



# combi- financing

## Review of the Combi-Financing Instrument

**Innovative Mode of Delivery**

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## Acronyms

APRM	-	AFRICAN PEER REVIEW MECHANISM
AVAP	-	ANTI-VOTER APATHY PROJECT
BNB	-	BASIC NEEDS BASKET
CCZ	-	COUNCIL OF CHURCHES IN ZAMBIA
CPs	-	COOPERATING PARTNERS
CSO	-	CENTRAL STATISTICAL OFFICE
CSOs	-	CIVIL SOCIETY ORGANISATIONS
CSPR	-	CIVIL SOCIETY FOR POVERTY REDUCTION
DED	-	GERMAN DEVELOPMENT SERVICES
DFID	-	DEPARTMENT FOR INTERNATIONAL DEVELOPMENT DEVELOPMENT
DICs	-	DEMOCRACY AND INFORMATION CENTRES
FNDP	-	FIFTH NATIONAL DEVELOPMENT PLAN
FODEP	-	FOUNDATION FOR DEMOCRATIC PROCESSES
GTZ	-	GERMAN AGENCY FOR TECHNICAL COOPERATION
IA	-	IRISH AID
JASZ	-	JOINT ASSISTANCE STRATEGY FOR ZAMBIA
JCTR	-	JESUIT CENTRE FOR THEOLOGICAL REFLECTION
ULP	-	UNITED LIBERAL PARTY
MCDSS	-	MINISTRY OF COMMUNITY DEVELOPMENT AND SOCIAL SERVICES
MMD	-	MOVEMENT FOR MULTIPARTY DEMOCRACY
PAC	-	PARLIAMENTARY ACCOUNTS COMMITTEE
PF	-	PATRIOTIC FRONT
PMTs	-	PROVINCIAL MANAGEMENT TEAMS
PRSP	-	POVERTY REDUCTION STRATEGY PAPER
SACCORD	-	SOUTHERN AFRICAN CENTRE FOR CONSTRUCTIVE RESOLUTION OF DISPUTES
SAGs	-	SECTOR ADVISORY GROUPs
UNDP	-	UNITED NATIONS DEVELOPMENT PROGRAM
USAID -	-	UNITED STATES AGENCY FOR INTERNATIONAL
ZGF	-	ZAMBIA GOVERNANCE FOUNDATION

## Acknowledgement

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Care has been taken to ensure accuracy in reporting the conversations which took place. We are, however, conscious that some inaccuracies may have escaped our attention. We, therefore wish to absolve the respondents of any responsibility for any misrepresentations that may have escaped our scrutiny or those that may have arisen from unconscious misinterpretation of some of the responses to our questions.

We also wish to state that the views contained in this report are the responsibility of the authors and not those of GTZ. It is our sincere hope, however, that the findings of this report would contribute to the enhanced performance of the combi-financing instrument.

Fred Mutesa

Isaac Ngoma

# 1. Introduction and Background

GTZ contracted Fred Mutesa and Isaac Ngoma to conduct a review of the combi-financing arrangement in July, 2010. The process began with a kick off meeting on 13 July which was attended by GTZ, IA, AVAP, CARITAS, JCTR, CSPR, FODEP and one of the consultants. The purpose of the meeting was to clarify the nature and purpose of the review and spell out the methodological approach. The review process was concluded with a partner meeting on 21 September 2010 where findings, conclusions and recommendations were presented and where the partners agreed on a number of steps to further develop their relations. The conclusions of this meeting are included in chapters 3.5 and 5 and in appendix VI.

Combi-financing instrument is a specific mode of support to CSOs used by CPs in Zambia. Also known as delegation cooperation arrangement, this mode of support involves more than two or more CPs, whereby one donor as “silent partner” makes funding available to an “active partner” who then channels funds to partner CSOs. Combi-financing agreements serve the purpose of taking advantage of the comparative advantage of an active partner in relation to civil society organisations. This mode of delivery is usually combined with matching funding from the active partner and includes intensive support for capacity development.

Pioneers in the combi-financing approach have been IA and DFID with GTZ's Good Governance Programme. GTZ has been the active partner while IA and DFID have been the silent partners in the arrangement. The first phase of the combi began in 2007 and since 2009 it entered into a second phase. The partner CSOs that have been part of the combi arrangement are AVAP, CARITAS, CSPR, JCTR and FODEP. FODEP fell out at the second phase due to challenges encountered during the first phase.

From 2007 to 2010 a total of 3.4 million Euros were made available under the combi-financing to the five CSOs. Funds provided by DFID and Irish Aid were almost equally matched with complementary funding from GTZ through the Good Governance Programme. In addition, the Good Governance Programme provided quite substantial technical assistance predominantly in the form of capacity development.

Contextually, the combi-financing approaching is just one of the several support modalities through which CPs channel funding to CSOs in Zambia. These can be broadly classified into three main categories namely, project versus core/programme support, direct versus indirect support, and unilateral versus joint support. There are of course different variations of these broad categories. The latest modality to have emerged in Zambia is the ZGF, a type of joint support to which several CPs in the governance sector contribute. The main question to be asked is: to what degree do the different types of support models contribute to the objectives of the Paris Declaration on Aid Effectiveness? More specifically, how do they translate the five main principles of ownership, harmonisation, alignment, results orientation and mutual accountability? These are some of the considerations that have a bearing on the conclusions of this review of the combi approach.

## **1.1 Purpose of Review**

The main purpose of this review was to conduct a constructive reflection of the experience gained with this funding and support instrument with a strong focus on results achieved to date. The review was premised on the understanding that the combi-arrangement is not just a funding instrument, but serves the purpose of a focused support, combining financial contributions from two or more partners with capacity development and close cooperation over time.

## 2. Objectives

The objectives of the review were to assess the:

- Technical aspects of the combi-financing contractual arrangements, management requirements including financial/accounting and reporting arrangements, capacities and performance.
- Results, impacts and outcome with respect to the CSO partner's development and performance, e.g. objectives achieved and at least partly attributed to the combi, governance structure, capacity, human resources, performance
- Relevance of other funding modalities which are presently active in Zambia, without going into great details.

### 2.1 Methodology

The review assessed the funding instrument from four angles:

- Of partner CSOs
- Experience and perception of funding CPs
- Views of GTZ
- State institutions with which the partner CSOs interface

To accomplish its task, the review relied on two main methods of data collection:

- Desk review of secondary literature
- Administered separately designed semi-structured interview instruments aimed at each of the above four categories of respondents based on questions formulated by GTZ.

### 2.2 Scope of Review

The short duration of the nature of the review (15 effective work days) confined its geographical scope to Lusaka and did not include outreach into other provinces and districts.

### 2.3 Limitations

- Time constraint meant that not all respondents that were contacted for the review were actually met. In several instances, some of the prospective respondents could not make themselves available, or, when they did they could not provide answers to the questions posed by the review because they were ignorant of the operations of the CSOs at the centre of the review.

- Some of the institutions contacted had experienced personnel changes that affected the quality of responses as those who had come on board knew little about the combi-financing arrangement. However, this was mitigated by following up some of the personnel who were directly involved with the combi but had at the time of the review left their institutions to do other things.

