

REPUBLIC OF THE GAMBIA



Ministry of Finance & Economic Affairs

# Draft Report on The Annual Progress Review of The Gambia Aid Policy Implementation

Submitted To

Directorate of Aid Coordination

Ministry of Finance

The Quadrangle, Banjul

The Gambia

June, 2017

By: Momodou Lamin Gaye

## Contents

### Abbreviations

3

Executive Summary	4-5
<b>1.0 Introduction</b>	<b>5</b>
<b>2.0 Objectives and Scope of Assignment</b>	<b>6</b>
<b>2.1 Description of Evaluation Methodology</b>	<b>6</b>
2.1.1. Relevance	6
2.2.2 Effectiveness	6
2.2.3 Efficiency	6
2.2.4 Impact	7
2.2.5 Sustainability	7
2.1.6 Implementation Arrangements	7
<b>3.0 Methodology for The Review</b>	<b>8</b>
3.1. Data requirements	8
3.2 Data Collection Method	9
3.3 Sampling Method	9
3.4 Data Presentation	9
<b>4.0 Situational Analysis : Outcome, Outputs and Partnerships</b>	<b>10</b>
4.1 SWOT Analysis and Framework	12
4.2 Summary of SWOT Analysis	13
4.2.1 Strengths	13
4.2.2 Weaknesses	13
4.2.3 Opportunities	14
4.2.4 Threats	15-16
<b>5.0 Key Findings including Best Practice</b>	<b>17</b>
5.1 Relevance	17
5.2 Effectiveness	17-18
5.3 Efficiency	18
5.4 Sustainability	18
5.5 Impact	19-21
<b>6.0 Lessons Learnt</b>	<b>22</b>
<b>7.0 Conclusions</b>	<b>23</b>

Appendix 1: List of Respondents and Contact Information  
 Appendix 2: Sample Questionnaire

### Abbreviations

GAP	Gambia Aid Policy
MOFEA	Ministry of Finance & Economic Affairs
MOFA	Ministry of Foreign Affairs
MOA	Ministry of Agriculture
MOBSE	Ministry of Basic & Secondary Education
MOICI	Ministry of Information, Communication & Infrastructure
MOI	Ministry of Interior
ACD	Aid Coordination Directorate
GSRB	Gambia Strategic Review Board
JAS	Joint Assistance Strategy
CAS	Country Assistance Strategy
AfDB	African Development Bank
IsDB	Islamic Development Bank
APAP & MF	Aid Policy Action and Monitoring Framework
NES	National Export Strategy
DCC	Donor Coordination Council
DP	Development Partners

PSC	Project Steering Committee
PSU	Project Support Unit
TOR	Terms of Reference

## **Executive summary**

The Gambia Aid Policy (GAP) 2015-2020 aims to support Aid Coordination, Harmonization and Alignment for Development Effectiveness. The underlying objective is to contribute to effective aid management and mutual accountability mechanisms in the country whilst promoting the quality of Government/Development Partners dialogue through an aid coordination architecture that responds to the Gambia’s needs. The expected outcome from policy intervention is to increase the impact of aid on reducing poverty and inequality, increasing growth, building capacity and accelerating achievement of MDGS as enshrined in PAGE.

The Aid Policy leverages strong government commitment to ensure that both domestic and external resources are utilized in a manner that supports sustainable economic growth, poverty reduction, and an eventual reduction of dependence on foreign aid. While the volumes of aid and other development resources must increase to achieve these goals, aid effectiveness must increase significantly as well to support partner country efforts to strengthen governance and improve development performance for gradual reduction of the heavy dependence on aid. This is achievable by means of domestic policy responses that seek to build capacity and governance for uptake and effective utilisation and alignment of aid to development priorities with particular focus on narrowing down the burden from the debt component of aid receipts. The latter is crucial for achieving a sound debt to GDP ratio as a measure for sound national credit rating and greater foreign direct investment.

The Gambia Aid Policy 2015, provides an overarching guidance on how aid to the Gambia should be provided and managed, recognizing that further developments in human and institutional capacity are necessary to support the successful implementation of the PAGE.

The review focuses on the design of GAP and the strategic framework of the Action Plan to test its relevance, effectiveness, efficiency and impact of implementation so far. In the review process the institutional arrangements for the implementation of the Policy Action Plan and sustainability of the results achieved thus far have been assessed.

The situational analysis on the status of implementation provides an opportunity for disclosing challenges, lessons to be learned from the course of implementation. From this analysis, an in-depth exposure of the slow pace of implementation has been made. A key discerning factor is the absence of an operational budget to spur implementation. The lack of clarity in the design of the Action Plan and absence of promoting sectoral ownership of the Action Plan makes implementation almost not possible. The need for outlining activities for implementation tied to sectors and build linkages in this framework to broad objectives of the policy is crucial for achieving national development priorities

On the way forward, the SWOT analysis gives a clear picture of the implementation environment and informs a new strategic direction. This strengthens the basis for recommendations in this report that dwell on budgeting, institutional and human capacity building, enhanced reporting and coordination, role clarity among stakeholder institutions and a more realistic work plan for measuring implementation progress

## **1.0 Introduction**

The Gambia Aid Policy 2015-2020 represents policy aspirations that require a framework for guided implementation as set by the Paris Declaration on Aid Effectiveness 2005. The rationale is to attain far-reaching results that are subject to monitoring for purposeful reform of the manner in which aid is delivered and managed. Partner country commitments towards the joint commitments include nationally designed strategies and frameworks. The rationale is to monitor and assess their progress against agreed targets as the case is in The Gambia.

Whilst recognising the need to adapt commitments to country specific situation, policy implementation frameworks such as the GAP Action Plan and Monitoring Framework 2015-2020 is designed to promote mutual accountability mechanisms both at the domestic and global levels among partner countries and agencies that subscribed to the Paris Declaration.

