

Managing for Development Results

The Focus of the National Development Plan

The GTZ programme of support to the Ministry of Finance and National Planning is assisting the Government of Zambia to introduce a system of Managing for Development Results as a means of guiding the process of implementing the Country's National Development Plans. This generally follows the principles developed during the Second Round Table on Managing for Development Results, held in Marrakesh and centres on trying to focus all activities in the National Development Plan on the realisation of results that can be measured, and aligning the planning and budgeting processes with the monitoring and evaluation system. It stresses the importance of keeping the measurement and reporting simple and understandable for all and enhancing the dialogue process around the results and the selection of options for the future.



A scene from the outskirts of Lusaka – the project is working with counterparts in the MoFNP to identify meaningful indicators and targets in the frame of the National Development Plan to ensure the country's objective of becoming a middle-income country can be realised

Background and country context

Prior to the adoption of the Poverty Reduction Strategy Paper (PRSP) in 2002, reporting on performance in

Zambia was predominantly qualitative and descriptive. At the same time, occasional surveys were carried out that gave data on indicators at the impact level, such as the proportion of the population below the poverty line. However, in the PRSP period there was an increased understanding that something more was needed. Buoyed by the experiences in the Health and Education Sectors and supported through Programme based Approaches (PBAs), a commitment to focusing on results in the implementation of policies was generated.

During the formulation of the second PRS, called the Fifth National Development Plan (FNDP), this was reiterated by the coordinating Ministry of Finance and National Planning. However, it became apparent that many of the pre-requisites to such a system did not exist at other levels of Government; the problems included

- Weak and fragmented information systems in the few agencies that had any system,
- No link between planning and budgeting, which was still driven by an incremental approach (even in an environment of activity based budgeting)
- A reluctance to set performance targets and a hesitancy to report on performance to a wider audience, compounded by a poor demand from within the Government system for this, and
- A perception that plans were to guide donors in providing resources, rather than improve the delivery of services using government's own resources.

Notwithstanding, Zambia did manage to ensure that each of the 33 chapters of the FNDP included Key Performance Indicators. These indicators have annual targets for each year of implementation. The means of achieving these targets is left up to the lead agencies in the sector, under advice from the Sector Advisory Groups (SAGs). These are all compiled into an Annual Progress Report by the Monitoring and Evaluation Department in the Ministry of Finance and National Planning, and are then presented to Parliament for their information.

Cooperation approach and GTZ advisory services

GTZ has supported this process through various trainings and consultancies and hands on work with the Ministry, trying to address some of the environmental challenges that have been faced. The production of a regular series of reports is an achievement in itself; however, more work is needed on addressing quality and ensuring the outputs get used for longer-term decision-making and that these recommendations find their way into discussions on the budget, particularly in Parliament. The following provides an overview of what has been done to support this.

1. Trainings and consultancies

The first step to addressing the challenges presented by the development of a system of **Managing for Development Results** was to build the capacities within the planning department to interact with other arms of government. This included training sessions on how to select indicators and set targets. This training was used subsequently in the identification of Key Performance Indicators for each sector and setting targets for these for each year of FNDP implementation.



The project has supported a number of practical training sessions for staff of Government Ministries and other stakeholders from the Sector Advisory Groups in Zambia.

During these consultations, it became apparent that more work would be required in strengthening the capacity of different sectors to develop their information systems if these were to provide the necessary top-down inputs for decision-making. To assist, a series of workshops were held, backed by a training manual on monitoring and evaluation issues and the production of a self-learning course on Monitoring and Evaluation (M and E). Sector specific trainings in social protection, water, agriculture and governance were organised (in collaboration with InWent and other GTZ projects in Zambia). In terms of trainings, some milestones that stand out are

- In November and December 2006 almost 200 members of various Sector Advisory Groups (SAGs) were introduced to concepts related to Monitoring; the output of these courses were the production of the Key Performance Indicators to measure performance in the FNDP period.
- In 2007 training for the Agriculture and Water sector on statistics and monitoring (jointly with InWent and the German Statistical Agency, Destatis).
- In 2008 training for the Governance Sector on how to institute a Country Led Governance Assessment.

