_en\\_tcm312-64803.pdf](http://diplomatie.belgium.be/en/binaries/evaluation_general_budget_support_en_tcm312-64803.pdf)

This evaluation looks at Partnership General Budget Support (PGBS). This is GBS that comes with other factors such as conditionality and TA. The study looks at seven country case studies which received PGBS between 1994-2004. This evaluation uses enhanced evaluation framework based on a logical framework approach. If nothing else, the evaluation lays out the complex challenges faced by evaluating FA in this form including problems of attribution. Although the evaluation realises that the inputs of different donors can not be separated, further complexity arises and it explains the complexities of these.

- GBS had a strong effect in promoting donor harmonisation, and in aligning donor programmes behind government policies set out in national poverty reduction strategies.
- GBS has not imposed new policies, but has provided a forum for dialogue on how policy is implemented. GBS has supported policy coherence through creating linkages between government policies and resource allocation (e.g. Medium Term Expenditure Frameworks).
- There were clear links between GBS and expansion of basic services, through the additional funding and through the commitment of donors and government to shared service delivery targets.
- Governments' transaction costs at the implementation stage were significantly reduced, as they can follow standard government procedures rather than multiple donor ones.
- GBS had usually strengthened financial management systems.
- Sector ministries were encouraged to engage more seriously with the budget process (e.g. in Uganda). The effect was weakened, however, where parallel funding to sector ministries remained significant (e.g. in Mozambique, Burkina Faso and Rwanda).
- More generally, the benefits from GBS were reduced by the persistence of project aid and sector baskets implemented using parallel systems.
- No evidence of a reduction in domestic revenue-raising effort.

- Corruption was found to be a serious problem in all the study countries, but the country studies found no clear evidence that budget support funds were, in practice, more affected by corruption, or by other fiduciary risks, than other forms of aid.

### **Aid effectiveness: bringing country ownership (and politics) back in**

David Booth, ODI, Working Paper 336, August 2011

<http://www.odi.org.uk/resources/docs/6028.pdf>

It is a good time to be reconsidering the way the effectiveness of development assistance has been treated over the past decade with a view to doing better in the future. This paper has argued that the way to do this is to go back to the basic insight which became the subject of a broad international consensus at the end of the 1990s – that development works when it is country owned and not otherwise. We need fresh thinking about the implications of this insight, recognising that the core of country ownership is the orientation of the country's political leadership, not some technical device such as a good plan or functioning budget process. The crucial question is whether political incentives are working in such a way that leaders are interested in long-run national goals.

The assumption that country ownership in this sense already exists, and the only issue for international actors is how to avoid undermining it, is completely unrealistic, at least in low-income Africa. Yet this seems to be the assumption behind aid alignment and the other donor commitments under the Paris Declaration. A more coherent position would be to make full use of what is known about the likely sources of developmental leadership in poor countries, as a means of avoiding doing harm with aid and non-aid policies, and as a platform for thinking about how external actors might become constructively involved in helping country ownership to emerge.

The key to this is the recognition that one of the reasons politicians commonly do not adopt the kind of long-term perspective that development leadership requires is that they face a collective-action problem. Given the way political competition works, especially but not only in ethnically divided societies, the incentives to engage in short-term clientelistic strategies for gaining votes and seeking legitimacy are overpowering. While there may be some awareness of this state of affairs, there is little public recognition of it. There are equivalent barriers to progress at almost every level and in every sector within the typical poor developing country.

If the international community is really interested in contributing to country ownership of development efforts, there should be much more discussion of how to promote a more sophisticated approach to such issues. For the aid business, this would mean first taking a more active stance on non-aid issues in development and next a different concept of what development cooperation is about, implying the acquisition of new skills. But the agencies that we support as taxpayers are not going to be able to transform themselves in the suggested way if there is not a new climate of opinion in donor countries about how development happens and how, at the margin, aid may help.