GAP has been implemented for a year now hence the need for an annual progress review to assess progress registered and establish the successes and lessons learnt. The aim of the evaluation is to assess the overall progress made in the implementation of GAP. The Evaluation assessed the processes, achievements, the quality and results of interventions and drew lessons for informing the remaining period of implementing GAP. The evaluation is thus forward looking and captured lessons learnt and provide information on the nature, extent and where possible, the effect of the Aid Coordination Policy to the Government of The Gambia and Development partner's. The emphasis on learning lessons looks to the issue of understanding what has and what has not worked as a guide for future planning.

## 2.0 Objectives and Scope of Assignment

The evaluation place attention on policy implementation in terms of the following standard evaluation criteria namely: relevance, effectiveness, efficiency, and sustainability. The evaluation criteria had been translated into specific evaluation questions and its scope have been broadened to include impact to measure positive and negative outcomes that emerged during implementation.

### 2.1 Description of the Evaluation methodology

The review of the implementation of GAP had been conducted using the following key criteria:

**2.1.1 Relevance:** The GAP under this criterion was extensively assessed within the context of the state party commitments under the Paris Declaration 2005, The Gambia national development priorities as set out in development blueprints and how these priorities are reflected in the Aid Policy Action Plan and Monitoring Framework. From a preliminary review, the design of GAP caters to commitments made under the Paris Declaration and national development aspirations. In terms of pragmatic implementation, the Action Plan and the extent of its adherence to the test of relevance for meeting the objectives of GAP will be a subject of thorough review.

**2.1.2 Effectiveness:** The Policy Action Plan and Framework comprehensively responds to the management arrangements outlined in the Policy document. The report on the Aid Policy and Policy Action Plan Sensitization Workshop for NGOs and MDAs from the Aid Coordination Directorate points to a strategic direction for recommending approaches, activities and time lines to implement and attain the Aid Policy objectives/goals. The outcomes of the workshop and the recommendations proffered will be assessed together with other intended outputs and outcomes in the Aid Policy Action Plan and Monitoring Framework against the intended objectives of GAP.

**2.1.3 Efficiency:** The extent to which the policy implementation is enabled in a timely and cost-effective manner was reviewed further during consultations. At the preliminary stage, a clear cut KPI with timelines points to an implementation environment that promotes efficiency.

Under this parameter, risk elements, challenges in institutional arrangements, procedures, and rate of awareness were reviewed for the purpose of making

recommendations for enhanced efficiency towards achieving project objectives in a timely and cost-effective manner.

**2.1.4 Impact:** The outcome of policy implementation in terms of impact on increased absorptive capacity, increased aid, institutional coordination, human and institutional capacity, governance, improved relationship with the international community will be assessed. Impact of intervention on the pillars of PAGE will be assessed under these criteria to assess the trends of disbursement, composition of loans and grants in the aid envelope and causal effect on narrowing the national debt to GDP ratio.

**2.1.5 Sustainability:** The sustainability of the policy implementation results so far and whether this can be sustained had been looked into. From the initial review, the institutional frameworks for the continued implementation of the Policy both from partnerships and donor funding remains impressive. This had been dealt with further from the data that emerged from the questionnaires to unearth the existence of institutional mechanisms and adequate human capacity to forge ahead with subsequent recommendations after post implementation in 2020.

**2.1.6 Implementation Arrangements:** The Aid Policy Action Plan and Monitoring Framework dictate that there shall be adequate human and institutional capacities to implement the GAP and carry out necessary reforms. The attempt by the Aid Coordination Directorate to raise awareness on aid coordination among stakeholders confirms the availability of institutional structures.

The coordination of implementation arrangements for the Policy, role clarity, the issues, challenges raised and recommendations brought forward will form a major focus of the assessment of the suitability of implementation arrangements, inherent risk of full timely policy implementation and the need for a more structured and role-based approach to implementation. The allocation of roles including coordination and oversight responsibility for M & E through the use of a result-based electronic monitoring platform will be looked into in detail. In addition to the latter, to put in place a strongly built workforce within the ACU that is dedicated to progress monitoring.

The review relied on extensive reviews of existing literature, Aid Policy Action Plan and Monitoring Framework and Aid Bulletin questionnaires, data derived from semi-structured and personal consultations on the implementation status of the Aid Policy Action Plan.

Data required for the Aid Policy review include both primary and secondary data was reviewed as part of the scope of work. Secondary data obtained from the ACU in the form of policy documents, action plans, aid bulletins and reports formed part of the review exercise. For the purpose of obtaining primary data from key stakeholders, a semi-structured survey instrument was developed and administered to selected stakeholders to assess the GAP implementation progress.

The administration of the questionnaires aided the Consultant's assessment of the following components of the Aid Policy and Action Plan and Monitoring Framework against the criteria described in the methodology.

- (i) Evidence of national leadership, ownership, consistency with development priorities and alignment to national planning processes for economic growth, and poverty reduction.
- (ii) Contribution towards ensuring adequate institutional and regulatory frameworks are streamlined for cost-effective and efficient implementation, delivery and accountability mechanism
- (iii) Contribution towards a strong inter-agency collaboration between and within The Government of The Gambia, NSAs, NGOs and CSOs among other institutions in The Gambia
- (iv) Ensure external resources are applied to high impact programmes/projects that are demand driven and that represent value for money for both the Gambia and development partners citizenry

Data obtained from the questionnaires on stakeholder institutions as well as personal interviews conducted on other stakeholders is presented and analyzed under findings using both quantitative and qualitative approaches to aid the analysis.

### **3.0 Methodology For The Review**

The review from the preliminary stages relied on extensive reviews of existing literature contained in the Gambia Aid Policy, Aid Policy Action Plan and Monitoring Framework and Aid Bulletins and personal consultations in the absence of reports on current implementation status of the Aid Policy Action Plan.

#### **3.1 Data Requirements**

Data required for the Aid Policy review included both primary and secondary data. The consultant relied on secondary data obtained from the ACU in the form of policy documents, action plans, aid bulletins and reports. However, for the purpose of obtaining primary data from key stakeholders, a survey instrument had been developed and used to assess the GAP implementation progress.