### 3. Key Findings

As already indicated in 1.3 above, findings of this review are based on interviews with four main categories of respondents, namely partner CSOs, CPs, GTZ and state institutions. This section tries to synthesize what the foregoing respondents had to say with regard to the combi-financing instrument. The reviewers have also made effort to make independent judgment on the issues raised by the respondents.

#### 3.1 Partner Assessment

The issue of partner assessment was addressed by the two silent partners in the combi-financing arrangement – IA and DFID. This had to do with the perceptions of IA and DFID with regard to the suitability of GTZ as the lead partner. There was unanimity that GTZ's comparative advantage lay in its ability to maintain close relations with, and provide capacity development support to, partner CSOs. The proximity to partner CSOs was stressed as possessing a clear advantage over other emerging funding modalities, such as certain pooled funding like ZGF, which are perceived as delinking CPs from dialogue with partner CSOs.

Partner assessment was also situated within the broader context of the JASZ process, based on the principle of division of labour among CPs. In the case of DFID, for instance, it was even mentioned that the impulse for cooperating with other bilateral and multilateral CPs was coming from headquarters. Seen from the perspective of DFID, therefore, it would appear that whether consciously or unconsciously, there is an effort to give meaning to the Paris Declaration on aid effectiveness through harmonisation of the policies of CPs at country level.

#### Statement

*Going forward, the above positive partner assessment of GTZ by its silent partners, has to be counterbalanced by the views of partner CSOs on the issue of close relations and capacity development support. As we shall see later, whereas partner CSOs in good standing with GTZ reaffirmed the assessment of IA and DFID regarding GTZ's comparative advantage, the same is not the case with partner CSOs that perform poorly. For the future, it would be important to build on the positive assessment of GTZ's comparative advantage, by adequately addressing the concerns raised by the partner CSOs that have performed poorly under the combi-financing arrangement.*

#### 3.2 Strategic Orientation

The issue of strategic orientation was addressed by partner CSOs during the review. Partner CSOs gave their opinions on their performance against the agreed upon objectives and contractual arrangements with GTZ. On the whole, the partner CSOs reported that their activities fell within the ambit of objectives agreed

upon with GTZ in their contractual arrangements. However, there were varied reasons advanced to explain some of the minor challenges encountered in this regard.

CSPR's view was that the challenge was not in following its mandate, but in interpreting outcomes and results. As we shall see later when discussing results, this was a widely felt challenge with most partner CSOs. In addition, CSPR explained that its failure to implement some activities had to do with its own institutional weaknesses, particularly the problem created by a high rate of staff turn-over which the organisation experienced for some time.

AVAP pointed out that in some instances the organisation is called upon by the media to give its opinion on wider issues of national importance which may not neatly fall into its mandate. JCTR observed that its performance appears to satisfy GTZ because there are no serious queries raised regarding both its financial and narrative reports. It was the view of JCTR that if anything, there were more compliments than complaints with regard to this issue. CARITAS, on the other hand was optimistic that it was doing its best, but felt that it was up to others to judge its performance.

FODEP attributed the non-implementation of certain activities to the presidential by-election of 2008 and capacity constraints. According to FODEP, October 2008 saw the organisation come under increased pressure. Within the same month FODEP had to monitor the presidential by-election, it also received a new disbursement of support and was at the same time expected to prepare an institutional support report under the combi-financing arrangement. Yet FODEP only had one accountant to undertake all these tasks.

### Statement

*Going forward, care must be taken to ensure that support to partner CSOs is always commensurate with their absorptive capacity, especially availability of adequate and competent staff. Disbursing financial support without taking into account the absorptive capacity of an organisation may be a sure way of "killing" the organisation, good intentions notwithstanding.*

### 3.3 Reporting Requirements

The issue of reporting requirements was addressed by both CPs and partner CSOs. Both IA and DFID felt that reporting requirements were broadly fulfilled as per contractual arrangements. However, delays in sending reports by partner CSOs were seen as reflecting negatively on GTZ, even though it was clearly understood that this was no fault of GTZ. CPs nonetheless appreciated the fact that whenever delays occurred, GTZ kept monitoring and kept the silent partners informed on the reasons behind the delays. A case in point was the delay by CSPR to send its audited report which involved DFID funding.

Interviews conducted with the silent partners also confirmed that CPs were able to understand and follow the activities of partner CSOs as outlined in contractual agreements. IA in particular, was able to cite a number of activities carried out by

partner CSOs with support of the combi-financing. More specifically, JCTR work on debt relief; economic, social and cultural rights; contribution to the constitution-making process; and the basic needs basket, were cited as some of the outstanding contributions of the combi-financing arrangement. Similarly, AVAP's work on elections and CARITAS' Parliamentary Liaison Programme, were also mentioned in the same vein. It is thus clear that, as far as CPs are concerned, the reporting obligations of partner CSOs in terms of providing financial and factual information that would allow CPs to assess progress, met the required expectations.

Partner CSOs, on their part, unanimously reported that reporting obligations in terms of financial statements and narrative reports were well understood and adhered to. Reports follow GTZ guidelines which are contained in the agreements. Individual partner CSOs, however, had unique perspectives on how they understood this question.

As far as JCTR could tell, the CPs are satisfied with the reports. From its standpoint, JCTR suggested that this probably explains why they were able to receive additional funding from combi CPs to help construct its new offices. CARITAS felt that regular dialogue between GTZ and partner CSOs went a long way in clarifying reporting obligations. One challenge cited by CARITAS, however, was keeping pace with the changes between GTZ country office and GTZ headquarters in Germany. CSPR suggested the need for GTZ to have a well defined and structured feedback format to the reports submitted by partner CSOs. In this regard, DIAKONIA was presented as a good example of structured feedback format which comes in form of reports that highlight their observations. It was pointed out that GTZ could take a leaf from DIAKONIA.

AVAP called for CPs to be a little more proactive in monitoring the activities of partner CSOs. It was suggested that, to some degree, IA was already doing this in Northern Province and GTZ was doing the same in Southern and Western provinces, respectively. But more could be done in a systematic way. In this way, CPs would not just have to rely on reports, but would benefit more by going out in the field to see for themselves what partner CSOs were doing. CSPR somewhat reinforced this point although it did not suggest any solution. CSPR questioned the adequacy of what is reported, particularly as regards to capturing results, both quantitatively and qualitatively. There is need to verify and quantify what is reported. FODEP had a slightly different approach to understanding of the issue of reporting requirements. FODEP perceived poor coordination within GTZ between the institution's programmes staff and their counterparts in the finance department. It was felt that some of the problems experienced by partner CSOs with regard to their reporting obligations were a result of programmes staff at GTZ holding on to reports for too long before passing them on to their finance department counterparts.

Partner CSOs were also able to make some concrete suggestions on the kind of changes they would like to see in their reporting obligations. CSPR suggested that the burden of reporting could be lightened by allowing partner CSOs to send electronic copies instead of certified copies and originals. Verification of original receipts could be done later. This would be in conformity with the reduction of transaction costs under the harmonisation principle. In addition, CSPR suggested

the need to invest capacity support services in helping partner CSOs improve their monitoring and evaluation systems so that they can better capture results of their work as opposed to just narrating outputs.