- In May 2009 the project, along with the Train 4 Dev Network supported a joint training on Managing for Development Results in Lusaka that targeted participants from Government, Civil Society and Cooperating Partners (Donors) active in six separate sectors.

At the same time, a number of consultancies have been supported, dealing with a variety of subjects, such as how to establish a National Statistical Strategy, focusing on coordinating and linking various sources of data and on an assessment of the availability of statistics that will help to improve the planning around issues related to gender in the country.

2. Improving data and information flow

The project has also become involved in addressing the actual collection of data to help fill some of the major data gaps that exist. This has mainly focused on working with the Central Statistical Office (in conjunction with the UK's Department for International Development - DFID) on improving the implementation of the Living Conditions Monitoring Survey (LCMS). This includes developing a concept for assessing the process, which will help to inform the implementation of future surveys. In a similar vein, the project has worked closely with the Governance Secretariat, based in the Ministry of Justice in the design and implementation of the State of Governance Survey, which was conducted in early 2009.

3. Improving data analysis

While steps have been made in developing an understanding of the need to have a results focus, and on improving the flow of information, the project has also realised that there is a need to deal with what happens afterwards. In that regard the project has supported trainings and consultancies to introduce Poverty and Social Impact Assessments to Zambia. Another major step has been in supporting the establishing of the Research and Development Programme in the M and E Department in the Ministry of Finance and National Planning. It is through this department that reports such as the **Situation Analysis of Children and Women in Zambia** has been produced (in conjunction with Unicef), as well as the **Mid Term Review of the Implementation of the FNDP**. Both of these reports will contribute strongly to the formulation of the Sixth National Development Plan to cover the period 2011 – 2015. This area of work will be continuously strengthened throughout the life of the project.



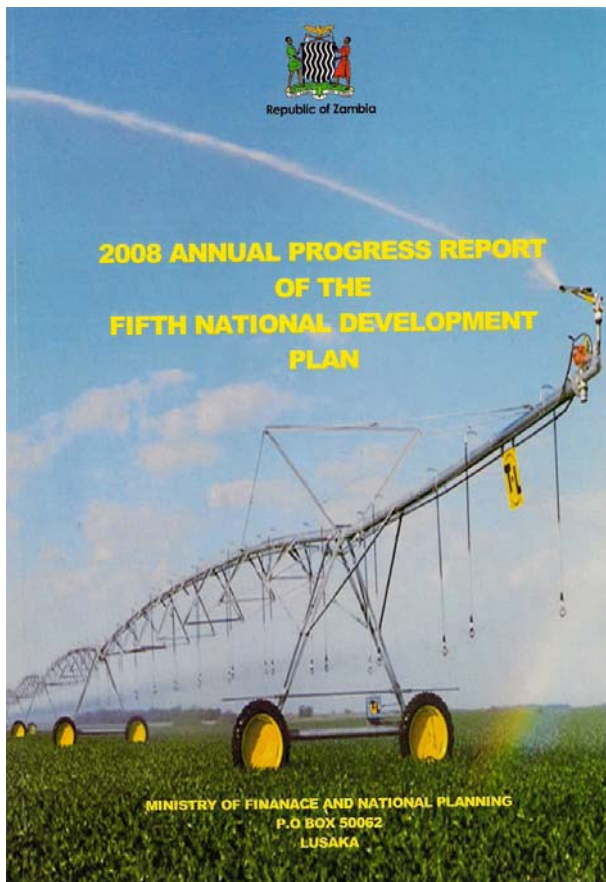
The delivery of services to the most vulnerable members of society is important to address the poverty situation in the country – the NDP sets annual targets in a number of sectors, such as health and education



In March 2009 the project, along with the Train 4 Dev Network organised a training on Managing for Development Results. Here participants from the Energy Sector try to identify a series of indicators to use in their sector.