### **3.2 Data Collection Method**

The data collection method made use of personal interviews to administer questionnaires and obtained relevant quantitative and qualitative information from target respondents as shown in Appendices 2. This is necessary as not all the data required for analysis will be found in the form of either narrative or figurative.

The questionnaires helped the Consultant's assessment of the following components of the Aid Policy and Action Plan and Monitoring Framework against the criteria described in the methodology.

- (i) Evidence of national leadership, ownership, consistency with development priorities and alignment to national planning processes for economic growth, and poverty reduction.
- (ii) Contribution towards ensuring adequate institutional and regulatory frameworks are streamlined for cost-effective and efficient implementation, delivery and accountability mechanism
- (iii) Contribution towards a strong inter-agency collaboration between and within The Government of The Gambia, NSAs, NGOs and CSOs among other institutions in The Gambia
- (iv) Ensure external resources are applied to high impact programmes/projects that are demand driven and that represent value for money for both the Gambia and development partners citizenry

### **3.3 Sampling Method**

The methodology made use of the institutional stakeholders identified by the ACU for the consultations and a simple randomized sampling of other stakeholders within the Ministry of Finance.

### **3.4 Data Presentation and Analysis**

Data obtained from the questionnaires on stakeholder institutions as well as personal interviews conducted on other stakeholders is presented and analyzed using both quantitative and qualitative approaches.

#### 4.0 Situational Analysis- Outcome, Outputs, and Partnership Strategy

The successful implementation of the GAP requires that strong institutional arrangements are in place and roles distributed among these in institutions including donor agencies. This is necessary for role clarity, enhanced human and institutional capacity, accountability and a coordinated approach towards aid effectiveness.

The review therefore looked at the current implementation progress with regards to the partnership strategy, outputs and outcome of the Aid Policy Action Plan under each broad objective

<b>Objective1: Ensure National Leadership, Ownership, Consistency with Development Priorities and Alignment to National Planning Processes for Economic Growth, Poverty Reduction and Debt Sustainability</b>
---

Implementation under this objective which also embodies activities for institutional strengthening of the ACU and Members of the Task Force, registers very insignificant achievement. Only the provision and payment of salaries for the ACU staff and printing of the Aid Bulletin funded by NAOSU are realized whilst planned study tours, trainings, provision of TAs and the processes leading to this are not implemented.
--

The absence of an operational budget and the absence of role clarity among DPs in the workplan retards implementation progress. It incurs a lost opportunity within the context of this objective, a lost opportunity to strengthen capacity, gain exposure to best practice and lessons from countries with similar political and economic situation with The Gambia. It also undermines the efforts for securing JAS between donors and funding complementarities for responding to urgent national development priorities.
---

The realization of the objective is also inhibited by the heavy focus on capacity building for the ACU. It does not give focus on specific training on Procurement practices. This is crucial for addressing low-level of disbursement in sectors and capacity building for MOFA for effective management of bilateral aid coordination, harmonisation and alignment to national priorities. <i>See recommendations.</i>
--

<b>GAP Objective 2: Ensure that Institutional and Regulatory Frameworks are Streamlined for Cost-Effective and Efficient Implementation, Delivery and Accountability Mechanism</b>
--

The objective of streamlining the regulatory function is in the right direction towards aid coordination, harmonization and alignment. The planned activity to constitute a GSRB supports the realization of the objective, however the activity is still pending. The ad hoc nature of the TASKFORCE, absence of a clear TOR and a non-existent GSRB encourages an almost loose environment for aid coordination.
--

Focus is given on a proposed arrangement under recommendations to constitute a Donor Coordination Council to be seated at MOFEA as ITS secretariat and constituted of all sectors co-headed by the PS Finance/World Bank. The strategic choice for this mechanism is for streamlining all donor engagements into to the DCC for improved alignment, coordination and harmonisation.
---

For the effective realisation of this objective, there is an additional need for the
--

establishment of a sub-committee on bilateral aid coordination to be chaired By MOFA and constituted of MOFEA and other key sectors of Health, Education, Agriculture, Infrastructure and Civil Society and a donor representative body.

**GAP Objective 3: Ensure that External Resources are Applied to High Impact Programmes/projects that are Demand Driven and That Represent Value for Money for Both the Gambian and DPs Citizenry**

In terms of implementation, activities under this objective fared better. The mid-term review of the PAGE had been conducted and there is a steady publication of the Aid Bulletin. A critical activity for prioritizing national priority for uptake of inflows which represent a major concern for value for money for donors is not carried out.

Prioritizing investment particularly for the private sector development is crucial for the augmentation of GDP and in effect a causal reduction on Debt to GDP ratio for achieving acceptable and sound country risk rating that also impacts on donor confidence and FDI. Generally, Government debt as a percent of GDP is used by investors to measure a country ability to make future payments on its debt, thus affecting the country borrowing costs and government bond yields. The Gambia's debt as a percentage of GDP is at 50.70% in 2015 and forecasted to be at 55% in 2016 (CBG). The position requires efforts for improvement to meet the global prudential limit of 40% debt-to-GDP ratio that should not be breached on a long-term basis as a measure of prudence.

The declining trend in the disbursement into Pillar 1 of Page: Accelerating and Sustaining Economic Growth among other Pillars of PAGE in which private sector investment occupies a key role points to a compelling urgency for realignment of aid inflows for the remaining implementation period. See Table 1.

Looking at the past, the declining trend of ODA in the Gambia from 2012-2015 has a strong correlation with the declining number of Development Partners interventions especially in terms of projects. These were also periods where the country's exchange rates were fixed. The period was also characterized by the non-performing IsDB country portfolio which has limited the ability of the country to access more resources from the IsDB - the country's largest lender. The few number of in-country resident donors has affected the level of engagement with some development partners, such as the AfDB and IsDB among others, which do not have local in-country offices in the Gambia. The effect is seen in when total allocation of donor funds to The Gambia in 2016 amounted to €541,36 million, out of which GMD2,890,313,084.23million was in the form of grants and GMD340,934,039 million in the form of loans according to the Donor Mapping report 2017.