NGOs and public intellectuals who over the past period have helped to create the public assumption that development and poverty reduction are fundamentally about resource transfers from rich people to poor people have a particular obligation to

help build a new consensus about the fundamental role of institutions and leadership in successful development. That the most promising kind of external contribution to development which outsiders can make is skill- and knowledge-intensive engagement with the collective-action problems at the heart of countries' political systems is a hard message to get across. We need to find ways of doing this.

### **Is aid effectiveness giving us better health results?**

Clare Dickinson, HLSP, July 2011

Not Available Online

There is evidence that aid effectiveness is improving sector planning, budgeting, strengthening national systems and increasing resource allocations. More efficient funding of the health sector, through programme based approaches including SWAps is helping implement health sector reforms, which are contributing to better health results. As aid budgets come under pressure and the need to demonstrate results of aid increases, the Paris principles remain more relevant than ever. But maintaining a sense of urgency and keeping the Paris Declaration alive in the face of patchy and often slow progress is challenging. Having a more coherent, country-focused evidence base that demonstrates the linkages between more effective aid and better health results is required. Our framework represents a first step in trying to understand and report on the contribution of aid effectiveness to better health results.

## **5. Views on Technical Assistance**

### **Inventory of Donor Approaches to Capacity Development: What We Are Learning**

Organisation for Economic Co-operation and Development/DAC, 2009

[http://capacity4dev.ec.europa.eu/system/files/c4d/21\\_INVENTORY\\_OF\\_DONORS\\_Final.pdf](http://capacity4dev.ec.europa.eu/system/files/c4d/21_INVENTORY_OF_DONORS_Final.pdf)

The study summarises capacity building, technical cooperation and technical assistance activities of 20 countries and five multilateral donors. A few highlights are included below:

**France:** France's technical assistance presence in the field has been very significant. In the last two decades, France has made great efforts to move from massive French "substitution" technical assistance (23,000 persons in 1980) to short term, focused international technical expertise (1,200 experts in the field in 2008). France's new approach to technical assistance aims at building up and supporting local expertise. France intends to improve the integration of its technical assistance into joint approaches to capacity building that will encourage ownership and reduce the risks of substitution, to align its activities with national systems, and to make use of local capacities to carry out the country's programme.... France is currently in the process of reviewing and modernising its approach to technical assistance. This process will include the promotion of South-South cooperation and the provision of technical assistance to organisations outside government structures. (p.25)

**Ireland:** Irish Aid uses technical assistance within the context of sector or programme support, and tries to fully embed it in the context of local structure and

management systems. Many Country Strategy Plans include a process fund which can be drawn on to support demand-led technical assistance or short term consultancy inputs that support capacity development.... Irish Aid promotes local knowledge and experience and the use of local consultants and local institutions to the maximum extent possible. (p. 30-31)

**Netherlands:** In 2002, the former Dutch Minister for Development Cooperation decided to discontinue the provision of technical assistance, which she saw as too supply-driven. The Netherlands strongly supports the shift towards demand-driven development co-operation practices and is currently in the process of rethinking its technical cooperation approaches and modalities. (p. 35)

**Norway:** As with other donors, technical assistance remains a major capacity development expenditure item... each embassy with a development co-operation budget has a local consultancy fund for hiring local expertise and building capacity among local trained professionals, rather than bringing in consultants from Norway.... the Norwegian Development Assistance Strategy for 2008 explicitly mentions the goal to increase capacities at institutions in the South, and stimulate South-South-North cooperation in the education sector. (p. 37)

**Spain:** Spanish technical assistance remains in demand, as it fits into local processes and priorities. Demand for this is particularly strong in Latin America because of historical and cultural ties and affinities, as well as similarities in administrative and legal systems. An additional driver for the use of Spanish expertise in development co-operation programmes could be to maintain support for development co-operation within the Spanish public. Spain increasingly seeks to provide technical assistance using locally or regionally available expertise, thereby strengthening South-South co-operation. The Peer Review recognises Spain's good experience with technical assistance, and suggests the utility of analysing "where, why and how" that its support to capacity development has been effective and what lessons could be replicated elsewhere. (p. 38)