AVAP reiterated the need for more proactive visits by CPs to the project sites. CARITAS called for more consistent reporting frameworks that would allow partner CSOs' personnel to get used to them. Frequent changes tend to confuse partner CSOs. JCTR suggested the need to ease pressure from GTZ headquarters to liquidate grants to suit their fiscal cycle.

### **Statement**

*Going forward, we suggest that good dialogue be held between GTZ and partner CSOs on how the challenges identified with regard to reporting obligations can be addressed.*

## **3.4 Management Requirements**

The issue of management requirements was perceived, more or less, in the same light as reporting requirements by partner CSOs. AVAP sees a problem with regard to speedy disbursement of funds under the combi-financing arrangement. AVAP explained that this problem has to do with the challenge of harmonisation of two different systems – in this case, the IA agreement is locally administered whereas GTZ country office has to report its dealings to the headquarters in Germany. What would be helpful is if there was more decentralisation of authority on the GTZ side. This would cut down on time for processing agreements and help speed-up implementation of programmes. This point was reiterated by JCTR which called for timely disbursement of funds. A case in point cited by JCTR was the disbursement of money due in mid-July in September, a few days before the same grant was expected to be liquidated. FODEP complained that GTZ had been approached with a request to fund the audit cost, which was turned down, but later GTZ used the lack of audited report as part of its reasons to stop funding to FODEP.

### **Statement**

*Going forward, it appears the issue of management of funds is of a twofold nature. Firstly, it has to do with the differences in operating systems among CPs. Secondly, there are issues of weak institutional capacities among some partner CSOs. We propose dialogue between all CPs and partner CSOs to address these challenges.*

## **3.5 Capacity Development, Dialogue and Networking**

Partner CSOs expressed mixed feelings in regard to issues of capacity support, dialogue and networking under the combi-financing arrangement. This is in contrast to the manner in which the silent CPs in the combi-financing arrangement viewed these issues. The views of partner CSOs ranged from positive to negative.

CSPR felt that capacity support played a critical role in enhancing the quality of its PMTs' programmes. In particular, it was emphasised that DED personnel working with CSPR provincial teams provided valuable and visible capacity services, but the same could not be said about GTZ's relationship with CSPR at the national level. CSPR felt that the downside of GTZ's proximity to CSPR was that sometimes the former became too enmeshed in the work of the latter that it was hard to distinguish whether CSPR was independent or an appendage of GTZ. CARITAS, on the other hand, felt that capacity support is very important because it helps CSOs address gaps in their strategic plans. It enhances effectiveness of the utilisation of the combi-financing instrument.

AVAP was also of the view that the unique advantage of the combi-financing arrangement was ability to gain access to extra funding outside the main contract in order to address capacity development needs and even respond to unplanned emergencies. This view was echoed by JCTR which cited the grant for the APRM publication as one of the tangible evidences of capacity support under the combi-financing arrangement outside the main contractual amount. JCTR was, however, quick to point out that it had deliberately been reluctant to utilise the capacity support component because of certain fears, such as losing personnel after completion of their studies.

Again, with respect to dialogue with GTZ, there were mixed reactions from partner CSOs. AVAP, for instance, cited dialogue as an important mechanism which GTZ used to help partner CSOs identify some of their capacity support needs. Through dialogue, GTZ has been able to provide interns to AVAP, outsourced a consultant on formulation of the AVAP strategic plan, sent in staff to build capacity at AVAP, and even sponsored an employee of AVAP for further studies.

CARITAS and JCTR also viewed dialogue with GTZ in very positive light. CSPR appreciated dialogue at programme level, but cited challenges when it came to matters of governance. CSPR felt that dialogue on governance matters was not well structured, a view echoed by FODEP. FODEP felt that if there was dialogue, it was not properly carried out, especially when FODEP faced challenges. The dialogue was not institutionalised; it was through e-mails to the executive director of FODEP, and sometimes to programmes staff. GTZ was not physically present to address the issues being raised. There was a clear absence of a formal dialogue structure.

Similarly, the issue of networking support from GTZ to partner CSOs elicited divergent views. AVAP and CARITAS credited GTZ for facilitating collaboration, together with SACCORD, on the monitoring of parliamentary by-elections in Solwezi, Mufumbwe, Luena and Chifubu. AVAP went further to cite GTZ as being instrumental in trying to get other CPs, such as USAID, DFID and UNDP to buy into what AVAP is doing. CARITAS also mentioned that it had networked closely with CSPR and JCTR.

Partner CSOs like CSPR and FODEP called for more appropriately designed capacity support that addresses the recipients' own identified constraints. These organisations felt that some of the meetings and workshops to which they were invited to attend by GTZ did not fit in quite well with their own institutional strategic objectives. FODEP, for instance mentioned that it would have preferred direct support to enhance its financial management capacity. JCTR has become a

preferred destination of many people from Germany seeking to understand Zambia better since it signed the agreement with GTZ. CSPR and FODEP, on the other hand felt that the combi-financing had not done much to enhance networking for them. CSPR pointed out that this could have been the case in the early days of the organisation, but it is not so evident today. Similarly, FODEP could not cite any examples of networking facilitated by GTZ outside CSOs participating in the APRM process.

If anything, those who felt that GTZ did not facilitate much networking for partner CSOs, especially with other CPs, went further to decry what they perceived as GTZ's gate-keeper role. The argument is that the disadvantage of the combi lies in that once you differ with the lead donor, you differ with all other CPs and you will need the lead donor's seal of approval to unlock support from other partners. This becomes particularly challenging when there is no structured feedback format as goal posts are perceived to shift constantly by affected CSOs.

### **Statement 1**

*Going forward, it is quite clear that capacity support, dialogue and networking are some of the unique advantages of the combi-financing modality over other donor support models to CSOs. However, partner CSOs have not all appreciated these features to the same degree. We therefore recommend enhanced dialogue between CPs and partner CSOs to address the issue of how the challenges encountered could be dealt with.*

### **Statement 2**

In addition to the statement above and reflecting on the meeting between AVAP, CARITAS, CSPR, FODEP, JCTR and the Good Governance Programme's team of 21 September 2010 some additional thought are added.<sup>1</sup> The discussion about the dimension of capacity development in the interaction between the programme and the partner CSOs revealed that they have their own understanding of what capacity development means and what it is for them. Regardless of the well established working relations over the past years it became clear that partners still have limited ideas about GTZ's approach to capacity development.

In line with the OECD DAC (2006) *Capacity Development is understood as the process whereby people, organisations and society as a whole unleash, strengthen, create, adapt and maintain capacity over time.* The phrase *capacity development* is used advisedly in preference to the traditional *capacity building*.