**GAP Objective 4: Ensure Predictable External Aid Flows With a Higher Grant Element and Ensure Higher Utilization and Absorption**

Significant progress is made under this objective. The preparation of a data request template and submission to DPs contribute to increasing visibility of aid flows that promotes predictability and enhances effective planning. It also helps in monitoring inflows and harmonizing donor intervention for the avoidance of duplication. The entry of the World Bank and AfDB into the Joint Assistance Strategy corroborates this position. There is however, greater need for donors to come into a JAS for stronger harmonisation and extensive reduction of efforts duplication. The recommendation for a DCC with participation of a donor focal point will contribute to the realization of this objective.

DPs revision of their CAS in line with GAP principles is encouraging. On the other hand, the expressed absence of an operational budget within the ACU continues to hinder the full realization of this objective. This limits the implementation of activities by GSRB to review and align programmes to national priorities which should precede the review of DPs CAS for reasons of better harmonization.

The review and alignment of programmes is key and could have incorporated NES that seeks to build the export base with focus on key sectors and a private sector development strategy. The review would have provided the opportunity for increased direction of aid into private sector investment for an improved turnaround in outcomes of Pillar I of PAGE and impact on loans and grants composition.

**GAP Objective 5: Ensure Harmonization of Development Partner Policies, Procedures and Practices While Aligning Them to the Government's systems**

The broad objective cannot be achieved without consistent reviews by DPs and government. The mismatch in the period of reviews observed in Objective 4 defeats this purpose. The structure for a Donor Coordination Council (to be co-headed by MOFEA and a key donor and comprise of sectors) for consistent alignment of donor and government policies is crucial. The creation of sub-committees to be headed by a Lead Donor for each sector is also absent. These structures would promote an all-inclusive approach to policy harmonization, greater coordination and alignment of aid to national priorities.

#### 4.1 SWOT Analysis

In an effort, to unearth prospects and bottlenecks in successful implementation of the GAP for the remaining period, a SWOT analysis is conducted to analyse the internal and external policy implementation environments.

Successful policy implementation of the policy requires adequate and smooth interaction of the constituent of stakeholders both within internal and external government environments. A good understanding of enabling factors and potential hindrances is also necessary for a critical assessment of implementation progress registered so far. Taking cognisance of the internal strengths, weaknesses and external opportunities and threats is crucial for taking up an informed strategic position and applying measures for registering good ratings in implementation.

## SWOT Analysis Framework

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> <li>Existing ACU</li> <li>ACU representation in Project Steering Committees</li> <li>Project Implementation Monitoring</li> <li>Existing Project Structures</li> <li>Policy recognition</li> <li>Existing institutional partnerships</li> </ul>	<ul style="list-style-type: none"> <li>Inadequate institutional and human capacity in ACU</li> <li>Absence of an operational budget</li> <li>Weak coordination mechanisms</li> <li>Inadequate tracking of aid as a result of non-functional IMS</li> <li>Inadequate reporting</li> </ul>	<ul style="list-style-type: none"> <li>Donor good will</li> <li>Expressed commitment to support</li> <li>Excellent international aid policy environment</li> <li>Expressed commitment by major donor bodies such as EU, IDB, AfDB</li> </ul>	<ul style="list-style-type: none"> <li>Current political environment -excessive public opinion in the wake of the change in government</li> <li>Possibility of a reduced donor confidence</li> <li>Poor coordination mechanism</li> <li>Reduced aid as a result of the above and</li> </ul>

## 4.2 Summary of SWOT Analysis

### 4.2.1 Strengths

- GAP has attained high level of awareness among institutional stakeholders and donors. The commitment by UNDP; a lead donor with presence in the domestic aid environment to support the implementation of GAP attest to this and advances a commitment to further the objectives of GAP.
- An existing ACD exists and recognized in the GAP. The ACD comprises of 5 professional staff until February 2017 when its Director WAS temporarily deployed to the World Bank for a two year assignment. The Unit is well-positioned within the Ministry of Finance & Economic Affairs that has traditional responsibility for coordinating donor participation and negotiating aid for The Gambia. The Unit thus benefits from strong institutional memory as regards donor relation and through continuous engagements gained an appreciable level of expose in the international donor community and valuable social-capital.
- The ACD in terms of domestic stakeholder relations assumes a strategic position in its representation with major Project Steering committees in the Agriculture, Health, Education and Civil Society. This gives the unit enormous opportunity to

be close to implementing partners of GAP and an insight into sector concerns and interventions. The wide representation constitutes importance for providing guidance to implementing partners and efforts for aligning aid to development priorities.

- d. Well designed Project Management structures exist in the donor funded agriculture, health, education and infrastructure sectors project interventions and a well built donor coordination unit within the education sector. These provide a basis for reporting on the direction of aid and further help in tracking aligning of aid for the intended purpose. The experience in donor coordination and its success stories provide a strength that can be leveraged and adopted for the general implementation of GAP. The JAS for the construction of the Trans-Gambia Bridge represents a glaring success story in this direction.
- e. Institutional Partnerships as evident in the National Aid Coordination Taskforce exist and provide a building block for constituting sub-committees under the Donor Coordination Council as per the recommendations in this report.

#### **4.2.2. Weaknesses**

- a. Although an ACD exists, the small number of personnel in the unit as opposed to the roles allocated to the unit in the Aid Policy Action plan weakens the ACD. The concentration of responsibilities in the ACD which could have been distributed among implementing partners erodes efficiency and desired level of effectiveness of the unit.
- b. The weak status of the ACD is worsened by the lack of an operational budget for the implementation of its functions outlined in the GAP Action Plan. This retards policy implementation and constitutes a lost opportunity.
- c. Although the ACD has representation in major steering committees of key sectors, the low-level involvement of sectors in policy Action Plan erodes the desired sense of ownership and does not provide an opportunity for an adequate response to donor expectation for coordination. The situation constitutes a potential for a burden on the ACD with limited capacity to deal with issues revolving around coordination. More so, steering committee meetings are held bi-annually and only give the ACD access to project reports after activities implementation.
- d. A non-functional AIMS embodies a huge institutional weakness that renders the tracking of aid inflows and direction impossible. This adversely impacts on accountability thus reducing donor confidence and chances of increased aid for development.