**Sweden:** SIDA has been using technical cooperation to support capacity development, mostly in the forms of education and training, twinning, and technical assistance delivered by international experts.... The 2005 Manual recognises that SIDA capacity development interventions have primarily focussed on the "lower" target levels, i.e. the individual and organisational levels, with little concrete experience on influencing systems of organisations and institutional frameworks. In relations to support to public sector reform and major programme based approaches, the memorandum explain that local capacity (consultants, training institutions, think tanks, universities, etc.) are often recruited to provide technical assistance as part of the capacity development or reform programmes. (p. 40)

### **Effective Technical Cooperation for Capacity Development**

Japan International Cooperation Agency, 2008

<http://www.jica.go.jp/cdstudy>

Countries are making good progress towards improving technical cooperation effectiveness at the national and sector levels. At the national level, country ownership and leadership are strengthening and interest in TC and capacity development (CD) issues moving up the policy agenda, but the study recommends



that more should be done to nurture and promote country ownership. At the sector level, policies and strategies are linked to country-led sector wide or programme based approaches, and joint sector working groups are operational, but CD and TC strategies and priorities need to be better articulated and country capacity to formulate capacity improvement strategies needs to be strengthened.

## 6. Cost Effectiveness of Technical Assistance

### **Read Aid: Making Technical Assistance Work**

Romilly Greenhill and Jesse Griffiths, Action Aid  
[http://www.actionaid.org.uk/doc\\_lib/real\\_aid2.pdf](http://www.actionaid.org.uk/doc_lib/real_aid2.pdf)

Nowhere is the challenge of increasing real aid as a share of overall aid greater than in the case of technical assistance. At least one quarter of donor budgets – some \$19 billion in 2004 – is spent in this way: on consultants, research and training. This is despite a growing body of evidence – much of it produced by donors themselves and dating back to the 1960s – that technical assistance is often overpriced and ineffective, and in the worst cases destroys rather than builds the capacity of the poorest countries.

Like a relic from an earlier age, technical assistance has been largely insulated from donors' efforts to improve the quality of their aid and to act on the widely advertised principles of ownership and partnership. Too much of it continues to be identified, designed and managed by donors themselves, tied to donor countries' own firms, poorly co-ordinated and based on a set of often untested assumptions about expatriate expertise and recipient ignorance. For all these reasons, technical assistance tends to be heavily overpriced and under-evaluated and has proven stubbornly resistant to change.

This report argues that root-and-branch reform of technical assistance is urgently needed to ensure that the aid increases pledged in 2005 result in genuine benefits for people living in the poorest countries. These reforms need to be anchored in four guiding principles: of putting recipient countries in the lead; giving them freedom to choose their own development path; of mutual accountability between donors and recipients; and of country specificity.

Both donor countries and aid recipients share responsibility for making technical assistance work effectively. For their part, southern governments need to draw up capacity building plans that set out clearly their needs and priorities, establish transparent procurement systems and reject any offers of technical assistance that fall outside this framework.

Donors must untie all technical assistance in policy and practice, support countries' own priorities and make maximum use of countries' own systems. They must pull back from using technical assistance alongside aid conditions as a lever to push countries in the donor's preferred direction, and strengthen the OECD aid effectiveness target on technical assistance.

Whether or not donors, working with southern governments, actually carry out these reforms and maximise the contribution of aid to the fight against poverty is a litmus test of their commitment – one year on from the G8 pledges in Scotland – to moving beyond narrow self-interest and putting the interests of poor people first. Their credibility hinges on real progress. And real progress on poverty requires more real aid.

One of the largest areas of phantom aid is technical assistance: donor spending on consultants, research and training. Technical assistance absorbed \$19 billion of aid in 2004, a quarter of global aid flows. But as is shown in this report, much of the current spending is ineffective, over-priced, donor-driven and based on a failed development model. Although this ineffectiveness is an open secret within the development community, donors continue to insist on large technical assistance components in most projects and programmes they fund. They continue to use technical assistance as a 'soft' lever to police and direct the policy agendas of developing country governments, or to create ownership of the kinds of reforms donors deem suitable. Donor funded advisers have even been brought in to draft supposedly 'country owned' poverty reduction strategies.