Following the principles of aid effectiveness such as ownership, alignment, and mutual accountability, GTZ as much as possible leaves the selection of subject and geographical areas of work to partner organisations. The Good Governance Programme also tries to provide support to the strategic plans of the organisations, which are later broken down by the partners into annual work plans. With this principle, it is the programme's considered view that we contribute to enhancing ownership of the ideas and work of our CSO partners. Since the programme

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<sup>1</sup> The meeting concluded with a number of de facto agreements which are included in chapter 5, Way Forward and Annex VI.

supports strategic plans, we are convinced that partners have defined and articulated their own capacity development plans and ideas (which are also owned by them) in their strategic and annual plans. For instance, a look at the combi-arrangements with CSPR, JCTR, Caritas and AVAP shows support to several aspects which according to the OECD definition qualify for capacity development. They include support for organisational development and internal governance, preparations of strategic plans, support to specific thematic priorities, salaries to and for staff identified by partners, access to exposure and study trips and participation in regional and international conferences and development networks, various training initiatives in Zambia and abroad etc.

In several instances, local training activities have been done in collaboration with either DED or InWEnt. CSO partners have also made direct requests to either of the organisations of the German Development Cooperation including the DAAD (German Academic Exchange Service) for short-term and higher training, help in formulating HIV and AIDS work place policies, among other. In some instance, staff from the Good Governance Programme and seconded experts have taken part in the organisation or facilitation of meetings, editing research documents to mention but a few. This process, the OECD refers to as *capacity promotion development* which means what outside partner's own operational sphere – domestic or foreign – is done to support, facilitate or catalyse capacity development and related change processes is exactly where the Good Governance Programme has been active in its support to Zambian civil society organisations.

### 3.6 Results

This review has already suggested that reporting results of the combi support is highly challenging. This view is shared by CPs and partner CSOs alike. Yet both agree that the combi has contributed to good work among partner CSOs. The attribution gap challenge partly arises from the fact that in nearly all instances, the combi has been used alongside other support models, making it difficult; therefore, to disaggregate what could be attributed to the combi and what could not. Moreover, addressing the issue of results is also linked to deep self introspection on the part of partner CSOs on the subject of impact of their activities on the national policy reform agenda as opposed to being content with citing outputs and outcomes. This is entering into an area that both CPs and partner CSOs acknowledge to be difficult. For this reason, this review included interviews with selected state interlocutors to try and triangulate the views of CPs and partner CSOs.

On the whole, both IA and DFID acknowledged the partner CSOs' contribution to the national policy reform agenda as positive. DFID was emphatic that partner CSOs' contribution was very obvious with the PRSP process. Budget monitoring and expenditure tracking were also very useful in stirring national debate on key development issues. Although CSPR was later to develop internal challenges that affected its delivery, it cannot be taken away from CSPR that its engagement at the national level left a "footprint" on the reform agenda. This is what made CSPR attractive to CPs. Consequently, it's not surprising that CSPR became flooded with

CPs, which eventually contributed to undermining its capacity to deliver. If the institutional challenges facing CSPR are successfully dealt with, CSPR could still do much more. IA, in acknowledging the positive strides already made in this area, called for a little bit more strategic thinking on the part of partner CSOs to take advantage of available opportunities which are not being fully utilised, such as Parliament, SAGs and community radio stations. In general, the challenge facing partner CSOs is to go beyond “agenda setting” to address the question of follow-through.

Bearing in mind the attribution gap challenge already mentioned above, nevertheless all five partner CSOs were able to point to a number of combi-supported activities which they felt had an impact on the national policy debate. AVAP stated that its Democracy and Information Centres (DICs) have become meeting places for councillors and residents. In addition, DICs have also become repositories of literature on various issues and information from other CSOs. With regard to the electoral process, AVAP mentioned that it had played an active role in advocating for the review and strengthening of the electoral code of conduct. AVAP also made submissions to the parliamentary committee on governance and gender affairs.

In addition to the outcomes of CSPR’s work already cited by DFID above, CSPR also mentioned the cattle restocking study conducted in Southern province which generated interest within the province, as well as at national level. CSPR was able to engage the authorities at the Ministry of Livestock, prompting them to undertake a review of the whole programme. CSPR also mentioned that its review of the FNDP fed into the government’s overall review of the Plan. CSPR was also proud of its contribution to the Governance Framework of the Governance Secretariat.

CARITAS stressed that attribution gap will always be a big challenge because of the presence of several other CPs that are not part of the combi. However, CARITAS felt that it was perfecting its work because of all kinds of support it gets, including the combi. CARITAS has, for instance, been receiving commendation letters from Parliament because of its submissions to parliamentary committees. These submissions ultimately end up being part of the law reform processes. At parish level, CARITAS stated that it was seeing more capacity among its teams. CARITAS believes that this is partly because reporting requirements under the combi-arrangement afford its local teams learning opportunities.

JCTR pointed out that there are two ways in which impact could be ascertained. Firstly, JCTR cited public perception of its contribution to the lives of the people. The monthly BNB, for instance, has proved popular among trade unions, Members of Parliament and researchers, including students from the University of Zambia. Secondly, JCTR referred to government’s response to its work. In this regard, notable achievements have included the school feeding programme which was launched with the cooperation of the Ministry of Education and the World Food Programme, and JCTR’s tax study to which ZRA has agreed to provide a technical reference group. Other JCTR contributions have been participation on the Macroeconomics, Governance and Social Protection SAGs. JCTR has also submissions to the NCC on the debt oversight mechanism and economic, social and cultural rights. JCTR also enjoys good relations with the three main church

mother bodies. For instance, CCZ has regularly invited JCTR to make presentations at its meetings.

Last, but not least, FODEP, too, cited several notable achievements made with support of combi-financing. FODEP mentioned research it conducted on local governance with GTZ support which subsequently helped government to identify major NGOs involved in local governance and some of these were invited to sit on the SNDP thematic committee.

Three Members of Parliament and one senior civil servant were also interviewed to solicit their opinions on some specific aspects of this review. They were asked to respond to three main questions, namely:

- 1) How do the above actors perceive the roles of AVAP, CARITAS, JCTR, CSPR and FODEP in the national poverty reduction and governance agenda?
- 2) What specific outcomes in the national policy reform agenda can be attributed to interventions in which these CSOs have played critical roles?
- 3) How do state institutions perceive the contribution of CPs in fostering relations between State institutions and CSOs?

The importance of CSOs in Zambia's multiparty democratic dispensation was probably best summed up by Kabwata Member of Parliament Given Lubinda who stated that "there can't be one too many CSOs". In other words, there was no dispute as to the necessity of these organisations on Zambia's socio-political and economic landscape. Again, it was Given Lubinda who captured the mood of everyone on the role of CSOs when he observed that "the necessity of CSOs, however, is affected by their credibility". Not surprisingly, the five partner CSOs were judged to enjoy varying degrees of credibility.

CARITAS, JCTR, and to a lesser extent, CSPR, received favourable assessment from the respondents. Questions were, however, raised regarding the credibility of FODEP and AVAP.

CARITAS, JCTR and CSPR, were applauded for according Members of Parliament the opportunity to understand their role in relation to the poverty reduction agenda through workshops. These three organisations were perceived to place emphasis on how constituencies can combat poverty. They were also noted for their role as alternative sources of data on poverty and putting the statistics on poverty generated by the Central Statistical Office (CSO) in human perspective. The work of these three CSOs on the budget process was also deemed to have empowered Members of Parliament to debate from an informed position.