#### **4.2.3 Opportunities**

##### **i. Existing Institutional structures**

The existence of institutions as the Aid Coordination Taskforce drawn from sectors provides a fundamental building block for the composition of the GSRB.

In addition, an ACD also exists that can be further capacitated to assume a wide range of functions including the seat of DCC as its secretariat, coordination and providing guidance for harmonization.

**ii. Change of Political Leadership**

The new political dispensation in The Gambia since January, 2017 breaths in a more promising and more predictable environment for business and donor participation. The sharp positive turnaround in the areas of rule of law, voice and accountability ushers in a healthy sense of democracy and international good will in The Gambia. The associated upsurge is the rising donor and DPs commitment to support national development efforts.

**iii. A long term National Development Plan (NDP)**

This offers a long-term perspective o national development process. It defines a desired development destination and identifies the role different sectors of society need to play in reaching that goal. The Gambia also has a new medium term plan (2017-2020) to complete the country's planning cycle for Vision 2020 and opportunity for the Aid Policy to align, strengthen and sharpen its focus.

**iv. Donor goodwill**

The Donor Mapping report unearths donor optimism in The Gambia and commitment to contribute to the attainment of national development outcome targets. Under the purview of the United Nations Country Team (UNCT), the joint planning of the UN system held in The Gambia to build on synergies and avoid duplication for more efficient utilization of resources contributes significant value to the Aid Policy objective with future intentions to improve on joint planning for better programme outcomes.

#### **4.2.4 Threats**

**i. Poor policy coordination, absorptive capacity**

The weak linkages between the action plan and sectoral activities constitutes an inherent threat to timely implementation of the progress. The situation causes a heavy and cumbersome reporting mechanism that is not efficient, not cost-effective and laborious

## **ii. Excessive Social Media Debate**

The Gambia is still at a cross-road from a dictatorial rule of 22 years to a mature democratically free country. The transitioning continues to witness a mass participation of Gambians both at home and in the diaspora. The outcome is a mixed-bag of perspectives on the state of affairs in The Gambia. From a positive perspective, it encourages transparency and accountability serving as a check on government decisions. On the other hand, the overarching public opinion needs to be contained for the avoidance of projecting the Gambia in a negative light that impacts donor and international community confidence.

## **iii. Reporting & Governance:**

Effective Reporting and good governance promotes transparency and accountability in the process of implementation. This depicts the ways government through institutions, exercise control through ACD. It also measures the capacity of government for the effective implementation of the Aid policy. Governance helps uphold the respect of citizens, donors and promotes transparent interaction between these stakeholders and the state through the institutions that govern economic and social affairs. There is a strong correlation between reporting, governance and effectiveness. The poor reporting on aid coordination undermines the ACD effectiveness to monitor aid alignment and harmonization and on governance. The absence of this constitutes the threat of impinging on donor confidence with regards to governance. The recommendation for a results-based monitoring framework that promotes sharing of information in a transparent way is envisaged to address the threat.

## **5.0 Key Findings, including Best Practices and Lessons Learnt**

The findings of the evaluation exercise are derived from the questionnaires administered to institutional stakeholders and personal consultations with key personnel of the ACD-MOFEA. A heavy focus is placed on the set of criteria outlined in the TOR and methodology which include Relevance, Effectiveness, Efficiency, Impact, Partnerships and Sustainability

### **5.1 Findings of The Evaluation: Relevance**

The methodology defines relevance as the extent to which the GAP design and activities in the Aid Policy Action Plan and Monitoring Framework were suited to priorities. Our findings point to a high degree of relevance and a well articulated Policy and Action Plan in terms of goals and outcomes and alignment to National development priorities. The Policy interventions provide appropriate solutions for addressing critical national development aspirations.

Notwithstanding, the opinion has been sounded during consultations that there exist areas that require review and adoption to post MDGs. The concern mainly highlights the need for wider decentralization of aid coordination to cater for regional administration needs, institutional linkage building and capacity building for effective aid monitoring, coordination and utilization. The latter is corroborated by the report on the aid sensitization workshop which detailed out the fragmented aid sector, the challenges it poses for coordination, prioritization and utilization in priority development areas.

### **5.2 Findings of the Evaluation: Effectiveness**

The methodology looks at effectiveness against progress and the extent to which Aid Policy and implementation framework responds to commitments under the Paris Declaration and national development priorities.

The review shows a positive level of complementarities between the policy and donor interventions in The Gambia. At a fairly effective rating from the consultations, this can be attributed to the slow pace of implementation. The slow pace of implementation that constitutes a major risk to full implementation of the policy largely hinges on the absence of role clarity in the Aid Policy Action Plan. This further compounds the desired clear institutional arrangements that would have enabled clear segregation of roles for effective implementation.

The low-level of focus on private sector investment in the design of the Aid Policy Action Plan to achieve the GAP objectives have been found during the consultations.

Private sector investment is key in reducing heavy dependence on aid in particular on the loan component of aid. Minimum focus is placed by the Policy Action Plan to address supply side constraints that enables export, building trade infrastructure capacity and building human capacity that matches demand in the labour market. The PPP framework has been found as a reliable catalyst for enabling infrastructure development whilst encouraging partnership initiatives by government with the private sector that positively impacts on GDP.

A strong private sector spurs growth, contributes to employment creation, increased GDP through increased productivity. In the case of The Gambia and the specific focus given to export development is deemed to enhance foreign exchange earnings and increased per capita. These constitute fundamental development pillars that reduces GDP ratio to national debt and further increases investor confidence in the economy.