4. Improving domestic accountability and reporting

As a means of developing an understanding of what is going on in terms of development in Zambia, the project has worked very closely with the M&E Department in the Ministry of Finance and National Planning to assist them in producing a series of Annual Reports on performance that are presented to a variety of actors – Parliament, Civil Society and Cooperating Partners. This includes three Annual Progress Reports on the implementation of the FNDP and the development of the Performance



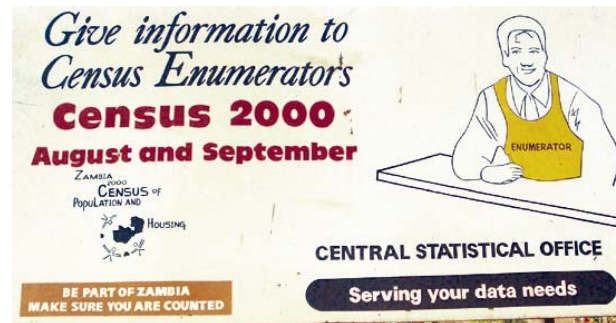
The Project has assisted the MoFNP in the production of the Annual Progress Report on the implementation of the FNDP. This document is produced by May of each year, and is presented to parliament (amongst others) as a means of identifying whether the country is on track in its development programmes.

Assessment Framework for the nine Budget Support donors, the results of which are discussed in various High Level Policy forums in Zambia.

The project has also supported the MoFNP in the production of local language versions of the development plan and long-term vision, the production of Annual Progress Reports and the holding of national conferences where members of the SAGs are invited to participate and discuss issues connected to the implementation of the FNDP.

The third element of this work that the project has supported the Ministry of Finance and National Planning in its interactions with the Sector Advisory Groups. This has included supporting two specific reviews of performance of the SAGs with recommendations on how to improve this, as well as working with the ministry in redesigning the Terms of Reference for the SAGs. As the country embarks on the development of the SNDP throughout the course of 2010, this improved understanding of what is necessary to make such a body function will prove invaluable.

Finally, the project, along with the Partnership in Statistics for Development in the 21st Century (PARIS21) has supported the Central Statistical Office in the development of a National Data Archive (NADA), which facilitates the sharing of data sets for easier analysis by the research and academic communities.



As part of the process of improving the quality of data in the country, GTZ, along with other Cooperating Partners, are working closely with the Central Statistical Office on a number of areas, including the Census and Living Conditions Monitoring Survey.

Lessons learnt: The big challenge – Tying resource allocation to performance

The improved understanding of the concepts, coupled with the availability of data and the new demand for results, as seen domestically through the production of the Annual Progress Reports and internationally through the Performance Assessment Framework for Budget Support has provided a big impetus to the process of **Managing for Development Results**.

It is increasingly apparent that decisions made in sectors such as health and education on issues such as the deployment of teachers or resources for child vaccinations are influenced by the need to achieve pre-agreed results and targets. At the same time there has also been progress on ensuring that transfers to district levels are becoming more rules based, utilising available data to target the most disadvantaged. However, the lack of good quality data in a number of sectors remains a major challenge, and is an area that needs to be worked on by the Government and its Cooperating Partners.

Why is Managing for Development Results (MfDR) gaining so much prominence?

In the Paris Declaration, donors and partner countries committed to use the MfDR approach – partners to strengthen the linkages between strategies and budgets, and endeavour to establish results-oriented reporting and assessment frameworks; and donors to link country programming to results and align them with partners' assessment and monitoring frameworks, and harmonise reporting requirements.

The "MfDR cycle" involves five core components or stages:

- setting goals and agreeing on targets and strategies
- allocating the available resources to activities that will contribute to the achievement of the desired results
- monitoring and evaluating whether the resources allocated are making the intended difference
- reporting on performance to the public
- feeding back information into decision-making.