The above three CSOs have made useful contributions to various committees of parliament which include Public Accounts Committee (PAC), Estimates Committee, Economic Affairs and Labour Committee and the Agriculture Committee. The importance which chairpersons of parliamentary committees attach to these three CSOs is evidenced from the fact that whenever public hearings are scheduled, they are always given priority, ahead of government controlling officers. This is a deliberate move aimed at arming the legislators with

the necessary data and information to help them hold the executive accountable. The strength of CARITAS, JCTR and CSPR, is that they do their advocacy work from positions backed by evidence-based research. Because of this, many legislators do not hesitate to quote these organisations when making contributions to national debates. Committees of parliament often incorporate data from these CSOs into their reports to the executive. The same can't be said about a lot of CSOs which seem to speak without the necessary facts.

There were mixed perceptions of the roles played by FODEP and AVAP. Those who spoke favourably of FODEP emphasised its election monitoring role and how this has helped to forestall electoral fraud wherever FODEP has deployed its elections monitoring agents. Thus, FODEP is viewed as giving confidence to both voters and opposition political parties. In addition, FODEP's elections monitoring reports were seen to provide a good counterbalance to government's observations. Although there was no specific reference to AVAP's role, one could only assume that given a wider sample, similar observations would probably have been made about it.

On the negative side, FODEP and AVAP were criticised for perceived lack of credibility. It was argued that the two organisations have a problem of teasing out issues which end up creating credibility problems for themselves, e.g. "when will PF hold its convention"? or "MMD should not hound out Mpombo"! By abandoning general principles and enmeshing themselves in details, they risk being perceived as pursuing other people's agenda.

### Statement

*Going forward, it is quite clear that there is need for partner CSOs to think a little more clearly on the issue of impact of their work as opposed to merely being content with outputs. GTZ has correctly observed that this is, to a large extent, a process – e.g. constitution making or budget tracking. Follow through is important. Again, as GTZ has observed, it is important that CSOs ask themselves, "what are we doing with what we are implementing?" There is need to reflect, for instance, on the outcome of AVAP, CARITAS and SACCORD, joint elections monitoring. Equally important, is need for partner CSOs to invest in knowledge management as a first step to capturing results of their work.*

## 3.7 Challenges

Notwithstanding the many favourable comments that respondents made about the combi-financing instrument, nevertheless all admitted that the instrument was not without its challenges. What follows below is a brief summary of the recurring issues that different categories of respondents reported as highly challenging in the implementation of the combi-financing instrument.

**Gatekeeper role** - Challenges were more pronounced with those civil society organisations that experienced termination of the financing arrangement or some kind of freeze as a result of unsatisfactory progress on agreed contractual obligations. In this regard, there was an outcry that GTZ as lead partner was

wielding too much influence which was a hindrance to accessing resources pledged by other CPs. GTZ was viewed as a gatekeeper whose seal of approval held the key to unlocking other donor resources. This has been a generalised fear with the Paris agenda on Aid Effectiveness. Recipients of aid, whether governments or civil society organisations, have feared perceived donor power that comes with harmonisation or increased cooperation among CPs. The issue, however, should not be fear of aid freeze. In the specific case of partner CSOs engaged with the combi-financing arrangements, what need to be addressed are the issues that prompt CPs to withhold funding. It should be understood that there is no malice meant on the part of CPs, but a desire to see respect for contractual obligations and proper utilisation of funds. In this case, partner CSOs' internal institutional weaknesses should be acknowledged and in the spirit of dialogue offered by the combi, the way forward should be identified and corrective measures taken to the mutual satisfaction of both CPs and partner CSOs.

**Restricted dialogue** - The perceived challenge of GTZ's so-called gatekeeper role is also closely linked with what has been referred to as restricted dialogue with the "silent partners" in the combi-financing arrangement. This is perceived to be a challenge because it is felt that silent partners should be allowed to make an independent assessment of a partner CSO experiencing problems before taking a decision to cut off funding.

**Absence of structured feedback format** - There have been complaints regarding the way feedback is given by GTZ to partner CSOs on their performance. The call for a structured feedback format proposed by CSOs and already practiced by some CPs that are outside the combi-financing arrangement may just be the way forward to resolving problems identified above.

**Attribution gap** – Although nearly all partner CSOs were quick to point out results of their work, it was not easy for them to articulate the impact of their activities. This is a serious challenge admitted by both CPs and partner CSOs.

**Delays in disbursement of funds** - Nearly all partner CSOs interviewed suggested that the international layer of bureaucracy involved in approving combi contracts contributes to delays in disbursement of funds and eventual implementation of partner CSOs' programmes. The desire is to see greater harmonisation among the partners, with the GTZ country office assuming greater authority in approving contractual arrangements than is the case currently.

**Independence versus appendage** - What GTZ perceives as dialogue with partners CSOs is sometimes seen by the latter as "too close" for comfort. This is a matter that needs honest and sincere discussion on how best closeness and dialogue should go. This is not easy to resolve because in other quarters it is reported as GTZ's comparative advantage.

**Capacity support** - The issue of GTZ's capacity support to partner CSOs is not always well appreciated in either the type of support or the manner in which it is given. Again, sincere and honest discussion is needed here. Partner CSOs are all emphatic that they need varying degrees and types of capacity support. The challenge is to provide tailor-made capacity support to suit the needs of each partner CSO, and preferably such support should be demand driven.

## 4. Conclusions and Recommendations

### 4.1 Conclusions

No doubt the combi is a novel and innovative approach in financing partner CSOs. It is also contemporary in its context. In many respects it's in tune with global trends on harmonisation of support among CPs as articulated in the Paris Declaration on Aid Effectiveness and the Accra Agenda of Action. In the world of changing aid architecture, the combi-arrangement retains unique features that make it attractive to both CPs and partner CSOs. Dialogue, capacity support and networking are some of the features peculiar to the combi-modality. Reduced transaction costs for both CPs and partner CSOs is another unique characteristic of the combi.

The combi which is complemented and enriched through capacity development stretches beyond the mainstream of basket funding where money simply changes hands. Capacity development through technical cooperation or assistance complements financial contributions in a way that it brings out ideas that are changing minds.

It is also true, however, that the combi is not without challenges of its own. This review has listed some of these challenges above. These include issues of appropriateness of capacity support, delays in disbursement of funds, lack of structured feedback format, attribution gap, and independence versus appendage, gate-keeper influence and restricted dialogue.

The challenges cited above call for honest and sincere dialogue to improve the performance of the combi. We have already made suggestions on how some of these issues can be approached. We wish to make it categorically clear that the combi is a useful financing modality, especially now when there is danger of most CPs gravitating towards pooled funding modalities such as the ZGF. Our recommendation is that CPs should retain mixed approaches to funding CSOs. But for the combi to see off the challenge posed by ZGF, for instance, it is important to address the challenges identified in this review.