### **5.3 Evaluation Findings: Efficiency**

The very low level of rating on efficiency, considering implementation pace against policy targets is a concern. This is a major concern that needs to be addressed adequately to arrive at desired policy outcomes overall adopting mid-implementation mechanisms. *See recommendations*

### **5.4 Evaluation Findings: Sustainability**

The assessment of sustainability of policy interventions and outcomes is focused on the extent to which institutional mechanisms and adequate human capacity are built to forge ahead with subsequent recommendations after post implementation in 2020. The accomplishments in this measure reveals some level of training on aid coordination, sensitization campaign, an established Aid Bulletin, consolidated reporting and development of an aid database system. The focus on the policy action plan to build capacity of partner implementing institutions is conspicuously absent. This is attributable to the fairly effective rating on the measure of sustainability which erodes the potential of the policy to contribute to building institutional capacity for mainstreaming policy outcomes into government programmes. The point is corroborated by the revealed weakness in terms of effective implementation towards policy objectives.

## 5.5 Evaluation Findings: Impact

Impact of policy implementation is assessed on increased absorptive capacity, increased aid, institutional coordination, human and institutional capacity, governance and improved relationship with the international community. Impact of intervention on the pillars of PAGE will be assessed under this criteria also in addition to the trends in disbursement, donor commitment and causal effects on narrowing the national debt to GDP ratio.

PAGE (2012-2015) is a four year national development plan extended to 2016 and informed by national priorities. The national priorities are categorized into five main pillars as follows:

**Pillar 1:** Accelerating and Sustaining Economic Growth

**Pillar 2:** Improving and Modernizing Infrastructure

**Pillar 3:** Strengthening Human Capital Stock to Enhance Employment Opportunities

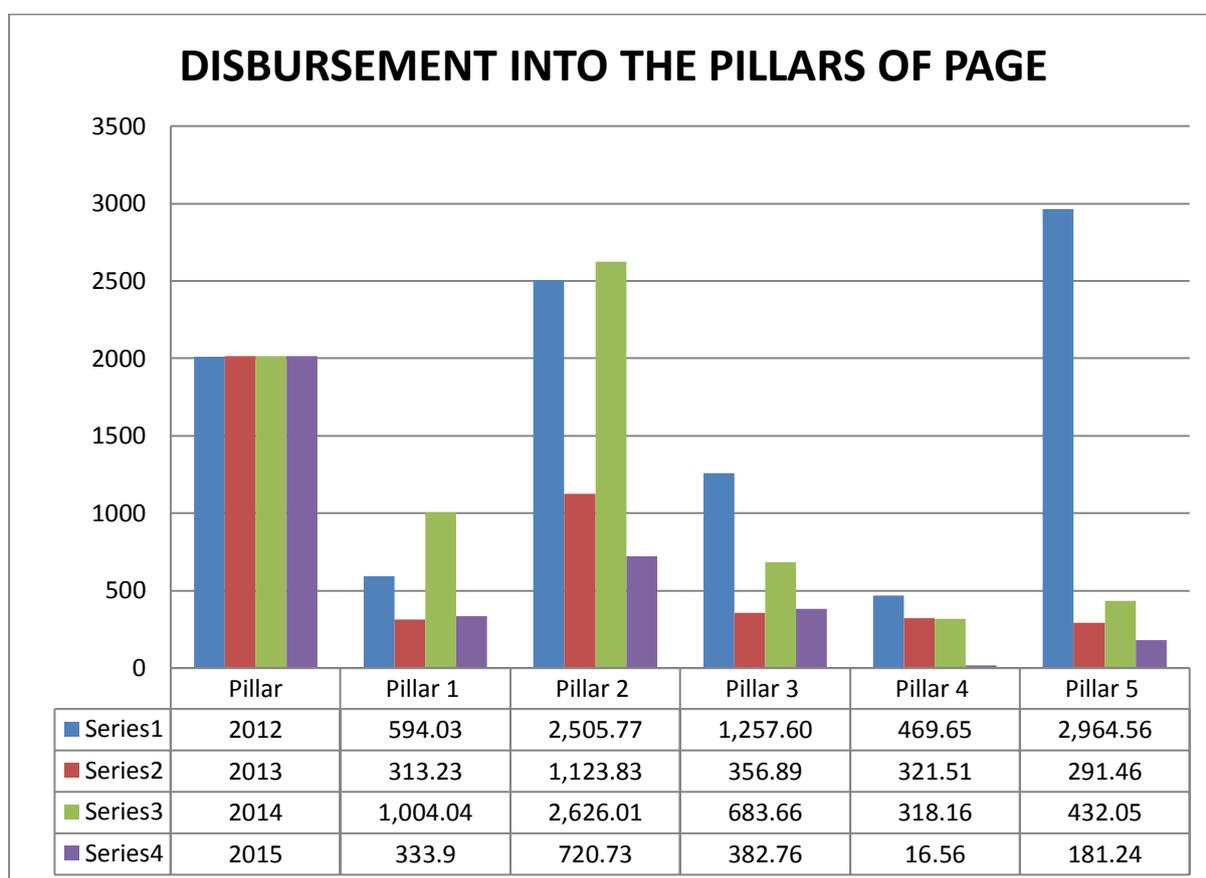
**Pillar 4:** Improving Governance and Fighting Corruption

**Pillar 5:** Reinforcing Social Cohesion and Cross-cutting Interventions

From the findings an inconsistency of funding for PAGE is found across pillars up to 2015. The funding varies due to donor's intervention and priorities. For reasons of comparison, a time series analysis of funding for PAGE is conducted to show the downward trend. In 2012, Pillar5 (Reinforcing Social Cohesion and Cross-cutting Interventions) received the highest funding of D2.9 billion, whereas in 2013, 2014 and 2015 Pillar 2 (Improving and Modernizing Infrastructure) received the highest funding of D1.1 billion, D2.6 billion and D0.72billionrespectively(seetable1below).