#### **'Twinning' as a method of sustainable institutional capacity building**

Merrick L. Jones and Peter Blunt, *Public Administration and Development*, Volume 19, Issue 4, pages 381–402, October 1999

[http://onlinelibrary.wiley.com/doi/10.1002/\(SICI\)1099-162X\(199910\)19:4%3C381::AID-PAD87%3E3.0.CO;2-1/pdf](http://onlinelibrary.wiley.com/doi/10.1002/(SICI)1099-162X(199910)19:4%3C381::AID-PAD87%3E3.0.CO;2-1/pdf)

In the early 1980s there was dissatisfaction with the results delivered by the then conventional form of development cooperation, technical assistance. The main pillars of this approach were the provision of physical infrastructure in the form of buildings, vehicles and equipment, accompanied by high levels of formal education and training. Technical assistance was 'delivered' by specialists from the donor country who visited the recipient country.

This is an unlikely vehicle for sustainable development. In particular, it can be seen that learning of new knowledge and skills via technical assistance was at the individual level, in the hope that this would lead somehow to enhanced performance at the individual and organisational levels; there is little evidence that this happened.

There should be a shift in the emphasis from the development of individuals to organisations and institutions. This was reinforced by an emerging literature which sought to apply theories and practice of organisational development which had been around since the 1960s.

#### **Improving Technical Assistance in the context of SWAp: A brief review of options and lessons from the available literature**

Javier Martínez, July 2006, DFID Health Resource Centre  
Not available online

The main purpose of this review is to assist DFID and maybe other development partners supporting the Bangladesh health sector to understand the main ways for improving the effectiveness of technical assistance (TA) that have been used in other health systems where a Sector-wide Approach (SWAp) is in operation.

Pooling for TA or other purposes is not a panacea. It has significant costs in terms of time and resources. It may divert resources from more substantive activity. There is also the risk that the difficulties inherent in coming to agreements among a large group of IDAs may result in a risk-free consensus that loses all innovativeness. Pooling can be useful but is not the only road to good development.

### **Capacity Development: How can donors do it better?**

Bossuyt, J., 1994, Policy Management Brief No 5 ECDPM, Maastricht.

[http://www.ecdpm.org/Web\\_ECDPM/Web/Content/Navigation.nsf/index2?ReadForm](http://www.ecdpm.org/Web_ECDPM/Web/Content/Navigation.nsf/index2?ReadForm)

The emphasis is often on poor (financial) incentives and 'de-capacitating' donor policies (such as substitution technical cooperation). It is important to make diligent use of technical cooperation. Thinking in capacity terms implies that there is no room for an army of external experts called in to quickly elaborate a detailed programme document or to play a dominant role in implementation. Yet a too rigorous approach should be avoided. In some countries gap-filling TC may prove to be necessary. Paradoxically, TC may be required in a transition period to help local partners assume a lead role. If local conditions are appropriate, the use of long-term experts can still be a cost-effective option.

UNDP launched a consultative process aimed at distilling lessons of experience in capacity development. A summary report was issued, providing a framework for assessing capacity problems at different levels, for identifying gaps and formulating supportive strategies, including a more appropriate use of technical cooperation. See: *United Nations Development Programme. 1994. Capacity development: Lessons of experience and guiding principles. New York: UNDP.*

### **From Technical Assistance to Development Cooperation: the UNDP's Experience in Latin America**

Del Castillo, Carlos, ECDPM, 2002

[http://lencd.com/data/docs/75-Capacity%20for%20Development\\_Insights%20and%20Innovation.pdf](http://lencd.com/data/docs/75-Capacity%20for%20Development_Insights%20and%20Innovation.pdf)

It is important to have a higher level of ownership in technical cooperation, since activities are not externally imposed or carried out in isolation, but are instead based on true partnership, thus leading to genuine 'development cooperation'.