### 4.2 Recommendations

Finally, this review would like to conclude by reiterating some salient points which we consider to be cardinal to the improved performance of the combi-financing modality.

**Development of adequate absorptive capacities** – This review has identified that care must be taken to ensure that partner institutions have adequate institutional absorptive capacities before large amounts of money are disbursed to them. Failure to do so would condemn many well-meaning organisations to unnecessary failure.

**Structured dialogue and feedback reporting mechanisms** – Whereas this review has confirmed that capacity support, dialogue and networking are some of

the unique advantages of the combi-financing modality over other donor support models to CSOs, the mechanics of these still remain unsatisfactory to all partners. It is important therefore to develop clearer and more predictable mechanisms to address some of the observed inconsistencies.

**Robust monitoring and evaluation systems and knowledge management systems** – Developing robust multi-tier monitoring and evaluation systems, as well as, knowledge management systems, will go a long way in addressing the attribution gap challenge. This should apply to both partner CSOs and CPs. The end result of this intervention would be improved capturing of results of what CSOs are doing and the manner in which they report their activities.

**Greater harmonisation of processes among CPs** – Clearly one challenge revealed by this review is the need to further harmonise approaches among CPs. This would help with timely disbursement of funds, as well, as ease the reporting requirements for partner CSOs.

## 5. Way forward: Partner Meeting of 21 September 2010

The draft final review report was circulated to the five partner organisations AVAP, CARITAS, CSPR, FODEP and JCTR. A meeting was held on 21 September 2010 with the aim to share the conclusions and findings of the combi-review and to raise positions and views for improvement and preferably agree on the way forward. The meeting was held in an open manner. The consultant presented the main findings, conclusions and challenges a lead the debate along the following agenda:

- Brief presentation of main finding, conclusions and recommendations
- Exchange of views on the findings and recommendations and constituting common understanding: balancing perceptions and experience and reflect on the understanding what our roles are vis-à-vis each other
- Consolidate the understanding in expressing expectations and institutional and professional behaviour pattern
- Draft few standards for our cooperation in the form of e.g. values and/ or operational principles for agreement on our cooperation

The CSO partners and GTZ arrived at a number of common positions, in fact common denominators that serve the purpose of intensifying their relations.

**Reporting to GTZ** – The civil society partners stressed the need for mutual accountability. With regards to their reports to GTZ they made some recommendations for feedback:

- Acknowledgement that the report has been received
- Feedback on the content on a needs basis, whereas either party can take the initiative to ask for it
- Feedback would be appreciated in a more formal and structured form and be expressed in writing and also at a meeting if needed
- Communication should be on an institutional level and in the form of institutional dialogue rather than in the form of a personal conversation.

**Role of GTZ** – GTZ responded to the “gatekeeper” perception and made it clear that that this is not its role. GTZ has been quite instrumental in lobbying for support to partner CSOs across the interests and engagement of other cooperating partners and will continue this. GTZ through the Good Governance Programme leads the Non-State Actors Group and this forum facilitates communication, coordination and cooperation among CPs for national CSOs. GTZ further stated that the support and funding to partners CSOs creates opportunities for support from other CPs. In order to secure a more stable financial state GTZ suggested diversifying the funding structure.

It was discussed that administrative procedure and the requirement of approval of funding by the GTZ headquarter in particular have led to delays in the disbursement of funds. The civil society partners proposed a more decentralised approach towards the administrative of contracts through the GTZ country office. This could speed up the process.

**Audit** – The CSO partners suggested an annual audit for the support received which may be also conducted as audit for the organisation as whole. This would serve as alternative of sending all invoices or as presently being practiced, summarised invoices and vouchers to GTZ for first level screening. It was agreed that the CSO partners through their accounts officers forward a concrete proposal to the Good Governance Programme for dialogue with and possible adjustment by GTZ head office.

**Capacity development** – The perception of partial dissatisfaction of civil society partners with the capacity development was discussed. Differences in understanding what capacity development means to partners and what they include in this important instrument require further clarification. The COS partners and GTZ agreed that capacity needs to be demand and needs driven. Few questions were raised for further clarification (ref. statement 2 in sub-chapter 3.5 and annex VI):

- Do we understand Capacity Development with same perspective?
- What capacity needs do partner CSOs have and how best articulate them and respond specifically?
- Apart from capacity development (training, purchase of software, contribution towards accountants' salaries, etc) why don't partners get the quality out of their work?
- Is capacity development for better knowledge management considered relevant in partner organisations? Is there evidence to show how knowledge management has shaped organisations?
- If partners are unable to attribute impact themselves, how then can this be best done and what and how could GTZ support?

GTZ suggested to the CSO partners to view the broad area and facets of capacity development that has been provided by the programme ranging for deploying sector and subject expertise, moderation, facilitation of seminars, workshops and conferences, training including regional and international exposure, ad hoc support to emerging initiatives, bridging gaps at level of salary needs and, beyond many more specific support quite intensive communication, dialogue and counselling. GTZ suggested to further clarify what capacity development need could be supported within the context of the combi-arrangements and in addition to work plans.

## Annex I Terms of Reference

### Review / Evaluation of Combi-Financing Arrangement for CSOs

#### 1. Background

The delegation cooperation or combi-financing agreements between the Irish Aid and the Good Governance Programme of GTZ and DFID and the programme aim at supporting the work of CSO partners identified by GTZ, Irish Aid and DFID. Irish Aid and DFID are ‘silent partners’ by granting funds to GTZ which is the ‘active partner’. The three organisations have entered into grant agreements. The funds received have been integrated into the budget of the Good Governance Programme and hence form part and parcel of the commission from the Federal German Ministry for Economic Cooperation and Development.

Funds from the delegation partners and matching funding from GTZ are incorporated in a separate financing package and earmarked for the CSO partners. The separation of funds from the delegation partners and GTZ serves the purpose of avoiding mixing of funds within GTZ’s internal accounting procedures.

Combi-financing agreements were conducted with five partner CSOs 2007 with amendments in 2008. In September 2009 a new agreement between Irish Aid and GTZ was signed under the second phase of the programme for the support of three CSO partner’s work programme 2010.

Irish Aid and GTZ agreed in June 2010 to undertake a joint review and evaluation of the combi-arrangement. It is suggested to incorporate the DFID combi-financing component in this evaluation.

#### 2. Tasks

##### 2.1 Objective

The review is a constructive reflection of the experience gained with this funding and support instrument with a strong focus on results achieved to date. The combi arrangement is not just a funding instrument but serves the purpose of a focuses support: It combines financial contributions from two or more partners with capacity development and close cooperation over time.

##### 2.2 Tasks

The consultant’s task is assess the funding instrument from three angles:

- 1) of partner CSOs,
- 2) Experience and perception of funding CPs
- 3) Views of GTZ.

This would include two dimensions:

- 1) Technical aspects of the combi-financing: contractual arrangements, management requirements including financial/ accounting and reporting arrangements, capacities and performance

- 2) Results, impacts and outcome with respect to the CSO partner's development and performance, e.g. objectives achieved and at least partly attributed to the combi, governance structure, capacity, HR, performance

The consultants are further expected to briefly reflect on funding modalities for CSOs that are presently active in Zambia. They may also gather information from other stakeholders that have experience with this type of modality and may bring in their own experience from assignments in other projects and countries.