**Table 1: Disbursement per Pillar (in millions of GMD)**

Pillar	2012	2013	2014	2015
Pillar 1	594.03	313.23	1,004.04	333.90
Pillar 2	2,505.77	1,123.83	2,626.01	720.73
Pillar 3	1,257.60	356.89	683.66	382.76
Pillar 4	469.65	321.51	318.16	16.56
Pillar 5	2,964.56	291.46	432.05	181.24



The policy implication from the funding inconsistency is twofold. First there is need for stronger donor coordination and harmonization to respond to national priorities. On the other hand, if government is to fully achieve Pillar 1 which has an implication for food self-sufficiency and create more opportunity for employment, it needs to invest and also direct private sector investment to agriculture and natural

resources sector, industry and services. This is not only key for job creation but also for enhancing GDP and narrowing the debt to GDP ratio.

Also for pillar 2, government needs to strengthen Public Private Partnership (PPP) initiatives in the infrastructure sector.

In general, the review points to a declining trend of ODA in the Gambia from 2012-2015 which is confirmed by the OECD report. This is as a result of declining number of Development Partners interventions especially in terms of projects. These were also periods where the country's exchange rates were fixed. The period as mentioned earlier was also characterized by the non-performing IsDB country portfolio due to a –headroom problem which has limited the ability of the country to access more resources from the IsDB - the country's largest lender.

The few number of in-country resident donors has affected the level of engagement with some development partners, such as the AfDB and IsDB among others, which do not have local in-country offices in the Gambia. This has an adverse impact on policy implementation and realization of PAGE.

The total cost of PAGE is D27 Billion (943.05 US\$ million) of which donor funded projects disbursed a total of D16.9 billion. The average actual project disbursement is 61% compared to the proposed donor funding target of 65% while the Gambia Government (GoTG) resource contribution to PAGE average to 35%. This shows that the GoTG has met its commitment on PAGE. In 2014, development partners have provided more than 65% of PAGE financing but have not met the funding target in 2015 .

Notwithstanding, the potential for successful policy implementation is rated high amidst concerns that immediate reviews need to be conducted. There is crucial need for resource mobilization and allocation of aid resources to priority sectors of the economy particularly those not covered by the GAP.

## 6.0 Lessons Learnt

6.1. There has been downward trend in the absorption of aid from the period 2012-2015 which retards development. The concern for the country's absorptive capacity out of weak procurement management practices comprises a crucial factor for attracting the required aid inflows. The state of readiness for the uptake of aid availability also remains a concern. In the agricultural sector, the skills required in terms of business planning for accessing donor funds are mostly absent amidst the lack of strong businesses cases for convincing donors for no-objections.

6.2. Project proposals banking aligned to national development priorities is absent and thus the concerted effort to bring about a forward looking approach for an efficient access of donor funds.

6.3. The absence of a strong policy resolve on the part of Government to take ownership in the direction of resource for impactful private sector investment is contributing factor to the low-level of disbursement in Pillar I of PAGE. Most of the Gambia's investments in the past four years are in the transport and the communication sectors (Pillar II of the PAGE) compared to the productive sector. This has an implication on short term growth and job creation that is required for sustained economic growth.

6.4. There is a non-functional result framework for the Aid Policy Action Plan. The lack of currency in the use of the Action Plan due to the absence of an operational budget also negates the importance of monitoring progress.

6.5. A major success during implementation is the JAS between the World Bank/AfDB for the implementation of the Trans-Gambia Bridge. This represents a valuable lesson on the importance of coordination, harmonization and alignment of aid to national priorities. Whilst the intervention directly addresses an infrastructural challenge, it is a trade facilitation initiative which spurs trade and investment and significantly impact on job creation and economic growth.

6.6. The missing linkage between the Aid Policy Action Plan, sector activities and private sector intervention does not support the intended objective for the realization of national development priorities. The absence of policy will to address private sector concerns on a predictable business and borrowing environment, avoidance multiple taxation.

## 7.0 Conclusions

The review from a holistic point of view looks at the relationship between aid coordination and national government systems. This looks at the country specific mechanisms and agreed arrangements with development partners to maximize the effectiveness of external aid for development at national or sector levels. As a subset of aid coordination, donor coordination is concerned with the specific mechanism and arrangements between DPs to improve their effectiveness as partners. In order to harness the potential of the foregoing, there is need for development coordination (at national or sector levels) which refers as a combination of relationships between aid coordination and the national government systems which includes policy-making and implementation, governance, accountability, etc.) that ultimately delivers development results.

GAP and its implementation framework point to a development coordination approach that embodies joint implementation of the Aid Policy. The approach provides a workable avenue for increasingly matching donor coordination efforts to a more proactive engagement of government counterparts and by the setting up of the foundations of improved aid forecasting, accounting and aid management systems on the government side. The inter-relationship further facilitates development coordination, characterized by increased government ownership policy and implementation through effective mechanisms for management of government resources – aid and revenue – and engagement between the government and the community of development partners.

In short, the policy and the action plan postulate an effective framework. It depicts joint implementation mechanism arrangements between government and DPs to be harnessed. The extent of partnership among other findings should be addressed to include partners in the sectors to ensure an all inclusive approach to implementation that takes onboard development realities.

## **8.0 Recommendations**

The recommendations of the review provide strategic responses to implementation bottlenecks and concerns raised in the findings. The recommendations also highlight measures to be taken enhance impact of the aid policy in the areas of increased disbursement, increased aid inflow into private sector development to contribute to job creation and sustained economic growth.

Focus is placed on sector involvement in coordination, human and institutional capacity building, periodic reviews to aid adherence to policy guidelines, reporting and M& E tool and establishing a Donor Coordination Council.