The development of a "performance culture" is a challenge: it requires capacity development, firm leadership, and political will – over a prolonged period of time. The Paris Declaration recognizes that MfDR is central to the entire aid effectiveness agenda. MfDR means that stakeholders push partner country governments and donor agencies to demonstrate results, and that donors and recipients expect each other to demonstrate that they are meeting their commitments and promises. MfDR reaches far beyond aid management. It addresses the entire development process in partner countries and guides the allocation of all development resources in the most effective way.

The Accra Agenda for Action calls on donors and developing countries to focus on delivering results, including being more accountable and transparent to the public for results. Developing countries will need to work to strengthen the quality of policy design, implementation, and assessment through improving information systems; and they will work with donors to develop cost-effective results management instruments to assess and adjust the impact of development policies, and to better coordinate information systems including national statistical systems. The AAA also calls for strengthening incentives to improve aid effectiveness, including managing for development results.

Source – Accra High Level Forum of Aid Effectiveness (2008) **Managing for Development Results**
111.accralhif.net

Thereafter the next major challenge is to strengthen the links between planning and budgeting. The production of some basic budget analysis by the M & E department that is tied into performance against the programmes in the sector and the subsequent follow-up on issues raised through budget hearings, will also contribute to **ensuring resources are allocated to activities that will contribute to the achievement of the desired results** as outlined in the FNDRP. The production of a more accessible budget document, and a revised Plan and Budget Act will also assist this process, and is an area that will be supported by the project over the coming months and years.

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Sources of Data for Monitoring the FNDRP

The Monitoring and Evaluation Department in the Ministry of Finance and National Planning has produced a series of training materials to help sectors develop systems to monitor the implementation of the FNDRP. The newsletter will draw on a particular subject from these materials in each edition. The current edition looks at 'Sources of Data for Monitoring'.

The materials identified a number of potential sources of data for each type of indicator, as outlined in the following figure.

The amount of services provided. This can be as varied as the number of beneficiaries on a scheme such as the Public Welfare Assistance Scheme (PWAS), school bursaries

Figure 1: Sources of Data for the FNDRP

Sources of Data

- Household Income Surveys, other single and multi topic household surveys, qualitative studies (PPAs)
- User feedback and utilisation rates through Admin Systems, Priority and quick surveys, Multi topic household surveys, qualitative studies (PPAs)
- Administrative Information Systems, MIS and Community Surveys
- Budget document (Yellow Book) and actual expenditure data, expenditure tracking surveys and payroll data

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The data on inputs, that is, the financial and personnel provided to produce goods and services, predominantly comes from the financial management systems of the MoFNP and the individual line ministries. The Budget Office produces quarterly release figures at programme level, while the Accountant General's office produces data on expenditures, within 45 days of the end of the quarter. Each sector ministry has a list of established personnel, which should match with the staff employed. In sectors such as education and health, where front line service delivery is a priority, this is essential information to use for management and improving the quality of services provided.

The primary source for data on outputs (the goods and services produced) is again the management information system of sector ministries, provinces and spending agencies (MPSAs). Each of these MPSAs is expected to have in place a system that tracks progress on the various capital projects implemented under its control – from the preparation of the financial proposal and tender documents to the completion of any construction work. Similarly, an MPSA needs to have in place a system that records

Data on the use of these services can also come from the routine or management information systems of line ministries, particularly when combined with data on population projections, to give information on indicators such as Net Enrolment Rates and Immunisation Rates. While the Census is not directly used to monitor the implementation of the FNDRP, it is a major source of data in the calculation of various indicators. This underlines the need for a strong linkage between the MIS and the output of the Central Statistical Office (CSO) on certain key official statistics.

Outcome data on the use of, or satisfaction with the services provided should also come from the beneficiaries themselves through household surveys such as the Living Conditions Monitoring Survey (LCMS) or the

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To improve on the dissemination of data and information, and enhance the possibility of it being used, the project has developed, along with the MoFNP a newsletter to highlight some of the key issues in the area. It can be downloaded from www.mofnp.gov.zm

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