Specific tasks are the following:

- 1) Review relevant literature such as the Nordic+ study, EU study on CSO support modalities and other aiming at placing the combi-financing modality into the development debate.
- 2) Develop a brief questionnaire and set of questions for different stakeholders: CSOs, CPs and GTZ and third parties along the questions developed by the Good Governance and consolidated between GTZ, Irish Aid, DFID and partner CSOs.
- 3) Interview management and staff of the four combi-partners, AVAP, CARITAS, JCTR and CSPR. They may interview management and staff from FODEP which was a partner in the first round of combi-financing arrangement in 2007/20089.
- 4) Collect perceptions from third parties and persons that worked at the partner CSOs but have changed to other organisations.
- 5) Gather views from the "clients" of the CSOs which could include key GRZ interlocutors, e.g. Parliament/ MPs, MFNP for JCTR and CSPR, ECZ for AVAP and Chairs of SAGs in which CSO participate etc.
- 6) Hold one joint meeting/ workshop to triangulate findings and to consolidate their conclusions.
- 7) Brief GTZ, Irish Aid and DFID on the results and submit a report of not more than 20 pages.

### **3. Schedule and arrangements**

The work is estimated for 15 days for two consultants each in a way that they share the work and complement their professional findings. The division of labour with respect to literature review, interviews and meetings will be agreed upon in consultation with GTZ. Both consultants are responsible for final report in a manner yet to be agreed.

Schedule is suggested as follows (subject to confirm dates and participants)

- 1) Kick-off meeting with CSO partners 13 07 2010
- 2) Interviews with stakeholders: 28 and 29 week
- 3) De-briefing with IA, GTZ and CSO partners 29 07 2010
- 4) De-briefing with IA, GTZ and DFID 06 08 2010
- 5) Draft report 06 08 2010
- 6) Final report 27 08 2010

## **Annex II Research Instrument for CSOs**

- 1) How do CSOs perceive the combi-financing instrument in relation to other donor support modalities?
- 2) How do CSOs perceive the combination of financial and capacity support provided by combi-financing?
- 3) How do CSOs perceive their relations with GTZ in terms of dialogue, provision of capacity and networking support?
- 4) How do CSOs perceive their reporting obligations in terms of providing financial and factual information that would allow CPs to assess progress?
- 5) What changes would CSOs want to see in their reporting obligations under the combi-financing instrument?
- 6) How do CSOs perceive their performance against the agreed upon objectives and contractual arrangements with GTZ?
- 7) How do CSOs perceive the management requirements agreed upon in the financing contracts and what could be done to ease the workload or burden in managing the funds?
- 8) In what specific ways, if any, can CSOs relate the combi contribution to positive results and outcomes in their work?
- 9) Give a brief summary of challenges perceived by CSOs in the use of the combi-financing instrument
- 10) What recommendations can CSOs make to improve the future working of the combi-financing instrument?

## **Annex III Research Instrument for IRISH AID and DFID**

- 1) How do the “silent partners” in the delegation cooperation see the combi-financing instrument in the light of other support models to CSOs in Zambia?
- 2) What comparative advantage does GTZ possess in the implementation of the combi-financing instrument?
- 3) With the emergence of new support models to CSOs in Zambia, such as the Zambia Governance Foundation (ZGF), how do CPs perceive the future of the combi-financing instrument?
- 4) How do CPs perceive results and outcomes of partner CSOs work with respect to their own policy agenda and in relation to the contribution of the combi-financing instrument?
- 5) How and to what extent are the CPs satisfied with the reporting from partner CSOs in terms of knowledge generation and conclusions forwarded?
- 6) What would Irish Aid and DFID want to see changed in the combi-financing instrument?
- 7) What is the perception of Irish Aid and DFID of partner CSOs' contribution to the national reform agenda?
- 8) Are CPs in a position to relate the combi-financing's contribution to progress on the national reform agenda and how could the attribution gap be narrowed?

## **Annex IV Research Instrument for GTZ**

1. What are the relations between the CSO partners and GTZ in terms of dialogue, provision of capacity development and network support?
2. What are the lessons learnt from relations with partner CSOs, e.g. in engagement in the critical stages of the governance of partner CSOs?
3. Are DFID and Irish Aid satisfied with the reporting from CSO partners in terms of knowledge generation and conclusions forwarded for their own work?
4. Is GTZ in a position to relate the combi-contribution to progress on the national reform agenda and how could the attribution gap be narrowed?
5. What are the tangible benefits of GTZ capacity development for CSO partners?
6. How could the combi-financing instrument contribute to sharpen planning, implementation and monitoring and evaluation?
7. How can GTZ facilitate peer learning among CSO partners?
8. What could be the contribution of the combi with emphasis on the relations between CSOs and state institutions?
9. What challenges does GTZ perceive in the use of the combi-financing instrument and what recommendations can it make for the future?

## **Annex V Research Instrument for State Institutions**

- 1) How do the above actors perceive the roles of AVAP, CARITAS, JCTR, CSPR and FODEP in the national poverty reduction and governance agenda?
- 2) What specific positive outcomes in the national policy reform agenda can be attributed to interventions in which these CSOs have played critical roles?
- 3) How do state institutions perceive the contribution of CPs in fostering relations between State institutions and CSOs?

## Annex VI Key Findings of the Combi-Review Related to the Team Values of the Good Governance Programme and Way Forward

Key Findings from Review Report	Related Values of the Good Governance Programme Team	Questions for Dialogue: Developing Relations between Partners
<p><b>3.1 Partner Assessment</b>                      Going forward, the above positive partner assessment of GTZ by its silent partners, has to be counterbalanced by the views of partner CSOs on the issue of close relations and capacity development support. As we shall see later, whereas partner CSOs in good standing with GTZ reaffirmed the assessment of IA and DFID regarding GTZ's comparative advantage, the same is not the case with partner CSOs that perform poorly. For the future, it would be important to build on the positive assessment of GTZ's comparative advantage, by adequately addressing the concerns raised by the partner CSOs that have performed poorly under the combi-financing arrangement</p>	<p><b>Value 7: Result Orientation</b>  <b>Value Statement</b>                      As a team, we strive to maximise the impact of our partners' work in line with our programme objectives.</p> <p><b>+</b>  <b>Value 1: Embracing Diversity</b>  <b>Value Statement</b>                      We recognise/ acknowledge and activate gender, ethnicity, culture, social-economic environment, and the professional capacity of our team colleagues and our partners.</p>	<ol style="list-style-type: none"> <li>1. Is the question of partners' needs considered as part of ownership?</li> <li>2. Does it matter for GTZ to bring out and relate the programme goal system to that of CSO partners and identify partners who contribute towards attainment of its goals?</li> <li>3. How best could the goal systems be aligned that GTZ effectively responds to capacity needs of partner CSOs?</li> <li>4. How best could we support our partners in their efforts to include cross-cutting themes and address the diversity of governance?</li> </ol>
<p><b>3.2 Strategic Orientation</b>                      Going forward, care must be taken to ensure that support to partner CSOs is always commensurate with their absorptive capacity, especially availability of adequate and competent staff. Disbursing financial support without taking into account the absorptive capacity of an organisation may be a sure way of "killing" the organisation, good intentions notwithstanding.</p>	<p><b>Core Value: Continuous Improvement: We are a Learning Organisation</b>  <b>Value Statement</b>                      In our team, we set high expectations for ourselves and identify ways to go the "extra-mile" for our partners. We evaluate our work process regularly to identify areas for improvement.</p>	<ol style="list-style-type: none"> <li>1. What have we learnt as programme since we started supporting CSOs?</li> <li>2. To what extent has our learning from previous programme phases shaped our relationship with partners?</li> <li>3. Is absorptive capacity an issue that is honestly discussed by our partners?</li> <li>4. Why do our partners find it problematic to negotiate openly, not only with GTZ but with other CPs, despite having competent staff?</li> </ol>