### **8.1 Coordination**

The findings of the review reported that champions on both the government and the development partner sides as being behind scheduled. Findings are that there is a heavy concentration of coordination and implementation roles on DPs and ACU-MOFEA. Sectoral priorities and activities whose implementation should culminate in the realisation of PAGE as the ultimate objective of the policy are not given measured in the policy Action Plan and linked to the broad objectives of policy. The arrangement opens the effectiveness of coordination mechanisms to inadequacies and obstacles that warrants the need to adopt changes within the context of the internal policy environment and progress in implementation.

Within the specific situation of retarded implementation of GAP, there is a compelling urgency for recognizing sectors as the natural entities for development coordination. Sectors are well-positioned to represent the structures to be used by the government to define and implement policy. Evidence in most countries show a dependence for successful coordination of national strategies (like national development strategies or poverty reduction strategies (PRS)) on individual sectors. The reasoning is that Coordination of development is helped by addressing specific and homogenous issues, needs, gaps and interventions that exist at sector level and best addressed by sectors in a simultaneous process with JCPS. This gives the desired heavy focus on development coordination at sector level for the achievement of better and sustainable results. A major challenge identified in the findings that coordination will address is the one that revolves around aid resource alignment to development priorities identified as a challenge in implementation according to findings. The policy action plan therefore requires a holistic review that reflects coordinated linkages between sector priorities and national priorities towards full and impactful implementation of the Aid Policy.

For effective coordination, the following mechanism is being recommended

- a. A sector-focused workplan that details out activities for implementation under each strategic objective on the Action plan is required. A smart implementation approach model on a framework that maps out Responsibility for institutions, Activities, Support Institutions, Consultation of stakeholders and those to be informed in the process of implementation (RASCI)
- b. Establishment of The Donor Coordination Council (DCC) to coordinate donor engagement with government for aligning donor programmes to the NDP and Aid Policy. Membership of the DCC shall be opened to all key donor agencies in The Gambia including multilateral agencies, bilateral development partners, various United Nations agencies and some key international nongovernmental organizations. Engagements with non-traditional donors is crucial for using the recommended coordination structures that is not only important for resource alignment but also effective for tracking aid inflow .
- c. The DCC in consultation with GSRB to further established sector-specific subgroups that will include agriculture, health, education, business environment, governance and JCPS. Each subgroup will be chaired by one development partner and has its own meeting schedule.

## **8.2 Establishment of Gambia Strategic Review Board**

The creation of the GSRB will complement the ACU, with a functional budget. This is crucial for regular and close monitoring of progress made in implementation and ensure effective coordination, donor alignment to policy, reporting, intended direction of resources in line with policy objectives. The GSRB will be chaired by the P MOFEA who shall be a co-chair of the DCC.

## **8.3 CAPACITY BUILDING**

### **8.3.1 Capacity Building for ACU and M&E Unit**

The GSRB was recommended as part of policy provisions to be set-up to monitor the implementation of the AID Policy but has not been established yet. The ACU and its current capacity faced with a non-existent operational budget cannot provide this oversight function. It is recommended that the GSRB be established and constituted of members from key sectors of Health, Education, Agriculture, Trade, Infrastructure, UNDP, MOFA, MOFEA, Private Sector representation and Civil Society.

In addressing low-level of disbursement in PAGE Pillars and sectors as attributable to weak procurement capacity, it is recommended that training in best procurement practices and increased human capital stock in procurement units be increased and strengthened. Low level of disbursement in PAGE pillars points to low-absorptive capacity that can be attributed to inefficiencies in procurement and thus capacity in the effective and efficient procurement needs to be built across sectors.

The effort should not be limited to training but also should cover study visits and work placements for the replication of best and efficient procurement practices for maximum uptake of aid.

Building capacity for members of the GSRB in multilateral and bilateral aid negotiation, coordination and alignment is imperative. This is critical for not only minimizing the loan components of aid but also understand how synergies can be built between donors and sector interventions.

#### **8.4 Robust Management Information Platform**

The aid information management system was established at a very high cost not working as expected and not capturing some essential aid resource flow. Collaborating ministries focal points for the generation of aid data are not functional. Reporting of aid resource/flow and direction is erratic and not credible. As such, aid coordination remains a critical priority hence the urgency for putting in place a robust reliable Information Management System. It is recommended that the Information Management system be a shared web-based platform that integrates into a platform for monitoring progress in policy implementation base on national performance assessment frameworks with a set of indicators (both government and partner action) drawn from the sector frameworks/strategies to be reviewed.

#### **8.5 Resource Mobilization**

The Aid Policy Action and its implementation has been retarded by almost a non-existent operational budget. The urgency for securing an operational budget is even more pressing in the light of the recommended review of the action plan and the enormous opportunities offered from donor good will. The strong expectation is a massive wave of aid inflow that requires well-built institutional structures, monitoring tools and human capacity for increased transparency and accountability and absorption.

The Gambia has MTEF and a strong donor commitment under the new political dispensation. The opportunity should be leveraged to incorporate the operational budget of Aid Policy Action Plan in the MTEF and an in some instances secure DPs commitment for funding activities in the Work Plan particularly the joint government-sector and DPs activities. Budgetary commitment to planned activities promotes predictability of sources of fund and ownership for implementation of activities

## **8.6 Increased Investment in Trade Infrastructure**

The Gambia Aid Policy is a national policy that focuses attention on key development priorities in PAGE. Its implementation mechanism should feature mechanisms to address trade infrastructural challenges and for enabling private sector development. Foreign Direct Investment occupies a crucial role in realising economic growth and employment creation, thus increased disbursement in the relevant pillar of PAGE is required.

The provisions of the WTO Trade Facilitation Agreement should serve a guiding reference to mainstreaming trade infrastructure development in the Aid Implementation Workplan.

## **8.7 Harmonization of Aid Policy Implementation**

In the process of reviewing the Aid Implementation Workplan, wider consultation with other sectors of government must be conducted. This is necessary for deeper understanding of sectoral policies and the extent to which they can be aligned to resource mobilization effort for a successful and all inclusive approach to the Aid policy implementation.