The assumption of programme control and responsibility by national institutions leads to an increased utilisation of local and regional expertise, and local procurement of goods and services. This boosts cost-effectiveness and reduces the economic cost inherent to other types of technical cooperation (such as reverse flows, the problem of opportunity costs for alternative projects and programmes, and inordinate institutional or counterpart requirements).

The UNDP's 'self-financing + national execution' model provides an enabling environment for national expertise, so that governments can manage their own programmes and utilise their own national financial resources, thus changing the very nature of the by-pass debate.

## **Does Technical Assistance Matter? An Impact Evaluation Approach to Estimate its Value Added,**

Marcano, L. and Ruprah, I., 2009 Office of Evaluation and Oversight, Inter-American Development Bank, Washington, D.C.

<http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=1931275>

The impact calculations reveal that technical assistance does matter as it has an impact over and above that of only financing. Given the small dollar value of technical assistance relative to the dollar value of transfers not only does technical assistance matter but it is a way of getting more for less. Thus technical assistance, in the examples studied, does matter. In this paper we applied impact techniques to calculate the value added of technical assistance when it is a part of a transfers to municipalities that finance potable water and sewerage works. Controlling for dosage (amount of transfers for the public works) and considering two treatments (public works and technical assistance and public works only) we find that technical assistance has a positive and statistically significant impact of a reduction of lack of access of potable water and sewerage over and above the impact of financing of public works. This result holds for Chile's Neighbourhood programme and Guatemala's Social investment Fund where TA contributed to increased outcomes of 4% and 20% respectively. Thus, given the small dollar value of TA relative to the dollar value of transfers for the works financed not only does technical assistance matter but it is a way of getting more for less.

In relation to the applicability of this methodology in other situations, the authors find that "the method is applicable to any situation where TA is part of a program's benefits. However, the applicability of the method is limited to situations where some beneficiaries receive only transfers while other receive both transfers and TA, plus where there is a sufficient sample size to find enough similar beneficiaries for both treatments" (page 9).

## **Evaluation of the Technical Assistance Provided by the International Monetary Fund**

IMF, Independent Evaluation Office, 2005

<http://www.imf.org/external/np/ieo/2005/ta/eng/pdf/013105a.pdf>

This evaluation is a study of TA provided by the International Monetary Fund (IMF) to its member countries. In order to assess the effectiveness of TA, the study separates the provision of TA in to three elements:

- How are TA needs identified?
- How is TA delivered?
- How is TA evaluated?

The 1999 Fund-wide evaluation suggested that greater emphasis should be given to shorter-term modalities for providing TA rather than to resident experts. It was thought that the former were a more cost effective means of providing TA. This principle was therefore integrated into the filters contained in the 2001 TA policy statement.

The evaluation does not support the findings of the 1999 internal IMF evaluation that TA provided by short-term missions is a priori more cost effective than that provided by resident experts. The relative merits of missions versus resident experts depend

heavily on country-specific circumstances, particularly the degree of institutional development.

Looking at six country case studies to assess the impact of TA, the report finds that *“Even in the best of circumstances, the way TA interacts with other types of assistance is complex, and its impact becomes evident only with long and unpredictable lags. For this reason, the effectiveness of TA is also linked to the effectiveness of other modes of engagement”* (page 84). Furthermore, the report found that *“our efforts to assess impact have revealed shortcomings in documentation and processes that limit the extent to which one can evaluate outcomes. This, in turn, undermines accountability and the potential for the IMF’s evaluations to be used as learning tools and mechanisms to allocate future TA”* (page 84).

The most effective model for guiding TA coordination will depend heavily on country-specific circumstances, including pre-existing donor relationships in areas of mutual interest.