Key Findings from Review Report	Related Values of the Good Governance Programme Team	Questions for Dialogue: Developing Relations between Partners
<p><b>3.3 Reporting Requirements</b>                      Going forward, we suggest that good dialogue be held between GTZ and partner CSOs on how the challenges identified with regard to reporting obligations can be addressed.</p>	<p><b>Value 2: Integrity</b>  <b>Value Statement</b>                      We conduct ourselves at all times with honesty, trustworthiness and open and direct communication</p> <p><b>+</b></p> <p><b>Value 3: Professionalism</b>  <b>Value Statement</b>                      Our team applies combined and individual knowledge, experience, intellectual and behavioural capacity to accomplish the goal of our programme.</p>	<ol style="list-style-type: none"> <li>1. What would be the format of structured feedback?</li> <li>2. What procedure is followed when reports are brought into GTZ? Do partners understand this?</li> <li>3. What are the implications of GTZ designing a feedback format for partners? What of the ownership that partners cry about?</li> <li>4. When and how do we apportion blame and when do we take responsibility for our actions?</li> <li>5. Apart from office visits, formal and informal dialogue / meetings, email, letter, various comments to their draft documents, etc what other form of communication can our partners recommend?</li> <li>6. How do we balance facts and perceptions formed from individual networking?</li> <li>7. GTZ has left monitoring or participation in partner projects open to invitation by partners. Why do partners find challenges in extending invitations?</li> </ol>
<p><b>3.4 Management Requirements</b>                      Going forward, it appears the issue of management of funds is of a twofold nature. Firstly, it has to do with the differences in operating systems among CPs. Secondly, there are issues of weak institutional capacities among some partner CSOs. We propose dialogue between all CPs and partner CSOs to address these challenges.</p>	<p><b>Value 5: Quality</b>  <b>Value Statement</b>                      As a team, we strive to offer a variety of capacity development measures which address Partners' needs in the programme objectives.</p> <p><b>+</b></p> <p><b>Value 2: Integrity</b>  <b>Value Statement</b>                      We conduct ourselves at all times with honesty, trustworthiness and open and direct</p>	<ol style="list-style-type: none"> <li>1. Do partners have the right staff for the challenging tasks of accountants?</li> <li>2. Do partners understand and realise that audits are budgeted for under the combi and there is evidence to show this funding line?</li> <li>3. How can we document facts and evidence regarding financial management in the absence of mutual trust?</li> <li>4. How open and willing are partners to learn from each other and to draw upon past staff</li> </ol>

Key Findings from Review Report	Related Values of the Good Governance Programme Team	Questions for Dialogue: Developing Relations between Partners
	communication	or members to fill knowledge gaps?
<p><b>3.5 Capacity Development, dialogue and networking</b></p> <p>Going forward, it is quite clear that capacity support, dialogue and networking are some of the unique advantages of the combi-financing modality over other donor support models to CSOs. However, partner CSOs have not all appreciated these features to the same degree. We therefore recommend enhanced dialogue between CPs and partner CSOs to address the issue of how the challenges encountered could be dealt with.</p>	<p><b>Value 3: Professionalism</b>  <b>Value Statement</b>                      Our team applies combined and individual knowledge, experience, intellectual and behavioural capacity to accomplish the goal of our programme.</p> <p>+  <b>Value 5: Quality</b>  <b>Value Statement</b>                      As a team, we strive to offer a variety of capacity development measures which address Partners' needs in the programme objectives.</p>	<ul style="list-style-type: none"> <li>▪ Do we understand Capacity Development with the same perspective?</li> <li>▪ What capacity needs do partner CSOs have and how best articulate them and how best respond specifically?</li> <li>▪ Apart from capacity development (training, purchase of software, contribution towards accountants' salaries, etc) why don't partners get the quality out of their work?</li> </ul>
<p><b>3.6 Overall Results</b></p> <p>Going forward, it is quite clear that there is need for partner CSOs to think a little more clearly on the issue of impact of their work as opposed to merely being content with outputs. GTZ has correctly observed that this is, to a large extent, a process – e.g. constitution making or budget tracking. Follow through is important. Again, as GTZ has observed, it is important that CSOs ask themselves, “what are we doing with what we are implementing?” There is need to reflect, for instance, on the outcome of AVAP, CARITAS and SACCORD, joint elections monitoring. Equally important, is need for partner CSOs to invest in knowledge management as a first step to capturing results of their work.</p>	<p><b>Value 4: Innovation/Creativity</b>  <b>Value Statement</b>                      We are a learning institution that is open, encourages and reward new ideas that add value to our work.</p> <p>+  <b>Core Value: Continuous Improvement: We are a Learning Organisation</b>  <b>Value Statement</b>                      In our team, we set high expectations for ourselves and identify ways to go the “extra-mile” for our partners. We evaluate our work process regularly to identify areas for improvement.</p>	<ol style="list-style-type: none"> <li>1. Is knowledge management considered relevant in partner organisations? Is there evidence to show how it has shaped organisations?</li> <li>2. If partners are unable to attribute impact themselves, how then can this be best done and what and how could we support this?</li> </ol>

## Annex VII List of Respondents

Mr Andrew Bowden	IA
Mr Patrick Mucheleka	CSPR
Ms Mwila Milumbi	CSPR
Mr Fraser Mulenga	CSPR
Mr Bonnie Tembo	AVAP
Ms Mulima Akapelwa	(formerly CSPR)
Mr Samuel Mulafulafu	CARITAS
Hon. Batuke Imenda	Lukulu East Member of ULP Parliament
Fr. Dr Peter Henriot	JCTR
Fr Leonard Chiti	JCTR
Hon. Given Lubinda	Kabwata PF Member of Parliament
Hon. Dr. Godfrey Katema	Chingola PF Member of Parliament
Mr Morgan Mumbwatasai	(formerly DFID)
Dr Dedo Geinitz	GTZ
Ms Kaputo Chenga	GTZ
Mr MacDonald Chipenzi	FODEP
Mr H. Chikobe	FODEP
Mr Yengwe Kakusa (Chief Planner)	MCDSS

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