### **Joint External Evaluation: The Health Sector in Tanzania, 1999-2006**

Ministry of Foreign Affairs of Denmark, 2007

[http://www.bmz.de/en/publications/type\\_of\\_publication/evaluation/international\\_joint\\_evaluations/Tansania\\_Health\\_SectorReport\\_07.pdf](http://www.bmz.de/en/publications/type_of_publication/evaluation/international_joint_evaluations/Tansania_Health_SectorReport_07.pdf)

*The main methodologies used were an extensive document review key informant interviews at national level, district self-assessments carried out by MOHSW staff in 16 districts in Tanzania, in-depth case studies in six districts (including discussions with community members) carried out by the evaluation team, an analysis of financial and other resource flows to the health sector at national, regional and council level, and a review of national health outcomes data. Finally, evaluation information from all the methodologies used was tested and triangulated to identify contradictions and strengthen the validity of findings and conclusions.* (page 15)..

But it was more of a 'comprehensive review' than a proper evaluation, as the authors acknowledge:

*Several stakeholders and observers of the health sector in Tanzania would like this evaluation to assess the relative effectiveness of the different aid modalities. Such an assessment is desirable and could help to enhance aid effectiveness in the future. While some observations can be made, the realities of the situation do not permit a definitive assessment. As a mix of aid modalities has been used throughout the evaluation period, it is difficult to establish causal relationships between any one aid modality and the broad health outcomes achieved. Moreover, changes in the health situation typically occur as a result of many different factors, of which the externally funded input is only one contributing part. Furthermore, disbursement patterns and the mix of aid modalities have been highly volatile, and there is no counterfactual against which assessments can be made (p139).*

### **An Assessment of Technical Assistance Provision to the Pakistan Health Sector**

Maliha H. Hussein, Zafar Ismail, Chris Minett, DFID Health Resource Centre, June 2007

Not available online

This report covers a range of issues concerned with the procurement and management of technical assistance for the health sector in Pakistan. It considers how DFID can ensure that its investments in technical assistance continue to move towards a growing vision of a more aligned and market oriented approach to technical assistance, procured directly by partner countries through national systems, and nationally managed. It also sets out guiding principles for the design of models that shift the emphasis from the procurement, supply and management of technical assistance from the donor to the development partner.

The report reviews models for the delivery of technical assistance across a number of sectors and a number of countries. It identifies those that are moving towards providing greater control of the procurement and management of technical assistance by the partner government rather than the donor. It reviews the effectiveness and efficiency of the Technical Assistance Management Agency that has been supporting the National Health Facility and draws lessons from its strengths and weaknesses. In general it is judged to have been a successful mechanism for distributing relatively large volumes of technical assistance.

It could be argued that few governments have the specialist capacity for cost effective, responsive, flexible and reasonably quick procurement. Some, as with the UK Government, have established specialist, highly efficient and cost effective procurement units such as CaPAS. These units are able to procure large volumes of technical assistance for a wide range of programmes and projects.

However, this approach, if it were established by DFID Pakistan, would not comply with the “how to” advice or move towards the Paris Declaration’s aim that procurement should, increasingly, be under the control of the partner government. An alternative would be for the partner government to establish its own arm’s length procurement agency or strengthen existing cells. Whilst this appears a logical and attractive way of building specialist procurement capacity, there is a danger that such a unit, even at arm’s length would be subject to the pressures and patronage of the bureaucracy. This could distort priorities and reduce its effectiveness.

Another, possibly more practical, approach would be for government to accept that procurement of technical assistance is not part of its core business. It could then outsource procurement to an appropriate agency acting on its behalf. This approach would ensure that government controls the process of procurement through its contract with the agency but that the use, monitoring and management of consultants would be directly under its control.

In Malawi, something of a hybrid has been successfully implemented, with government using its own procurement systems for short-term consultancy assignments and an agency (led by LATH) procuring long-term, higher-cost consultants. A similar approach has been agreed for the Bangladesh Health, Nutrition and Population Sector Programme, with government using World Bank procedures to procure high value contracts and their own systems for contracts valued at less than \$200,000. However, the arrangement is not yet functioning.

## 7. Additional information

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